

**NOTICE OF FILING A PETITION FOR APPROVAL TO CREATE A REGULATORY ASSET
TO RECOVER AMORTIZED BELUGA POWER PLANT UNIT NO. 3 OVERHAUL COSTS**

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that on June 8, 2018, Chugach Electric Association, Inc. (Chugach) filed a Petition for Approval to Create a Regulatory Asset for the Recovery of the Amortized Beluga Power Plant No. 3 Overhaul Costs (Beluga Costs). Docket No. U-18-051 was opened to address this matter.

Chugach asserts the amortization of the Beluga Costs is beneficial in two ways. First, it allows Chugach to spread the costs over a period of time, thereby promoting rate stability and fairness over the period of benefit conferred by the maintenance. And second, authorization to amortize recovery of these costs in rates allows Chugach to create a regulatory asset so that those costs do not impact Chugach's financial performance by the full amount in a single year.

Chugach estimates the Beluga Costs to be \$3,810,790 and proposes to recover the costs in rates over a 7-year period, using the straight-line average costs of the overhaul. Chugach estimates the Beluga overhaul to be complete August 15, 2018. Chugach proposes to advise the Commission of the total project cost and the annual amortized cost impact in Chugach's next Simplified Rate Filing.

This notice does not contain all revisions and the Commission may approve a rate or classification which varies from that proposed. You may obtain more information about this filing by contacting Arthur Miller, Vice President of Regulatory and External Affairs at Chugach, at 5601 Electron Drive, Anchorage, AK 99518-6300; phone: (907) 762-4758. The complete filing is also available for inspection at the Commission's office at 701 West 8th Avenue, Suite 300, Anchorage, AK 99501; phone: (907) 276-6222, or may be viewed at the Commission's website at <http://rca.alaska.gov> by typing "U-18-051" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., July 11, 2018, at the Commission's address given above or via our website at:

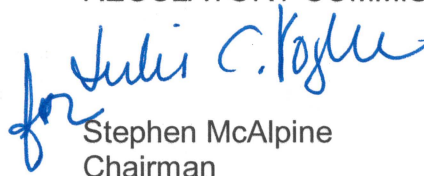
<https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>.

Please reference Docket No. U-18-051 and include a statement that you have filed a copy of the comments with Chugach at its address given above or by email at info@chugachelectric.com.

Individuals or groups of people with disabilities, who require special accommodations, auxiliary aids or service, or alternative communication formats, please contact Valerie Fletcher-Mitchell at (907) 276-6222, toll-free at 1-800-390-2782, or TTY/Alaska Relay: 7-1-1 or TTY (800) 770-8973, or send a request via electronic mail to rca.mail@alaska.gov by July 6, 2018.

DATED at Anchorage, Alaska, this 11th day of June, 2018.

REGULATORY COMMISSION OF ALASKA


for Stephen McAlpine
Chairman