



**CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA**

**REGULAR BOARD OF DIRECTORS' MEETING**

**AGENDA**

Bettina Chastain, Chair  
Susan Reeves, Vice Chair  
Rachel Morse, Treasurer  
Stuart Parks, Secretary

Harry T. Crawford, Jr., Director  
Jim Henderson, Director  
Harold Hollis, Director

---

**October 24, 2019**

**4:00 p.m.**

**Chugach Boardroom**

---

- I. CALL TO ORDER (4:00 p.m.)
  - A. Pledge of Allegiance
  - B. Roll Call
  - C. Safety Minute – “Sleep and Fatigue” (Freeman)
- II. APPROVAL OF THE AGENDA\*
- III. PERSONS TO BE HEARD
  - A. Member Comments
- IV. CONSENT AGENDA\* (4:10 p.m.)
  - A. Board Calendar
  - B. Training and Conferences
    - 1. Director Winter School, December 13-18, 2019, Nashville, TN, (*Deadline for conference registration is November 8, 2019*)
  - C. Minutes
    - 1. September 17, 2019, Regular Board of Directors’ Meeting (Portades)
  - D. Director Expenses
- V. CEO REPORTS AND CORRESPONDENCE (4:15 p.m.)
  - A. Update on Member Appreciation Day (Ayers/Miller) (4:15 p.m.)
  - B. 3<sup>rd</sup> Quarter 2019 Safety Report (Freeman/Andrews) (4:20 p.m.)
  - C. Eklutna Wildlife Study and Mitigation Project (Risse) (4:30 p.m.)
  - D. August 2019 Financial Statements and Variance Report (Harris/Curran) (4:40 p.m.)
  - E. Board Policy Scheduled Tasks/Reports (Board/Staff) (4:50 p.m.)
- VI. DIRECTOR REPORTS (5:00 p.m.)
  - A. Alaska Power Association (APA) Report
  - B. Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report

- C. *Renewable Energy Alaska Project (REAP) Report*
- D. *Board Committee Reports (Audit and Finance, Operations & Governance)*
- E. *Other Meeting Reports*

VII. UNFINISHED BUSINESS (*none*)

VIII. NEW BUSINESS (*scheduled*) (5:15 p.m.)

- A. *Discussion on Legislative Luncheon (Board)*

IX. EXECUTIVE SESSION\* (*scheduled*) (5:30 p.m.)

- A. *Non-Represented Retirement Plan and Benefits (5:30 p.m.)*
  - 1. *Retirement Plan*
  - 2. *Health Reimbursement Account (HRA)*
- B. *Gas Supply (6:10 p.m.)*
- C. *IMO Update (6:20 p.m.)*
- D. *ML&P Acquisition RCA Filing Update (6:30 p.m.)*
  - 1. *Stipulated Settlement of ML&P Acquisition and Amendments to Transaction Agreements*
- E. *Update on RRC MOU (7:30 p.m.)*

X. NEW BUSINESS\* (*scheduled*) (7:45 p.m.)

- A. *Health Reimbursement Account (HRA)\* (Andrews) (7:45 p.m.)*
- B. *Budget Revision – Project Funding for Eklutna Unit 2 Rebuild\* (Brodie/Risse) (7:50 p.m.)*
- C. *Gas Supply\* (Fouts) (7:55 p.m.)*
- D. *Stipulated Settlement of ML&P Acquisition and Amendments to Transaction Agreements\* (Miller/Thibert) (8:00 p.m.)*
- E. *IMO Program Budget\* (Fouts) (8:05 p.m.)*

XI. DIRECTOR COMMENTS (8:10 p.m.)

XII. ADJOURNMENT\* (8:25 p.m.)

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*



Sleep and Fatigue

Fatigue can lead to decreased:

- motor skills and reaction time
- Poor decision-making and risk taking
- memory and information processing
- communication skills
- ability to handle job stress



# Sleep Tips

Go

Go to sleep at the same time every night.

Avoid

Avoid caffeine, alcohol and nicotine several hours before sleep.

Limit

Limit naps to make sure you are tired at bedtime.

Wind  
down

Wind down before bed. Stop using electronic devices at least an hour before going to sleep.

Sleep on

Sleep on a comfortable mattress, in a dark, cool room.



CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA

REGULAR BOARD OF DIRECTORS' MEETING

AGENDA

Bettina Chastain, Chair  
Susan Reeves, Vice Chair  
Rachel Morse, Treasurer  
Stuart Parks, Secretary

Harry T. Crawford, Jr., Director  
Jim Henderson, Director  
Harold Hollis, Director

---

**October 24, 2019**

**4:00 p.m.**

**Chugach Boardroom**

---

- I. CALL TO ORDER (4:00 p.m.)
  - A. Pledge of Allegiance
  - B. Roll Call
  - C. Safety Minute – “Sleep and Fatigue” (Freeman)
- II. APPROVAL OF THE AGENDA\*
- III. PERSONS TO BE HEARD
  - A. Member Comments
- IV. CONSENT AGENDA\* (4:10 p.m.)
  - A. Board Calendar
  - B. Training and Conferences
    - 1. Director Winter School, December 13-18, 2019, Nashville, TN, (*Deadline for conference registration is November 8, 2019*)
  - C. Minutes
    - 1. September 17, 2019, Regular Board of Directors’ Meeting (Portades)
  - D. Director Expenses
- V. CEO REPORTS AND CORRESPONDENCE (4:15 p.m.)
  - A. Update on Member Appreciation Day (Ayers/Miller) (4:15 p.m.)
  - B. 3<sup>rd</sup> Quarter 2019 Safety Report (Freeman/Andrews) (4:20 p.m.)
  - C. Eklutna Wildlife Study and Mitigation Project (Risse) (4:30 p.m.)
  - D. August 2019 Financial Statements and Variance Report (Harris/Curran) (4:40 p.m.)
  - E. Board Policy Scheduled Tasks/Reports (Board/Staff) (4:50 p.m.)
- VI. DIRECTOR REPORTS (5:00 p.m.)
  - A. Alaska Power Association (APA) Report
  - B. Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report

# October 2019

September 2019						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

November 2019						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					Member Appreciati	
29	30	1	2	3	4	5
	<ul style="list-style-type: none"> <li>5:00PM Operations Committee Meeting (BoardroomCR)</li> </ul>			APA Accounting and F... ♦ Coast Internati <ul style="list-style-type: none"> <li>5:30PM REAP Energy Speaker Series - Electric Vehicles (Anchorage Museum)</li> </ul>		
6	7	8	9	10	11	12
				<ul style="list-style-type: none"> <li>9:00AM Mtg w/Rachel &amp; Susan (Governance Committee Questions) (BoardRoomCR)</li> </ul>		
13	14	15	16	17	18	19
				<ul style="list-style-type: none"> <li>8:30AM Review Board Packet w/Thibert (Chastain/Reeves) (LDT's Office)</li> <li>10:00AM ARCTEC Meeting (APA Board Room)</li> <li>4:00PM Regular Board of Directors Meeting (All) (BoardroomCR)</li> <li>5:30PM REAP Energy Speaker Series - Building a Clean Energy Economy (Anchorage Museum)</li> </ul>	<ul style="list-style-type: none"> <li>9:00AM Mtg w/Lee (Board Strategic Planning Session) (LDT's Office)</li> </ul>	
20	21	22	23	24	25	26
		Gettysburg Leadership Experience - 10/2... ♦ Gettysburg, PA			<ul style="list-style-type: none"> <li>8:30AM Mtg w/Rachel (Review Audit and Finance Packet) (SH Office)</li> </ul>	
			<ul style="list-style-type: none"> <li>10:00AM REAP Quarterly Board Meeting (Business Technoloy Center - 600 E. 36th / Teleconference - Call-in number is 605-313-5152, access code: 711554#)</li> </ul>			
27	28	29	30	31	1	2

# November 2019

October 2019						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

December 2019						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			<ul style="list-style-type: none"> <li>10:00AM - 2:00PM REAP Quarterly Board Meeting (Business Technology Center - 600 E. 36th / Teleconference - Call-in number is 605-313-5152, access code: 711554#)</li> </ul>		<ul style="list-style-type: none"> <li>8:30AM - 9:30AM Mtg w/ Rachel (Review Audit and Finance Packet) (SH Office)</li> </ul>	
27	28	29	30	31	1	2
	<ul style="list-style-type: none"> <li>2:00PM - 5:00PM Railbelt Issues Forum (Chugach Electric Association boardroom)</li> </ul>	<ul style="list-style-type: none"> <li>4:00PM - 7:00PM Audit and Finance Committee Meeting (Budget and CIP) (BoardroomCR)</li> </ul>	<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Audit and Finance Committee Meeting (BoardroomCR)</li> </ul>	<ul style="list-style-type: none"> <li>5:30PM - 7:00PM REAP Energy Speaker Series - Railbelt Electric Grid (Anchorage Museum)</li> </ul>		
3	4	5	6	7	8	9
	Strategic Planning (11... ♦ Meghan Room)					
10	11	12	13	14	15	16
			NWPPA/APA Alaska Ele... ♦ Egan Civic &			
				<ul style="list-style-type: none"> <li>5:30PM - 7:00PM REAP Energy Speaker Series - Tidal Energy (Anchorage Museum)</li> </ul>		
17	18	19	20	21	22	23
		<ul style="list-style-type: none"> <li>9:00AM - 10:30AM Review Board Packet w/Thibert (Chastain/Reeves) (LDT's Office)</li> <li>11:45AM - 1:45PM Chugach Legislative Reception (Embassy Suites)</li> <li>4:00PM - 7:00PM Regular Board of Directors Meeting (BoardroomCR)</li> </ul>		Thanksgiving Day	Thanksgiving Holic	
24	25	26	27	28	29	30



# December 2019

November 2019						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

January 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			<b>APA December Meeting Ser... ♦ TBD</b> ● 4:30PM - 7:00PM APA Open House (APA (703 W Tudor Road)) ● 8:30AM - 4:30PM APA Board Meeting (Hollis/Henderson) (Lakefront Hotel (Turnagain Room) (4800 Spenard Road))			
1	2	3	4	5	6	7
	● 4:00PM - 8:00PM Operations Committee Meeting (BoardroomCR)				<b>Winter School for Dire... ♦ Nashville, TN</b>	
8	9	10	11	12	13	14
<b>Winter School for Directors - 12/13 - 12/18 ♦ Nashville, TN</b>						
	● 9:00AM - 10:30AM Review Board Packet w/ Thibert (Chastain/Reeves) (LDT's Office)		● 4:00PM - 7:00PM Regular Board of Directors Meeting (BoardroomCR)			
15	16	17	18	19	20	21
		<b>Christmas Eve ♦ U</b>	<b>Christmas Day ♦ U</b>			
22	23	24	25	26	27	28
		<b>New Year's Eve ♦ l</b>	<b>New Year's Day ♦ l</b>			
29	30	31	1	2	3	4

# January 2020

December 2019						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2020						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			New Year's Day ♦			
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	<ul style="list-style-type: none"> <li>9:00AM - 10:30AM Review Board Packet w/ Thibert (Chastain/Reeves) (LDT's Office)</li> <li>4:00PM - 8:00PM Operations Committee Meeting (BoardroomCR)</li> </ul>		<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Regular Board of Directors Meeting (BoardroomCR)</li> </ul>			
26	27	28	29	30	31	1
			APA State Legislativ... ♦ Juneau, Alaska			

# February 2020

January 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

March 2020						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
26	27	28	29	30	31	1	
2	3	4	5	6	7	8	
9	10	11	12	13	14	15	
16	<ul style="list-style-type: none"> <li>9:00AM - 10:30AM Review Board Packet w/ Thibert (Chastain/Reeves) (LDT's Office)</li> <li>4:00PM - 8:00PM Operations Committee Meeting (BoardroomCR)</li> </ul>		<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Regular Board of Directors Meeting (BoardroomCR)</li> </ul>			22	
23	24	25	26	NRECA Annual Meeting - Director Edu... ♦ New Orleans, LA			29

# March 2020

February 2020						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

April 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
NRECA Annual Meeting - Director Education 2/27-3/1 - An... ♦ New Orleans, LA						
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Audit and Finance Committee Meeting (Followed by a Special Board of Directors Meeting) (BoardroomCR)</li> </ul>	19	20	21
22	<ul style="list-style-type: none"> <li>9:00AM - 10:30AM Review Board Packet w/ Thibert (Chastain/Reeves) (LDT's Office)</li> <li>4:00PM - 8:00PM Operations Committee Meeting (BoardroomcR)</li> </ul>	24	<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Regular Board of Directors Meeting (BoardroomCR)</li> </ul>	26	27	28
29	30	31	1	2	3	Directors Conferen
						4

# April 2020

March 2020						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

May 2020						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						Directors Conferer
29	30	31	1	2	3	4
Directors Conference 4/4-4/7 ♦ Kansas City, MO						
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	<ul style="list-style-type: none"> <li>9:00AM - 10:30AM Review Board Packet w/ Thibert (Chastain/Reeves) (LDT's Office)</li> <li>4:00PM - 8:00PM Operations Committee Meeting (boardroomcr)</li> </ul>		<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Regular Board of Directors Meeting (BoardroomCR)</li> </ul>			
26	27	28	29	30	1	2

# May 2020

April 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

June 2020						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	1	2	3	4	5	6

● 4:00PM - 6:00PM  
Candidate Forum  
(BoardroomCR)

● 4:00PM - 8:00PM Audit  
and Finance Committee  
Meeting (BoardroomCR)

**Memorial Day** ♦ Ur

● 8:30AM - 10:00AM  
Review Board Packet w/  
Thibert (Chastain/  
Reeves) (LDT's Office)  
● 4:00PM - 8:00PM  
Operations Committee  
Meeting (BoardroomCR)

● 4:00PM - 8:00PM  
Regular Board of  
Directors Meeting  
(BoardroomCR)

**Gettysburg Leadership Experience** ♦ Gettysburg, PA

**APA Federal Legislative Conference (6/2...** ♦ Washington, DC

**Directors Summer Sch...** ♦ Charleston, C.

# June 2020

May 2020						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

July 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		Gettysburg Leadership Experience ♦ Gettysburg, PA APA Federal Legislative Conference (6/2... ♦ Washington, DC)			Directors Summer Sch... ♦ Charleston, C.	
31	1	2	3	4	5	6
Directors Summer School - 6/5-6/10 ♦ Charleston, C.C.						
7	8	9	10	11	12	13
	6:30PM - 9:00PM Annual Meeting Date (Deni'ana Center)					
14	15	16	17	18	19	20
			4:00PM - 8:00PM Regular Board of Directors Meeting (BoardroomCR)			
21	22	23	24	25	26	27
					Independence Day	Independence Day
28	29	30	1	2	3	4

