

**OFFICERS' CERTIFICATE  
RELATING TO EXCLUDABLE PROPERTY  
(Eklutna PPA Collateral)**

**Chugach Electric Association, Inc.**

This Officers' Certificate Relating to Excludable Property (this "Officers' Certificate") is provided pursuant to the Second Amended and Restated Indenture dated as of January 20, 2011, between Chugach Electric Association, Inc. (the "**Company**"), and U.S. Bank National Association, as trustee (the "**Trustee**"), as amended and supplemented (as so amended and supplemented, the "**Indenture**"). Capitalized terms not otherwise defined in this Officers' Certificate shall have the meanings assigned to them in the Indenture.

The Company has entered into that certain Eklutna Power Purchase Agreement dated as of December 28, 2018 (the "Power Purchase Agreement") between the Company and the Municipality of Anchorage, a political subdivision organized under the laws of the State of Alaska ("Seller"), pursuant to which the Company will purchase the Power (as defined in the Power Purchase Agreement) produced by that portion of the Eklutna Hydroelectric Project owned by Seller and designated in the Power Purchase Agreement as the "Chugach Portion".

Solely as a precaution in the event that the Power Purchase Agreement should be construed as a secured financing such that the Company shall be deemed to have acquired title to the Chugach Portion at any time (other than by exercise of an express purchase option granted under the terms of the Power Purchase Agreement), Purchaser has granted to Seller a protective security interest in and to the Collateral as defined in the Power Purchase Agreement.

Under the Power Purchase Agreement, the Company has an option to purchase the Chugach Portion at a future date. If the Company exercises its option, it will obtain a release from the Seller of any security interest in the Chugach Portion.

Pursuant to Section 1.6 of the Indenture, each of the undersigned officers of the Company hereby states that:

- (a) He/she has read each of the conditions, covenants and relevant definitions contained in the Indenture, relating to the matters addressed in this Certificate;
- (b) His/her opinions expressed below are based upon such review of the Indenture and on his/her knowledge of the Company acquired in his/her capacity noted below; and
- (c) In his/her opinion, he/she has made such examination or investigation as is necessary to enable him/her to express an informed opinion with respect to the matters stated below.

In accordance with the definition of "Excludable Property" set forth in Section 1.1 of the Indenture, each of the undersigned, acting in his/her capacity as an Officer of the Company, hereby certifies that:

1. the property described in Exhibit A attached to this Officers' Certificate is not to become subject to the lien of the Indenture; and
2. should the Company not have the use of such property it would remain capable of complying with the requirements of Section 14.14 of the Indenture.

[REMAINDER OF PAGE INTENTIONALLY OMITTED]

The undersigned officers have executed the foregoing Officers' Certificate as of the date set forth below.

Dated: December 28, 2018.

**Officers:**

  
\_\_\_\_\_  
Lee D. Thibert  
Chief Executive Officer

  
\_\_\_\_\_  
Sherri L. Highers  
Chief Financial Officer

**EXHIBIT A**

**To**

**OFFICERS' CERTIFICATE RELATING TO EXCLUDABLE PROPERTY**

**(Eklutna PPA Collateral)**

All right, title and interest of the Company in and to the following:

The Chugach Portion (as defined in the Power Purchase Agreement) of the Eklutna Hydroelectric Project, as further described in **Exhibit B**, including all of the following: all equipment, buildings, generators, inverters, step-up transformers, output breakers, protective and associated equipment, improvements, and other tangible assets, contract rights, easements, rights of way, surface use agreements and other interests or rights in real estate reasonably necessary for construction, operation, maintenance, generation and delivery of Power, and any Power attributable to such interest (except as and to the extent that such Power is delivered to the Company at the Delivery Point in accordance with the Power Purchase Agreement), and all proceeds thereof.

**EXHIBIT B**

**To**

**OFFICERS' CERTIFICATE RELATING TO EXCLUDABLE PROPERTY**

**(Eklutna PPA Collateral)**

Eklutna Purchase Agreement  
Exhibit A

August 2, 1989  
Page 1 of 2

Lands, Easements and Rights-of-Way

Exhibit A consists of this narrative (pages 1 and 2 of 2) and the map prepared by BLM, signed and dated February 3, 1989.

This exhibit describes and displays present land status for the Eklutna Hydroelectric Project and describes in general terms the conveyances of land and land rights contemplated in the purchase agreement.

