

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

September 26, 2007

Committee Members in Attendance: Elizabeth Vazquez (acting Chair)
P J Hill (arrived at 4:10 p.m.)
Alex Gimarc
Jeff Lipscomb
Uwe Kalenka

Other Director Present: Jim Nordlund (via telephone)

Guests in Attendance: Lorali Carter (MEA)
Gary Zipkin (Guess & Rudd)
Jim Posey (ML&P)
Jim Patras (HEA)

Staff in Attendance:

Bill Stewart	Lee Thibert	Mike Cunningham	Brad Evans
Connie Owens	Carol Johnson	Dave Smith	Jody Wolfe
Ed Jenkin	Ron Vecera	Burke Wick	Amber Van Treeck
Sherri McKay-Highers	Mary Tesch	Phil Steyer	Jean Sauget
Suzanne Gibson	Carol Heyman	Bill Bernier	Mark Fouts
Jennifer McDonald	Paul Risse		

Recording Secretary: Divina Portades, Executive Office - Administrative Assistant

I. Convene Meeting

Acting Chair Vazquez called the Finance Committee to order at 4:05 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Approval of Agenda

Director Lipscomb moved and Director Kalenka seconded the motion to approve the agenda. The motion passed unanimously.

III. Approval of Minutes

a. August 22, 2007

Director Gimarc moved and Director Kalenka seconded the motion to approve the Finance Committee Meeting minutes of August 22, 2007. The motion passed unanimously.

IV. Customer Comments

a. *Wholesale Customer Comments*
None.

b. *Retail Customer Comments*
None.

V. August Unbundled Financial Results

Jody Wolfe, Controller, gave a presentation on the August Unbundled Financial Results and answered questions from the Committee.

Director Hill arrived at 4:10 p.m.

VI. Credit Trends in Write-Off's

Ron Vecera, Director, Member Services, gave a presentation on the Credit Trends in Write-Off's and answered questions from the Committee.

Acting Chair Vazquez stated she would like to see a recommendation from management as to what to do with credit issues with billing. Acting Chair Vazquez suggested Chugach compare notes with other Railbelt utilities to see if they are experiencing the same trends. Acting Chair Vazquez requested that management should further research credit card issues to find all the options possible so that Chugach can accept credit card payments internally.

VII. Review of 2007 Power Delivery Budget vs. Actual

Sherri McKay-Highers, Manager, Corporate Budgeting, gave a presentation of the 2007 Power Delivery Budget vs. Actual. Staff answered questions from the Committee.

The Board recessed at 5:06 p.m. and reconvened at 5:10 p.m.

VIII. Renewal of NRUCFC Line of Credit

Mike Cunningham, Senior Vice President Finance and Chief Financial Officer, gave a brief update on the Renewal of NRUCFC Line of Credit and answered questions from the Committee.

Mike Cunningham stated that at the October 17, 2007 Board meeting, the Board will be voting on a resolution.

Director Gimarc requested that the new agreement for the NRUCFC Line of Credit be available for the Board of Director's review prior to the October 17, 2007 Board meeting.

Director Gimarc moved and Director Lipscomb seconded the motion to recommend that the Finance Committee forward to the Board of Directors a recommendation to renew the NRUCFC \$50 million, 60 month revolving line of credit lending agreement to the next Board meeting on the 17th of October. The motion passed unanimously.

IX. Renewal of CoBank Line of Credit

Mike Cunningham, Senior Vice President Finance and Chief Financial Officer gave a presentation on the Renewal of CoBank Line of Credit and answered questions from the Committee.

Acting Chair Vazquez requested that management revisit why we have to get the \$7.5 million line of credit with CoBank and pay the commitment fee for acquiring the line of credit.

Director Lipscomb moved and Director Gimarc seconded the motion that the Finance Committee forward to the Board of Directors a recommendation to renew the CoBank \$7.5 million revolving line of credit lending agreement. The motion passed unanimously.

X. Correspondence

- a. August Unbundled Financial Statements (Full Report)*
- b. August Variance Report*

XI. Directors' Comments

Director Hill: None.

Director Lipscomb: Thanked Jody Wolfe, Ron Vecera, and Sherri McKay-Highers for their presentations as they were in-depth and professional as usual.

Director Gimarc: None.

Director Kalenka: None.

Director Nordlund: None.

Acting Chair Vazquez: Thanked everyone for their presentations during this busy time with the budget and stated the Board appreciates the hard work.

XII. Executive Session

None.

XIII. Adjourn

Director Kalenka moved and Director Gimarc seconded the motion to adjourn. The meeting adjourned at 5:23 p.m.