

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

May 12, 2004

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

Other Directors Present: Pat Jasper
Chris Birch
Bruce Davison

Guests in Attendance: Jim Walker, Matanuska Electric Association, Inc.

Staff in Attendance:

Lee Thibert	Mike Cunningham	Ed Stephans	John Cooley
Brian Hickey	Bill Stewart	Arthur Miller	Brad Evans
Joe Griffith	Katrina Storjohann	Rick Freymiller	Phil Steyer
Teri Burke	Kathy Harris	Beau Disbrow	Carol Johnson
Dianne Hillemeier	Sherri McKay	Bill Bernier	Phil Steyer
Don Edwards			

I. Call To Order

Director Lipscomb called the Finance Committee meeting to order at 4:06 p.m. in the boardroom of Chugach Electric Association, Inc. 5601 Minnesota Drive, Anchorage, Alaska.

II. Approval of Agenda

Director Cottrell moved and Director Boucher seconded the motion to approve the agenda as presented. Motion passed unanimously.

III. Approval of the Minutes

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

IV. Customer Comments

Jim Walker from Matanuska Electric Association (MEA) read a letter to the Finance Committee dated May 12, 2004 giving Chugach notice of Non-Renewal of the April 5, 1989 Modified Agreement for the Sale and Purchase of Electric Power and Energy upon its scheduled December 31, 2014 expiration date.

V. Adoption of Committee Goals 2004-2005

Director Cason moved and Director Boucher seconded the motion to approve the Committee Goals with minor revisions. Motion passed unanimously.

VI. 1st Quarter Income & Expense Review of Operations/Capital Tracking Report

Katrina Storjohann briefed the 1st Quarter Income & Expense Review of Operations and Capital Tracking Report.

VII. 1st Quarter Deferred Debits Review

Kathy Harris reported the 1st quarter Deferred Debits.

VIII. 1st Quarter Unbundled Financial Statements

Rick Freymiller presented the 1st Quarter Unbundled Financial Statements and responded to questions from the Committee.

IX. Code of Ethics Policy

Joe Griffith discussed the Code of Ethics Policy for senior financial officers of Chugach Electric Association and responded to questions from the Committee. Director Cottrell moved and Director Cason seconded the motion to forward the Code of Ethics Policy to the full board for approval. Motion passed unanimously.

X. General Comments and Correspondence

a. *Standard & Poor's Utilities & Perspectives (May 2, 2004)*

XI. Executive Session – Scheduled

Director Boucher moved and Director Cason moved that pursuant to Alaska statute 10.25.175(c)(1) and (3), the Board go into executive session to discuss:

- 1) Matter the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and
- 2) Matters with its 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: Financial Management Plan and Rates.

The Committee went into Executive Session at 5:40 p.m

XII. Adjourn

Director Boucher moved and Director Cottrell seconded the motion to adjourn. Motion passed unanimously. Meeting adjourned at 7:54 p.m.