

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OF DIRECTORS'
OPERATIONS COMMITTEE MEETING MINUTES

Immediately Following the Finance Committee Meeting

January 8, 2008

Committee Members in Attendance: Elizabeth Vazquez, Chair
Alex Gimarc
Uwe Kalenka

Committee Members Absent: Jim Nordlund

Other Directors Present: Jeff Lipscomb
Rebecca Logan
PJ Hill

Guests and Staff in Attendance:

Brad Evans	Suzanne Gibson	Jean Sauget
Greg Arthur	Ed Jenkin	Dave Smith
Loralie Carter, MEA	Carol Johnson	Phil Steyer
Mike Cunningham	Dan Knecht	Lee Thibert
Dave Dittman, Dittman Research	Connie Owens	Ron Vecera
Rick Freymiller	Paul Risse	Jody Wolfe

Recording Secretary: DeAnna Scott, Executive Assistant

I. CONVENE MEETING

Chair Vazquez convened the Operations Committee meeting at 5:10 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. EXECUTIVE SESSION - None

III. APPROVAL OF AGENDA

Director Kalenka moved and Director Gimarc seconded the motion to approve the Agenda. *The motion passed unanimously.*

IV. APPROVAL OF MINUTES

a. December 5, 2007

Director Kalenka moved and Director Gimarc seconded the motion to approve the Operations Committee Meeting minutes of December 5, 2007. *The motion passed unanimously.*

V. CUSTOMER COMMENTS

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

VI. Review Results of Dittman Survey

David Dittman, Dittman Research reviewed with the survey results and answered question from the Committee.

VII. Review Proposed Bylaws

Carol Johnson, General Counsel, reported there were no proposed bylaw changes submitted by members. The Bylaws Committee will have their first meeting on Thursday, January 10, 2008, at 5:30 p.m.

VIII. Review and Recommend Approval of the 2008 Election Procedures

Phil Steyer, Director, Government and Corporate Communications reported the Elections Committee met on January 7, 2008, and concluded by asking staff to get a legal opinion on some issues they discussed and based upon the timing of the response will determine when the Committee will have their next meeting. After further discussion, it was decided that this item would be placed on the January 16, 2008, Board of Directors meeting agenda.

IX. Recommend Appointment of the 2008 Master Election Judge

Director Gimarc moved and Director Kalenka seconded the motion that the Operations Committee recommend the Board of Directors appoint Jim Magowan as the 2008 Master Election Judge. *The motion passed unanimously.*

X. Date of Record

Director Gimarc moved and Director Kalenka seconded the motion that the Operations Committee recommend the Board of Directors set March 12, 2008, as the Date of Record for Chugach's 2008 election. *The motion passed unanimously.*

XI. Recommend Approval of the Credit Card Transition Plan

David Smith, Vice President, Administrative Services presented the Transition Plan for Credit Card Payments and answered questions from the Committee.

(No formal action was taken on this agenda item. Director Gimarc asked the question, "The reason there was not a motion associated with this agenda item because it already passed out of Committee?" Chair Vazquez stated that it had months ago and also been passed by the Board.)

XII. Board Policy 119 - Contributions

David Smith, Vice President, Administrative Services presented Board Policy 119 – Contributions and answered questions from the Committee.

Director Kalenka moved and Director Gimarc seconded the motion that the Operations Committee recommends to the Board of the Directors to approve the revisions to Board Policy 119 – Contributions as recommended by Management. *Motion passed unanimously.*

XIII. Discussion on Alaska Power Association (APA) Conference

Chair Vazquez wanted to remind everyone of the Alaska Power Association (APA) Legislative Conference in Juneau, AK. Ms. Owens needs to know who all will be attending no later than Monday, January 14, 2008. The Conference is scheduled February 6 -7, 2008.

XIV. Correspondence

None.

XV. Director Comments

Director Hill: "No Comment"

Director Lipscomb: "No Comment"

Director Logan: "No Comment"

Director Gimarc: "I wanted to thank Mr. Evans and staff for the work in implementing the credit card program. I would strongly suggest lots and lots of hand holding and taking care of the customers. Anything we can do to take the edge off this as it gets implemented, it would help us out. Thank you very much for your hard work.

Director Kalenka: "Um, Madam Chair, I would like to echo Alex's remarks. Other than that, I am looking at the clock and either we are becoming more efficient and, on that note, that's all I've got to say."

Chair Vazquez: "I've said most of my comments previously. I can't tell you how delighted I am to see the credit card transaction plan finally be realized and come to fruition and likewise, changes to Board Policy 119 – Contributions; and, it is nice to see that the survey indicates that we have a very strong Customer Service Department; and, I would like acknowledge that in a letter as Mr. Dittman recommended, attach specific comments from the Survey. And of course, I have to thank, I know everybody has been on overdrive, I know that, although we had the holidays it just meant for some of us, it was a lot of catch up time before and after so, I really appreciate the amount of work both management and staff had to do to pull things together. Any comments Mr. Evans?" Mr. Evans responded "I appreciate all of that, acknowledgment of a lot of people working pretty hard around here to keep up a on some of these issues." Chair Vazquez continued "Ms. Owens, thank you very much for keeping us on track and making sure that we are getting the right papers and right time.

XVI. Executive Session

At 6:13 p.m., Director Kalenka moved and Director Gimarc seconded the motion that pursuant to Alaska Statute 10.25.175(c) (1) and (3) the Operations Committee go into executive session 1) to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) to discuss matters with its attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The matters to be discussed are: 1) Tiquon, 2) Premium Demand Charge, 3) Rate Case Update, 4)BLPP (Bernice Lake Power Plant) Board Presentation – Potential Enforcement Actions from EPA or

ADEC (Alaska Department of Environmental Conservation); 5) Operating Policy 016 – Use of Cooperative Vehicles; 6) Update ERA Damages; 7) Update Legislative Agenda; 8) Discussion – APA Conference; 9) Discussion – Chugach / ML&P Phase One Study; 10) Discussion – Joint Board Meeting with Homer Electric and 11) Discussion – New Generation (Generation Siting Study). *The motion passed unanimously.*

The Committee took a break at 6:15 p.m. and went into executive session at 6:28 p.m.

The Committee took at break at 7:25 p.m. and reconvened into executive session 7:40 p.m.

The Committee came out of executive session and reconvened the meeting at 8:25 p.m.

XVII. Adjourn

Director Kalenka moved and Director Gimarc seconded the motion to adjourn. The meeting adjourned at 8:25 p.m.

DRAFT