

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD MEETING
AGENDA ITEM SUMMARY

February 23, 2005

ACTION REQUIRED

AGENDA ITEM NO IX.F.

 Information Only
 X Motion
 X Resolution
 Executive Session
 Other

TOPIC

Resolution in Support of Fire Island Wind Power as a Joint Action Agency Project

DISCUSSION

Chugach, ML&P, and GVEA are in the final stages of developing a Joint Action Agency Agreement for the purpose of creating a Joint Action Agency that can undertake joint projects among its member utilities for the benefit of their ratepayer owners. Chugach, GVEA, ML&P, and Homer Electric Association have signed a Memorandum of Understanding setting out their intent to jointly develop a wind power electric generation project on Fire Island in Anchorage.

Attached is a resolution in support of securing grant funding from the state and federal governments in support of the project.

MOTION

Move that the Board of Directors approve the attached resolution directing the Chief Executive Officer to take all necessary action to support joint efforts among Joint Action Agency member utilities to secure necessary grant funding from the State of Alaska, the Federal Government, and other parties as appropriate to reduce the ultimate cost of energy produced by the Fire Island wind power project and promote economic development in Alaska.

RESOLUTION

RESOLUTION IN SUPPORT OF FIRE ISLAND WIND POWER AS A JOINT ACTION AGENCY PROJECT

WHEREAS, development of wind power promotes diversified sustainable economic development;

WHEREAS, jobs and the long-term economic growth of the State of Alaska are fostered by using environmentally favorable renewable wind resources;

WHEREAS, study results indicate that Fire Island is a very favorable location for a wind power project;

WHEREAS, a wind power installation on Fire Island could demonstrate the viability of large-scale wind power installations in Alaska and the potential to reduce the high cost of diesel generation costs in the bush;

WHEREAS, the public would benefit by reducing reliance on Cook Inlet natural gas supplies;

WHEREAS, it is in the economic interest of the public to implement generation technology that will help stabilize the cost of electrical power despite increasing cost of fossil fuels;

WHEREAS, it is appropriate to invest public funds in infrastructure necessary to take advantage of sustainable energy sources where such investment would not otherwise be affordable;

WHEREAS, Chugach Electric Association, Inc. (Chugach), Golden Valley Electric Association, Inc. (GVEA) and the Municipality of Anchorage d/b/a Anchorage Municipal Light and Power (ML&P) are in the final stages of developing a Joint Action Agency Agreement for the purpose of creating a Joint Action Agency that can undertake joint projects among its member utilities for the benefit of their ratepayer owners;

WHEREAS, Chugach, GVEA, ML&P and Homer Electric Association, Inc., have signed a Memorandum of Understanding setting out their intent to jointly develop a wind power electric generation project on Fire Island in Anchorage;

WHEREAS, Cook Inlet Region, Inc., has indicated a willingness to grant certain easements and favorable lease rates for a Fire Island wind power development;

WHEREAS, the Federal Aviation Administration, the Federal Bureau of Investigation and United States Coast Guard would benefit from interconnection to the Railbelt electric power system that will be part of the Fire Island wind power installation; and

WHEREAS, Chugach, ML&P and GVEA have resolved to jointly develop specific projects appropriate for inclusion as Joint Action Agency activities.

NOW, THEREFORE BE IT RESOLVED that Chugach Electric Association, Inc. supports the continued evaluation and ultimate construction of a Fire Island wind power project;

BE IT FURTHER RESOLVED that a Fire Island wind power project should be promoted as a Joint Action Agency project; and

BE IT FURTHER RESOLVED that the Chief Executive Officer is directed to take all necessary action to support joint efforts among Joint Action Agency member utilities to secure necessary grant funding from the State of Alaska, the Federal Government and other parties as appropriate to reduce the ultimate cost of energy produced by the Fire Island wind power project and promote economic development in Alaska.

CERTIFICATION

I, _____, do hereby certify that I am _____ Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the _____ day of _____, 20____; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation the _____ day of _____, 20____.

(Seal)

Secretary