

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OF DIRECTORS'
OPERATIONS COMMITTEE MEETING MINUTES

Immediately Following the Finance Committee Meeting

December 5, 2007

Committee Members in Attendance: Elizabeth Vazquez, Chair
Alex Gimarc
Uwe Kalenka
Jim Nordlund

Other Directors Present: Jeff Lipscomb
Rebecca Logan

Guests and Staff in Attendance:

Bill Stewart	Brian Hickey	Bruce Piase, HEA
Bill Bernier	Carol Johnson	Jim Posey, ML&P
Elizabeth Bluemink, ADN	Dan Knecht	Jean Sauget
Dave Carey, HEA	Gloria Lafferty	Phil Steyer
Dave Dittman, DRC	Marilyn Leland, APA	Diane Thatcher
Don Edwards, Dorsey	Marc Marlow, Tiquin	Lee Thibert
Brad Evans	Joe Miller	Peg Tileston
Ruth Fitzpatrick, HEA	Mike Nugent, HEA	Merit Waldrop
Parry Grover, DWT	Connie Owens	Mark Wiggin
Frank Gwartney	Jim Patras, HEA	Gary Zipkin
Margret Hansell	MaryAnn Pease, MAP Cons.	
Carol Heyman	Bill Pederson	

Recording Secretary: DeAnna Scott, Executive Assistant

I. CONVENE MEETING

Chair Vazquez convened the Operations Committee meeting at 5:19 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. EXECUTIVE SESSION

At 5:20 p.m., Director Kalenka moved and Director Gimarc seconded the motion that pursuant to Alaska Statute 10.25.175(c) (1) and (3) the Operations Committee go into executive session 1) to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) to discuss matters with its attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The matters to be discussed are: 1) HERE Labor Negotiations Update and 2) Operating Policy 016 - Use of Cooperative Vehicles. *The motion passed unanimously.*

The Operations Committee reconvened the meeting in open session at 5:31 p.m.

III. APPROVAL OF AGENDA

Chair Vazquez stated that Agenda Item XII. Gas Negotiations described as a possible action item is deleted due to no new information.

Director Kalenka moved and Director Gimarc seconded the motion to approve the Agenda, as modified. The motion passed unanimously.

IV. APPROVAL OF MINUTES

a. November 12, 2007

Director Kalenka moved and Director Gimarc seconded the motion to approve the Operations Committee Meeting minutes of November 12, 2007.

Director Nordlund stated that the meeting held on November 12, 2007, his attendance was counted as absent. His absence was excused for the November 7, 2007, meeting but due to lack of a quorum, the meeting was cancelled. He further stated he was not notified of the November 12, 2007, meeting and asked if his absence could be excused.

Director Gimarc moved and Director Kalenka seconded the motion that Director Nordlund absence be noted as “excused” for the November 12, 2007, meeting. *The motion passed unanimously.*

No vote was recorded on the main motion. Therefore, the November 12, 2007 minutes will be presented at the January 8, 2008, meeting for approval, as amended.

V. CUSTOMER COMMENTS

a. Wholesale Customer Comments

Mr. Dave Carey, President, Homer Electric Association Board of Directors addressed the Board. Mr. Carey stated that they have been very pleased with the continued dialogue and communication regarding the proposed consolidation initiatives and efforts. Reading Chugach’s vision statement *Powering Alaska’s Future*, Mr. Carey stated we are all committed to that. Mr. Carey stated, “We are all partners and as we’ve discussed, and have listened to the Governor in terms of the Railbelt Cooperative Projects, we certainly are committed to working through the Alaska Power Association. That all of us in the Railbelt and across the entire state work together to come up with a comprehensive energy plan that could be presented to the State. Third, we have had a lot of dialogue throughout the year and we want to talk about what we can do to increase our communications and our cooperation.” Mr. Carey renewed an invitation to the Board to meet with Homer’s Board. The purpose of the work session or meeting would be to have genuine dialogue about everything. “We would like to come in with you to put all possibilities on the

table, to discuss all options.” Mr. Carey recognized that in 2014, Homer’s contract will run out. He hopes that any past part of that Agreement are open for discussion. “We are hoping that the future after 2014 is open to discussion. We are hoping that the interim between now and then particularly, we can talk about how to work together as we build and as your vision statement says *Powering Alaska’s Future.*” Mr. Carey stated he appreciated the ability to come and visit and asked that Homer be kept informed of the consolidation.

- b. *Retail Customer Comments*
None.

VI. Election Committee Appointments

Director Kalenka moved and Director Gimarc seconded the motion that the Operations Committee recommend the Board of Directors appoint Judi Gastrock, Ann Liburd, James Magowan, Teresa Nelson and Vickie Soule to “A” terms; Vickie Cantrell to a “B” term; and Mona Hendrickson to a “C” term on the Elections Committee. *The motion passed unanimously.*

VII. Appointment of 2008 Nominating Committee

Director Kalenka moved and Director Gimarc seconded the motion that the Operations Committee recommend the Board of Directors appoint Stacey Horn, Teresa Nelson, and Vickie Soule to “A” terms on the Nominating Committee. *The motion passed unanimously.*

VIII. Appointment of 2008 Bylaws Committee

Director Kalenka moved and Director Gimarc seconded the motion that the Operations Committee recommend the Board of Directors appoint Don Anderson and Gary Williams to “A” terms, Jim Henderson to a “B” term and Jeffrey Baker to a “C” term on the Bylaws Committee. *The motion passed unanimously.*

IX. HERE Contract

Director Kalenka moved and Director Gimarc seconded the motion that the Operations Committee recommends to the Board of Directors posting the new tentative Agreement between Chugach Electric Association, Inc., and UNIT HERE Local 878 on the Association website (www.chugachelectric.com). The Board will vote on this tentative Agreement at the next regular Board meeting presently scheduled for December 19, 2007. *The motion passed unanimously.*

X. NWPPA Board of Trustees Appointment

Director Nordlund moved that the Operations Committee recommend the Board of Directors support Jeff Lipscomb as a Trustee for NWPPA. *There was no second to the motion, therefore, the motion failed.*

XI. Director Training

The week of March 3, 2008, there will be financial training for Staff and Board of Directors. Specifically, the Board of Directors will be provided one full day of training. Staff and Management will be provided two days of training.

Sarbanes Oxley training is scheduled for Saturday, January 12, 2008. This training will be all day.

XII. Gas Negotiations

Removed from the Agenda.

XIII. Correspondence

None.

XIV. Director Comments

Director Nordlund: "No Comment."

Director Gimarc: "No Comment"

Director Kalenka: "No Comment"

Chair Vazquez: "No Comment"

XV. Executive Session

At 5:54 p.m., Director Kalenka moved and Director Gimarc seconded the motion that pursuant to Alaska Statute 10.25.175(c) (1) and (3) the Operations Committee go into executive session 1) to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) to discuss matters with its attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The matters to be discussed are: 1) Legislative Agenda and 2) Gas Negotiations. The motion passed unanimously.

The Committee took a break at 5:55 p.m. and went into executive session at 6:09 p.m.

The Committee resumed from executive session at 6:33 p.m.

XVI. Adjourn

Director Kalenka moved and Director Gimarc seconded the motion to adjourn. The meeting adjourned at 6:34 p.m.