

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

**REGULAR BOARD OF DIRECTORS' MEETING**  
**AGENDA ITEM SUMMARY**

**November 20, 2008**

**ACTION REQUIRED**

**AGENDA ITEM NO. XI.E.**

**Information Only**  
 **Motion**  
 **Resolution**  
 **Executive Session**  
 **Other**

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**TOPIC**

Motion in Support of Alternative Energy in Alaska

**DISCUSSION**

Given the significant rise in the cost of Cook Inlet natural gas, it is critical for Chugach to move to a portfolio of alternate electric generation techniques. These may include, but are not limited to the following: hydroelectric, geothermal, coal to liquids, coal gasification, biomass, nuclear, tidal, incineration of municipal waste, wind and solar. At this point in time, we do not know the proper mix of possible generation techniques. We do know that all must be considered fairly, on a level playing field so that we can end up with an appropriate mix of different electric generation techniques.

Last year, Chugach Electric strongly supported study of the Susitna hydroelectric project and a bullet line for natural gas from the North Slope. We continue with that support. Chugach is also committed to moving from a 90% reliance on Cook Inlet Natural Gas (the 90-10 split) to a 10% reliance by 2020. This will require some to be determined mixture of alternate electric generation techniques. As the analysis and planning for this move continues, Chugach Electric should support action by the Legislature that will clear impediments in existing state law to fair consideration and analysis of all forms of alternative electric generation.

We should consider supporting repeal of relevant portions of these statutes as they stand in the way of a move from a complete dependence on Cook Inlet natural gas to a portfolio of clean, sustainable energy generation techniques.

**MOTION**

Move that the Board of Directors support continued study of alternative electric generation solutions as described in the following resolution.

## **RESOLUTION**

### **RESOLUTION IN SUPPORT OF ALTERNATIVE ENERGY IN ALASKA**

WHEREAS, Chugach Electric is currently 90% dependent on natural gas for its existing electric generation and produces just 10% of its energy with hydroelectric power;

WHEREAS, Chugach Electric has a goal to reduce its dependence on fossil fuels and transition to 90% dependence on renewable sources in the future; and therefore we adopt the 90/10 to 10/90 concept as a long-term goal.

WHEREAS, Chugach recognizes that our intermediate goals may best be met with alternative energy sources and as such, these potential sources must be considered to help diversify our energy resources and limit price volatility for any one energy commodity.

WHEREAS, Chugach Electric strongly supports the current review and analysis of a Susitna hydroelectric generation project,

WHEREAS, Chugach Electric supports continued development of additional reserves and gas storage in Cook Inlet, and the study of a natural gas pipeline from the Alaska North Slope to assure availability of natural gas for local needs;

WHEREAS, the Alaska Energy Authority (AEA) is currently undertaking a 50-year Integrated Resource Plan (IRP) and Chugach encourages AEA to analyze all alternative energy generation technologies on a level playing field of consideration to include economic, environmental, political and longevity criteria, so that we and/or the State of Alaska may construct a portfolio of alternative electric generation capabilities to meet the needs of all electric consumers in Alaska;

WHEREAS, alternative energy generation technologies include but are not limited to the following: hydroelectric, coal to liquids, coal gasification, gas to liquids, nuclear, geothermal, biomass, conservation and efficiency measures, incineration of municipal waste, tidal, wind, or solar;

WHEREAS, there are provisions in existing state law currently that limit the ability of the State of Alaska, any electric utility, any set of electric utilities, or any private entity from consideration and development of some forms of alternative energy, for example current prohibitions against nuclear energy;

NOW, THEREFORE BE IT RESOLVED that Chugach Electric Association, Inc. adopts a 90/10 to 10/90 strategy to transition away from fossil fuels to renewable energy sources and supports the evaluation by AEA of all possible potential alternative electric generation technologies to reduce our current dependence on natural gas;

BE IT FURTHER RESOLVED that The Chugach Board of Directors support the immediate repeal of relevant portions of Alaska Statutes that currently prohibit development or funding of any alternative energy solution in the State of Alaska.

**CERTIFICATION**

I, Alex Gimarc, do hereby certify that I am the 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 20<sup>th</sup> day of November, 2008; 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 20th day of November, 2008.

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Secretary