1. BLM - managed lands and military lands used for Eklutna Project for which BLM is to provide APAD rights-of-way sufficient for operation, maintenance, repair and replacement of Eklutna facilities, such rights-of-way to be assigned by APAD to the Purchasers.

Legend Symbols and Description.



Withdrawals. Refers to approximately 863 acres of public lands withdrawn for Eklutna at the "Intake Area," "Power Tunnel," "Eklutna Powerplant" and "Anchorage Substation." The total acreage is comprised of the following land:

- a. Approximately 320 acres withdrawn for the "Power Tunnel" under Public Land Order 1231 dated September 28, 1955.
- b. Approximately 230 acres utilized for the "Intake Area" and approximately 60 acres for a portion of "Eklutna Powerplant" as described by ANCSA 3(e) determination AA-51183 dated July 30, 1986.
- c. Approximately 243 acres utilized for "Eklutna Powerplant" as described by ANCSA 3(e) determination AA-42534 dated September 1, 1982.
- d. Approximately 10 acres withdrawn for "Anchorage Substation" under Secretarial Order dated April 4, 1952.



State Land-R/W. Refers to rights-of-way across State-selected lands covering the transmission line east of "Eklutna Powerplant" to the Knik River.



Military Land-R/W. Refers to rights-of-way across military lands used for Eklutna transmission lines.

Eklutna Purchase Agreement  
Exhibit A

August 2, 1989  
Page 2 of 2



Acquired-3(e). Refers to approximately 2.5 acres of acquired land used for "Reed Substation" as described by ANCSA 3(e) determination AA-45155 dated July 30, 1985.

2. ANCSA 17(b) Easements.

Map symbol:



Native Land - 17(b) Easements.

Refers to rights-of-way that are reserved for portions of the 115KV transmission line, access roads and other Eklutna facilities located on Native corporation lands, and exist as easement reservations in the ANCSA conveyances to the Native corporations pursuant to Section 17(b) of ANCSA. These easements will not be altered by the sale of Eklutna and the Purchasers may use these easements for their intended purposes.

3. APAd Acquired Land and Easements.

Refers to land and easements acquired by the Bureau of Reclamation (predecessor of APAd) during construction of Eklutna and now controlled by APAd. APAd will assign the land and easements to the Purchasers.

Legend Symbols and Description:



Acquired. Refers to approximately 0.8 acres of land owned by APAd at Palmer Substation.



Acquired-Easements. Refers to approximately 33 easements across private lands acquired by the Bureau of Reclamation (predecessor of APAd) and now held by APAd.

4. Other Easements on Private Land.

Map [Symbol]:

