

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

October 7, 2009

SPECIAL BOARD OF DIRECTORS
MEETING MINUTES

The following board members were present:

Rebecca Logan – Chair (appeared telephonically)
Jim Nordlund – Vice Chairman (arrived at 4:15 p.m.)
Alex Gimarc – Secretary
PJ Hill - Treasurer
Janet Riser - Director
Elizabeth Vazquez – Director

Board members not present:

Elizabeth Kennedy – Director (excused absence)

The following employees, members, and guests attended:

Brad Evans	Mike Cunningham	Ed Jenkin
Mark Johnson	Paul Risse	Arthur Miller
Lee Thibert	Tyler Andrews	Rick Freymiller
Felix Melendez		

Jennifer McDonald, Legal Secretary, recorded the meeting proceedings.

I. CONVENE MEETING

The special meeting of the Board of Directors was convened at 4:01 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

Due to Chair Logan's telephonic appearance Director Gimarc was appointed Chair Pro Tem until Vice Chairman Nordlund's arrival. Director Nordlund chaired the meeting after 4:15 p.m.

II. PLEDGE OF ALLEGIANCE

Chair Pro Tem Gimarc led the Board and audience in the Pledge of Allegiance.

III. EXECUTIVE SESSION

A. *Simplified Rate Filing Presentation*

Director Hill moved and Director Reiser seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(1) the Board go into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The item to be discussed is the Simplified Rate Filing Presentation. The motion passed unanimously.

Director Nordlund arrived at 4:15 p.m. executive session.

The Board went into executive session at 4:04 p.m. and resumed in open session at 5:42 p.m.

Director Logan disconnected after executive session.

IV. APPROVAL OF THE AGENDA

Director Hill moved and Director Reiser seconded the motion to approve the agenda. The motion passed unanimously.

V. PERSONS TO BE HEARD

A. *Wholesale Customer Comments*
None.

B. *Member Comments*
None.

VI. NEW BUSINESS

None.

VII. EXECUTIVE SESSION

None.

VIII. DIRECTOR COMMENTS

Director Hill: “Thank you for the presentation. I thought it was interesting and it’s a lot of food for thought.”

Director Reiser: “I thank you as well. I thought a lot. Thank you.”

Director Vazquez: “Thank you for the presentation. I did make some comments that I hope will be considered in future – similar discussions.”

Director Gimarc: “Last week Director Nordlund advised this board that the Cap and Trade legislation was inevitable out of the current Congress. This is an unfortunate choice of words - appropriate perhaps for an advocacy press release but not for any thinking American. An ocean of man-made global warming is a fraud, a hoax,

committed by those that would cherry-pick data, cook results and hide their algorithms. Current computer models cannot, and did not, predict the recent global cooling. They cannot be run backwards and predict yesterday's and last year's weather - how can they possibly predict global temperatures decades in the future. Director Nordlund has been saying this legislation is inevitable for the last two and a half years. This is a simple political advocacy inappropriate for this Board. In some ways I hope they did pass it as it will ensure the political destruction of the majority party. Ultimately this legislation is simply a huge tax based on fraudulent science that will double or triple our electric rates."

Vice Chairman Nordlund: "I have two comments – first of all I do appreciate the presentation in executive session on Simplified Rate filing. I think that's a – I'm even more convinced now that's a direction that our utility should go towards and forward to inform your membership and moving forward and thanks very much for the hard work that the staff put in. My next comment is in prepares to the comments that Director Gimarc just made. The comment I made at the meeting the other day – it was a report on the meeting down in San Diego – the NRECA meeting – and I was reporting on what Glen English, the head of the NRECA, said. I wasn't expressing my personal comment whatsoever. What he said, basically summed up, is that we can either work with the inevitability of the fact that there's going to be climate legislation or we can fight it. The analogy he used is you can either drive the bus or be thrown under the bus. So, that's what I said – I said that at the NRECA meeting – which we are a member – that there is a feeling at the leadership level there that this legislation is inevitability – that some form of climate change legislation will pass. So, that's what I said – I was not expressing my personal political opinion at that time. If you want my personal political opinion right now I'll give it to you. And that is that I do think that the climate change is a fact and I think that our utility – if we're going to keep our head above water and acknowledge at least where the political portions of the world are going – science aside – that we have got to deal with that. And so, and I think that's the attitude that people that – like it or not Alex that probably most – 90% of the utilities feel at this particular time. So, I do appreciate the fact that you don't agree with it but that's where the world is going and we have to work in the real world here and not the pretend world that I think sometimes you like to live in. Thank you."

IX. ADJOURNMENT

Director Hill moved and Director Reiser seconded the motion to adjourn. The meeting adjourned at 5:46 p.m.

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Alex Gimarc, Secretary

Date Approved: October 28, 2009