

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

**February 9, 2010**

**OPERATIONS COMMITTEE**  
**MEETING MINUTES**

Committee Members in Attendance: Janet Reiser, Chair  
Alex Gimarc  
Jim Nordlund (*arrived at 4:12 p.m.*)  
Rebecca Logan  
Elizabeth Vazquez

Other Directors in Attendance: Pat Kennedy (*arrived at 4:10 p.m.*)  
PJ Hill

Guests in Attendance: Louann Cutler, K&L Gates  
Jim Posey, ML&P  
Karl LeRay, Bylaws Committee Chair

Staff in Attendance:

Brad Evans	Tom Schulman	Ed Jenkin
Dave Smith	Mike Cunningham	Mark Johnson
Tyler Andrews	Ron Vecera	Lee Thibert
Arthur Miller	Dustin Highers	Paul Risse
Ken Thomas	Connie Owens	Phil Steyer

Recording Secretary: Paula Neas-Arnold, Executive Secretary

**I. CONVENE MEETING**

Chair Reiser convened the Operations Committee Meeting at 4:07 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*a. Safety Minute*

Dave Smith, Senior Vice President, Administration gave a Safety Minute presentation and played a video clip on wind chill. Mr. Smith distributed a wind chill factor card and high energy bars to the Committee members.

**II. EXECUTIVE SESSION**

None.

**III. APPROVAL OF AGENDA**

Director Logan moved and Director Gimarc seconded the motion to approve the Agenda.

Chair Reiser amended the agenda by moving Agenda Item VIII.b. "Disband the Chugach Renewable Energy Committee" to Agenda Item VIII.a. and Agenda Item VIII. a. "Create a Future Energy Committee" was moved to Agenda Item VIII.b. The motion passed unanimously, as amended.

#### **IV. APPROVAL OF MINUTES\***

*a. January 13, 2010*

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

#### **V. CUSTOMER COMMENTS**

*a. Wholesale Customer Comments*

None.

*b. Member Comments*

None.

#### **VI. UPDATE ON SOUTHCENTRAL POWER PROJECT**

Dustin Highers, Director, Power Supply Technical Services gave an update on the Southcentral Power Project and answered questions from the Committee.

#### **VII. UNIT 6C INSPECTION – PROJECT AUTHORIZATION RECOMMENDATION**

Paul Risse, Senior Vice President, Power Supply gave an overview on the Beluga Unit 6 C Inspection and answered questions from the Committee.

Director Logan moved and Direction Nordlund seconded the motion that the Operations Committee recommend the Board of Directors authorize the project expenditure for Beluga Unit 6C Inspection with the estimated cost of \$10,575,044 and an estimated completion date of September 2010. The motion passed unanimously.

#### **VIII. RENEWABLE ENERGY COMMITTEE CHARTER**

*The order of the previous 3 items was requested by Chair Reiser during the Approval of the Agenda earlier in this meeting. Director Logan moved and Director Gimarc seconded the motion for the item re-ordering. The motion passed unanimously.*

*a. Disband the Chugach Renewable Energy Committee*

Director Gimarc moved and rescinded his motion to disband the Renewal Energy Committee. Director Gimarc then moved to create a future energy committee and make a correction to the alternative energy resolution that was passed 1-1/2 years ago.

*b. Create a Future Energy Committee*

After discussion no action was taken.

*c. Support of Alternative Energy in Alaska*

Director Logan moved and Director Gimarc seconded the motion that the Operations Committee recommend the Board of Directors approve the attached resolution to support the continued study of alternative electric generation solutions to decrease our reliance on Cook Inlet natural gas.

Chair Reiser called for a vote. Chair Reiser, Directors Nordlund, Logan, Kennedy, Hill and Vazquez voted yes. Director Gimarc voted no. The motion passed.

**IX. BYLAW CHANGE – Non-Natural Entity Board Candidate Qualifications**

Karl LeRay, Bylaws Committee Chair, gave a brief presentation on the bylaw change and answered questions from the Committee.

Director Logan moved and Director Gimarc seconded the motion to approve the proposed Bylaw amendment to Article III, Section 9(b) and Article IV, Section 3(b) and refer it to the Board for its approval and placement on the ballot for the 2010 annual membership meeting. The motion passed unanimously.

**X. BYLAW CHANGE – Member Committee Terms and Service**

Karl LeRay, Bylaws Committee Chair, gave a brief presentation on the bylaw change and answered questions from the Committee.

Director Nordlund moved and Director Logan seconded the motion to approve the proposed Bylaw amendment to Article XV, Section 3, Article III, Section 9; Article IV, Section 4 and Article XIII, Section 2 and refer it to the Board for its approval and placement on the ballot for the 2010 annual membership meeting. The motion passed unanimously.

**XI. BYLAW CHANGE – Delegation of Duties of the Board Secretary and Treasurer**

Karl LeRay, Bylaws Committee Chair, gave a brief presentation on the bylaw change and answered questions from the Committee.

Director Logan moved and Director Gimarc second the motion to approve the proposed Bylaw amendment to Article VI, Sections 6 and 7 and refer it to the Board for its approval and for placement on the ballot for the 2010 annual membership meeting. The motion passed unanimously.

**XII. BYLAW CHANGE – Annual Membership Meeting Date**

Karl LeRay, Bylaws Committee Chair, gave a brief presentation on the bylaw change and answered questions from the Committee.

Director Logan moved and Director Gimarc seconded the motion to approve the proposed Bylaw amendment to Article III, Section I and Article V, Sections 4 and 7 and refer it to the Board for its approval and for placement on the ballot for the 2010 annual membership meeting. The motion passed unanimously.

**XIII. BYLAW CHANGE – Director Voting Procedures**

Karl LeRay, Bylaws Committee Chair, gave a brief presentation on the bylaw change and answered questions from the Committee.

Director Logan moved and Director Gimarc seconded the motion to approve the proposed Bylaw amendment to Article V, Section 6 and Article VI, Section 2 and refer it to the Board for its approval and for placement on the ballot for the 2010 annual membership meeting. The motion passed unanimously.

#### **XIV. CORRESPONDENCE**

None.

#### **XV. EXECUTIVE SESSION**

At 5:40 p.m., Director Logan moved and Director Gimarc seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(2) and (3) the Board of Directors go into executive session to 1) 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 2010 legislative agenda; and 2) to discuss matters with its attorney, the immediate knowledge of which could have an adverse affect on the legal position of the cooperative as it relates to Chugach's potential release of confidential documents.

The matters to be discussed include:

- a. Chugach's 2010 Legislative Agenda, and*
- b. Confidential Document Storage and Rolling Release*

#### **XVI. DIRECTOR COMMENTS**

*Director comments were not recorded but summarized.*

**Director Hill:** No comment.

**Director Kennedy:** Votes to continue support of the Renewal Energy Committee.

**Director Vazquez:** Good work everyone!

**Director Reiser:** Would like to renew her support of the Renewable Energy Committee.

**Director Gimarc:** No comment.

**Director Nordlund:** Reaffirms his support of the Renewable Energy Committee.

**Chair Logan:** No comment.

#### **XVII. ADJOURNMENT**

Director Logan moved and Director Nordlund seconded the motion to adjourn. The meeting adjourned at 6:20 p.m.