

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

December 10, 2008

Committee Members in Attendance: PJ Hill, Chair (*arrived at 3:55 p.m.*)
Rebecca Logan,
Elizabeth Vazquez (*arrived at 4:16 p.m.*)
Jeff Lipscomb
Alex Gimarc

Other Directors Present: Janet Reiser, (*arrived at 4:04 p.m.*)
Jim Nordlund (*arrived at 4:25 p.m.*)

Guest and Staff in Attendance:

Brad Evans	Ed Jenkin	Paul Risse
Tyler Andrews	Teresa Kurka	Dave Smith
Mike Cunningham	Connie Owens	Phil Steyer
Rick Freymiller	Jim Posey, ML&P	Lee Thibert
Kathy Harris		

Recording Secretary: DeAnna Scott, Executive Assistant

I. Convene Meeting

Director Logan called the Finance Committee to order at 3:50 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Executive Session

None.

III. Approval of Agenda

Director Lipscomb moved and Director Gimarc seconded the motion to approve the agenda.

- a. Director Lipscomb requested an amendment to the motion to appoint Director Logan as Acting Chair until the arrival of the Chair or Vice Chair.

The motion, as amended, passed unanimously.

IV. Approval of Minutes

- a. November 12, 2008

Director Lipscomb moved and Director Gimarc seconded the motion to approve the minutes of November 12, 2008. The motion passed unanimously.

V. Customer Comments

- a. Wholesale Customer Comments
None.
- b. Retail Customer Comments
None.

At 3:52 p.m., the committee recessed until the Chair or Vice Chair arrived.

Chair Hill arrived at 3:55 p.m. The meeting reconvened at that time.

Director Reiser arrived at 4:04 p.m.

VI. October Unbundled Financial Statements.

Jody Wolfe, Controller, gave a brief overview of the October Unbundled Financials and responded to question from the Committee.

VII. Write-Off Accounts Receivable – Electric

Director Logan moved and Director Lipscomb seconded the motion that the Finance Committee recommend the Board of Directors adopt the resolution referring to write-offs Uncollectible Accounts Receivable – Electric in the amount of \$220,770.07. The motion passed unanimously.

VIII. Write-Off Accounts Receivable - Other

Director Lipscomb moved and Director Logan seconded the motion that the Finance Committee recommend the Board of Directors adopt the attached resolution referring to write-offs of Uncollectible Accounts Receivable – Other in the amount of \$1,684.91. The motion passed unanimously.

IX. Establishment of a New Bank Account

Director Logan moved and Director Lipscomb seconded the motion that the Finance Committee recommend to the Board of Directors execution of the bank signature card form prepared by First National Bank of Alaska to establish a new checking account for purposes of segregating cash inflows and outflows related to the new generation costs. The motion passed unanimously.

Director Vazquez arrived at 4:16 p.m.

X. Project Authorization SCAPP Project

Director Logan moved and Director Lipscomb seconded the motion that the Finance Committee recommend to the Board of Directors to authorize expenditures for the

South Central Alaska Power Project with an estimated cost of \$256 million and an estimated completion date of June 30, 2013. Chair Hill, Directors Logan, Vazquez and Gimarc voted yes; Director Lipscomb no.

XI. Land Purchase – New Generation

Director Logan moved and Director Gimarc seconded the motion that the Finance Committee recommend that the Board of Directors authorize expenditures for the South Central Alaska Power Project land purchase with an estimated cost of \$4.86 million and an estimated completion date of June 30, 2009. Chair Hill, Directors Logan, Vazquez, and Gimarc voted yes; Director Lipscomb voted no.

XII. Heller Ehrman Increase Contract Limit Approval

Director Logan moved and Director Gimarc seconded the motion that the Finance Committee recommend the Board of Directors approve the contract not to exceed amount to \$1.2 million for the Heller Ehrman contract. The motion passed unanimously.

Director Nordlund arrived at 4:25 p.m.

XIII. Increase NRUCFC line of credit from \$45 million to \$75 million

Director Lipscomb moved and Director Gimarc seconded the motion that the Finance Committee recommend the Board of Directors approve the attached resolution increasing the NRUCFC line of credit to from \$45 million to \$75 million. Chair Hill, Lipscomb, Vazquez, and Gimarc voted yes; Director Logan voted no.

XIV. Correspondence

- a. *October Unbundled Financial Statements (Full Set – Wolfe)*
- b. *October Variance Report (McKay-Highers)*
- c. *Signature Authority Review Compliance (Smith)*
- d. *Update on SOX Compliance (Smith).*

XV. Director Comments

Director Logan: “No comment.”

Director Lipscomb: “I would like to say I’m a strong proponent of the South Central Alaska Power Project; I do hope to have the confidence that the execution plan should provide ...*unintelligible*...for the project as well as the land purchase at our Board meeting. I want to let everybody to know, keep up the good work. Thanks.”

Director Vazquez: “No comments.”

Director Gimarc: No comments.”

Chair Hill: “Again, I apologize for getting the time screwed up. I will be more cognizant of that. I’m a four o’clock person.”

XVI. Executive Session - None

XVII. Adjourn

Director Logan moved and Director Lipscomb seconded the motion to adjourn. The meeting adjourned at 4:35 p.m.