

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

August 2, 2006

ACTION REQUIRED

AGENDA ITEM NO. X.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

AREA Joint Action Agency

DISCUSSION

The attached motion will be proposed by Director Nordlund.

CHUGACH ELECTRIC ASSOCIATION, INC.
RESOLUTION REGARDING REJOINING ALASKA
REGIONAL ENERGY AUTHORITY JOINT ACTION AGENCY

WHEREAS, Alaska's Railbelt utilities through voluntary cooperation have developed very high levels of reliability that compare very favorably with levels of reliability experienced nationally.

WHEREAS, Alaska's Railbelt utilities have achieved these levels of reliability and efficiency without significant government oversight of reliability rules;

WHEREAS, utilities working together are in the best position to make informed judgments about rules needed to assure reliable electric power supply;

WHEREAS, continued cooperation and development of new ways of cooperating in planning, building, owning and operating power supply systems is essential to the physical and economic well-being of the citizens of the Alaska Railbelt region;

WHEREAS, the Alaska Regional Energy Authority Joint Action Agency (AREA JAA) was formed in an effort to meet these needs;

WHEREAS, Chugach Electric Association, Inc. was a member of the AREA JAA until it withdrew effective January 27, 2006;

WHEREAS, wind power has been under study and investigation by the existing AREA JAA members, Chugach and others and the AREA JAA could be an appropriate entity to own a wind power system for the benefit of the Chugach members and other electricity users in the Alaska Railbelt ("Project"); output from the Project could be sold to purchasers by contract with the AREA JAA; and

WHEREAS, the Board of Directors of Chugach believes that it may be in the best interests of Chugach to rejoin the AREA JAA;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Chugach Electric Association, Inc. authorizes the Chugach AREA JAA Representative or Alternate to communicate with the present AREA JAA members regarding Chugach's interest in rejoining the AREA JAA and any necessary changes to the AREA JAA Agreement and Bylaws. The Chairman of the Chugach Board of Directors is appointed as Chugach's Representative and Chugach's Interim Chief Executive Officer is appointed as Alternate.