

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

**AUDIT COMMITTEE
MEETING MINUTES**

August 25, 2004

Committee Members Present: Dave Cottrell, Chair
Jeff Lipscomb
Red Boucher
Sam Cason (arrived at 4:05 p.m.)

Committee Member(s) Absent: None

Other Directors in Attendance: Pat Jasper
Chris Birch (arrived at 4:05 p.m.)
Bruce Davison (arrived at 4:10 p.m.)

Guests: Jim Walker, Matanuska Electric Assoc., Inc.
Kathy Porterfield, KPMG

Staff in Attendance:

Bill Bernier	Carol Johnson	Katrina Storjohann
Kathy Harris	Rick Freymiller	Dave Smith
Brad Evans	Sherri McKay	Lee Thibert
Joe Griffith	Bill Stewart	John Cooley
Dianne Hillemeier	Phil Steyer	Jody Wolfe

Recording Secretary: Connie Owens, Executive Assistant

- I. Call to Order**
Chair Cottrell convened the Audit Committee meeting on Wednesday, August 25, 2004, at 3:50 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Minnesota Drive, Anchorage, Alaska.
- II. Approval of Agenda**
Director Lipscomb moved and Director Boucher seconded the motion to approve the agenda. The motion passed unanimously.
- III. Approval of Minutes – February 24, 2004**
Director Lipscomb moved and Director Boucher seconded the motion to approve the minutes of February 24, 2004. The motion passed unanimously.
- IV. 2004 Audit Engagement Letter**
Director Lipscomb moved and Director Boucher seconded the motion to accept the 2004 Audit Engagement Letter as submitted. The motion passed unanimously.
- V. Second Quarter interim Financial Statement Review Letter**
Kathy Porterfield reviewed the letter with the Committee and responded to questions.
- VI. General Comments**
None.

VII. Correspondence

- a. NRECA – November 2003 - Suggested Governance “To Do” List
- b. WebCast – What does Sarbanes-Oxley Compliance mean for the Energy Industry
- c. Considerations for Section 404 of Sarbanes-Oxley Act – July 2004

VIII. Adjourn

Director Lipscomb moved and Director Boucher seconded the motion to adjourn. Motion passed unanimously.

The meeting adjourned at 4:25 p.m.