

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**AUDIT COMMITTEE**  
**MEETING MINUTES**

**May 12, 2005**

Committee Member Attendee: Dave Cottrell, Chair  
Bruce Davison  
Liz Vasquez (arrived at 4:45 p.m.)  
Alan Christopherson

Other Directors Present: Uwe Kalenka  
Chris Birch  
Jeff Lipscomb

Guest in Attendance: Kathy Porterfield, KPMG  
Red Boucher

Staff in Attendance:

Joe Griffith	Sherri McKay	Bill Stewart
Mike Cunningham	Dianne Hillemeier	Katrina Storjohann
Rick Freymiller	Don Edwards	Mary Tesch
Brad Evans	Dave Smith	Lee Thibert
Kathy Harris		Jody Wolfe

Recording Secretary: Connie Owens, Executive Assistant

**I. Call To Order**

Chair Cottrell convened the Audit Committee meeting on Thursday, May 12, 2005, at 4:00 p.m. in the boardroom of Chugach Electric Association Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. Approval of Agenda**

Director Christopherson moved and Director Davison seconded the motion to approve the agenda as presented. The motion passed unanimously

**III. Approval of Minutes – February 23, 2005**

Director Davison moved and Director Christopherson seconded the motion to approve the minutes of February 23, 2005. Motion passed. Director Christopherson abstained from voting.

**IV. Customer Comments**

- a. Wholesale Customer Comments  
None
- b. Retail Customer Comments  
None

**V. Presentation by Crowe-Chizek**

Larry Rieger and Steve Strammello gave a brief presentation on Sarbanes-Oxley and responded to questions from the Committee.

**VI. Adoption of 2005-2006 Audit Committee Goals**

Director Christopherson moved and Director Davison seconded the motion to approve the Committee Goals. The motion passed unanimously.

**VII. Correspondence**

- a. Sarbanes Oxley Section 404 Compliance
- b. Audit Committee Workshop
- c. KPMG Defining Issues – Bringing the GAAP Hierarchy into GAAP
- d. Standard & Poor's Visit – June 7, 2005

**VIII. Executive Schedule**

Director Christopherson moved, and Director Davison seconded, that pursuant to Alaska Statute 10.25.175(c)(1) the Audit Committee goes into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The topic to be discussed in executive session is the draft 10-Q report.

The Committee went into executive session at 4:40 p.m.

**IX. Adjourn**

Director Davison moved and Director Cottrell seconded the motion to adjourn. Motion passed unanimously. Meeting adjourned at 5:00 p.m.