# July 2020

June 2020						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

August 2020						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					Independence Day	Independence Day
28	29	30	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	4:00PM - 8:00PM Regular Board of Directors Meeting (Boardroom)	23	Directors Summer Sch... ♦ Sal Lake City,	25
Directors Summer School - 7/24-7/29 ♦ Sal Lake City, Utah						
26	27	28	29	30	31	1



# August 2020

July 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September 2020						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5

4:00PM - 8:00PM Audit and Finance Committee Meeting (BoardroomCR)

4:00PM - 8:00PM Regular Board of Directors Meeting (Boardroom)

APA Annual Meeting (8/25-28/19) ♦ Homer, AK

# September 2020

August 2020						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

October 2020						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	1	2	3	4	5
	Labor Day ♦ Unitec					
6	7	8	9	10	11	12
13	14	15	16	17	18	19
			4:00PM - 8:00PM Regular Board of Directors Meeting (Boardroom)			
20	21	22	23	24	25	26
		NRECA Region IX - 9/29 - ... ♦ Omaha, Neb.				
27	28	29	30	1	2	3



# November 2020

October 2020						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

December 2020						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Audit and Finance Committee Meeting (BoardroomCR)</li> </ul>	<ul style="list-style-type: none"> <li>4:00PM - 8:00PM Audit and Finance Committee Meeting (BoardroomCR)</li> </ul>			
15	16	17	18	19	20	21
22	23	<ul style="list-style-type: none"> <li>11:45AM - 1:45PM Chugach Legislative Reception (Embassy Suites)</li> <li>4:00PM - 8:00PM Regular Board of Directors Meeting (Boardroom)</li> </ul>		Thanksgiving Day Hol... ♦ United States		
29	30		APA December Meeting... ♦ Anchorage, A			
		1	2	3	4	5

# December 2020

November 2020						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

January 2021						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			APA December Meeting... ♦ Anchorage, A			
29	30	1	2	3	4	5
					Directors Winter Scho... ♦ Nashville, TN	
6	7	8	9	10	11	12
Directors Winter School - 12/11-12/16 ♦ Nashville, TN			4:00PM - 8:00PM Regular Board of Directors Meeting (Boardroom)			
13	14	15	16	17	18	19
				Christmas Eve ♦ U	Christmas Day ♦ U	
20	21	22	23	24	25	26
				New Year's Eve ♦ U	New Year's Day ♦ U	
27	28	29	30	31	1	2

- C. *Renewable Energy Alaska Project (REAP) Report*
- D. *Board Committee Reports (Audit and Finance, Operations & Governance)*
- E. *Other Meeting Reports*

VII. UNFINISHED BUSINESS (*none*)

VIII. NEW BUSINESS (*scheduled*) (5:15 p.m.)

- A. *Discussion on Legislative Luncheon (Board)*

IX. EXECUTIVE SESSION\* (*scheduled*) (5:30 p.m.)

- A. *Non-Represented Retirement Plan and Benefits (5:30 p.m.)*
  - 1. *Retirement Plan*
  - 2. *Health Reimbursement Account (HRA)*
- B. *Gas Supply (6:10 p.m.)*
- C. *IMO Update (6:20 p.m.)*
- D. *ML&P Acquisition RCA Filing Update (6:30 p.m.)*
  - 1. *Stipulated Settlement of ML&P Acquisition and Amendments to Transaction Agreements*
- E. *Update on RRC MOU (7:30 p.m.)*

X. NEW BUSINESS\* (*scheduled*) (7:45 p.m.)

- A. *Health Reimbursement Account (HRA)\* (Andrews) (7:45 p.m.)*
- B. *Budget Revision – Project Funding for Eklutna Unit 2 Rebuild\* (Brodie/Risse) (7:50 p.m.)*
- C. *Gas Supply\* (Fouts) (7:55 p.m.)*
- D. *Stipulated Settlement of ML&P Acquisition and Amendments to Transaction Agreements\* (Miller/Thibert) (8:00 p.m.)*
- E. *IMO Program Budget\* (Fouts) (8:05 p.m.)*

XI. DIRECTOR COMMENTS (8:10 p.m.)

XII. ADJOURNMENT\* (8:25 p.m.)

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

**Winter School for Directors**  
Nashville, TN December 13 - 18, 2019

Ensuring that board leaders develop the knowledge and skills required to meet the challenges of today's increasingly complex utility marketplace.

**JOIN US**

## 2019 Winter School for Directors

As boards are challenged to address multiple large-scale issues, NRECA's Winter School for Directors is designed to ensure that board leaders develop the knowledge and skills required to meet these challenges successfully.

To help ensure that board leaders develop the knowledge and skills required to meet the challenges of today's increasingly complex utility marketplace, NRECA offers a variety of courses at Winter School for Directors.

This six-day program offers co-op directors:

- The essential knowledge and skills necessary to succeed on the board
- All required courses to earn the Credentialed Cooperative Director (CCD) certificate
- The opportunity to advance beyond the CCD level toward the Board Leadership Certificate (BLC)
- Earn continuing education credits that can be applied toward maintaining their Director Gold credential.

### Registration Fees

All courses are \$619 (unless noted)

956.1 Crucial Conversations in the Boardroom	\$926
951.2 Developing Effective Boardroom Decision Making (1.5 days)	\$860
2640 Financial Decision Making (1.5 days)	\$850

### Also of Interest

- Summer School for Directors ([East](#) | [Central](#))
- [Director Certificate Programs](#)

**Looking to earn credit?**

Earn your Credentialed Cooperative Director (CCD) certificate or your Board Leadership Certificate (BLC). If you've already earned your CCD and BLC credentials, you can earn the credits you need to achieve Director Gold status.

## Schedule

*Subject to change*

**ALL DAYS**   FRI. 12/13   SAT. 12/14   SUN. 12/15   MON. 12/16   TUE. 12/17   WED. 12/18

### FRI. 12/13

⊕ 8:00am - 4:00pm	2600 Director Duties and Liabilities
⊕ 8:00am - 4:00pm	913.1 Cooperative Fundamentals, Legacy and Economic Impact
⊕ 8:00am - 4:00pm	925.1 Co-op Bylaws: Guiding Principles & Current Issues
⊕ 8:00am - 4:00pm	963.1 Strategic Technologies and Their Impact on The Cooperative
⊕ 8:00am - 4:00pm	974.1 Rate Making Strategies & Policy Decisions for Electric Co-op Boards

### SAT. 12/14

⊕ 8:00am - 4:00pm	2620 Board Operations and Process
⊕ 8:00am - 4:00pm	905.1 Assessing Governance: Taking a Continuous Improvement Approach to Governing Your Co-op
⊕ 8:00am - 4:00pm	929.1 Current Issues in Policy Development
⊕ 8:00am - 4:00pm	956.1 Crucial Conversations in The Boardroom
⊕ 8:00am - 4:00pm	975.1 Capital Credits Issues and Decisions

### SUN. 12/15

⊕ 8:00am - 4:00pm	2640 Financial Decision Making (1.5 Days)
⊕ 8:00am - 4:00pm	935.1 Appraising and Compensating the CEO
⊕ 8:00am - 4:00pm	953.1 Improving Board Decision Making Quality
⊕ 8:00am - 4:00pm	961.1 The Evolution of Electric Cooperative Power Supply
⊕ 8:00am - 4:00pm	977.1 Equity Management and Boardroom Decision Making

### MON. 12/16

⊕ 8:00am - 11:30am	2640 Financial Decision Making (continued)
⊕ 8:00am - 4:00pm	901.1 Rules and Procedures for Effective Board Meetings
⊕ 8:00am - 4:00pm	918.1 Maximizing Your Grassroots Strategy
⊕ 8:00am - 4:00pm	943.1 Conversation Skills Outside the Boardroom
⊕ 8:00am - 4:00pm	955.1 Your Board's Culture: It's Impact on Effectiveness

### TUE. 12/17

⊕ 8:00am - 4:00pm	2610 Understanding the Electric Business
⊕ 8:00am - 4:00pm	903.1 The Role of the Board Chair in Conducting Effective Meetings
⊕ 8:00am - 4:00pm	921.1 Risk Oversight: The Board's Role in Risk Management



- 8:00am - 4:00pm 944.1 Giving and Receiving Effective Feedback
- 8:00am - 4:00pm 951.2 Developing Effective Boardroom Decision-Making (1.5 days)

WED. 12/18

- 8:00am - 11:30am 951.2 Developing Effective Boardroom Decision-Making (continued)
- 8:00am - 4:00pm 2630 Strategic Planning
- 8:00am - 4:00pm 914.1 Cooperative Communications and Public Opinion: The Director's Perspective
- 8:00am - 4:00pm 919.1 Cooperative Structure: A Strategic Advantage
- 8:00am - 4:00pm 958.1 Succession Planning: Developing the Purpose-Driven Organization

## Hotel & Travel

HOTEL

# Gaylord Opryland Resort and Convention Center

RESERVE BY

11/13/19

To guarantee event rate

RATE

\$204

USD/Night + taxes

**BOOK NOW**

2800 Opryland Dr. | Nashville, TN 37214 | (615) 889-1000

☎ For reservations call 877-491-7397

**Additional Hotel Information** ▼

### ABOUT NASHVILLE, TN

Known as "Music City" for its legendary country music venues, Nashville is the capital of Tennessee and home to Vanderbilt University.

**View Airline and Travel Discounts** →

**Things to do in Nashville** ↗

### AIRPORT(S)

# BNA

8mi from event

**Additional Travel Information** ▼

## Join us in Nashville, TN and register today!

**REGISTER**

[🔒 View My Co-op's Registrants](#)

**Questions about Program?**

Janet Bowers  
703-907-5622  
[janet.bowers@nreca.coop](mailto:janet.bowers@nreca.coop)

**Questions about Anything Else ?**

Member Contact Center  
1-877-766-3226  
[member-support@cooperative.com](mailto:member-support@cooperative.com)

**Questions about Registration?**

Accounts Receivable Department  
703-907-6875  
[AccountsReceivable@nreca.coop](mailto:AccountsReceivable@nreca.coop)

**Cancellation and Refund Policy** →

**Photography/Image Agreement** →

**Conferences & Meetings Policies** →

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

**September 17, 2019**  
**Tuesday**  
**4:00 PM**

**REGULAR BOARD OF DIRECTORS' MEETING**

Recording Secretary: Divina Portades

**I. CALL TO ORDER**

Chair Chastain called the Regular Board of Directors' Meeting to order at 4:01 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*A. Pledge of Allegiance*

Chair Chastain led the Board in the Pledge of Allegiance.

*B. Roll Call*

*Board Members Present:*

Bettina Chastain, Chair

Susan Reeves, Vice Chair

Stuart Parks, Secretary

Rachel Morse, Treasurer

Jim Henderson, Director

Harry Crawford, Director

Harold Hollis, Director (*arrived at 4:15 p.m.*)

*Chair Chastain stated that at the September 3, 2019, Special Board of Directors' Meeting, Director Hollis requested an excused absence for the September 17, 2019, Regular Board of Directors' Meeting. No objections were made.*

*Guests and Staff in Attendance:*

Lee Thibert

Connie Owens

Renee Curran

Brian Hickey

Pete Smithson

Todd McCarty

Matthew Clarkson

Josh Resnick

Russ Thornton

Arthur Miller

Jean Kornmuller

Crystal Enkvist, Alaska

Tyler Andrews

Andrew Laughlin

Power Association (APA)

Mark Fouts

Marty Freeman

Don Edwards, Consultant

Sherri Highers

Jody Wolfe

(*via teleconference*)

*C. Safety Minute*

Marty Freeman, Manager, Safety discussed "*Back Safety*" and responded to questions from the Board.

*Chair Chastain stated that Director Hollis designated Director Parks to sign for his expense report.*

## **II. APPROVAL OF THE AGENDA**

Director Morse moved and Director Parks seconded the motion to approve the agenda. The motion passed unanimously.

*Director Hollis was not present at the time of the vote.*

## **III. PERSONS TO BE HEARD**

- A. *Member Comments*  
None

## **IV. CONSENT AGENDA**

- A. *Board Calendar*
- B. *Training and Conferences*
  - 1. *2019 APA Accounting and Finance Workshop, October 10-11, 2019, Anchorage, AK (Deadline for conference registration is September 27, 2019)*
- C. *Minutes*
  - 1. *August 19, 2019, Regular Board of Directors' Meeting (Quezon)*
  - 2. *September 3, 2019, Special Board of Directors' Meeting (Quezon)*
- D. *Director Expenses*

Director Reeves moved and Director Crawford seconded the motion to approve the consent agenda. The motion passed unanimously.

*Director Hollis was not present at the time of the vote.*

## **V. CEO REPORTS AND CORRESPONDENCE**

- A. *July 2019 Financial Statements and Variance Report (Harris/Curran)*  
Sherri Highers, Chief Financial Officer and Executive VP, Finance and Administration discussed the July 2019 Financial Statements and Variance Report and responded to questions from the Board.
- B. *3<sup>rd</sup> Quarter 2019 Railbelt Bill Comparison (Skaling/Miller)*  
The 3<sup>rd</sup> Quarter 2019 Railbelt Bill Comparison is provided in the meeting packet.
- C. *Swan Lake Fire Impact on Rates (Hickey/Miller)*  
Brian Hickey, Chief Operating Officer (COO) stated that Russ Thornton, Sr. Manager, G&T System Control and Jean Kornmuller, Manager, Regulatory Affairs will discuss the Swan Lake Fire Impact on Rates. Mr. Thornton, Ms. Kornmuller and Mr. Hickey responded to questions from the Board.

*Director Hollis arrived at 4:15 p.m.*

Lee Thibert, Chief Executive Officer (CEO) requested that further discussion on the Swan Lake Fire Impact on Rates be deferred to Executive Session. No objections were made.

## **VI. DIRECTOR REPORTS**

### *A. Alaska Power Association (APA) Report*

Director Hollis stated that Crystal Enkvist, APA will report on APA's Annual Meeting and upcoming events.

