

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**May 12, 2010**

**FINANCE COMMITTEE**  
**MEETING MINUTES**

Committee Members in Attendance: Susan Reeves, Chair  
PJ Hill, Vice Chair  
Jim Nordlund  
Pat Kennedy  
Elizabeth Vazquez

Other Members Present: Janet Reiser  
Rebecca Logan

Staff in Attendance:

Brad Evans	Tom Schulman	Ed Jenkin
Dave Smith	Mike Cunningham	Mark Johnson
Tyler Andrews	Arthur Miller	Lee Thibert
Felix Melendez	Sherri McKay-Highers	Kathy Harris
Connie Owens	Bill Bernier	Carol Heyman
Phil Steyer	Dustin Highers	Paul Risse

Recording Secretary: Paula Neas-Arnold, Executive Secretary

**I. Convene Meeting**

Chair Reeves convened the Finance Committee Meeting 4:09 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. Executive Session** (*none*)

**III. Approval of Agenda**

Director Kennedy moved and Director Hill seconded the motion to approve the Agenda. The motion passed unanimously.

**IV. Approval of Minutes**

*a. March 3, 2010 (Knight-Scott)*

Director Hill moved and Director Kennedy seconded the motion to approve the meeting minutes of March 3, 2010. The motion passed unanimously.

**V. Customer Comments**

- a. *Wholesale Customer Comments*  
None
  
- b. *Member Comments*  
None

**VI. Election of a Vice Chairman – Finance Committee**

Director Nordlund moved and Director Kennedy seconded the motion to nominate Director Hill for Vice Chairman of the Finance Committee. The motion passed unanimously.

**VII. 3<sup>RD</sup> Quarter Commercial Paper Issue Authorization**

Mike Cunningham discussed the 3<sup>rd</sup> Quarter Commercial Paper Issue and answered questions from the Committee.

Director Hill moved and Director Kennedy seconded the motion that the Finance Committee recommend the Board of Directors authorize the issuance of an additional \$25 million of commercial paper as necessary to cover capital expansion, new generation requirements, and operational needs in lieu of using higher priced line of credit sources to a maximum total of \$125 million outstanding at the end of third quarter 2010. Chair Reeves, Directors Nordlund, Hill, and Kennedy voted yes; Director Vazquez abstained. The motion passed.

**VIII. Bank Signature Cards**

Mike Cunningham discussed the Bank Signature Cards and answered questions from the Committee. Chair Reeves asked for clarification on the signers. Mr. Cunningham stated that due to the recent Board elections and the need to make sure that sufficient in-house signers are available, Mr. Lee Thibert, Sr. Vice President, Strategic Planning & Corporate Affairs, was added to the list.

Director Hill moved and Director Nordlund seconded the motion that the Finance Committee recommend the Board of Directors approve the attached resolution to update the approved check signers based on the election of officers at its April 29, 2010, Special Board of Directors Meeting. The motion passed unanimously.

**IX. Correspondence**

- a. *March Variance Report*  
*Sherry McKay-Highers, Manager, Budget and Financial Reporting, provided an overview and answered questions from the Committee.*
  
- b. *1<sup>st</sup> Quarter Capital Tracking Report*  
*Sherry McKay-Highers, Manager, Budget and Financial Reporting, provided an overview and answered questions from the Committee.*

- c. *1<sup>st</sup> Quarter Budget Status Report*  
*Sherry McKay-Highers, Manager, Budget and Financial Reporting, provided an overview and answered questions from the Committee.*
- d. *2<sup>nd</sup> Quarter Railbelt Bill Comparison*  
*Felix Melendez, Manager, Regulatory Affairs, provided an overview and answered questions from the Committee.*

## **X. Executive Session**

- a. *Rate Case Update*
- b. *SPP Regulatory Status*

Director Nordlund moved and Director Hill seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) the Finance 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 the status of the Southcentral Power Project Regulatory Status and update of the 2008 Test Year Rate Case.

The matters to be discussed will be:

- a. Rate Case Update; and,
- b. Southcentral Power Project Regulatory Status.

The motion passed unanimously.

The Committee went into Executive Session at 4:24 p.m. and resumed in open session at 5:23 p.m.

## **XI. Director Comments**

**Director Logan:** “No comments.”

**Director Nordlund:** “No comments.”

**Director Hill:** “No comments.”

**Director Kennedy:** “No comments.”

**Director Vazquez:** “No comments.”

**Chair Reeves:** “I would just thank everyone who presented today. Impressed with professional presentations we received at Finance and I also appreciate all the help from my fellow board members in getting through the first meeting that I chaired; so, the meeting is adjourned.”

## **XII. Adjournment**

Chair Reeves adjourned the Committee meeting at 5:24 p.m. *(There was no formal action taken on this agenda item.)*