

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE
MEETING MINUTES

October 14, 2009

Committee Members in Attendance: Janet Reiser, Chair
Alex Gimarc (*attended telephonically*)
Jim Nordlund
Rebecca Logan
Elizabeth Vazquez

Other Directors in Attendance: PJ Hill
Pat Kennedy

Guests in Attendance: Jim Walker, MEA
Jim Posey, ML&P
Louann Cutler, K&L Gates

Staff in Attendance:

Brad Evans	Ed Jenkin	Dave Smith
Tyler Andrews	Mark Johnson	Paul Risse
Bill Bernier	Sherry McKay-Highers	Tom Schulman
Dustin Highers	Divina Portades	Lee Thibert

Recording Secretary: DeAnna Scott, Executive Assistant

I. Convene Meeting

Chair Reiser convened the Operations Committee meeting at 4:40 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

a. Safety Minute

Dave Smith, Sr. Vice President, Administration, discussed Winter Driving and showed a video clip. Mr. Smith distributed an emergency road kit to the Committee members.

II. Executive Session

None.

III. Approval of Agenda

Director Logan moved and Director Vazquez seconded the motion to approve the Agenda. The motion to approve the agenda passed unanimously.

IV. Approval of Minutes

a. September 9, 2009

Director Logan moved and Director Nordlund seconded the motion to approve the Operations Committee Meeting minutes of September 9, 2009. The motion passed unanimously.

V. Customer Comments

a. Wholesale Customer Comments
None.

b. Member Comments
None.

VI. Board Policy 105 – Functions of the Board

Louann Cutler of K&L Gates and Dave Smith, Sr. V.P., Administration presented an overview of the proposed changes to Board Policy 105.

Director Nordlund moved and Director Logan seconded the motion that the Operations Committee recommend the Board of Directors approve the revisions to Board Policy 105 – Functions of the Board of Directors as shown in the attached draft policy. The motion passed unanimously.

VII. Board Policy 118 – Delegation of Certain of the Secretary of the Board's and Treasurer of the Board's Duties to the Chief Executive Officer

Louann Cutler of K&L Gates and Dave Smith, Sr. V.P., Administration presented an overview of the proposed changes to Board Policy 118.

Director Nordlund moved and Director Logan seconded the motion that the Operations Committee recommend the Board of Directors approve the revisions to Board Policy 118 – Delegation of Certain of the Secretary of the Board's and Treasurer of the Board's Duties to the Chief Executive Office as shown in the attached policy. The motion passed unanimously.

VIII. Board Policy 119 – Contributions

Deferred to the November meeting.

IX. Board Policy 130 - Authority of the Association – Appointed Alaska Railbelt Energy Authority Joint Action Agency Director.

Louann Cutler of K&L Gates and Dave Smith, Sr. V.P., Administration presented an overview of the proposed changes to Board Policy 130.

Director Logan moved and Director Nordlund seconded the motion that the Operations Committee recommend the Board of Directors approve the revisions to Board Policy 130 – Authority of the Association-appointed Alaska Railbelt Energy Authority Action Agency Director as shown in the attached draft policy as per discussion at the Operations Committee meeting. The motion passed unanimously.

X. Board Policy 134 – Authority of the Association – Appointment Representative Regarding Jointly Operated Assets.

Louann Cutler of K&L Gates and Dave Smith, Sr. V.P., Administration presented an overview of the proposed changes to Board Policy 134. After discussion, it was decided to defer this agenda item to the November meeting.

XI. Renewable Energy Committee - Discussion

Director Logan wanted to bring before the Operations Committee the discussion of the Renewable Energy Committee and its charter. After discussion, Chair Reiser recommended that the Operations Committee review the Resolution that established the Renewable Energy Committee and discuss its direction at the November meeting. Director Gimarc requested that the definitions of the generating techniques that were agreed upon identifying what were considered renewable energy and alternative energy be distributed prior to the meeting.

XII. Correspondence

None.

XIII. Director Comments

Director Vazquez: “No comment.”

Director Kennedy: “No, I cannot think of anything.”

Director Gimarc: “No comments, madam.”

Director Hill: “No comment.”

Director Nordlund: “I just had one thought. As we grind through these Board Policies, you know, I think it has really been a good thing, you know, to clean that up, lay the basis for concise, and trojan set of policies that we follow and I appreciate the effort that we’re all making and Louann, thank you.”

Chair Reiser: “No comment.”

The committee recessed at 5:23 p.m. and reconvened in open session at 5:40 p.m.

XIV. Executive Session

At 5:40 p.m., Director Logan moved and Director Nordlund 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 with its attorney, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative as it relates to revisions to Association Board Policies, and 2) to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative as it relates to the Southcentral Power Project, Strategic Planning, Fuel Supply Matters and the Strategic Plan for Human Resources.

The matters to be discussed include:

- A. Board Policy 117 – Candidate Statements
- B. Board Policy 124 – Conflict of Interest
- C. An Update on the Southcentral Power Project
- D. An Update on the Association’s Strategic Plan
- E. Fuel Supply Matters, and
- F. Human Resources’ Strategic Plan.

The motion passed with Chair Reiser, Directors Nordlund, Gimarc and Logan voting yes; Director Vazquez abstained. Motion passed.

XV. Adjourn

Director Logan moved and Director Vazquez seconded the motion to adjourn. The meeting adjourned at 8:34 p.m.

DRAFT