Ms. Enkvist responded to questions from the Board and congratulated Director Hollis to his appointment to the APA Board during the APA Annual Meeting.

### *B. Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report*

Director Crawford and Lee Thibert, CEO stated that there was no ARCTEC meeting to report.

### *C. Renewable Energy Alaska Project (REAP) Report*

Director Morse reported on the August 28, 2019, REAP's 15<sup>th</sup> Anniversary event and stated that the REAP Public Policy Committee meeting is scheduled for September 18, 2019.

### *D. Board Committee Reports (Audit and Finance, Operations & Governance)*

Director Morse stated that there was no Finance Committee meeting to report.

Director Parks stated that there was no Operations Committee meeting to report.

Chair Chastain discussed that the October 7, 2019, Operations Committee Meeting might be canceled or start later. Lee Thibert, CEO stated that 5:00 p.m. start time will work best for the staff.

Vice Chair Reeves reported there were four assignments to be addressed from the August 8, 2019, Governance Committee meeting.

### *E. Other Meeting Reports*

None

## **VII. UNFINISHED BUSINESS**

### *A. 2019 Salary Table Market Revision\* (Andrews)*

Tyler Andrews, Executive VP, Employee Services and Communications discussed the 2019 Salary Table Market Revision and responded to questions from the Board.

Director Morse moved and Director Hollis seconded the motion that the Board of Directors approve the 2019 Salary Table Market Revision as the basis for the non-represented unit salary table administration, essentially the same as discussed in Executive Session at the August 19, 2019, Regular Board of Directors Meeting.

After discussion, Chair Chastain called for a vote. The motion passed unanimously.

*B. NRECA Resolutions (Board Discussion)*

Director Reeves led the discussion on the NRECA Resolutions and Phil Steyer's memo summarizing the proposed NRECA Resolutions and responded to questions from the Board.

**VIII. NEW BUSINESS**

None

**IX. EXECUTIVE SESSION**

- A. Gas Supply*
- B. Quartz Creek Transmission Line*
- C. Update on TRANSCO Concept*
- D. Update on RRC MOU*
- E. IMO Update*
- F. ML&P Acquisition RCA Filing Update*

At 5:27 p.m., Director Morse moved and Director Reeves seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(1), and (3) the Board of Directors go into executive session to: 1) discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and, 2) discuss with its attorneys legal matters, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

*The meeting reconvened in open session at 8:00 p.m.*

**X. NEW BUSINESS**

*A. Gas Supply\* (Fouts)*

Director Parks moved and Director Morse seconded the motion that the Board of Directors authorize the Chief Executive Officer to finalize the terms and conditions of the purchase of gas supply essentially the same as discussed in Executive Session. The motion passed unanimously.

*B. Point Mackenzie Project Authorization\*\* (Laughlin/Hickey)*

Brian Hickey, COO stated that Andrew Laughlin, VP Engineering Transmission will discuss the Point Mackenzie Project Authorization. Mr. Hickey and Mr. Laughlin responded to questions from the Board.

Director Morse moved and Director Parks seconded the motion that the Board of Directors authorize the Chief Executive Officer to proceed with the Point Mackenzie 230 kV Substation Rebuild at an estimated total cost of \$3,700,000 with an estimated completion date of April 2020. The motion passed unanimously.

**XI. DIRECTOR COMMENTS**

Director comments were made at this time.

**XII. ADJOURNMENT**

At 8:24 p.m., Director Morse moved and Director Hollis seconded the motion to adjourn. The motion passed unanimously.

---

Stuart Parks, Secretary

Date Approved: October 24, 2019

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

**REGULAR BOARD OF DIRECTORS' MEETING**  
**AGENDA ITEM SUMMARY**

**October 24, 2019**

**ACTION REQUIRED**

**AGENDA ITEM NO. IV.D.**

- Information Only
  - Motion
  - Resolution
  - Executive Session
  - Other
- 

**TOPIC**

Director Expenses

**DISCUSSION**

The Director's expenses will be submitted for approval at the board meeting.

**MOTION**

*(Consent Agenda)*



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

**October 24, 2019**

**TO:** Lee Thibert, Chief Executive Officer

**THROUGH:** Arthur Miller, Executive VP, Regulatory and External Affairs

**FROM:** Kate Ayers, Member and Energy Services Specialist

**SUBJECT:** **Member Appreciation Day Event Overview**

Chugach's Member Appreciation Day was held on October 4 and served as an opportunity to celebrate National Cooperative and Energy Awareness Month. The day was made possible due to the efforts of the Chugach team. From serving hot dogs to inviting members to register for My Account the Chugach volunteers are what made the event a success. More than 50 employees from around the company came together to show their appreciation to Chugach members.

Although the weather created last minute layout changes, it did not impede members from having a good time. More than 300 members came by for fun, food and education. Chugach employees gave bucket truck rides to 50 people and led Southcentral Power Project Tours to more than 100 tour participants. The Southcentral Power Project tour feedback survey showed that 86% indicated the tours were "excellent" or "very good." When asked what they liked about the tour, one member responded, "EVERYTHING. I wished I had taken the opportunity to have done it earlier. I would recommend it to people."

The H2O 2GO water trailer, provided by Anchorage Water and Wastewater, was a great addition to the event and served as a reminder to members that Chugach is committed to its sustainability philosophy. Chugach's mobile communication trailer brought attention to the crowd of Chugach's pledge to emergency preparedness and safety. The electric vehicle test drives were even more popular than they have been in the past, with nearly 20 members getting to experience an all-electric ride. Lastly, adding the trolley to host members on the Southcentral Power Project tour was a unique and enjoyable addition to this year's event.

The drawing for a chance to win a DeWALT 5-Tool Combo Kit received nearly 200 entries. Most members that filled out the drawing survey indicated they get their information from Chugach through the Outlet Newsletter, followed by email and in-person visits.

One member offered the following comment, "A good refresher to be very grateful for all the dedication you folks have to keep us warm, well lit, connected, and our electric cars powered — Eventually. Thank You." Many members contributed positive feedback and praise to our employees,

while others suggested a few improvements that we may want to consider for next year; comments included:

- 1) Add a note to the tour sign up page that states the tour is for an adult audience.
- 2) Provide coloring sheets and crayons on the tour to entertain younger children.
- 3) Add system maps and additional visual information to the tour.

Next year we will review these suggestions, as well as other lessons learned to ensure Member Appreciation Day 2020 is another success.

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

**October 15, 2019**

**TO:** Lee Thibert, Chief Executive Officer  
**FROM:** Tyler Andrews, Vice President, Member and Employee Services  
**SUBJECT:** *3rd Quarter Safety Report 2019*

3<sup>rd</sup> Quarter Safety Report 2019

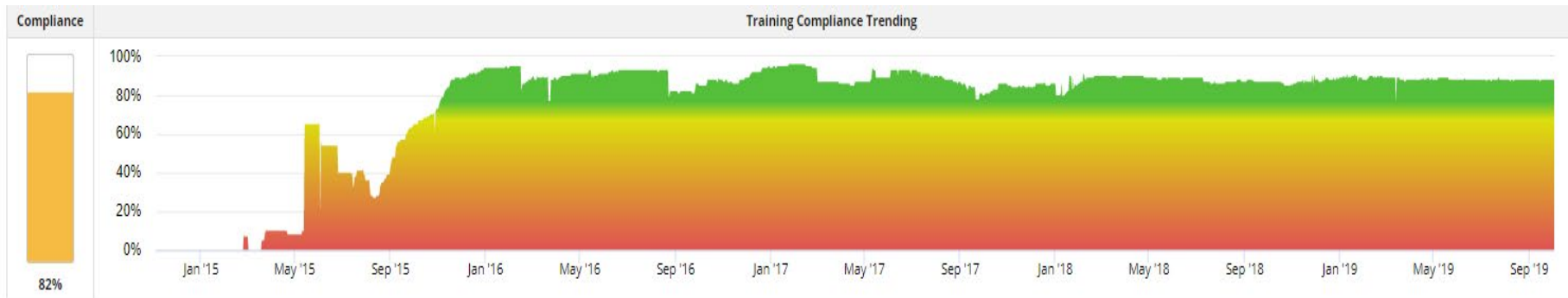
- Total Number of Recordable Injuries 4
- Number of Lost Work Day Recordable Injuries 0
- Preventable Incidents 0
- Lost Work Days 0
- Vehicle Incidents 0

**Notable Items:**

- Captured existing work practices into a formal safety procedure providing guidelines on use of personal grounds in Power Generating Plants to reduce risk of electrical shock during installation, maintenance or repair of electrical circuits, conductors and equipment.
- Continued to work towards developing a collaborative switching procedure for use in NEWCO that takes into account existing practices from both ML&P and Chugach Electric Association.
- Reviewed camera footage needs with Power Generation, Dispatch and Member Services so that department specific needs are met on day 1.

## **Safety Training:**

- A primary incident prevention effort from the Safety Department is the delivery of safety training. Safety training topics contribute to employee knowledge, hazard identification and mitigation, required safe work procedures, and safety regulations. To date 82% of our training plan has been completed.

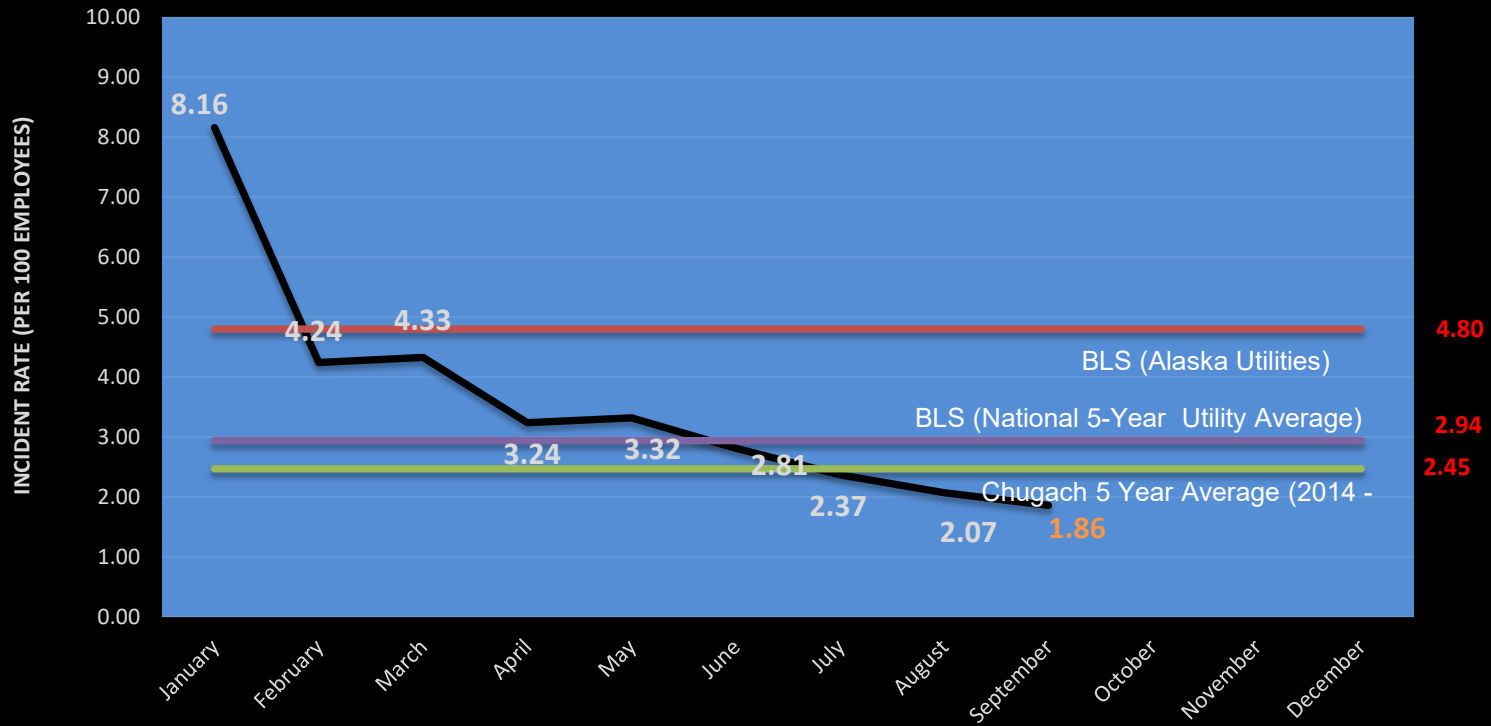


### Account Specific Compliance

Table View: Supervisors & Personnel ▼

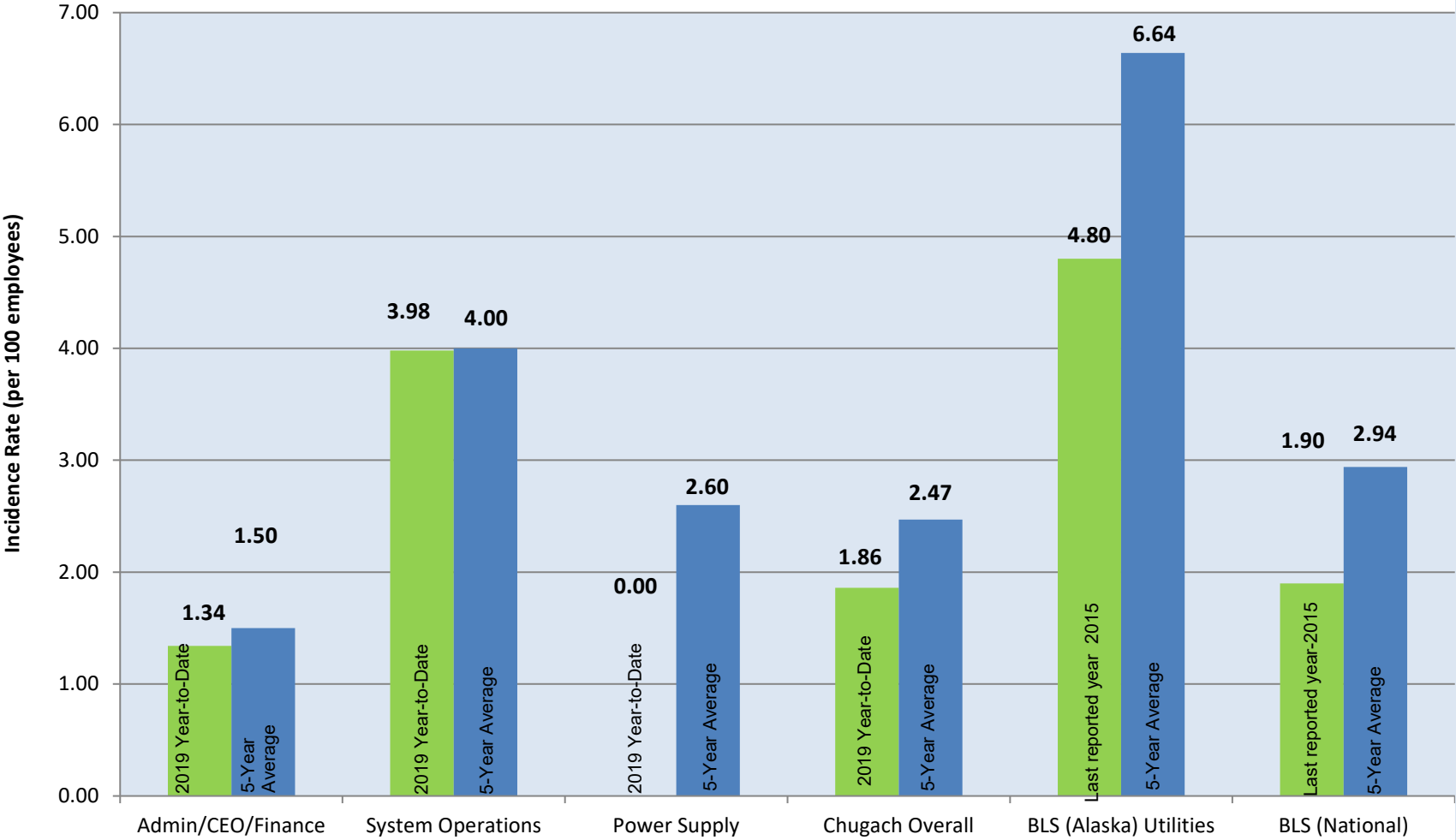
Account	# SUP	# PPL	Compliance
Chugach Electric Association Inc.	<a href="#">52</a>	<a href="#">293</a>	82%

