

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

March 27, 2019
Wednesday
4:00 PM

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Arden Quezon

I. CALL TO ORDER

Chair Chastain called the Regular Board of Directors' Meeting to order at 4:04 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 (*via teleconference*)
Stuart Parks, Secretary
Rachel Morse, Treasurer
Jim Henderson, Director (*arrived at 4:33 p.m.*)
Harry Crawford, Director
Harold Hollis, Director

Guests and Staff in Attendance:

| | | |
|------------------|---------------|-----------------|
| Lee Thibert | Tyler Andrews | Andrew Laughlin |
| Brian Hickey | Paul Risse | Marty Freeman |
| Arthur Miller | Connie Owens | Sean Skaling |
| Sherri Highers | Julie Hasquet | Phil Steyer |
| Matthew Clarkson | Tom Schulman | Jody Wolfe |
| Mark Fouts | Josh Resnick | Renee Curran |

C. *Safety Minute*
Marty Freeman, Safety discussed "*Distracted Driving*" to the Board.

II. APPROVAL OF THE AGENDA

Director Morse moved and Director Hollis seconded the motion to approve the agenda.

Lee Thibert, Chief Executive Officer (CEO) requested to add HEA Litigation Update in executive session.

Vice Chair Reeves designated Director Parks to sign for her expense report.

Chair Chastain called for a vote. The motion passed unanimously, as amended.

Director Henderson 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. *APA Federal Legislative Conference – Washington D.C. (June 4-6, 2019)*
- C. *Minutes*
 - 1. *February 27, 2019, Regular Board of Directors' Meeting (Portades)*
- D. *Director Expenses*

Director Morse moved and Director Parks seconded the motion to approve the consent agenda.

Chair Chastain discussed the upcoming APA Legislative Conference in Washington D.C. and stated to let Connie know if interested in attending.

Chair Chastain called for a vote. The motion passed unanimously.

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

V. CEO REPORTS AND CORRESPONDENCE

- A. *1st Quarter 2019 Railbelt Bill Comparison (Skaling/Miller)*
Lee Thibert, CEO and Arthur Miller, Sr. VP Regulatory & External Affairs discussed the 1st Quarter 2019 Railbelt Bill Comparison and responded to questions from the Board.
- B. *2019 State Legislative Briefing (Steyer)*
Phil Steyer, Director, Government Relations discussed the 2019 State Legislative Briefing. Mr. Steyer, Arthur Miller, Sr. VP Regulatory & External Affairs and Matthew Clarkson, VP, General Counsel responded to questions from the Board.

VI. DIRECTOR REPORTS

- A. *Alaska Power Association (APA) Report*
Directors Hollis and Lee Thibert, CEO reported on the March 21, 2019 APA meeting.
- B. *Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report*

Director Crawford and Lee Thibert, CEO reported and discussed ARCTEC.

C. Renewable Energy Alaska Project (REAP) Report

Director Morse reported that the REAP Board and Policy meeting was cancelled but committee members were asked to provide comments and stated that it will be discussed at the next REAP Policy and REAP Quarterly meetings.

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

Director Morse reported on the March 25, 2019, Audit and Finance Committee meeting.

Director Parks reported on the March 26, 2019, Operations Committee meeting.

Director Reeves reported that there was no Governance Committee meeting but there was a Bylaws Committee meeting that Director Morse attended on her behalf.

Director Morse reported on the March 20, 2019, Bylaws Committee meeting.

E. Other Meeting Reports

Chair Chastain, Directors Reeves, Morse, Parks and Henderson reported on the March 7-13, 2019 NRECA Annual Meeting and Director Education in Orlando, FL.

VII. UNFINISHED BUSINESS

None

VIII. NEW BUSINESS

A. Bylaws Committee Ballot Proposal (Schulman)*

Director Morse moved and Director Reeves seconded the motion that the Board of Directors place the attached Bylaw proposal and comment, as revised, on the ballot for the 2019 Annual Membership Meeting for a vote by the membership.

Tom Schulman, Manager, Regulatory Legal and Matthew Clarkson, VP, General Counsel discussed the Bylaws Committee Ballot Proposal and responded to questions from the Board.

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

IX. EXECUTIVE SESSION

A. Capital Credit Retirement

B. Commercial Paper Backstop Facility

C. 1st Quarter 2019 Business and Sustainability Report

D. RRC/Transco Update

E. HEA Litigation Update

F. Mergers and Acquisition Discussion

At 4:47 p.m., Director Parks moved and Director Morse 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 5:39 p.m.

X. NEW BUSINESS

A. Capital Credit Retirement (Highers)*

Director Hollis moved and Director Parks seconded the motion that the Board of Directors approve the attached resolution authorizing a wholesale capital credit retirement to MEA and Seward. The motion passed unanimously.

B. Commercial Paper Backstop Facility (Highers)*

Director Parks moved and Director Hollis seconded the motion that the Board of Directors approve the attached resolution authorizing the Chief Executive Officer (CEO) to negotiate fees and finalize the terms and conditions of the renewal of Chugach's Commercial Paper Backstop Facility. The agreement will remain confidential until finalized. The motion passed unanimously.

XI. DIRECTOR COMMENTS

Director comments were made at this time.

XII. ADJOURNMENT

At 6:03 p.m., Chair Chastain called for adjournment. No objections were made and the motion passed unanimously.

/ss/
Stuart Parks, Secretary
Date Approved: April 24, 2019