

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

December 18, 2008

ACTION REQUIRED

AGENDA ITEM NO. V.H.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Heller Ehrman Increase Contract Limit Approval

DISCUSSION

Heller Ehrman's September and October's invoice will bring the year-to-date contract total over \$1,000,000 for 2008. Three unbudgeted matters have caused this contract to exceed \$1m. The Enstar proceeding, the Beluga Pipeline and the LNG proceedings alone account for nearly \$800,000 of the Heller Ehrman charges to date.

Heller Ehrman dissolved in early October and there may possibly still be some outstanding 3rd party charges that Heller Ehrman will bill to Chugach. We estimate those charges to be approximately \$15,000. Here is a breakdown of services invoiced (budgeted and unbudgeted) by Heller Ehrman as of November 2008:

Matter	Total to Date
Enstar Docket	442,930
Beluga Gas Pipeline	249,249
LNG Export Proceeding	91,236
Gas Negotiations	118,893
Redemption of Series E Bonds and Commercial Paper Program	59,212
Beluga Gas Compressor	37,072
Environmental matters	31,648

SEC & General Corporate	20,994
PURPA matters	14,761
ML&P combination	12,689
ERA Aviation	7,088
Hydro Generation issues	1,980
To be billed	75,000
Total	1,162,752

On the December 10, 2008, Finance Committee Meeting, the committee unanimously approved to increase Heller Ehrman's contract limit not to exceed amount to \$1.2 million.

MOTION

(Consent Agenda)