## Recordable Incident Rate 2019

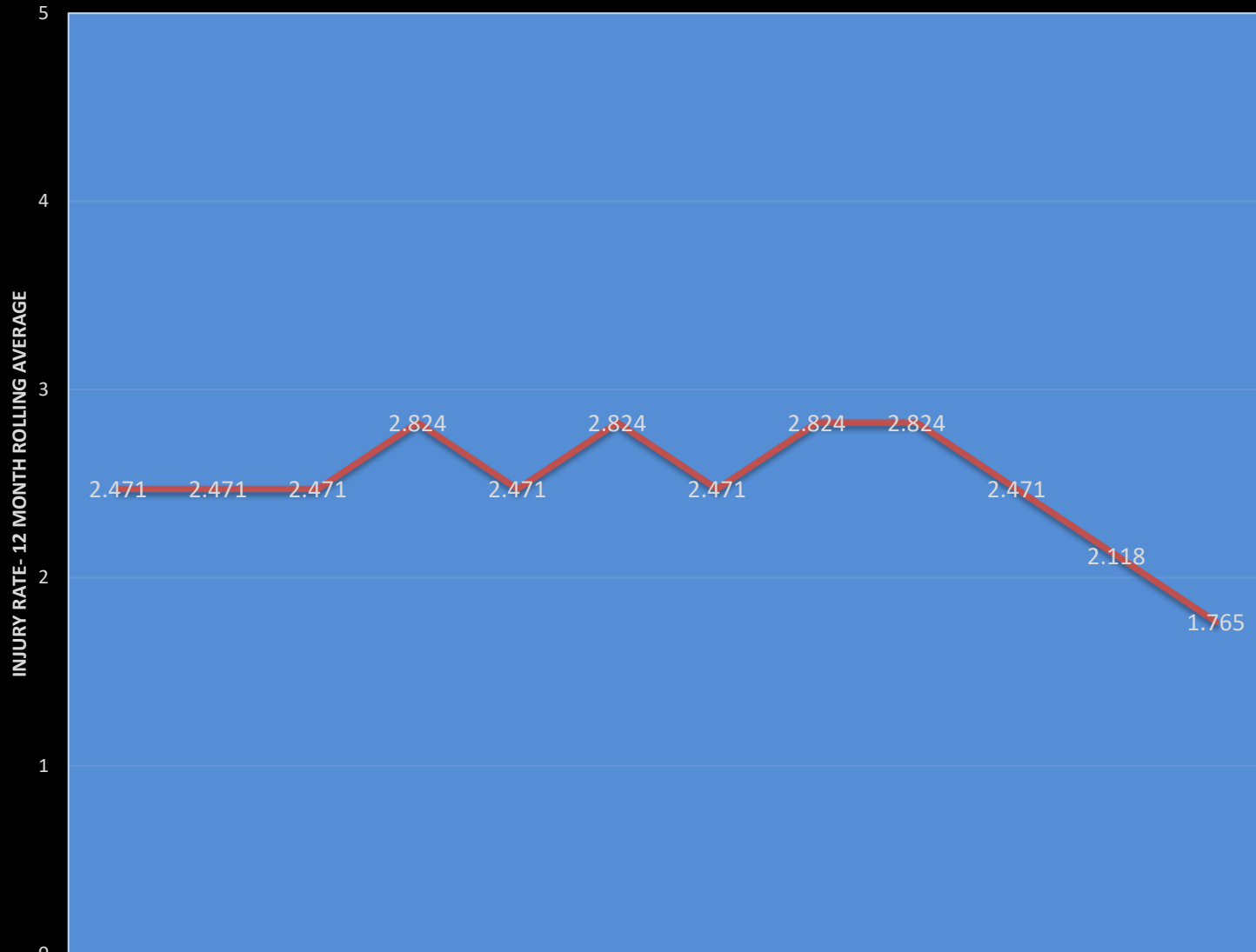


\* Based on data reported to the Bureau of Labor Statistics (BLS) under NAICS Code 2211

# Recordable Incident Rate 2019 by Group



## Injury rate: 12 Month Rolling Average



Series1

2.471

2.471

2.471

2.824

2.471

2.824

2.471

2.824

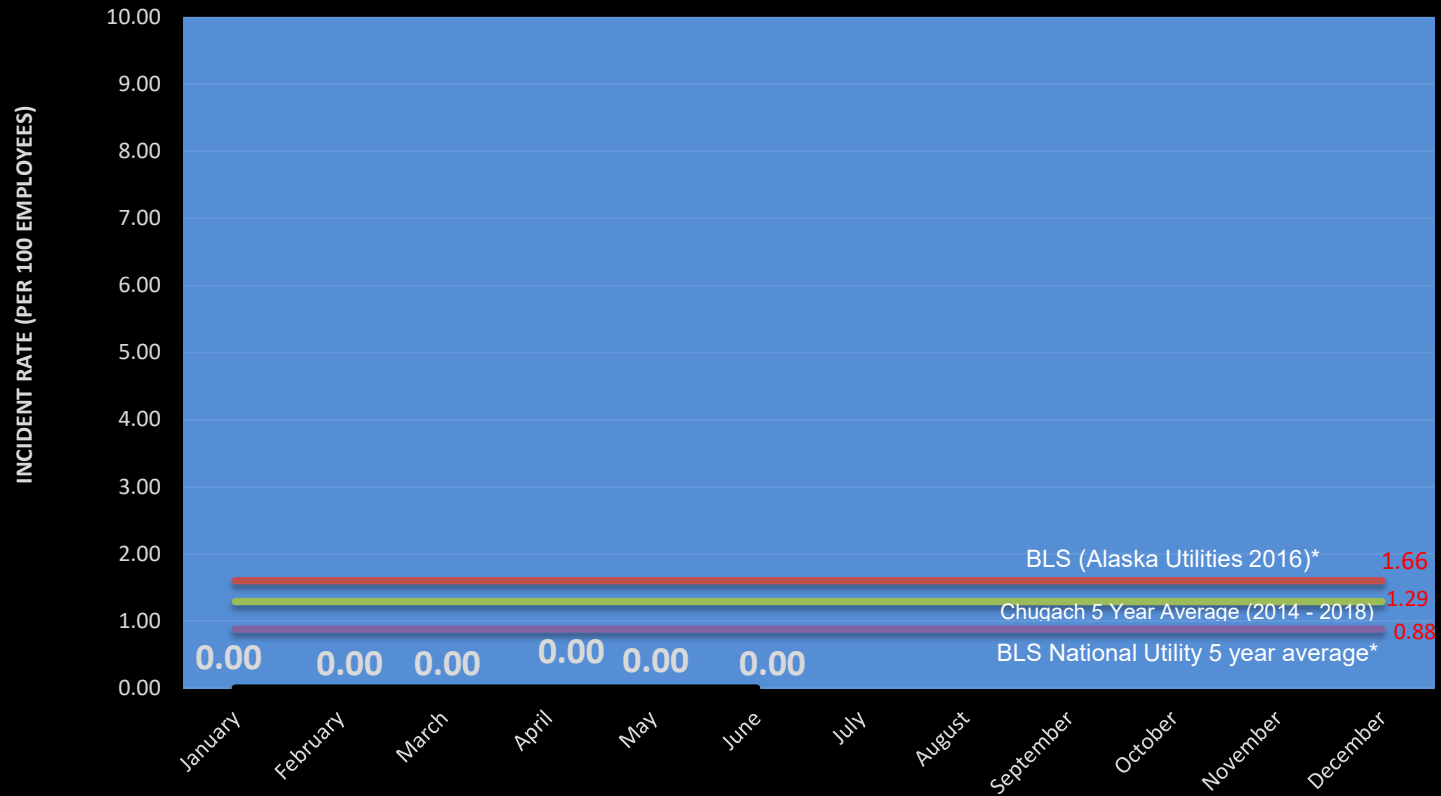
2.824

2.471

2.118

1.765

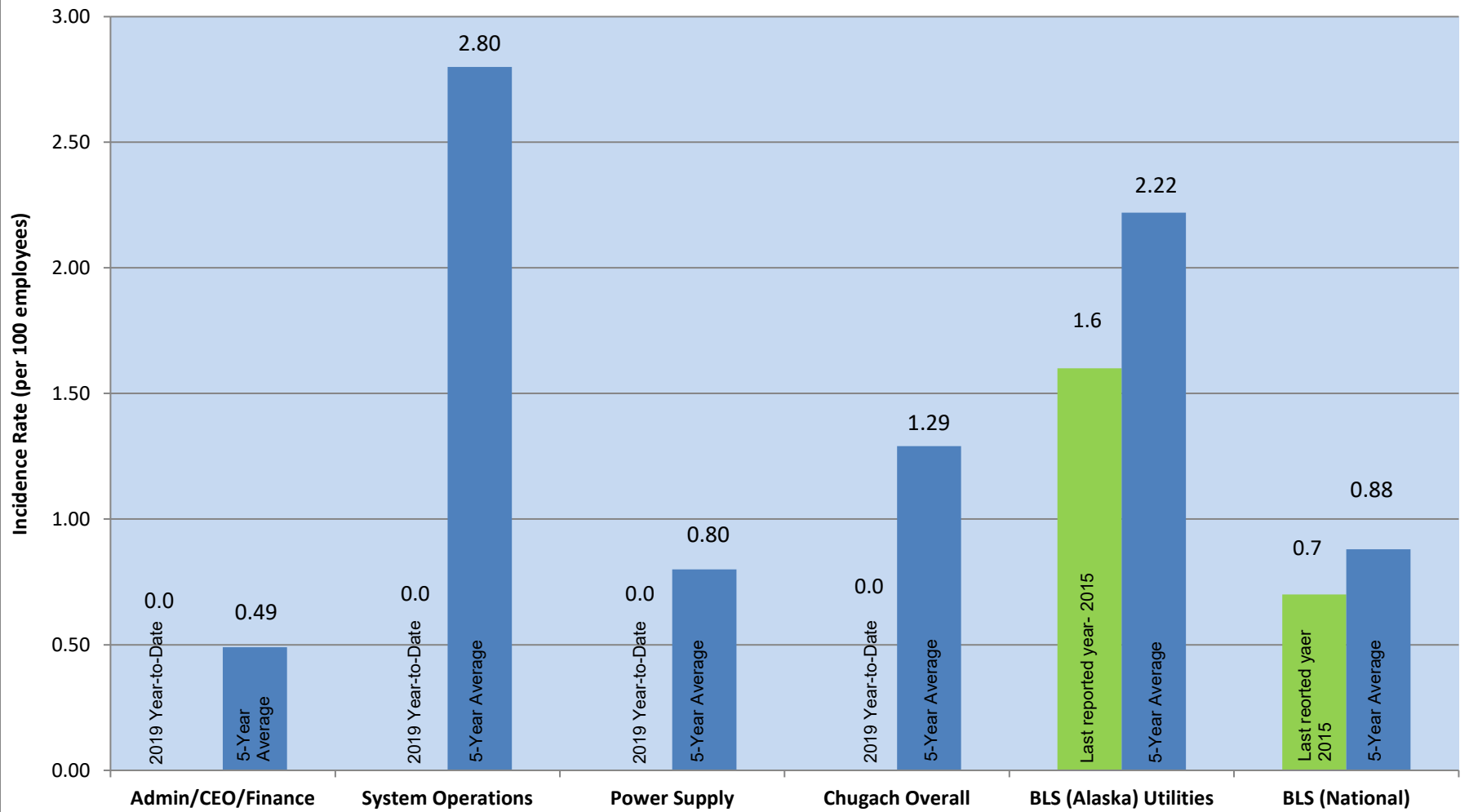
## Lost Time Rate YTD 2019



\* Based on data reported to the Bureau of Labor Statistics (BLS) under NAICS Code 2211



