CALL TO ORDER (4:00 p.m.)
   A. Roll Call

APPROVAL OF THE AGENDA*

APPROVAL OF THE MINUTES*
   A. October 7, 2019 (Quezon)

PERSONS TO BE HEARD
   A. Member Comments

NEW BUSINESS (none)

EXECUTIVE SESSION* (scheduled) (4:10 p.m.)
   A. IMO Update (4:15 p.m.)
   B. Senate Bill 123 Discussion (4:25 p.m.)
   C. Adoption of Green Energy Program (continue discussion) (4:40 p.m.)
   D. 2020-2022 Strategic Plan Update (5:40 p.m.)
   E. 2020 (May 1, 2020 – April 30, 2021) Chief Executive Officer Key Performance Indicators Discussion (6:40 p.m.)

NEW BUSINESS* (scheduled) (7:40 p.m.)
   A. Recommendation on Adoption of the Green Energy Program** (Miller) (7:40 p.m.)
   B. Recommendation to Approve the 2020-2022 Strategic Plan* (Miller/Thibert) (7:45 p.m.)

DIRECTOR COMMENTS (7:50 p.m.)

ADJOURNMENT* (8:00 p.m.)
CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

October 7, 2019
Monday
5:00 p.m.

OPERATIONS COMMITTEE MEETING

Recording Secretary: Arden Quezon

I. CALL TO ORDER
Chair Parks called the Operations Committee meeting to order at 5:00 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Roll Call
Committee Members Present:
Stuart Parks, Chair
Harold Hollis, Vice Chair
Susan Reeves, Director (via teleconference)
Harry Crawford, Director
Bettina Chastain, Director (via teleconference @ 5:10 p.m.)

Other Board Member Present:
Jim Henderson, Director (via teleconference)
Rachel Morse, Director

Guests and Staff in Attendance:
Lee Thibert
Brian Hickey
Matthew Clarkson
Paul Risse
Arthur Miller
Mark Fouts
Sherri Highers
Pete Smithson
Connie Owens
Josh Resnick
Andrew Laughlin
Julie Hasquet
Mike Brodie
Todd McCarty
Tom Schulman
Don Edwards, Outside
Regulatory Consultant
(via teleconference)

II. APPROVAL OF THE AGENDA
Director Crawford moved and Director Hollis seconded the motion to approve the agenda. The motion passed unanimously.

Director Chastain was not present at the time of the vote.

III. APPROVAL OF THE MINUTES
Director Hollis moved and Director Crawford seconded the motion to approve the July 10, 2019, Operations Committee Meeting minutes. The motion passed unanimously.

Director Chastain was not present at the time of the vote.
IV. PERSONS TO BE HEARD
   A. Member Comments
      None

Chair Parks called for a recess. No objections were made.

Meeting resumed and time was not noted.

V. NEW BUSINESS
   A. Eklutna Unit 2 Major Maintenance Update (Risse)
      Paul Risse, Executive VP, Power Production introduced Mike Brodie, Plant
      Manager, Peaking Hydro. Mr. Risse and Mr. Brodie discussed the Eklutna Unit
      2 Major Maintenance Update and responded to questions from the Committee.

      Director Chastain joined via teleconference at 5:10 p.m.

VI. EXECUTIVE SESSION
   A. Quartz Creek Transmission Line
   B. Update on RRC MOU
   C. ML&P Acquisition Update
      1. IMO Update
      2. ML&P Acquisition RCA Filing Update
      3. BRU Correspondence

At 5:20 p.m., Director Crawford moved and Director Hollis seconded the motion that
pursuant to Alaska Statute 10.25.175(c)(1) and (3) the Board of Directors’ Operations
Committee 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 legal matters with its attorneys, 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 7:38 p.m.

VII. DIRECTOR COMMENTS
Director comments were made at this time.

Director Chastain was not present during Director comments.

VIII. ADJOURNMENT
At 7:45 p.m., Director Hollis moved and Director Crawford seconded the motion to
adjourn. The motion passed unanimously.

Director Chastain was not present at the time of the vote.
AGENDA ITEM NO. VII.A.

TOPIC
Adoption of Green Energy Program

DISCUSSION
Chugach Electric Association, Inc.’s (Chugach) 2019 strategic goals include the establishment of a Green Energy Program whereby certified Renewable Energy Certificates (REC) are offered to members on a voluntary basis in support of renewable generation.

