

# Joint Utility Task Force Committee Meeting

Anchorage Municipal Light and Power  
Chugach Electric Association, Inc.  
City of Seward, Light & Power Division

Golden Valley Electric Association, Inc.  
Homer Electric Association, Inc.  
Matanuska Electric Association, Inc.

Wednesday, August 5, 2009  
Kenai, Alaska

## Draft Minutes

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### I. **Welcome – Introductions**

The meeting of the Joint Utility Task Force was called to order at 7:16am by Rebecca Logan of Chugach Electric Association at Kenai Central High School in Kenai, Alaska. The following people were present to represent the:

#### **Task Force Members:**

Rebecca Logan, Chair	Chugach Electric Association, Inc. (CEA)
Mark A. Foster	Anchorage Municipal Light &Power (ML&P)
Alex Gimarc	Chugach Electric Association, Inc. (CEA)
Jim Nordlund	Chugach Electric Association, Inc. (CEA)
Tom DeLong	Golden Valley Electric Association, Inc. (GVEA)
Rich Schikora	Golden Valley Electric Association, Inc. (GVEA)
Tim Evans	Homer Electric Association, Inc. (HEA)
Peter Burchell	Matanuska Electric Association, Inc. (MEA)
Janet Kincaid	Matanuska Electric Association, Inc. (MEA)
Willard Dunham	City of Seward, Light and Power Division
John Foutz	City of Seward, Light and Power Division
Marilyn Leland	Alaska Power Association (APA)

#### **Absent:**

Helena Hall	Anchorage Municipal Light &Power (ML&P)
Mike Pate	Homer Electric Association, Inc. (HEA)

#### **Other Representatives of the Railbelt Utilities:**

MaryAnn Hanson	Anchorage Municipal Light &Power (ML&P)
James M. Posey	Anchorage Municipal Light &Power (ML&P)
Mark Wiggin	Anchorage Municipal Light &Power (ML&P)
Bradley Evans	Chugach Electric Association, Inc. (CEA)
Elizabeth "Pat" Kennedy	Chugach Electric Association, Inc. (CEA)
Janet Reiser	Chugach Electric Association, Inc. (CEA)
Ron Bergh	Golden Valley Electric Association, Inc. (GVEA)
Cory Borgeson	Golden Valley Electric Association, Inc. (GVEA)
Ward Merdes	Golden Valley Electric Association, Inc. (GVEA)
Bill Nordmark	Golden Valley Electric Association, Inc. (GVEA)
Daniel Osborne	Golden Valley Electric Association, Inc. (GVEA)
Alan Bute	Homer Electric Association, Inc. (HEA)
Debbie Debnam	Homer Electric Association, Inc. (HEA)
Tony Garcia	Homer Electric Association, Inc. (HEA)
Larry DeVilbiss	Matanuska Electric Association, Inc. (MEA)

Lorali Carter	Matanuska Electric Association, Inc. (MEA)
David Glines	Matanuska Electric Association, Inc. (MEA)
Evan "Joe" Griffith	Matanuska Electric Association, Inc. (MEA)
Katherine "Katie" Hurley	Matanuska Electric Association, Inc. (MEA)
Catharine "Kit" Jones	Matanuska Electric Association, Inc. (MEA)
Gary Kuhns	Matanuska Electric Association, Inc. (MEA)
Lois Lester	Matanuska Electric Association, Inc. (MEA)
Clark Corbridge	City of Seward, Light and Power Division

**State of Alaska:**

Joe Balash	Office of the Governor
Rebecca Garrett	Alaska Energy Authority (AEA)
Steven Haagenenson	Alaska Energy Authority (AEA)
Jim Strandberg	Alaska Energy Authority (AEA)
Brian Bjorkquist	Alaska State Department of Law, Office of the Attorney General
Kevin Harper	Black & Veatch

**Alaska Power Association staff:**

Crystal Enkvist	Alaska Power Association
Mary Schonberger	Alaska Power Association

**Others:**

Sharon Crisp	Copper Valley Electric Association, Inc. (CVEA)
Jaime Matthews	Copper Valley Electric Association, Inc. (CVEA)
James Manning	Copper Valley Electric Association, Inc. (CVEA)
Gordon Gould	Kodiak Electric Association, Inc. (KEA)
Henry Strub	Nushagak Cooperative, Inc. (NC)
Brenda Somes	Ruralite Services, Inc.
Eric Marchegiani	US Department of Agriculture-RUS
Steve Pratt ( <i>via teleconference</i> )	Steve Pratt Enterprises

**II. Discussion**

Logan stated it was a good summer of working with the task force to review the legislation and speaking about the opportunities the utilities have to together. She commented on the utilities setting aside their past differences to work together. She thanked the Alaska Power Association and the Alaska Energy Authority for their support throughout the process.

