

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD MEETING
AGENDA ITEM SUMMARY

January 19, 2005

ACTION REQUIRED

AGENDA ITEM NO IX.C.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Resolution in Support of Joint Action Agency Agreement with Chugach Electric Association, Inc., Golden Valley Electric Association, Inc., and Anchorage Municipal Light and Power

DISCUSSION

On November 18, 2004, the Boards of Directors of Alaska's primary Railbelt generating utilities (Golden Valley Electric Association, Inc., Chugach Electric Association, Inc., and Anchorage Municipal Light and Power) met to discuss voluntary cooperation to develop a Joint Action Agency for the purpose of promoting joint action to own and operate certain utility plant currently owned by the State of Alaska and develop additional power generation and transmission projects jointly. There was unanimous support among the directors and commissioners attending the joint meeting that the entities should pursue formation of a Joint Action Agency. The participants in this meeting stated their intention to develop draft bylaws with all due speed for review by their governing boards to outline in greater detail the terms and conditions of the parties' joint activities under a JAA. The participants determined that they should take rigorous and appropriate steps to jointly develop specific projects that management believes are in the best interests of electric power consumers of the Railbelt. The participants also determined that management of their respective utilities shall identify those projects appropriate for inclusion as JAA activities and present them for review and approval by the governing boards of the utilities. Finally, the participants determined that they wished to agree to a joint resolution signed by each utility's representative memorializing the meeting and the parties' intentions. The attached resolution accomplishes this. This agenda item proposes a motion authorizing the CEO to sign the attached resolution or one substantially similar to it on behalf of the Association.

MOTION

Move that the CEO is authorized to sign the attached resolution or one substantially similar to it on behalf of Chugach Electric Association, Inc.

RESOLUTION IN SUPPORT OF INITIATING ACTIVITIES UNDER JOINT ACTION
AGENCY AGREEMENT BETWEEN

CHUGACH ELECTRIC ASSOCIATION, INC.,

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC., and

MUNICIPALITY OF ANCHORAGE, dba ANCHORAGE MUNICIPAL LIGHT AND POWER

WHEREAS, the 23rd Alaska Legislature formed the Alaska Energy Policy Task Force to develop a long-term energy plan to efficiently enhance Alaska's economic future;

WHEREAS, the Alaska Energy Policy Task Force was directed to review and analyze the State's current and long-term energy needs, and consider how to best incorporate state-owned Railbelt energy assets as part of the solution for the Railbelt's current and long-term electrical needs.

WHEREAS, the Energy Policy Task Force recommended the formation of a Unified System Operator for the Railbelt utilities;

WHEREAS, the Railbelt was incorporated in the Alaska Energy Policy Task Force analysis that determined that the Railbelt utilities should continue joint planning on a regional basis to provide the most reliable and economic power supply to the Railbelt Region;

WHEREAS, the Board of Directors of AIDEA/AEA have notified the Railbelt utilities of their intent to divest of all electrical assets in the Railbelt region;

WHEREAS, the Railbelt utilities consist of a mixture of municipalities and cooperatives;

WHEREAS, continued cooperation and development of new ways of cooperating in planning, building, owning, and operating power supply systems is essential to the physical and economic wellbeing of the citizens of the Alaska Railbelt region;

WHEREAS, the parties see great potential benefit in establishing the structure of a cooperative business relationship in advance of undertaking specific joint actions; and

WHEREAS, the undersigned utilities have entered or intend to enter into a Joint Action Agency Agreement;

NOW THEREFORE BE IT RESOLVED that the undersigned parties state their intention to develop draft bylaws with all due speed for review by the governing boards of each of the undersigned parties to outline in greater detail the terms and conditions of the parties' joint activities under a JAA.

BE IT FURTHER RESOLVED that the parties should take rigorous and appropriate steps to jointly develop specific projects that management believes are in the best interests of electric power consumers of the Railbelt. Management shall identify those projects appropriate for inclusion as JAA activities and present them for review and approval by the governing boards of the undersigned utilities.

Evan J. Griffith, Chief Executive Officer
Chugach Electric Association, Inc.

Date

Steve Haagenson, President & Chief Executive Officer
Golden Valley Electric Association, Inc.

Date

James Posey, General Manager
Anchorage Municipal Light and Power

Date