

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

January 8, 2003

Committee Member Attendees: Jeff Lipscomb, Chair
Red Boucher
Dave Cottrell
Sam Cason

Other Directors in attendance: Pat Jasper
Bruce Davison

Staff in Attendance:

Joe Griffith	Bill Stewart	Lee Thibert	Mike Cunningham
Mike Massin	Ron Vecera	Mary Tesch	Carol Johnson
Arthur Miller	Dianne Hillemeier	Kathy Harris	Sherri McKay
Don Edwards	Jody Wolfe	Brad Evans	Steve Gilbert
Burke Wick	Dora Gropp	Connie Owens	Arthur Miller
Gina Armstrong	Alice Mullins		

Guests in Attendance: Dan Kennedy

Recording Secretary: Connie Owens, Executive Secretary

I. Call To Order

Jeff Lipscomb called the Finance Committee meeting to order at 4:02 p.m. in the board room of Chugach Electric Association, Inc. 5601 Minnesota Drive, Anchorage, Alaska.

II. Approval of Agenda

Director Cottrell moved and Director Cason seconded the motion to approve the agenda as presented. The motion was approved unanimously.

At 4:05 p.m., Director Birch moved and Director Kennedy seconded the motion that pursuant to Alaska Statute 10.25.175 (C) (1) and (3), the Board go into Executive Session to discuss matters the immediate knowledge of which would clearly have an adverse affect on the finances of the Cooperative and to discuss matters with it's attorney's the immediate knowledge of which could have an adverse affect on the legal position of the Cooperative. The motion passed unanimously.

The Committee reconvened out of executive session at 4:20 p.m.

III. Approval of the Minutes – December 11, 2002

Director Cason moved and Director Boucher seconded the motion to approve the minutes as presented. Motion passed unanimously.

IV. Unbundled Financial Report

Mike Cunningham presented a proposed schedule for presenting the Unbundled Financials for 2002 and 2003.

Director Cottrell moved and Director Cason seconded the motion to schedule an Audit Committee meeting on January 29, 2003 at 4:00 p.m. The motion passed unanimously.

- V. Private Letter Ruling Status**
Mike Cunningham stated a draft copy of the letter was enclosed in their packets for their review. Mike explained some other details will need to be added and the letter finalized and submitted.
- VI. Peer Review Letter**
Mike Cunningham discussed the Peer Review Letter and responded to questions from the Committee.
- VII. Property Insurance**
Mike Cunningham gave a brief status report on the Property Insurance Request For Proposal.
- VIII. Rate Case Update**
Mike Cunningham reviewed the 2000 Test Year Rate Case Actual and Estimated Charges through January 3, 2003.
- IX. Cooper Lake Relicensing Recommendation**
Burke Wick discussed the Cooper Lake Re-Licensing Project and responded to questions from the Committee.
- X. Alternative Generation Economics and Justification**
Steve Gilbert discussed the Advanced Technology Investigations and responded to questions from the Committee.
- XI. Southern Intertie Report on Cost To Date**
Dora Gropp reported on the Southern Intertie Costs to Date and responded to questions from the Committee.
- XII. General Comments & Correspondence**
- a. KPMG Defining Issues – 02-18
 - b. KPMG Defining Issues – 02-17
 - c. Additional Discussion Items/2003 Finance Committee Goals
- XIII. Executive Session (if required)**
None.
- XIV. Adjourn**
The meeting adjourned at 6:00 p.m.