



FOR IMMEDIATE RELEASE  
June 10, 2011

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### **Chugach board votes to approve Fire Island terms**

*The board of directors of Chugach Electric Association has voted to approve a set of terms and conditions for a project to supply the utility with power from a wind farm on Fire Island. The board took the action at a special board meeting Wednesday night, June 8.*

*Chugach will purchase the power from a wind farm to be built by Fire Island Wind, LLC. Fire Island Wind, LLC is a wholly-owned subsidiary of Cook Inlet Region Inc. formed to develop and sell the energy from the Fire Island Wind Project. The installation will consist of 11 General Electric 1.6xle wind turbines.*

*The proposed deal calls for Chugach to take up to 17.6 megawatts of power at a flat net price of \$97 per megawatt-hour for 25 years, beginning Jan. 1, 2013. Chugach agreed to buy the power at a price of \$107.85 per MWh, and Fire Island Wind, LLC agreed to pay a System Integration Charge equal to \$10.85 per MWh (including curtailment) to help integrate the power into the system.*

*Initial Fire Island Wind, LLC estimates of the energy output of the project puts production at approximately 48,500 megawatt-hours per year – equivalent to about 4 percent of the utility's retail sales in 2010.*

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*The term sheet approved by the board was the conclusion of negotiations between Chugach and CIRI that began in the summer of 2010. Initially CIRI planned a 52.8 MW wind farm, but without other Railbelt utilities to take a portion of the output from the project, it was downsized to provide energy solely for Chugach's retail customers.*

*The term sheet approved by the board Wednesday night will form the basis of a power purchase agreement that will need to be negotiated and approved by both organizations and the Regulatory Commission of Alaska before the deal is complete.*

*Chugach has posted the term sheet and other information about the Fire Island wind project at its website, [www.chugachelectric.com](http://www.chugachelectric.com).*

*Chugach is the largest electric utility in Alaska, providing power for Alaskans throughout the Railbelt through retail, wholesale and economy energy sales.*

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