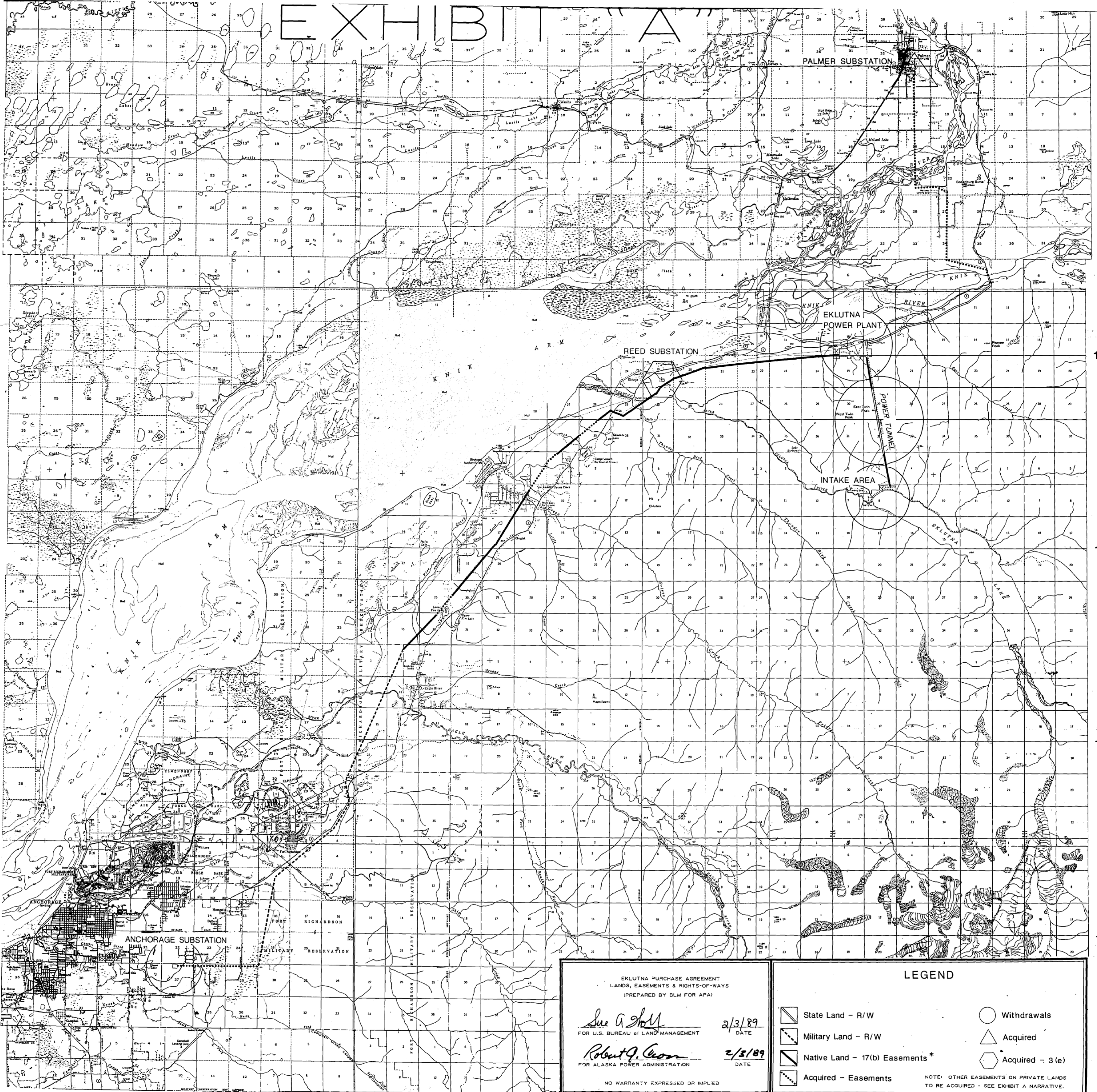
Note: Other Easements on Private Lands To Be Acquired - See Exhibit A Narrative

Refers to approximately two hundred and fifty (250) parcels of private land located along the 115KV transmission line, many of which require title curative action for purposes of perfecting assignable easement rights or rights-of-way for the Purchasers. APAd shall be responsible for acquiring assignable easement rights or rights-of-way across these lands, for subsequent assignment to Purchasers.

5. Reservoir.

Eklutna Lake as designated on the map is the reservoir described in the body of the Agreement.

# EXHIBIT A



<p>EKLUTNA PURCHASE AGREEMENT LANDS, EASEMENTS &amp; RIGHTS-OF-WAYS (PREPARED BY BLM FOR APA)</p> <p><i>Sue A. Kelly</i> FOR U.S. BUREAU OF LAND MANAGEMENT DATE: 2/3/89</p> <p><i>Robert Q. Coon</i> FOR ALASKA POWER ADMINISTRATION DATE: 2/5/89</p> <p>NO WARRANTY EXPRESSED OR IMPLIED</p>		<p><b>LEGEND</b></p> <table border="0"> <tr> <td></td> <td>State Land - R/W</td> <td></td> <td>Withdrawals</td> </tr> <tr> <td></td> <td>Military Land - R/W</td> <td></td> <td>Acquired</td> </tr> <tr> <td></td> <td>Native Land - 17(b) Easements*</td> <td></td> <td>Acquired - 3 (e)</td> </tr> <tr> <td></td> <td>Acquired - Easements</td> <td></td> <td></td> </tr> </table> <p><small>NOTE: OTHER EASEMENTS ON PRIVATE LANDS TO BE ACQUIRED - SEE EXHIBIT A NARRATIVE.</small></p>			State Land - R/W		Withdrawals		Military Land - R/W		Acquired		Native Land - 17(b) Easements*		Acquired - 3 (e)		Acquired - Easements		
	State Land - R/W		Withdrawals																
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	Acquired - Easements																		

R 3 W                      R 2 W                      R 1 W                      R 1 E                      R 2 E