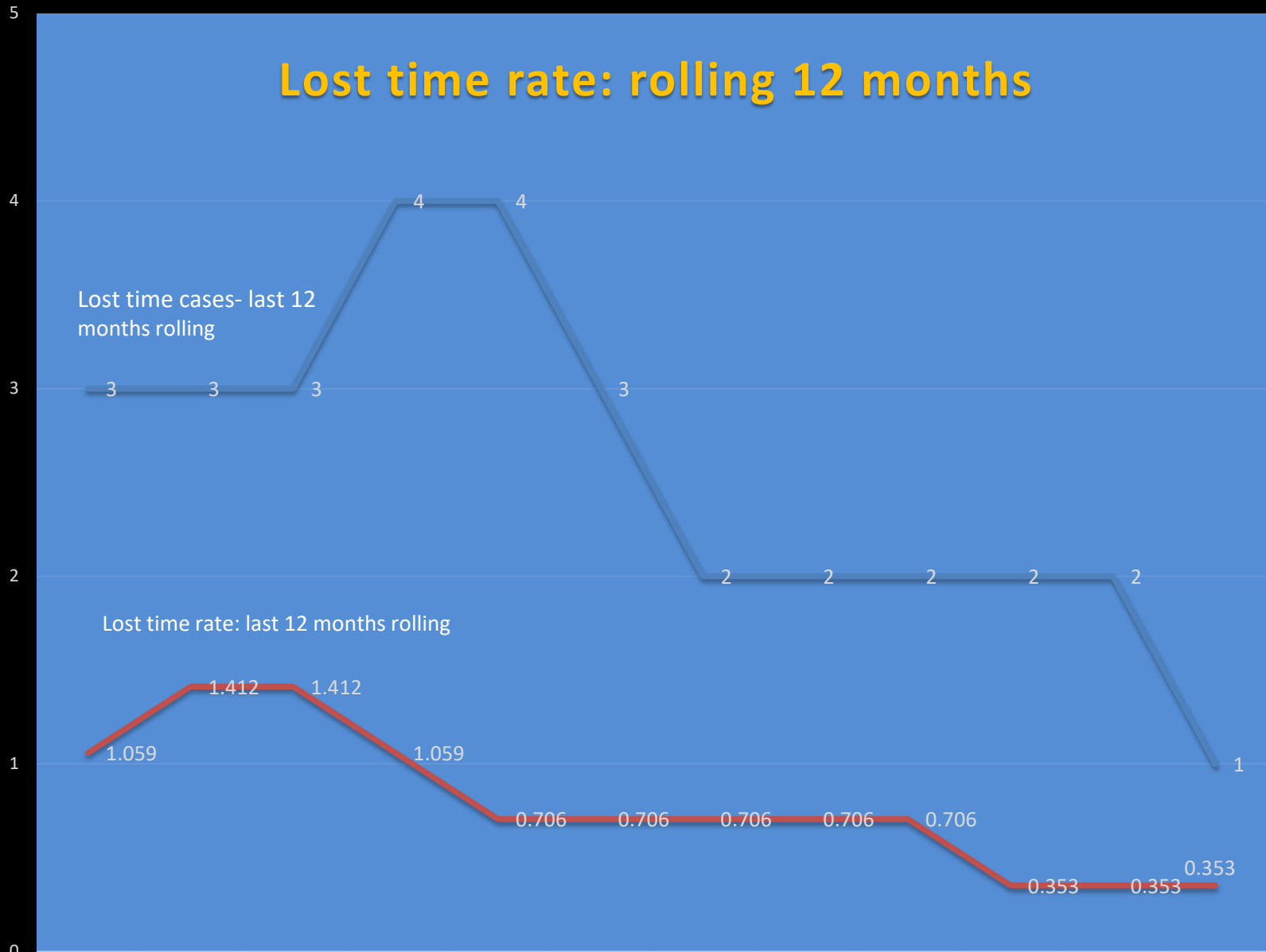
## Lost Time Rate 2019 YTD by Group



# Lost time rate: rolling 12 months

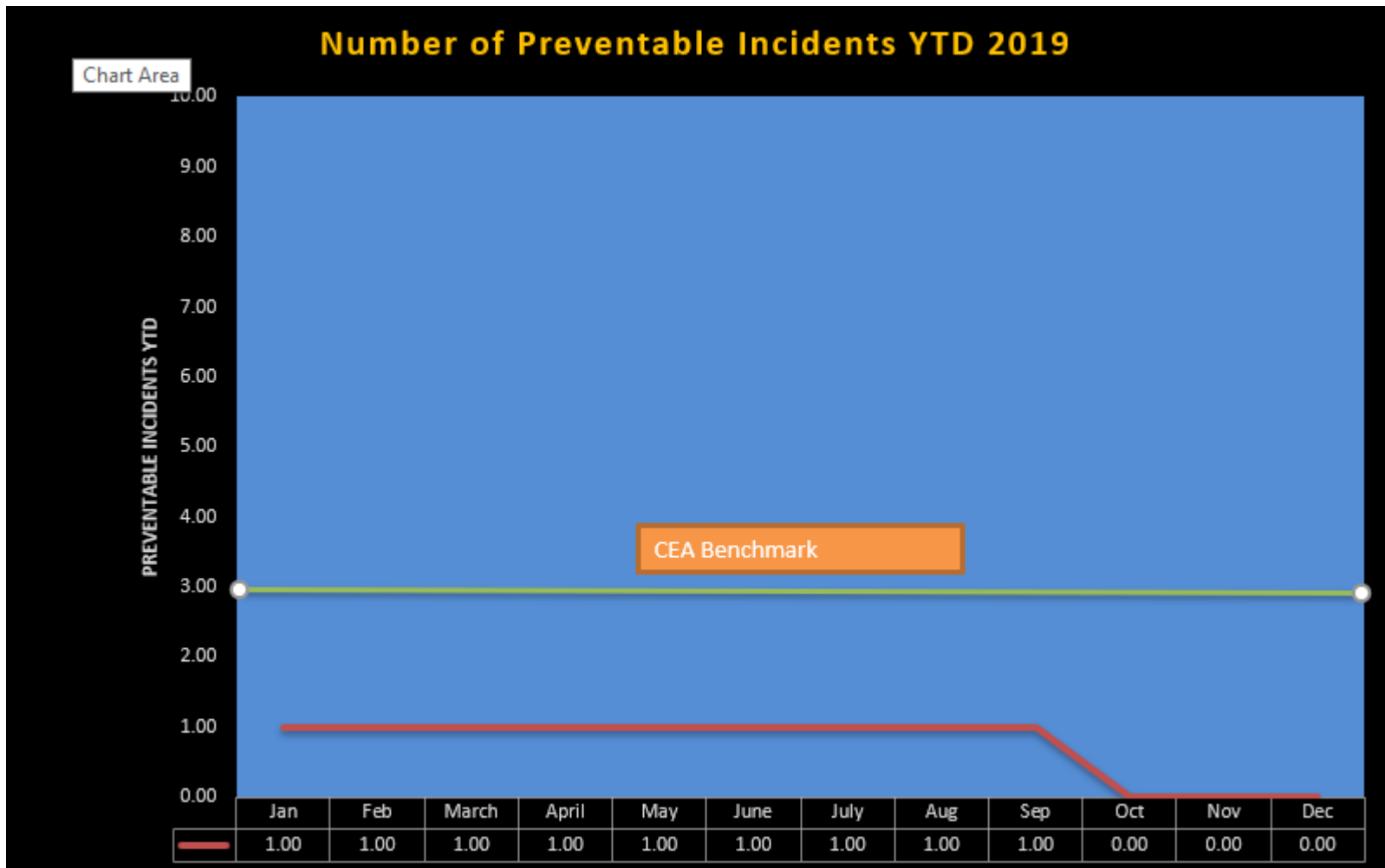
Lost time cases- last 12 months rolling

Lost time rate: last 12 months rolling



	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sep
Lost time cases- last 12 months rolling	3	3	3	4	4	3	2	2	2	2	2	1
Lost time rate: last 12 months rolling	1.059	1.412	1.412	1.059	0.706	0.706	0.706	0.706	0.706	0.353	0.353	0.353

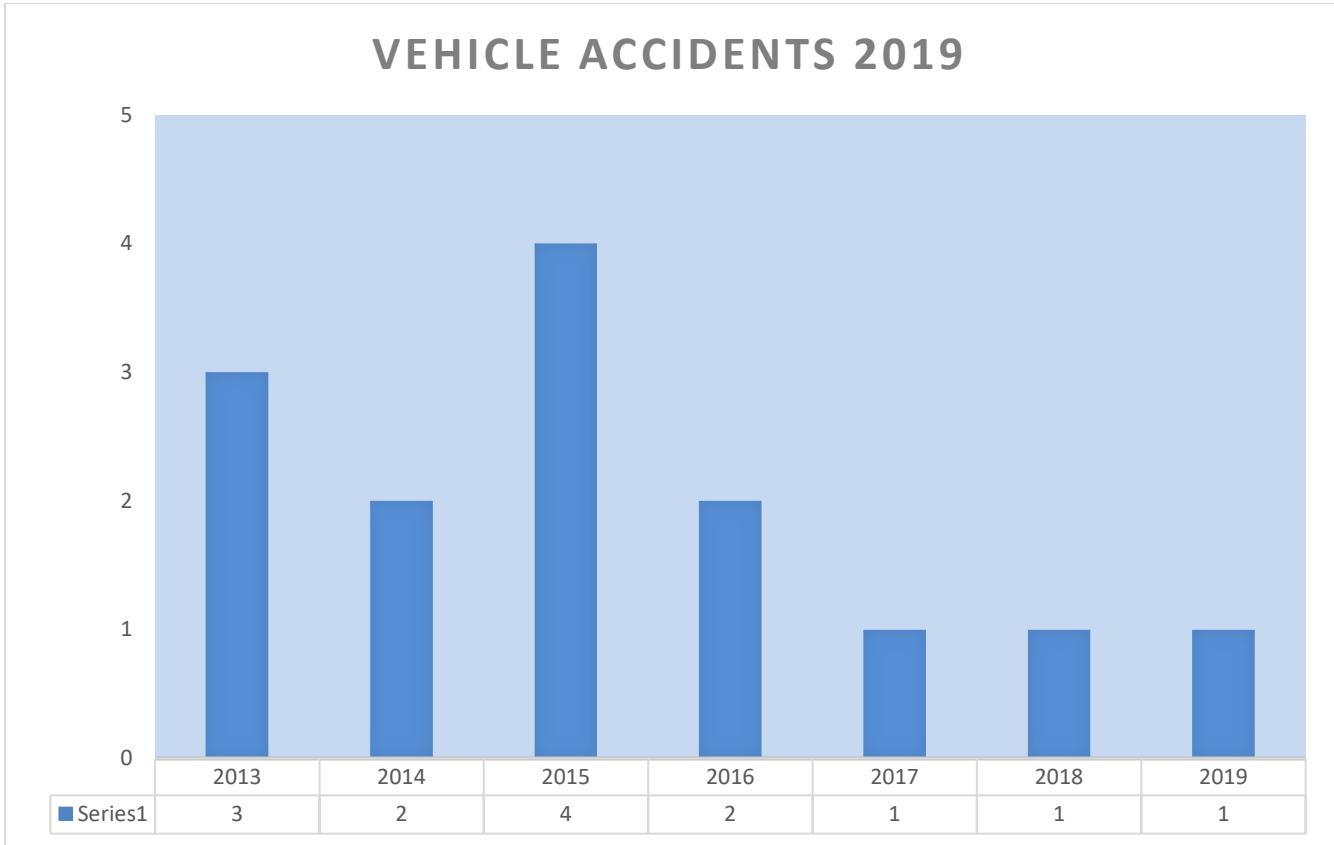
Preventable Incidents: There has been 1 preventable incident YTD 2019





# Vehicle Incidents

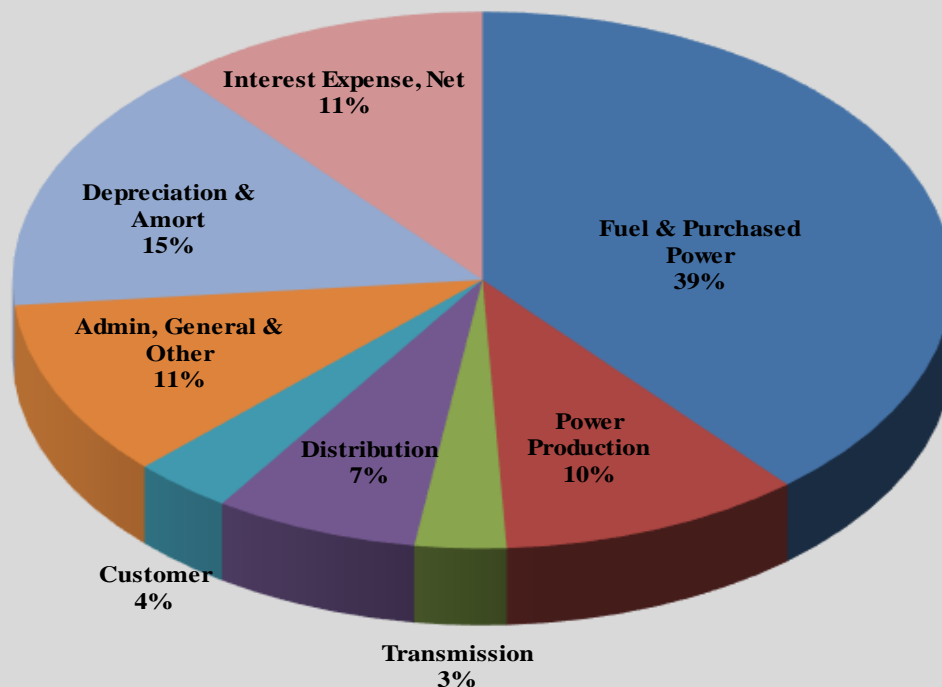
There has been 1 preventable vehicle incident year to date.



