

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

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

**November 11, 2009**

Committee Members in Attendance: Pat Kennedy, Acting Chair  
PJ Hill, Chair (*attended telephonically*)  
Rebecca Logan  
Alex Gimarc  
Elizabeth Vazquez

Other Director Present: Janet Reiser  
Jim Nordlund (*attended telephonically*)

Guests in Attendance: Jim Posey, ML&P

Staff in Attendance:

Brad Evans	Mark Johnson	Dave Smith
Tyler Andrews	Dan Knecht	Lee Thibert
Bill Bernier	Sherri McKay-Highers	Ron Vecera
Mike Cunningham	Divina Portades	Jody Wolfe
Kathy Harris	Paul Risse	
Ed Jenkin	Tom Schulman	

Recording Secretary: DeAnna Scott, Executive Assistant

**I. Convene Meeting**

Acting Chair Kennedy called the Finance Committee to order at 4:21 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. Executive Session**

None.

**III. Approval of Agenda**

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

**IV. Approval of Minutes**

*a. October 12, 2009, October 13, 2009 and October 14, 2009*

Director Logan moved and Director Gimarc seconded the motion to approve the minutes of October 12, 2009, October 13, 2009 and October 14, 2009. The motion passed unanimously.

*Director Nordlund disconnected at 4:23 p.m.*

**V. Customer Comments**

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

**VI. August Financial**

Jody Wolfe, Controller, gave a presentation on the 3<sup>rd</sup> Quarter Financial Results and responded to questions from the Committee.

**VII. Training – Information Services Clearing**

Jody Wolfe, Controller, gave a presentation on Information Services Clearing and responded to questions from the Committee.

**VIII. 2009 Recommendation on Discounting of Capital Credit Payments for 2010**

Dave Smith, Sr. V.P., Administration gave an overview of the 2009 Recommendation on Discounting of Capital Credit Payments for 2010 and answer questions from the Committee.

Director Logan moved and Director Gimarc seconded the motion that the Finance Committee recommend the Board of Directors approve the attached resolution funding and authorizing early (discounted) capital credit payments for 2010 up to a total of \$250,000. The motion passed unanimously.

**IX. Retail Capital Credit Retirement**

Dave Smith, Sr. V.P., Administration gave an overview of the Retail Capital Credit Retirement and responded to questions from the Committee.

Director Logan moved and Director Gimarc seconded the motion that the Finance Committee recommend the Board of Directors approve the attached resolution authorizing retirement of retail distribution capital credits to members of record for 1989 in the amount of \$1,679,809. The motion passed unanimously.

**X. Wholesale Capital Credit Retirement**

Mike Cunningham, Chief Financial Officer gave an overview of the Wholesale Capital Credit Retirement and responded to questions from the Committee.

Director Logan moved and Director Gimarc seconded the motion that the Finance Committee recommend the Board of Directors approve the attached resolution retiring 1999 wholesale capital credits in the amount of \$1,674,809 to Homer Electric

Association Inc., Matanuska Electric Association, Inc. and Seward Electric System to the Board of Directors. The motion passed unanimously.

**XI. Simplified Rate Filing**

Arthur Miller, Director, Regulatory Affairs and Pricing, presented the Simplified Rate Filing (SRF) and responded to questions from the Committee.

Director Logan moved and Director Hill seconded the motion that the Finance Committee recommend the Board of Directors approve the attached resolution authorizing the adoption of the SRF process in compliance with 3 AAC 48.700 through 3 AAC 48.790 for adjustments to base demand and energy rates. The motion passed unanimously.

**XII. Correspondence**

- a. *3<sup>rd</sup> Quarter Financial Results – Full Set (Wolfe)*
- b. *3<sup>rd</sup> Quarter September Variance Report (McKay-Highers)*
- c. *Signature Authority Review Compliance (Cunningham/Smith)*
- d. *3<sup>rd</sup> Quarter Operating Budget Status Report (McKay-Highers)*
- e. *3<sup>rd</sup> Quarter Capital Tracking Report (McKay-Highers)*
- f. *3<sup>rd</sup> Quarter Deferred Debits by Division (Quigley)*

**XIII. Executive Session**

- a. *Presentation on Opportunity for Beneficial Land Transactions*

At 4:49 p.m., Director Logan moved and Director Gimarc 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 a presentation of Opportunity for Beneficial Land Transactions.

The matters to be discussed include:

- A. Opportunity for Beneficial Land Transactions

The motion passed unanimously. The Committee went into Executive Session. The meeting reconvened in open session at 5:03 p.m.

**XIV. Opportunity for Beneficial Land Transactions**

Director Logan moved and Director Gimarc seconded the motion that the Finance Committee recommend the Board of Directors authorize Chugach's Chief Executive Officer to sign an Agreement for Purchase and Sale of Real Property from AWWU in the amount of \$2,400,000 and related sale of the Huffman Substation property to AWWU for approximately \$200,000. The motion passed unanimously.

**XV. Director Comments**

**Director Reiser:** "No comments."

**Director Logan:** “No comments.”

**Director Gimarc:** “No comments.”

**Director Vazquez:** “No comments.”

**Director Hill:** “No comments.”

**XVI. Adjourn**

Director Logan moved and Director Gimarc seconded the motion to adjourn. The meeting adjourned at 5:04 p.m.