

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OF DIRECTORS' AUDIT COMMITTEE
MEETING MINUTES

March 4, 2009
Wednesday

Immediately following the Finance Committee Meeting

Committee Members in Attendance: PJ Hill, Chair
Rebecca Logan
Jeff Lipscomb (*joined via teleconference*)
Alex Gimarc
Elizabeth Vazquez (*arrived at 4:54 p.m.*)

Other Members Present: Jim Nordlund
Janet Reiser

Guest in Attendance Lorali Carter, (MEA)
Jim Posey, (ML&P)
Scott Miller, (KPMG)
Jim Patras, (HEA)
Louann Cutler, (K&L Gates)

Staff in Attendance:

Bradley Evans	Kathy Harris	Paul Risse
Tyler Andrews	Theresa Kurka	Dave Smith
Bill Bernier	Sherry McKay-Highers	Phil Steyer
Renee Curran	Arthur Miller	Lee Thibert
Mike Cunningham	Connie Owens	Jody Wolfe
Rick Freymiller	Theresa Quigley	

Recording Secretary: DeAnna Scott, Executive Assistant.

I. Call To Order

The Audit Committee Meeting was called to order by Director Logan at 4:32 p.m., in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Executive Session

None.

III. Approval of Agenda

Director Logan moved and Director Gimarc seconded the motion to approve the agenda. The motion passed unanimously.

IV. Approval of Minutes

a. December 10, 2008

Director Gimarc moved and Director Logan seconded the motion to approve the December 10, 2008, meeting minutes. The motion passed unanimously.

V. Customer Comments

a. Wholesale Customer Comments

None.

b. Member Comments

None.

VI. Review and Recommendation on the 2008 Audited Financial Statements

Scott Miller, KPMG reviewed the 2008 Audited Financial Statements and answered questions from the Committee.

Director Logan moved and Director Gimarc seconded the motion that the Audit Committee recommend the Board of Directors approve the 2008 Audited Financial States and Footnotes as presented by KPMG. The motion passed unanimously.

VII. Correspondence

None.

VIII. Director Comments

Director Lipscomb: "This is the ninth year of a successful audit complete audit with no exceptions. So, I'd like to congratulate Mike and his folks and Brad for outstanding bookkeeping. It's important to us especially in this period where interest rates and financing are difficult but it's important for us to have good books and good financial records and we do. So congratulations."

Director Logan: "Ditto"

Director Reiser: "No comment."

Director Gimarc: "No comment."

Director Nordlund: "Jeff said it all."

Chair Hill: "Jeff said it all. My congratulations to Sherri on comments and the 10K."

IX. Executive Session

At 4:52 p.m., Director Lipscomb moved and Director Logan seconded the motion that pursuant to Alaska Statute 10.25.175(c) (1) the Board go into executive session to discuss (1) matters the immediate knowledge of which would clearly have an adverse

effect on the finances of the cooperative as it relates to Chugach's Security and Exchange Commission 2008 Year End Filing. The matter to be discussed would be the SEC Form 10K. The motion passed unanimously.

Director Vazquez arrived at 4:54 p.m. and joined the meeting.

The Audit Committee reconvened in open session at 5:10 p.m.

X. SEC Form 10K Filing

Director Logan moved and Director Gimarc seconded the motion that the Audit Committee recommend to the Board of Directors that management file the Securities and Exchange Commission Form 10K by the due date incorporating any review and amendment to the document which will be received and reviewed and approved by KPMG. Mr. Miller and Mr. Cunningham will immediately inform the Board, in writing, of any material and significant changes. The motion passed unanimously.

XI. Adjourn

Director Logan moved and Director Gimarc seconded the motion to adjourn the Audit Committee Meeting. Motion passed unanimously. The meeting adjourned at 5:11 p.m.

DRAFT