## STATEMENT OF OPERATIONS

CATEGORY	2019 MTD ACTUAL	2019 MTD BUDGET	2019 MTD VARIANCE
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 17,246,029</b>	<b>\$ 16,263,625</b>	<b>\$ 982,404</b>
Fuel and Purchased Power Expense	6,629,010	5,769,832	859,178
Power Production Expense	1,778,695	1,650,363	128,332
Transmission Expense	537,023	561,476	(24,453)
Distribution Expense	1,199,362	1,354,488	(155,126)
Customer Expense	584,706	631,104	(46,398)
Administrative, General and Other	1,834,799	1,937,277	(102,478)
Depreciation & Amortization Expense	2,624,585	2,553,659	70,926
Interest Expense, Net	1,907,726	1,845,924	61,802
<b>Total Cost of Electric Service</b>	<b>\$ 17,095,906</b>	<b>\$ 16,304,123</b>	<b>\$ 791,783</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 150,123</b>	<b>\$ (40,498)</b>	<b>\$ 190,621</b>
Non-Operating Margins - Interest	48,095	52,481	(4,386)
Allowance for Funds Used During Construction	10,222	14,846	(4,624)
Non-Operating Margins - Other	(11,892)	-	(11,892)
<b>Patronage Capital or Margins</b>	<b>\$ 196,548</b>	<b>\$ 26,829</b>	<b>\$ 169,719</b>

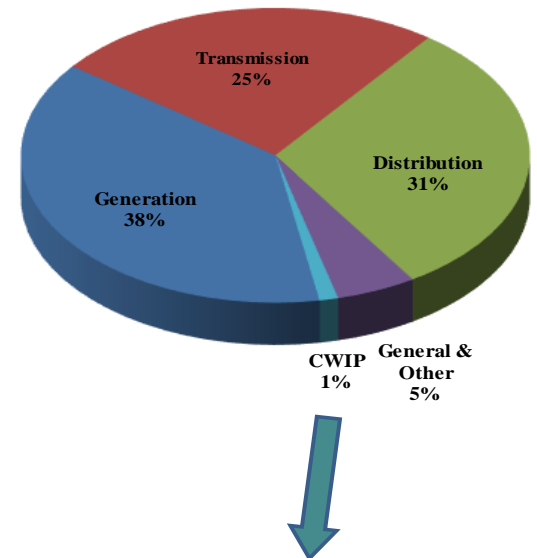
### Total Cost of Electric Service (MTD Actual)



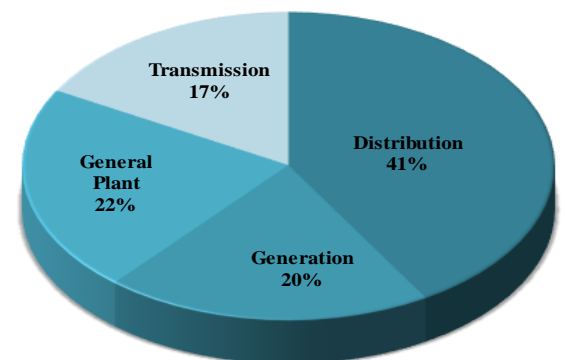
## BALANCE SHEET

ASSETS & OTHER DEBITS	8/31/2019	12/31/18
Electric Plant in Service	1,239,174,266	1,216,663,092
Construction Work in Progress	14,921,686	17,272,307
<b>Total Utility Plant</b>	<b>\$ 1,254,095,952</b>	<b>\$ 1,233,935,399</b>
Accum. Prov. for Depreciation/Amortization	(549,129,170)	(529,099,451)
<b>Net Utility Plant</b>	<b>\$ 704,966,782</b>	<b>\$ 704,835,948</b>
Nonutility Property - Net	76,889	76,889
Operating lease right-of-use assets	993,151	-
Investment in Assoc. Organizations	8,155,602	8,570,046
Special Funds	2,375,210	1,890,221
Restricted Cash & Other Investments	108,000	108,000
<b>Total Other Property &amp; Investments</b>	<b>\$ 11,708,852</b>	<b>\$ 10,645,156</b>
Cash, Marketable Securities & Other	2,954,960	12,423,578
Special Deposits/Restricted Cash	1,280,875	1,268,274
Accounts Receivable - Net	24,077,788	31,165,249
Materials and Supplies, Fuel Stock	26,058,853	28,175,563
Prepayments	3,395,192	2,227,117
Other Current & Accrued Assets	611,066	241,279
<b>Total Current &amp; Accrued Assets</b>	<b>\$ 58,378,734</b>	<b>\$ 75,501,060</b>
Deferred Debits	42,367,359	37,668,424
<b>Total Assets &amp; Other Debits</b>	<b>\$ 817,421,727</b>	<b>\$ 828,650,588</b>
LIABILITIES & OTHER CREDITS	8/31/2019	12/31/18
Memberships	1,766,977	1,748,172
Pat. Capital, Margins & Equities	188,444,488	192,776,522
<b>Total Margins &amp; Equities</b>	<b>\$ 190,211,465</b>	<b>\$ 194,524,694</b>
Long-Term Debt - Bonds	449,999,997	398,416,664
Long-Term Debt - Other	31,432,153	33,972,000
Unamortized Debt Issuance Costs	(2,763,717)	(2,425,247)
Operating lease liabilities	834,925	-
<b>Total Long-Term Debt</b>	<b>\$ 479,503,358</b>	<b>\$ 429,963,417</b>
Notes Payable	33,912,740	87,608,667
Accounts Payable	8,698,336	9,538,749
Consumer Deposits	4,688,710	4,845,611
Other Current & Accrued Liabilities	34,075,892	32,853,659
<b>Total Current &amp; Accrued Liabilities</b>	<b>\$ 81,375,678</b>	<b>\$ 134,846,686</b>
Deferred Compensation	1,573,178	1,359,878
Other Liabilities, Non-Current	554,049	580,841
Deferred Liabilities	905,603	764,834
Patronage Capital Payable	1,931,295	3,393,253
Cost of Removal Obligation	61,367,101	63,216,985
<b>Total Liabilities &amp; Other Credits</b>	<b>\$ 817,421,727</b>	<b>\$ 828,650,588</b>

**2019 Total Utility Plant (YTD)**  
\$1,254,095,952



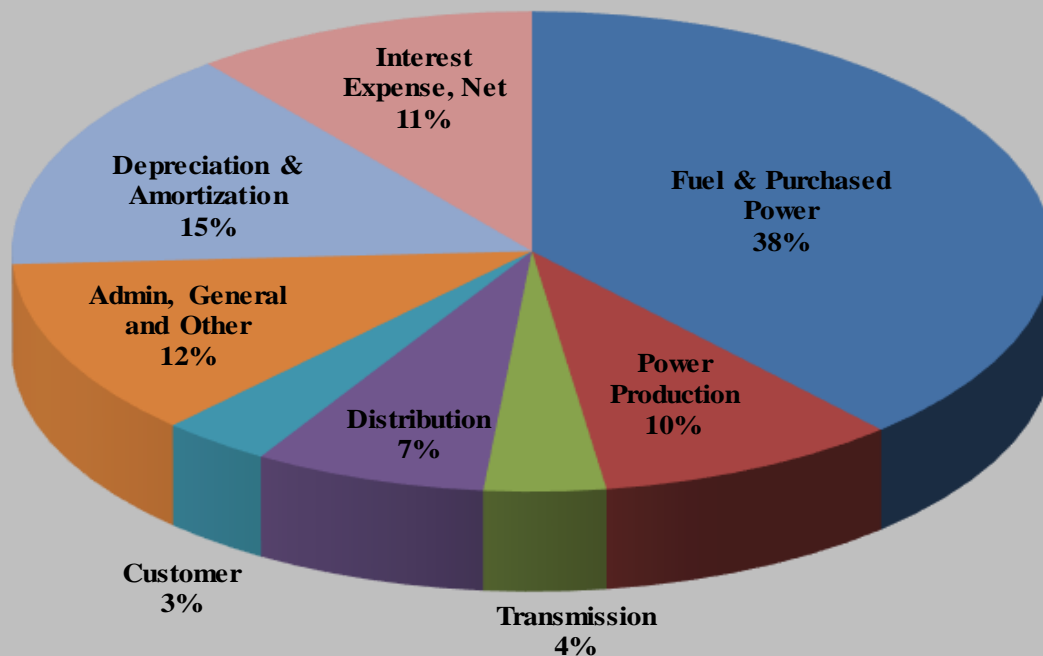
**2019 Construction Work in Progress (YTD)**  
\$14,921,686



**COMPARATIVE FINANCIAL REPORT  
STATEMENT OF OPERATIONS  
CURRENT YTD ACTUAL TO BUDGET VARIANCE**

CATEGORY	2019 YTD ACTUAL	2019 YTD BUDGET	2019 YTD VARIANCE
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 137,836,442</b>	<b>\$ 133,629,124</b>	<b>\$ 4,207,318</b>
Fuel and Purchased Power Expense	52,719,337	49,263,023	3,456,314
Power Production Expense	12,937,323	13,429,760	(492,437)
Transmission Expense	5,205,226	5,222,593	(17,367)
Distribution Expense	9,929,303	10,487,434	(558,131)
Customer Expense	4,673,188	4,644,021	29,167
Administrative, General and Other	16,559,342	16,476,332	83,010
Depreciation & Amortization Expense	20,838,451	20,420,162	418,289
Interest Expense, Net	14,749,839	13,981,333	768,506
<b>Total Cost of Electric Service</b>	<b>\$ 137,612,009</b>	<b>\$ 133,924,658</b>	<b>\$ 3,687,351</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 224,433</b>	<b>\$ (295,534)</b>	<b>\$ 519,967</b>
Non-Operating Margins - Interest	401,004	419,848	(18,844)
Allowance Funds Used During Const.	103,307	118,767	(15,460)
Non-Operating Margins - Other	106,432	-	106,432
<b>Patronage Capital or Margins</b>	<b>\$ 835,176</b>	<b>\$ 243,081</b>	<b>\$ 592,095</b>
MFI/I	1.06	1.02	
TIER	1.06	1.02	

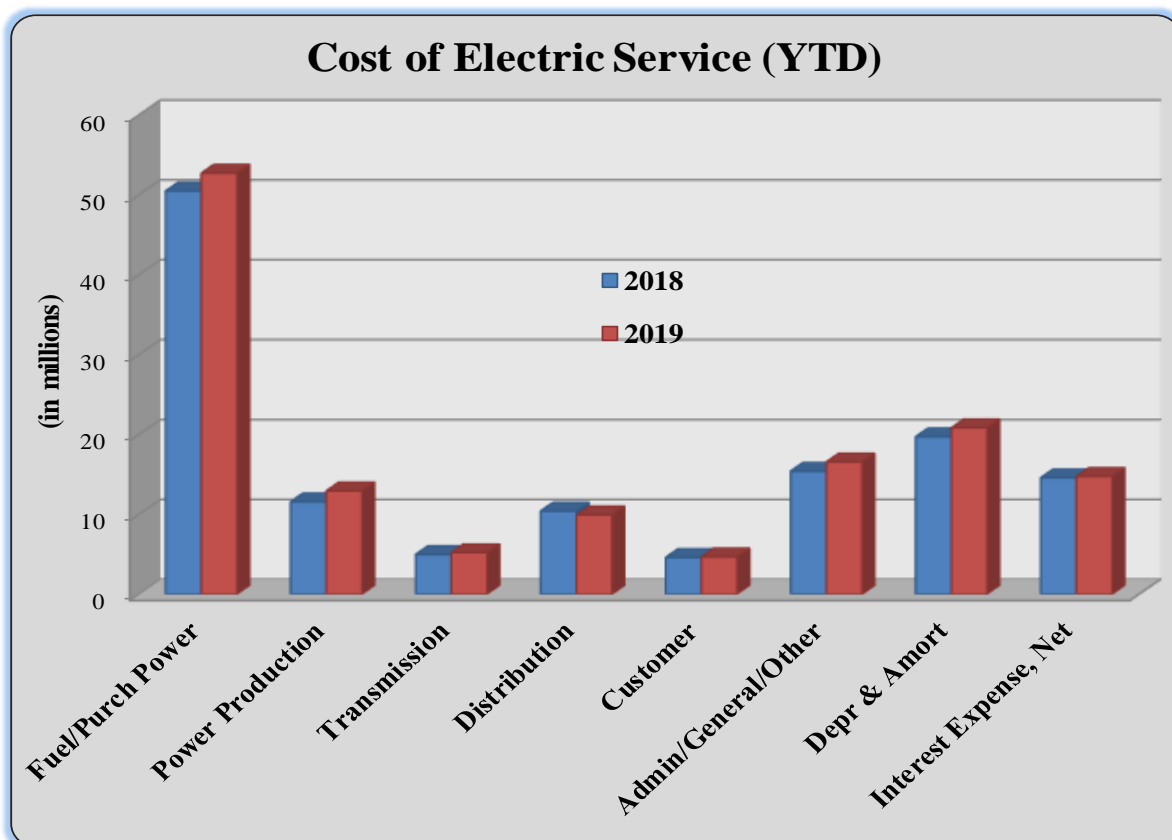
**Total Cost of Electric Service (YTD Actual)**

