

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE
MEETING MINUTES

May 13, 2009

Committee Members in Attendance: Janet Reiser, Chair
Alex Gimarc
Jim Nordlund
Rebecca Logan
Elizabeth Vazquez

Other Directors Present: Pat Kennedy
PJ Hill

Guests in Attendance: Lorali Carter (MEA)
Jim Patras (HEA)

Staff in Attendance:

Brad Evans	Mark Johnson	Dustin Highers	Divina Portades
Paul Risse	Ron Vecera	Carol Heyman	Dave Smith
Tyler Andrews	Ed Jenkin	Rick Freymiller	

Recording Secretary: Jennifer McDonald, Legal Secretary

I. Convene Meeting

Chair Reiser convened the Operations Committee meeting at 5:35 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

a. Safety Minute

Dave Smith, Sr. Vice President, Administration, informed the Committee of the evacuation routes and meeting location in the event of a fire alarm or other emergency.

II. Executive Session

None.

III. Approval of Agenda

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

IV. Approval of Minutes

a. April 8, 2009

Director Nordlund moved and Director Logan seconded the motion to approve the Operations Committee Meeting minutes of April 8, 2009. The motion passed unanimously.

V. Customer Comments

a. Wholesale Customer Comments

None.

b. Retail Customer Comments

None.

VI. Election of Vice Chairman – Operations Committee

Director Logan nominated Director Gimarc as Vice Chairman of the Operations Committee and Director Nordlund seconded the nomination. There were no other nominations. The nomination of Director Gimarc, as Vice Chairman of the Operations Committee, passed unanimously.

VII. Update Health and Safety Management System

Dave Smith, Sr. Vice President, Administration, gave an update on the Health and Safety Management System and answered questions from the Committee.

VIII. Update on Southcentral Power Plant

Dustin Highers gave an update on the Southcentral Power Plant, distributed a monthly report to the Committee and answered questions from the Committee. Chair Reiser asked that a legend be added to the schedule to make it easier to understand.

IX. Update on Smart Power Initiatives

Dave Smith, Sr. Vice President, Administration, gave an update on the Smart Power Initiatives and he and staff answered questions from the Committee.

X. 2009 Operations Committee Goals and Objectives

The Committee discussed priorities for the Committee and possible goals and objectives. Chair Reiser stated she would prepare a draft incorporating the Committee's discussion and will distribute it to the Committee members for review and comment.

XI. Correspondence

None.

XII. Director Comments

Director Logan: “Well, I’ll just throw out some dates and updates for people. We had a task force meeting yesterday and we scheduled another task force meeting for June 4th – it will be at the APA offices again from 10:30 to 2:30 and the group came up with the notion that we’re going to deal with two things – we’re going to come up – the group will come up with a joint opinion statement on GRETC legislation from the group and then that we will start to have discussions about what the must haves are for each of the utilities and then kind of a transition when. And I would guess that we will spend more time talking about the transition plan than we will about GRETC. It’s my intention to have the group be done with the GRETC discussion by the end of July because we are going to have a joint board meeting on the 5th of August with all the Railbelt utility boards and that would be the morning of the 1st day of the APA meeting in Kenai. APA is 5th, 6th, and 7th in Kenai so we’ve worked it out through APA that they’ll have room down there at the Challenger Space Center for all the boards to have a joint meeting. And that would be on Wednesday the 5th and then Friday afternoon, the 7th, the House and Senate Energy Committees are going to hold a joint hearing on the GRETC legislation in Kenai and so they’ll have all their folks – all their Committee members there and there will be quite a bit to publicize that, so. Those are my comments.”

Director Hill: None.

Director Kennedy: None.

Director Vazquez: None.

Director Gimarc: None.

Director Nordlund: “The thing I wanted to comment on – the trip that we made to Washington, D.C. It was PJ, Liz, Brad and I, plus Phil and Lee, and I think it was a really a – was you know – I can’t think of – I *unintelligible* that was all the talk in DC and now its like almost all the talk in DC is about energy. It’s really interesting – you have both – *unintelligible* component to it and there’s a Renewable Energy Standard bill that’s been going through the Congress *unintelligible* being considered right now and then – and then there’s an Energy Efficiency Standard bill that hopefully will get rolled into the Renewable Energy Standard bill and then of course there’s the stimulus package which is through Congress but still there’s a lot to be said about that with the administrative *unintelligible* so, you know – it was – we met with each of our members of our congressional delegation. One was a short meeting that Brad and I had with Lisa Murkowski in the hallway but I still think it was very – you know – she’d been very busy so it was *unintelligible* it was very useful and I’m just – I’m really glad we went – it was a very good time to go and to learn really more about what the issues are to weigh in *unintelligible* our concerns.”

Chair Reiser: “My only comment is that I really appreciate the work that Paul and Dustin have done on the SPP project. I met with them earlier in the week. I’m really setting the foundation to be as successful as possible in whatever circumstances are thrown their way. So, I think they’ve done a really good job setting the stage for success in that project.”

XIII. Executive Session

- a. Fort Richardson Power Sales Proposal*
- b. Update on Management Compensation*

Director Logan moved and Director Nordlund seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1) the Operations 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 power sales proposal for Fort Richardson and an update on Management Compensation. The matters to be discussed will include 1) Fort Richardson Power Sales Proposal and 2) an Update on Management Compensation. The motion passed unanimously.

The Operations Committee paused for a break at 6:17 p.m., went into executive session at 6:23 p.m. and resumed in open session at 7:47 p.m.

XIV. Adjourn

Director Nordlund moved and Director Gimarc seconded the motion to adjourn. The meeting adjourned at 7:47 p.m.