

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

AUDIT COMMITTEE
MEETING MINUTES

May 13, 2009

Committee Members in Attendance: PJ Hill, Chair
Alex Gimarc
Pat Kennedy
Rebecca Logan

Other Directors Present: Janet Reiser
Elizabeth Vazquez
Jim Nordlund (arrived at 3:57 p.m.)

Guests in Attendance: Mike Hayhurst (KPMG) (via telephone)
Charles Kozak (KPMG)
Lorali Carter (MEA)

Staff in Attendance:

Brad Evans	Mike Cunningham	Dave Smith	Mark Johnson
Jody Wolfe	Renee Curran	Kathy Harris	Theresa Quigley
Divina Portades	Rick Freymiller	Phil Steyer	Sherri McKay – Highers

Recording Secretary: Jennifer McDonald, Legal Secretary

I. Convene Meeting

Chair Hill called the Audit Committee to order at 3:37 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Executive Session

None.

Director Gimarc asked which Directors were appointed to the Audit Committee. Director Logan stated that the Audit Committee members remained the same except that Pat Kennedy is taking the place of Jeff Lipscomb. Audit Committee members are: PJ Hill (Chair), Alex Gimarc, Pat Kennedy, Rebecca Logan and Elizabeth Vazquez.

Director Vazquez stated she is resigning from the Audit Committee, effective immediately. Director Vazquez requested an Executive Session to discuss her reasons for the resignation to be discussed at the next regular Board meeting.

III. Approval of Agenda

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

IV. Approval of Minutes

a. March 4, 2009

Director Logan moved and Director Gimarc seconded the motion to approve the March 4, 2009 minutes. The motion passed with Director Kennedy abstaining.

V. Customer Comments

a. Wholesale Customer Comments – None.

b. Member Comments – None

VI. Election of a Vice Chairman – Audit Committee

Director Logan moved and Director Kennedy seconded the motion to postpone this item to the next Audit Committee meeting due to Director Vazquez's resignation. The motion passed unanimously.

VII. 1st Quarter Review

Charlie Kozak, Senior Manager of KPMG, introduced Mike Hayhurst of KPMG. Mr. Hayhurst is taking Kathy Porterfield's place and will be in Anchorage full-time starting in June.

Mr. Hayhurst (via telephone) presented the 1st Quarter Review and answered questions from the Committee.

VIII. Correspondence

None.

IX. Director Comments

Director Logan: None.

Director Reiser: None.

Director Kennedy: None.

Director Vazquez: None.

Director Gimarc: None.

Director Nordlund: None.

Chair Hill: None.

X. Executive Session

a. 1st Quarter SEC Form 10Q Filing

Director Logan moved and Director Kennedy seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) the Audit Committee go into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative as it relates to Chugach's Securities and Exchange Commission 1st Quarter 2009 filing. The matter to be discussed will be the SEC Form 10Q. The motion passed unanimously.

The Audit Committee went into executive session at 4:04 p.m. and resumed in open session at 4:14 p.m.

XI. 1st Quarter SEC Form 10Q Filing

Director Logan moved and Director Kennedy seconded the motion that the Audit Committee recommend to the Board of Directors that Management file the Securities and Exchange Commission Form 10Q by the due date incorporating any review and amendment to the document which will be received, reviewed and approved by KPMG. Mr. Hayhurst and Mr. Cunningham will immediately inform the Board in writing of any material and significant changes. The motion passed unanimously.

XII. Adjourn

Director Logan moved and Director Kennedy seconded the motion to adjourn. The meeting adjourned at 4:15 p.m.