Logan noted the original purpose for the joint board meeting was to vote on the adoption of the Greater Railbelt Energy and Transmission Corporation concept. She stated the chairs of each Railbelt utility board met just prior to the meeting and have agreed there is not enough support at this time to endorse the GRETC legislation. Logan added the chairs have agreed that there are common issues that still need to be addressed together as a group.

Mark Foster expressed appreciation to Logan for her work with the taskforce and for gathering everyone and getting everyone to think about what is really needed, what is fundamentally at issue, and what are we really trying to accomplish so that when the group gathers again, a starting point is identified. He added the effort requires a broad base of support.

Strandberg noted GRETC is a utility product of the group's CEOs, and that AEA will continue to assist on this collaborative project and assist as it has in the past. Haagenson commented that five years ago a similar group gathered to discuss forming a joint action agency to address the same issues that are now a concern. He added the entire Railbelt is relying on this group and that it is time to go forward. He also told the directors to trust the CEOs to find a solution and then the directors can fine tune it and to not quit on the process that has already begun. Strandberg stated it would be helpful with the upcoming legislative session, if there was an agreement on the concept of GRETC between the utilities.

Logan noted that the chairs' consensus is to continue working together and that they owe it to their members to come up with solutions. She reiterated that the chairs agreed there was not enough support on the GRETC legislation. Debnam added they all agree there is a need to work together on projects; however, GRETC is only one vehicle and HEA is open to doing more projects with cooperation such as the Bradley Lake project.

Strandberg noted the State respects the need for more time, but asked that the group develop a schedule while reminding them that AEA will work with them on not only the GRETC legislation, but all on upcoming appropriations requests.

Several people commented in support of the concept, but there was some reluctance to commit at this time, questioning if GRETC is the appropriate vehicle for the concept. Fears were expressed that legislators may view support of the concept as support of the legislation and would question suggested changes made by the utilities after the fact.

Burchell stated in the past the release of funds from the Railbelt utility fund has been denied because of the differences between the utilities. He added that he feels if the utilities do not agree on some process that the legislators will decide for them. He further stated the problems are too great to keep arguing and since everyone agrees transmission, fuel supply and generation are the priorities, then they need to do something about it. He reminded the boards that they represent their co-op members and have a responsibility to them.

Dunham stated the Seward city council has passed a resolution supporting GRETC as a concept. He added they acknowledge there are problems, and that the Seward council is wondering what will actually happen since there is not enough money in the legislature to complete all the projects. Dunham asked the group "what is the target?" and asked the state to estimate the amount of money involved in these projects. Strandberg responded that GRETC is a utility project and a collaborative product. He added he believes the State could appropriate \$7 million to help this new company, however, that must be accomplished through the appropriations process. He further stated, there is more certainty if the utilities act together. Strandberg commented that the legislation is designed so that it will not cost the utilities anything to start up, however, since the money is appropriated as part of a legislative process, the state cannot commit any actual money at this time.

It was agreed by all to move forward in their discussions on the GRETC legislation as a group and discuss changes each utility believes must be made to the legislation in order to support the legislation. In addition, it was agreed each utility will develop a list of funding requests for 2010 to be presented to the legislature. Foster requested the group also focus on the need to also look at the immediate problems and to put price tags on

those problems before constructing a structure which is uncertain at this time on how it will work, while there remain the immediate problems which need to be solved in the next few years.

**III. Next Meeting**

The group agreed to reconvene the task force, with other Railbelt utility board members welcome, within the next three weeks.

**IV. Adjourn**

The meeting was adjourned at 8:59am.