

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

October 4, 2006

ACTION REQUIRED

AGENDA ITEM NO. XI.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

CEO Evaluation

DISCUSSION

Attached is Chairman Lipscomb's proposed evaluation form for the Chief Executive Officer's 2006 evaluation.

CHIEF EXECUTIVE OFFICER'S EVALUATION FOR 2006

Evaluation Scale of 1 to 5 with 1 being Unacceptable and 5 being Superior performance

1. Organization Vision and Planning

Standards: Demonstrates knowledge of current and emerging competitive issues. Thinks strategically and clearly articulates the organization's corporate mission, goals, and strategies. Adjusts to changing industry and environmental factors.

Scores: Ave:

2. Leadership and Management

Standards: Follows cooperative principles in managing the organization. Demonstrates leadership in guiding the organization through change. Is perceived to be a leader. Plays a vital role in state, regional, and national cooperative organizations. Recognizes the importance of working cooperatively with such organizations.

Scores: Ave:

3. Board Relations & Communications

Standards: Keeps board informed of important industry issues and the performance of the cooperative. Brings well thought-out recommendations for the board's consideration. Actively builds the trust and support of the board. Encourages the board to work together effectively. Encourages innovative thinking on the part of the board.

Scores: Ave:

4. Electric System Operations

Standards: Ensures that consumers are fully satisfied with the quality, cost, and reliability of electrical service. New service requests are handled promptly. Outages are kept to acceptable minimums and industry norms. Service is restored promptly. Power quality, line loss, and other benchmark measures are within industry norms.

Scores: Ave:

CHIEF EXECUTIVE OFFICER'S EVALUATION FOR 2006

5. Organizational Effectiveness

Standards: Takes initiative to ensure that the organization is designed and staffed to meet a changing competitive environment. Effectively employs technology, both on a personal basis and in terms of applications that improve overall organizational effectiveness.

Scores: Ave:

6. Member/Community Relations

Standards: Sets the tone for the cooperative as being responsive to its members. Stays closely in touch with member concerns and ensures that useful educational programs are developed and carried out. Uses objective methods to measure member expectations and satisfaction. Works with local leaders and civic organizations to increase awareness of the cooperative's value to the communities it services.

Scores: Ave:

7. Financial Management and Performance

Standards: A long-range financial plan has been thoroughly explained to the Board, adopted, and followed. Meaningful budgets are developed. Expenses are accurately tracked and reported. Cash reserves are prudently invested. Financial targets are met.

Scores: Ave:

8. Employee Relations

Standards: Creates a positive work environment for employees and encourages teamwork. Delegates effectively to key staff. Keeps employees informed about industry issues and trends and influences them to adapt to change. Assures that competent individuals are hired, trained, and promoted. Empowers employees to make decisions that will improve the performance of the company. Responsible for leading labor negotiations and implementing collective bargaining agreements.

Scores: Ave:

CHIEF EXECUTIVE OFFICER'S EVALUATION FOR 2006

9. Achievement of 2006 CEO Goals

Standards: Articulated goals on a regular basis. Gave regular updates on reaching goals. Consistently met the jointly agreed upon goals for 2006.

Scores: Ave:

10. Overall Performance Assessment

Scores: Ave:

General Comments

Overall Average Score:

Chairman of the Board of Directors

Chief Executive Officer

Date: