



CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA

REGULAR BOARD OF DIRECTORS' MEETING

AGENDA

Bettina Chastain, Chair  
Mark Wiggin, Vice Chair  
Harold Hollis, Treasurer  
Sam Cason, Secretary

Rachel Morse, Director  
Sisi Cooper, Director  
Bernie Smith, Director

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**April 26, 2023**

**4:00 p.m.**

**Chugach Board Room**

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- I. CALL TO ORDER (4:00 p.m.)
  - A. *Pledge of Allegiance*
  - B. *Roll Call*
  - C. *Safety Minute: Safe Use of Power Tools (Freeman)*
  - D. *Electric Power Factoid: Automatic Outage Notification (McCarty)*
- II. APPROVAL OF THE AGENDA\*
- III. PERSONS TO BE HEARD (4:10 p.m.)
  - A. *Member Comments*
- IV. DIRECTOR REPORTS (4:15 p.m.)
  - A. *Alaska Power Association (APA) Report*
  - B. *Renewable Energy Alaska Project (REAP) Report*
  - C. *Board Committee Reports (Audit & Finance, Operations & Governance)*
  - D. *Other Meeting Reports*
- V. CONSENT AGENDA\* (4:30 p.m.)
  - A. *Board Calendar*
  - B. *Training and Conferences*
    - 1. *NWPPA Annual Conference, May 14-17, 2023, Anchorage, AK*
    - 2. *Alaska Sustainable Energy Conference, May 22-25, 2023, Anchorage, AK*  
*(Virtual Registration ends May 25, 2023)*
    - 3. *APA 2023 Federal Legislative Conference, June 6 – 8, 2023, Washington, DC*  
*(Registration ends May 25, 2023)*
    - 4. *APA & AIE Annual Meetings, August 22 – 25, 2023, Valdez, AK*  
*(Registration opens May 1, 2023)*

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

4/21/2023 4:26:41 PM

C. *Minutes*

1. *March 22, 2023, Regular Board of Directors' Meeting (Doyle)*
2. *April 13, 2023, Special Board of Directors' Meeting (Doyle)*

D. *Approve Board Policy 304 – Capital Credits*

E. *Approve Board Policy 302 – Integrated Resource Planning*

F. *Approve Board Policy 306 – Strategic Planning*

G. *Director Expenses*

VI. CEO REPORTS AND CORRESPONDENCE (4:35 p.m.)

- A. *Electric Reliability Organization (ERO) Surcharge (Kornmuller) (4:35 p.m.)*
- B. *January/February 2023 Financial Statements and Variance Report (Griffin) (4:55 p.m.)*
- C. *Board Policy Scheduled Tasks/Reports (Board/Staff) (5:10 p.m.)*

VII. UNFINISHED BUSINESS (*none*)

VIII. NEW BUSINESS (*none*)

IX. EXECUTIVE SESSION\* (*scheduled*) (5:20 p.m.)

- A. *Recommendation on May 1, 2022 – April 30, 2023 – Chief Executive Officer Evaluation and Compensation (Board) (5:20 p.m.)*

X. NEW BUSINESS\* (*scheduled*) (5:35 p.m.)

- A. *Old Seward Highway Undergrounding Project\* (M. Miller) (5:35 p.m.)*
- B. *Baxter Road Undergrounding Project\* (M. Miller) (5:50 p.m.)*
- C. *Girdwood to Indian Steel Procurement\* (M. Miller) (6:00 p.m.)*
- D. *Recommendation on May 1, 2022 – April 30, 2023 – Chief Executive Officer Evaluation and Compensation\* (Board) (6:10 p.m.)*

XI. DIRECTOR COMMENTS (6:15 p.m.)

XII. ADJOURNMENT\* (6:30 p.m.)

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

A man in a workshop, wearing safety glasses and ear protection, is focused on using a miter saw to cut a piece of wood. The background shows a well-equipped workshop with various tools and materials.

# SAFE USE OF POWER TOOLS

Regular Board of Directors' Meeting  
April 26, 2023

# SAFELY USING POWER TOOLS



1. Consult the manual before use
2. Select the appropriate tool for the job
3. Always wear safety glasses/hearing protection
4. Inspect tools before use
5. Never carry a power tool by its cord
6. Use sharp blades
7. Secure work with clamps or a vise

# YTD SAFETY INFORMATION

Recordable Injuries			
Business Unit	2022	2022 Mar YTD	2023 Mar YTD
Line Operations	6	1	1
Power Generation	5	2	0
Office and Administrative	0	0	0
<b>Total</b>	<b>11</b>	<b>3</b>	<b>1</b>

Lost time Injuries			
Business Unit	2022	2022 Mar YTD	2023 Mar YTD
Line Operations	3	0	1
Power Generation	1	0	0
Office and Administrative	0	0	0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>1</b>

Rates and Lost Work Days			
	2022	2022 Mar YTD	2023 Mar YTD
OSHA Rate	2.71	3.25	1.05
Lost Time Rate	.99	0	1.05
Lost Workdays	179 (4 cases)	0	24

**Recordable Injury:** Injury resulting in medical treatment, lost time, or restricted duty.

**OSHA Rate:** Number of recordable injuries x 200,000/employee hours worked.

**Lost Time Rate:** Number of lost time injuries X 200,000/employee hours worked.

**Lost workday:** A day a worker is absent from the workplace due to a work-related injury.

# Automatic Outage Notifications

How does it work?



**Electric Power Factoid**  
**Regular Board of Directors Meeting**  
**April 26, 2023**

# Advanced Metering Infrastructure (AMI)

Component	Backup Power
Collector	2+ hours
Router	2 Hours
Meter	2 Minutes



Collector



Router



Meter

# Outage Notification Process

1. **Meter Loses Power**  
Issues Outage Notice



2. **“Best Neighbor”**  
Forwards Message



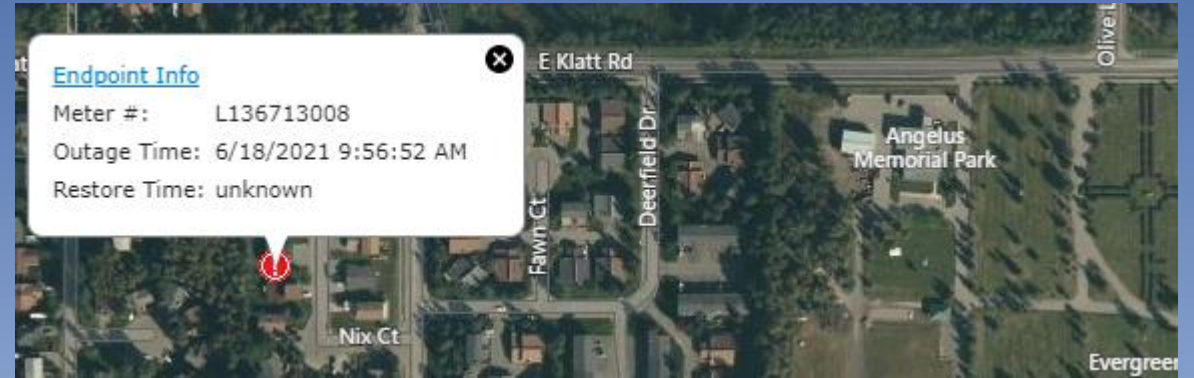
3. **Collector Receives**  
Message, Forwards  
to Command Center





# Outage Management

- Command Center sends outage to Outage Management System (OMS)
- OMS processes the outage as an incident and provides regular updates to the Chugach Outage Map



	Incident ID	Cor	District	Address	City
	2001027606		Anchorage	9706 NEWHAVEN LOOP, ANCHORAGE	H



# Questions





CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA

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*C. Minutes*

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VIII. NEW BUSINESS (none)