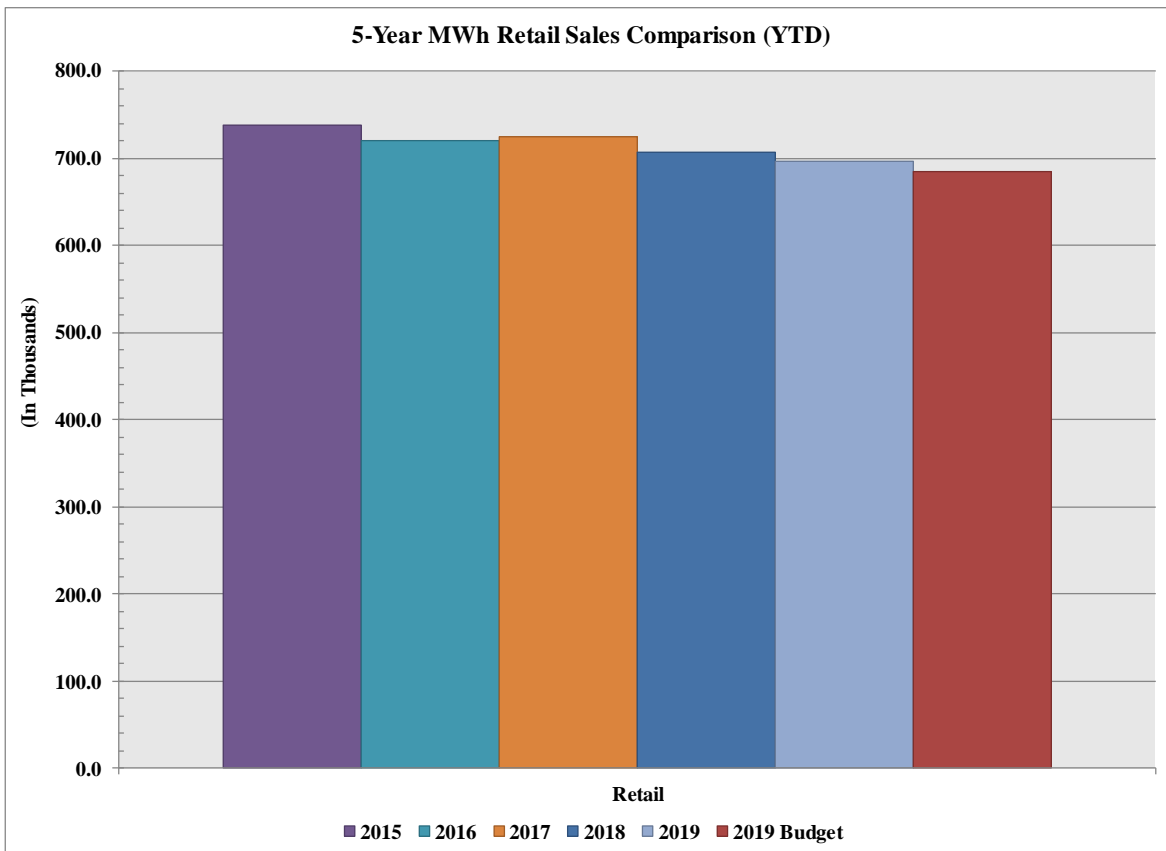
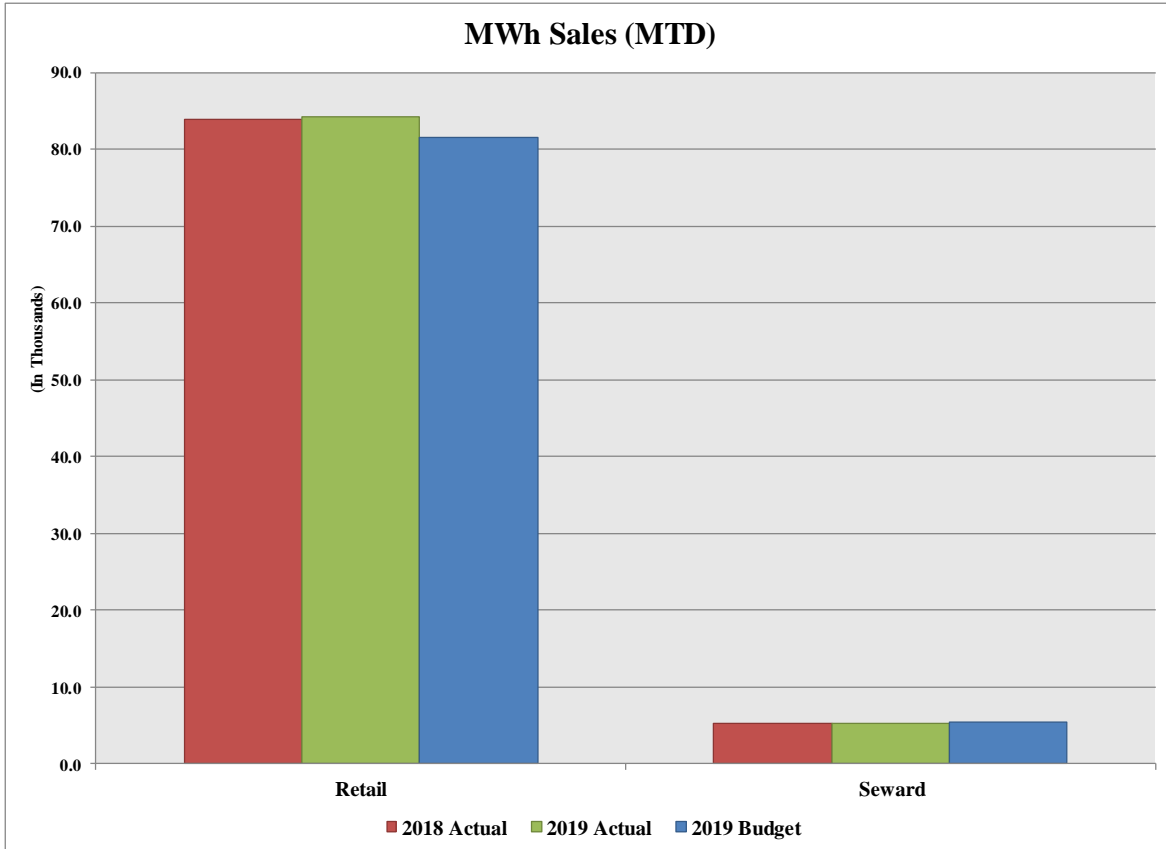


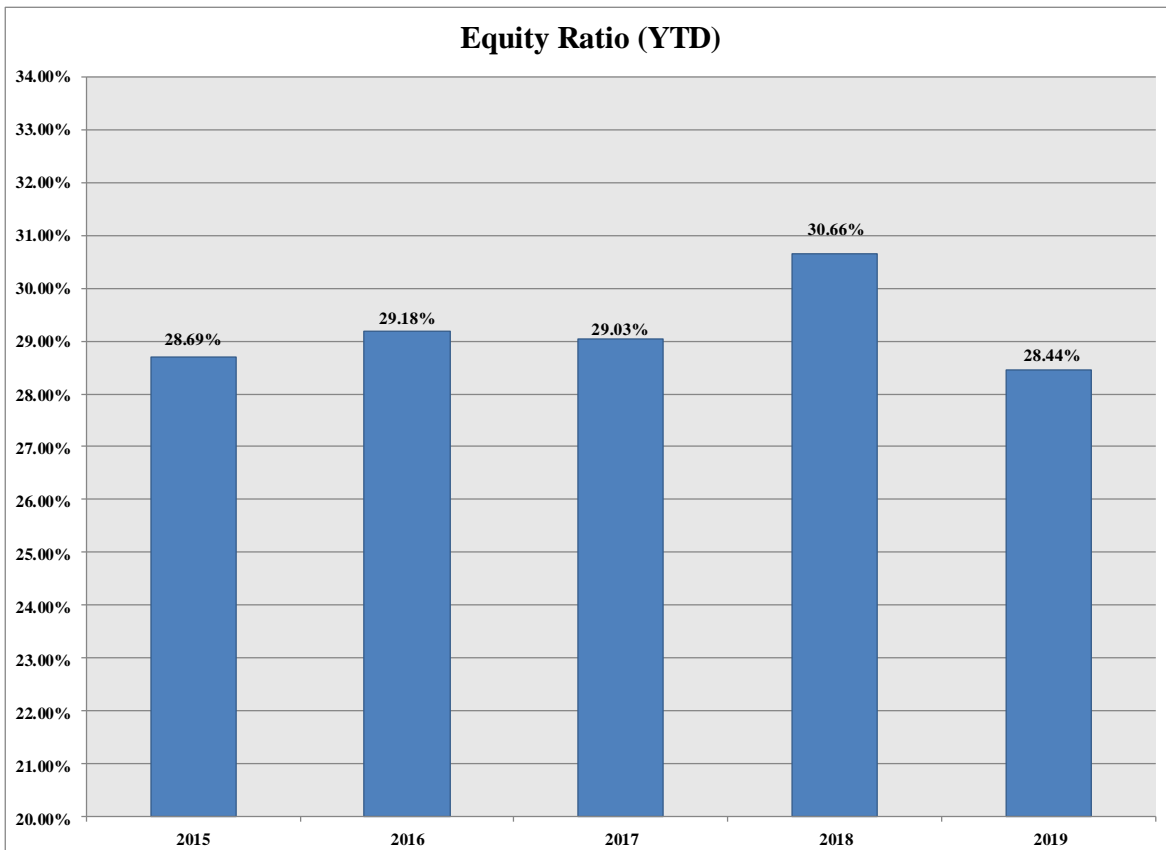
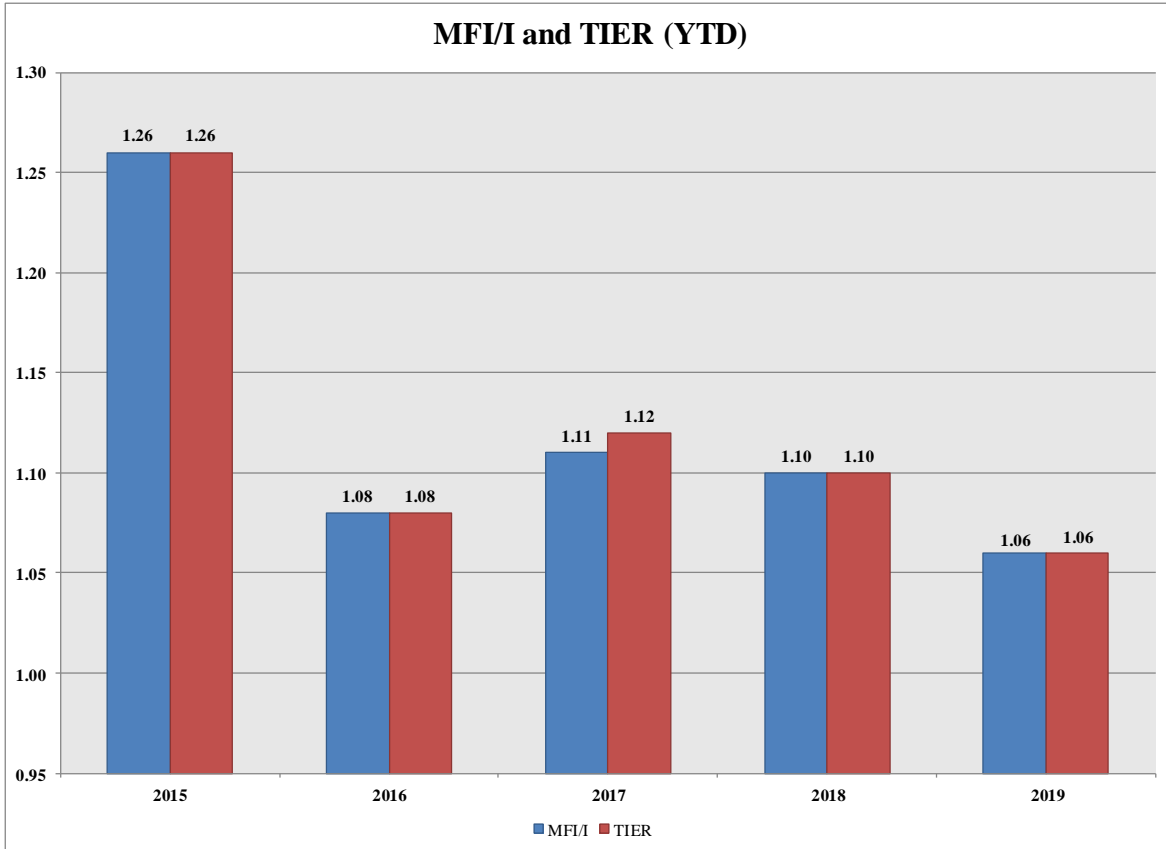


**COMPARATIVE FINANCIAL REPORT  
STATEMENT OF OPERATIONS  
CURRENT TO PRIOR YTD ACTUAL**

CATEGORY	2019 YTD ACTUAL	2018 YTD ACTUAL
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 137,836,442</b>	<b>\$ 132,782,118</b>
Fuel and Purchased Power Expense	52,719,337	50,487,045
Power Production Expense	12,937,323	11,574,720
Transmission Expense	5,205,226	4,975,662
Distribution Expense	9,929,303	10,406,036
Customer Expense	4,673,188	4,604,087
Administrative, General and Other	16,559,342	15,396,440
Depreciation and Amortization Expense	20,838,451	19,714,374
Interest Expense, Net	14,749,839	14,579,410
<b>Total Cost of Electric Service</b>	<b>\$ 137,612,009</b>	<b>\$ 131,737,774</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 224,433</b>	<b>\$ 1,044,344</b>
Non-Operating Margins - Interest	401,004	464,452
Allowance for Funds Used During Construction	103,307	73,468
Non-Operating Margins - Other	106,432	(170,025)
<b>Patronage Capital or Margins</b>	<b>\$ 835,176</b>	<b>\$ 1,412,239</b>
MFI/I	1.06	1.10
TIER	1.06	1.10







## ENERGY SALES (kWh)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Retail Energy Sales	696,804,729	685,255,635
Wholesale Energy Sales	<u>38,558,275</u>	<u>39,153,545</u>
Total Firm Energy Sales	735,363,004	724,409,180
Economy Energy Sales	<u>103,400</u>	<u>0</u>
Total Energy Sales	735,466,404	724,409,180

Firm energy sales totaled 735,363,004 kWh, which was a 1.5% favorable variance compared to budget. Retail energy sales were over budget 1.7%, primarily due to higher than anticipated residential and large commercial activity. Wholesale energy sales were under budget by 1.5%.

Economy energy sales totaled 103,400 kWh, which was a favorable variance of 100% compared to budget. This was due to unanticipated sales to Golden Valley Electric Association (GVEA) and Matanuska Electric Association (MEA).

## ENERGY REVENUE (in millions)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Retail Revenue	\$ 129.3	\$ 126.2
Wholesale Revenue	<u>3.8</u>	<u>3.8</u>
Total Firm Revenue	133.1	130.0
Economy/Other Energy Revenue	0.0	0.0
Other Operating Revenue	<u>4.7</u>	<u>3.6</u>
Total Revenue	\$ 137.8	\$ 133.6

Revenue from firm sales totaled \$133.1 million compared to \$130.0 million in the budget. Although not a significant variance, firm revenue was higher than expected primarily due to higher than anticipated sales to residential and large general commercial customers and higher fuel and purchased power costs recovered in revenue. Other operating revenue includes late fees, pole rental, wheeling, microwave, BRU royalties, miscellaneous service and other electric revenue. Other operating revenue totaled \$4.7 million compared to \$3.6 million in the budget, primarily due to higher than anticipated wheeling revenue.

## FUEL AND PURCHASED POWER (in millions)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Fuel	\$ 37.6	\$ 36.7
Purchased Power	<u>15.1</u>	<u>12.6</u>
Total	\$ 52.7	\$ 49.3

Fuel expense includes fuel, storage, transportation, and BRU operating costs. Fuel expense was \$37.6 million compared to \$36.7 million projected in the budget. This variance was primarily due to more fuel consumed at the Beluga Power Plant as a result of the Swan Lake fire which impacted the transmission lines and reduced the amount of purchased power that Chugach was able to access from the Bradley Lake Hydro facility. The increase in fuel expense was somewhat offset by lower than anticipated storage and transportation expense.