Under the program, Chugach members are provided the opportunity to purchase RECs on a voluntary basis which provides the member with certified renewable energy which allows them to claim the environmental benefits associated with the renewable energy certificates that were purchased. In addition, a portion of the proceeds from the Green Energy Program will be used to fund the development of renewable energy projects in support of non-profit organizations and schools within Chugach’s certificated service area. Determination of project grant awards will be made by committee. Based on a 0.7 percent retail participation rate, funding for grants would total approximately $9,500 per year.

The program will be offered through a partnership with a third-party vendor whereby RECs can be purchased through a separate web portal in which members can purchase RECs on an ongoing or one-time basis. As structured, the costs of the program will be funded through program participation and will not impact rates for electric service. Program participation and the amount of RECs purchased will be determined by each participant on a voluntary basis. Initially, the price will be $0.006 per kWh ($6.00 per REC) for all classes of service (residential, small commercial, large commercial, and lighting). Based on a residential customer using 550 kWh per month, the monthly cost would be $3.30. Green Energy Program prices will be adjusted as needed based on cost and market conditions. Changes in prices are expected to be infrequent.
The structure of the program is consistent with the requirements of the Regulatory Commission of Alaska. Program activity (revenue and cost) will be separately tracked, member electric bills will not be used for billing purposes, and Chugach will inform members that the program is not an electric utility service and that the Commission does not regulate, condone or oversee the program.

Chugach will provide annual reports to the Chugach Board of Directors on the program, including program participation, funding levels, and grants issued.

**MOTION**

Move that the Operations Committee recommend the Board of Directors approve the attached resolution authorizing the Chief Executive Officer to implement the Green Energy Program.
RESOLUTION

Green Energy Program Adoption

WHEREAS, the Chugach Electric Association, Inc. (Chugach) Board of Directors adopted sustainability as a core business philosophy by which financial, environmental and social measures are expressly considered in its overall performance;

WHEREAS, investments in renewable generation are desirable for the long-term transformation towards a sustainable energy future;

WHEREAS, the Chugach Board of Directors and management have identified a strategic goal to implement a Green Energy Program to provide additional voluntary energy options to retail members in support of renewable generation;

WHEREAS, based on survey results from Chugach’s membership, retail members have expressed support for Chugach providing additional renewable energy options, including over 50 percent of respondents stating they would be willing to pay at least $1 more per month for renewable energy and, based on members willing to pay more, the average amount was in excess of $9 dollars per month;

WHEREAS, adoption of a Green Energy Program is consistent with Chugach’s sustainability business philosophy and is responsive to member requests for additional renewable energy options;

WHEREAS, a key element of a Green Energy Program is the purchase of renewable energy certificates which provides the member with certified renewable energy which allows them to claim the environmental benefits associated with the renewable energy that was purchased;

WHEREAS, a second key element of Chugach’s Green Energy Program is the funding of new local renewable energy projects with a portion of the proceeds used to fund select renewable energy projects at non-profit organizations and schools in Chugach’s certificated service area, as selected by a review committee;

WHEREAS, the initial price under the Green Energy Program shall be $0.006 per kWh ($6.00 per renewable energy certificate) for all retail member participants and, based on this, the average residential member who elects to participate in the program would pay $3.30 per month for 100 percent renewable energy;

WHEREAS, Green Energy Program prices shall be adjusted periodically based on cost and market conditions; and,
WHEREAS, the Green Energy Program shall be consistent with requirements from the Regulatory Commission of Alaska, including that program activity (revenue and cost) will be separately tracked, member electric bills will not be used for billing purposes, and that Chugach will inform members that the program is not an electric utility service and that the Commission does not regulate, condone or oversee the program.

NOW, THEREFORE, BE IT RESOLVED, the Chugach Electric Association, Inc. Board of Directors authorizes the Chief Executive Officer to implement a Green Energy Program for the sale of renewable energy certificates and the distribution of a portion of the proceeds for renewable energy grants to non-profit organizations and schools within Chugach’s certificated service area, with grant decisions made by a review committee.

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 9th day of December 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 9th day of December 2019.

______________________________
Secretary
CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

December 9, 2019

ACTION REQUIRED

AGENDA ITEM NO. VII.B.

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

TOPIC

Chugach Electric Association, Inc.’s 2020 - 2022 Strategic Plan

DISCUSSION

As discussed in Executive Session.

MOTION

Move that the Operations Committee recommend the Board of Directors approve Chugach Electric Association, Inc.’s 2020 – 2022 Strategic Plan.