

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

January 14, 2004

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

Other Directors in attendance: Pat Jasper
Chris Birch
Bruce Davison

Guests: Jim Walker, Matanuska Electric Association, Inc.
Jim Patras

Staff in Attendance:

Bill Stewart	Lee Thibert	Ron Vecera	Jody Wolfe	Mike Cunningham
Phil Steyer	Kathy Harris	Mike Massin	John Cooley	Arthur Miller
Katrina Storjohann	Brad Evans	Carol Heyman	Mary Tesch	Rick Freymiller
Bill Bernier	Dianne Hillemeier	Mary Tesch	Don Edwards	Carol Johnson

Recording Secretary: Connie Owens, Executive Assistant

I. Call To Order

Chairman Lipscomb called the Finance Committee meeting to order at 4:10 p.m. in the Board Room of Chugach Electric Association, Inc., 5601 Minnesota Drive, Anchorage, Alaska.

II. Approval of Agenda

Director Boucher moved and Director Cason seconded the motion to approve the agenda as presented. Director Cottrell requested the November financials be added to the agenda. The motion to approve the agenda as amended passed unanimously.

III. Approval of the Minutes

Director Boucher moved and Director Cason seconded the motion to approve the minutes of December 10, 2003. Motion passed.

IV. Customer Comments

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

V. Financial Management Plan Update

Mike Cunningham, Chief Financial Officer, gave an update to the Committee on the Financial Management Plan and responded to questions.

VI. Bradley Lake Audit Report

Mike Cunningham briefed the Committee on the Bradley Lake Audit Report for June 30, 2002 and 2001.

VII. 2002 Depreciation Study Update Assumptions

Kathy Harris, Manager of Plant Accounting, presented an update on the Depreciation Study assumptions.

VIII. Rate Case Update

Arthur Miller, Manager, Rates, reviewed the latest developments in the rate case.

IX. Statement on Auditing Standards (SAS) No. 99

Mike Cunningham discussed SAS No. 99 and reported on a seminar that Director Jasper and he attended regarding Ethics and Governance in Nashville Tennessee.

X. November Financials

Mike Cunningham recapped the November financials.

XI. General Comment & Correspondence

a. Sarbanes Oxley 404 – Internal Controls

XII. Executive Session

Director Cason move and Director Boucher seconded the motion that pursuant to Alaska statute 10.25.175(c)(1), the Board of Directors go into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and to discuss matters with it's attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The topics to be discussed in this executive session are Strategic Planning and Retaining a financial advisor.

Five minute break at 6:50 p.

The Committee went into executive session at 6:50 p.m. They reconvened at 7:10.

XIII. Adjourn

Director Cason moved and Director Boucher seconded the motion to adjourn. Motion passed unanimously.