Actual fuel purchased or withdrawn from inventory and used for production was 4,220,659 MCF at an average effective delivered price of \$8.21 per MCF, compared to 3,868,585 MCF in the budget at an average effective delivered price of \$8.30 per MCF.

Purchased power expense represents energy purchased from Bradley Lake, Fire Island, and other utilities as needed, as well as costs associated with dispatching. Purchased power expense was \$15.1 million compared to \$12.6 million in the budget, due to higher than anticipated purchases from ML&P and MEA at a higher average effective price as a result of the Swan Lake fire which impacted the transmission lines and reduced the amount of purchased power that Chugach was able to access from the Bradley Lake Hydro facility.

Actual energy purchased was 177,357 MWh at an average effective price of 7.17 cents per kWh compared to 149,901 MWh budgeted at an average effective price of 6.70 cents per kWh.

## POWER PRODUCTION (in millions)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Total Power Production	\$ 12.9	\$ 13.4

Power production expense was \$12.9 million compared to \$13.4 million in the budget. This favorable variance is primarily due to lower than anticipated maintenance costs, which was somewhat offset by higher amortization expense associated with the Cooper Lake dredging project.

## TRANSMISSION OPERATIONS AND MAINTENANCE (in millions)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Total Transmission	\$ 5.2	\$ 5.2

Transmission operations and maintenance expense was \$5.2 million compared to \$5.2 million in the budget. Although not an overall variance, higher substation expense labor was offset by lower than anticipated vegetation control, microwave maintenance, and helicopter services.

## DISTRIBUTION OPERATIONS AND MAINTENANCE (in millions)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Total Distribution	\$ 9.9	\$ 10.5

Distribution operations and maintenance expense was \$9.9 million compared to \$10.5 million in the budget. This favorable variance is primarily due to lower than anticipated vegetation clearing and lease costs, as well as a shift in substation expense labor to Transmission.

## CONSUMER ACCOUNTS / CUSTOMER INFORMATION (in millions)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Total Consumer / Customer Information	\$ 4.7	\$ 4.6

Consumer accounts and customer information expense was \$4.7 million compared to \$4.6 million in the budget. This unfavorable variance is primarily due to higher than anticipated credit card merchant fees, which was somewhat offset by lower than anticipated printing costs.

## ADMINISTRATIVE, GENERAL AND OTHER (in millions)

	<u>YTD Actual</u>	<u>YTD Budget</u>
Administrative, General and Other	\$ 16.6	\$ 16.5

Administrative, general and other expense includes tax, donations, other deductions associated with preliminary survey and investigation charges of projects, and obsolete inventory write-offs that are not attributable to operating or maintenance accounts, which was \$16.6 million compared to \$16.5 million in the budget. This unfavorable variance is primarily due to higher than anticipated labor expense and project write-offs, which were somewhat offset by lower than anticipated costs associated with outside legal services, safety, as well as headquarters maintenance.

## SUMMARY

Depreciation, interest, and interest during construction expense totaled \$35.6 million compared to \$34.4 million in the budget. The unfavorable variance compared to budget was primarily due to higher than anticipated interest expense on short-term borrowings of commercial paper as well as increased depreciation expense due primarily to the timing of projects.

All of the foregoing expenses resulted in total cost of electric service of \$137.6 million compared to \$133.9 million in the budget.

Non-operating margins include allowance for funds used during construction (AFUDC), capital credit and patronage capital allocations, extraordinary items, and interest income. Non-operating margins totaled \$0.6 million compared to \$0.5 million in the budget primarily due to the gain in value of marketable securities earlier this year.

The net result of revenue and expenses was margins of \$0.8 million compared to projected margins of \$0.2 million in the budget. The current forecast projects year-end margins of \$5.6 million, an MFI/I of 1.25, and TIER of 1.26.

**COMPARATIVE FINANCIAL REPORT  
STATEMENT OF OPERATIONS  
YEAR-END FORECAST**

CATEGORY	2019 APPROVED BUDGET	2019 AMENDED BUDGET	2019 YTD ACTUALS	2019 REVISED FORECAST
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 207,385,275</b>	<b>\$ 208,813,709</b>	<b>\$ 137,836,442</b>	<b>\$ 213,021,027</b> <sup>1</sup>
Fuel and Purchased Power Expense	76,788,722	76,788,722	52,719,337	80,245,036 <sup>1</sup>
Power Production Expense	20,297,640	20,297,640	12,937,323	20,297,640
Transmission Expense	7,442,254	7,442,254	5,205,226	7,442,254
Distribution Expense	15,695,623	15,813,973	9,929,303	15,813,973
Customer Expense	7,089,507	7,089,507	4,673,188	7,118,674 <sup>1</sup>
Administrative, General & Other	24,398,225	24,398,225	16,559,342	24,141,558 <sup>2</sup>
Depreciation and Amortization Expense	30,612,717	30,612,717	20,838,451	31,031,006 <sup>1</sup>
Interest Expense, Net	20,112,012	21,416,228	14,749,839	22,184,734 <sup>1</sup>
<b>Total Cost of Electric Service</b>	<b>\$ 202,436,700</b>	<b>\$ 203,859,266</b>	<b>\$ 137,612,009</b>	<b>\$ 208,274,875</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,948,575</b>	<b>\$ 4,954,443</b>	<b>\$ 224,433</b>	<b>\$ 4,746,152</b>
Non-Operating Margins - Interest	629,772	629,772	401,004	610,928 <sup>1</sup>
Allowance for Funds Used During Construction	178,150	178,150	103,307	162,690 <sup>1</sup>
Non-Operating Margins - Other	-	-	106,432	106,432 <sup>1</sup>
<b>Patronage Capital or Margins</b>	<b>\$ 5,756,497</b>	<b>\$ 5,762,365</b>	<b>\$ 835,176</b>	<b>\$ 5,626,202</b>
MFI/I	1.28	1.26	1.06	1.25
TIER	1.30	1.27	1.06	1.26

<sup>1</sup> Forecast based on 8 month actual and 4 month forecast

<sup>2</sup> Forecast has been adjusted to reflect anticipated changes

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

**REGULAR BOARD OF DIRECTORS' MEETING**  
**AGENDA ITEM SUMMARY**

**October 24, 2019**

**ACTION REQUIRED**

**AGENDA ITEM NO. X.A.**

<u>    </u>	<b>Information Only</b>
<u>  X  </u>	<b>Motion</b>
<u>  X  </u>	<b>Resolution</b>
<u>  X  </u>	<b>Executive Session</b>
<u>    </u>	<b>Other</b>

---

**TOPIC**

Approve the addition of NRECA's HRA Plan (Health Reimbursement Arrangement) to available employer-provided reimbursement program options

**DISCUSSION**

The proposed addition of the HRA Plan will accompany the High Deductible Health Plan offered to Chugach non-represented employees. This option will be available to those who are currently unable to participate in the HSA (Health Savings Account) plan due to IRS restrictions. It will be offered as an alternative to the HSA, which has been part of the overall benefit plan design since 2010.

The addition of the HRA will benefit future employees, including non-represented employees covered by the purchase of ML&P, by serving as an alternative to the existing Health Savings Account. A Health Reimbursement Arrangement, like a Health Savings Account, supports and enhances the High Deductible Health Plan offered by Chugach.

The HRA Plan allows Chugach flexibility to administer benefits across all non-represented employees, regardless of HSA eligibility. The addition of the HRA Plan option does not add to existing benefits for HSA eligible employees, as it will only be used for employees who are not able to participate in the existing option due to eligibility restrictions defined by the Internal Revenue Service Code.

**MOTION**

Move that the Board of Directors approve the addition of the NRECA HRA Plan to available employer-provided reimbursement programs as discussed in Executive Session.





## RESOLUTION

### Health Reimbursement Arrangement Adoption

WHEREAS, the existing employer sponsored HSA plan is not able to be extended to all non-represented employees due to restrictions defined by the Internal Revenue Service;

WHEREAS, Chugach Electric Association, Inc. (Chugach) has identified an additional employer sponsored plan option to expand access to all non-represented employees;

WHEREAS, the Health Reimbursement Arrangement (“HRA Plan”), which is intended to qualify as an employer-provided reimbursement arrangement under Sections 105 and 106 of the Internal Revenue Code of 1986, as amended (“Code”), and the regulations thereunder, and as a health reimbursement arrangement as defined under IRS Notice 2002-45, that reimburses eligible employees and retirees on a nontaxable basis for eligible health expenses incurred by them and their covered dependents;

WHEREAS, the HRA Plan is administered by Cooperative Benefit Administrators, Inc. (“CBA”), a subsidiary of National Rural Electric Cooperative Association (“NRECA”);

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Chugach Electric Association Inc, that the Chief Executive Officer is authorized to proceed to take any and all actions required to implement and administer the HRA Plan, including but not limited to, execution of a plan document or plan amendment, as applicable, the submission of reimbursement requests beginning 01/01/2020.

### CERTIFICATION

I, Stuart Parks, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 24<sup>th</sup> day of October 2019; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 24<sup>th</sup> day of October 2019.

\_\_\_\_\_  
Secretary

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

**REGULAR BOARD OF DIRECTORS' MEETING**  
**AGENDA ITEM SUMMARY**

**October 24, 2019**

**ACTION REQUIRED**

**AGENDA ITEM NO. X . B .**

- Information Only
  - Motion
  - Resolution
  - Executive Session
  - Other
- 

**TOPIC**

Project Authorization for Eklutna Hydroelectric Unit 2 Major Maintenance

**DISCUSSION**

The Eklutna Hydroelectric Project is jointly owned by Chugach, MEA, and ML&P. Chugach owns a 30 percent share of the project. Approximately every 10 years major maintenance is performed on the Project's two hydroelectric generating units. Unit 2's Major Maintenance began in July of 2019 and was scheduled for completion in March of 2020. It's original budget, based on Eklutna Hydroelectric Unit 1's major maintenance project completed in 2018, was \$750,000 and included in the 2019-2023 CIP.

Recent inspection work has identified additional work required to complete the major maintenance activity and operate the unit efficiently and safely; repairs of a large butterfly valve, thrust bearing, generator brake pad, seal ring, stay vane, and lower guide bearing. The additional work increases the budget requirement to \$1,047,681 and extends the outage to April 30, 2020. The updated budget is included in the 2020 capital budget.

**MOTION**

Move that the Board of Directors approve project expenditures for the Eklutna Hydroelectric Unit 2 Major Maintenance project with an estimated cost to Chugach of \$1,047,681 and an estimated completion date of April 30, 2020.



## RESOLUTION

### Project Authorization for Eklutna Unit 2 Major

WHEREAS, the Eklutna Hydroelectric Project is jointly owned by Chugach, Matanuska Electric Association, and the Municipality of Anchorage, and Chugach's share of ownership is 30 percent; and

WHEREAS, the Eklutna Hydroelectric Project's Unit 2 is an important generation resource of the Association; and

WHEREAS, the major components of the unit need to be inspected, repaired, and maintained periodically; and

WHEREAS, the cost for the project is estimated to be \$1,047,681; and

WHEREAS, the project commenced on July 8, 2019 and has an estimated completion date of April 30, 2020.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors approve the project expenditures for Eklutna Hydroelectric Unit 2 Major Maintenance with an estimated cost to Chugach of \$1,047,681 and an estimated completion date of April 30, 2020.

## CERTIFICATION

I, Stuart Parks, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 24<sup>th</sup> day of October, 2019; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 24<sup>th</sup> day of October 2019.

\_\_\_\_\_  
Secretary

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

**REGULAR BOARD OF DIRECTORS' MEETING**  
**AGENDA ITEM SUMMARY**

**October 24, 2019**

**ACTION REQUIRED**

**AGENDA ITEM NO. X.C.**

     **Information Only**  
  X   **Motion**  
     **Resolution**  
  X   **Executive Session**  
     **Other**

---

**TOPIC**

Gas Sale and Purchase Agreement

**DISCUSSION**

As discussed in Executive Session.

**MOTION**

Move that the Board of Directors authorize the Chief Executive Officer to negotiate and finalize the terms and conditions of a 4<sup>th</sup> amendment to the Chugach-Hilcorp Gas Sales and Purchase Agreement, essentially the same as discussed in Executive Session.

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

**REGULAR BOARD OF DIRECTORS' MEETING**  
**AGENDA ITEM SUMMARY**

**October 24, 2019**

**ACTION REQUIRED**

**AGENDA ITEM NO. X.D.**

       **Information Only**  
  **X**   **Motion**  
  **X**   **Resolution**  
       **Executive Session**  
       **Other**

---

**TOPIC**

Approval of the Stipulated Settlement and Amendments to Asset Purchase and Sale Agreement, Eklutna Power Purchase Agreement, the BRU Fuel Agreement, and the Payment in Lieu of Taxes Agreement (collectively, the "Transaction Agreements") for Chugach Electric Association, Inc.'s proposed purchase of the majority of ML&P's assets

**DISCUSSION**

As discussed in Executive Session.

**MOTION**

Move that the Board of Directors approve the Resolution authorizing the Chief Executive Officer to execute the Stipulated Settlement, Settlement Amendments, and Non-Settlement Amendments to the Transaction Agreements under terms and conditions substantially the same as discussed in Executive Session, and that the Resolution, Stipulation, and Settlement Amendments remain confidential until filed with the Commission.

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

**REGULAR BOARD OF DIRECTORS' MEETING**  
**AGENDA ITEM SUMMARY**

**October 24, 2019**

**ACTION REQUIRED**

**AGENDA ITEM NO. X.E.**

Information Only  
 Motion  
 Resolution  
 Executive Session  
 Other

---

**TOPIC**

Approve Revised IMO Budget

**DISCUSSION**

The Board of Directors approved the IMO Work Plan and Budget of \$39,549,159 on June 26, 2019, authorizing the Chief Executive Officer to spend no more than \$14,383,662 before the RCA decision on the acquisition of ML&P.

On October 3, 2019, the RCA issued an order extending the statutory timeline 90 days moving the RCA decision to February 17, 2020. In order to remain on schedule for Day 1, an additional \$5,207,106 of IMO spending prior to RCA approval is required. This \$5,207,106 represents a timing difference and does not increase the total approved IMO budget of \$39,549,159.

**MOTION**

Move that the Board of Directors approve movement of \$5,207,106 from Post-RCA expenditure to Pre-RCA expenditure, and authorize the Chief Executive Officer to spend no more than \$19,590,768 before the RCA decision on the acquisition of ML&P.