

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

March 4, 2009

ACTION REQUIRED

AGENDA ITEM NO. XI.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Discussion – Memorandum of Understanding (MOU) with ANGDA

DISCUSSION

AS 41.41 directs Alaska Natural Gas Development Authority to bring natural gas from North Slope to market. Chugach Electric Association has a need for future supplies of natural gas and gas storage facilities to fuel its natural gas turbine generators that serve electric consumers throughout the Railbelt region. The supply of natural gas in Cook Inlet is declining without further exploration and development activities. There are opportunities to further develop gas resources in Cook Inlet, transport gas from other regions within Alaska or import gas from outside Cook Inlet to meet the Railbelt's energy needs. The Anchorage economy is dependent on natural gas for heating and electric production until other resources can be transitioned into our current economic model.

Chugach and ANGDA hereby jointly agree to pursue the development of a gas supply entity that will undertake studies, acquire fuel resources and related services and make said resources and services available to utilities in the Railbelt and other locations on a voluntary menu-driven basis. This entity will be member owned and directed. Services to be provided will be defined by the membership as needs develop.

MOTION

N/A