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\* Denotes Action Items

\*\* Denotes Possible Action Items

# April 2023

April 2023							May 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1		1	2	3	4	5	6
2	3	4	5	6	7	8	7	8	9	10	11	12	13
9	10	11	12	13	14	15	14	15	16	17	18	19	20
16	17	18	19	20	21	22	21	22	23	24	25	26	27
23	24	25	26	27	28	29	28	29	30	31			
30													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Mar 26	27	28	29	30	31	Apr 1
2	3	4 5:00pm Member Advisory Council (MAC) Meeting (Chastain/Coo per) (Board Room CR) -	5 9:00am REAP Public Policy Committee Meeting (Via Zoom) - CCBOD	6 APA & ARECA Safety Summit 10:30am Candidate Forum 5:15pm APA Dinner with NRECA	7 10:00am Governance Committee 1:00pm Special Board Packet Review	8
9	10 7:30am Integration Workshop /Discussion (Chastain, Wiggin, Hollis) (Microsoft	11 2:00pm Presentation (Chastain) (Board Room CR) - Ashton Doyle	12 4:00pm Governance Committee Meeting (Board Room CR) - Arden Quezon	13 12:00pm Special Board of Directors Meeting 4:00pm Chugach Candidate Forum (Wilda	14	15
16	17 8:00am Operations Packet Review (Chastain, 8:30am CEO Perform Appraisal	18	19 9:00am REAP Public Policy Committee Meeting (Via 4:00pm Operations Committee	20 3:30pm	21 9:30am Review Board Packet (CEO's Office) - Arden 6:00pm Chugach Spring Fling (Dena'ina	22
23	24 11:00am REAP Quarterly Board Meeting (Alaska Communicatio ns Business	25	26 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	27	28 10:30am Operations Committee Meeting Packet Review (Board Room CR) - Arden	29
30	May 1	2	3	4	5	6

# May 2023

May 2023

Su	Mo	Tu	We	Th	Fr	Sa
	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			

June 2023

Su	Mo	Tu	We	Th	Fr	Sa
				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
Apr 30	May 1	2 5:30pm Election Committee Meeting (Board Room CR) - Teresa Kurka	3 9:00am REAP Public Policy Committee Meeting (Via Zoom) 4:00pm Operations Committee Meeting	4	5	6
7	8	9 10:00am Voice over Treasurer video (Hollis) (Gonzalez Marketing - 2804 West Northern Lights) - Julie	10 9:30am APA Executive Committee meeting (Microsoft Teams Meeting) - Crystal Enkvist	11	12	13
14	15	16 5:30pm Election Committee Meeting (Board Room CR) - Teresa Kurka	17 9:00am REAP Public Policy Committee Meeting (Via Zoom) - CCBOD	18	19 9:30am Review Board Packet (CEO's Office) 3:00pm Member Appreciation Day 6:00pm Annual Membership	20
21	22	23 5:30pm Election Committee Meeting - Lessons Learned (Board Room CR) - Teresa	24 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	25	26	27
28	29 Memorial Day	30	31 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Arden Quezon	Jun 1	2	3

# June 2023

June 2023							July 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3							1
4	5	6	7	8	9	10	2	3	4	5	6	7	8
11	12	13	14	15	16	17	9	10	11	12	13	14	15
18	19	20	21	22	23	24	16	17	18	19	20	21	22
25	26	27	28	29	30		23	24	25	26	27	28	29
							30	31					

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
May 28	29	30	31	Jun 1	2 9:00am Governance Committee Packet Review (CEO's Office) - Arden Quezon	3
4	5	6 APA Federal Legislative Conference (Washington, D.C.)		7 4:00pm Governance Committee Meeting (Board Room CR) - Arden Quezon	8	9
11	12	13	14	15	16	17
18	19	20	21	22	23 9:00am Board Packet Review (CEO's Office) - Arden Quezon	24
25	26	27	28 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	29	30	Jul 1



# July 2023

July 2023							August 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1			1	2	3	4	5
2	3	4	5	6	7	8	6	7	8	9	10	11	12
9	10	11	12	13	14	15	13	14	15	16	17	18	19
16	17	18	19	20	21	22	20	21	22	23	24	25	26
23	24	25	26	27	28	29	27	28	29	30	31		
30	31												

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jun 25	26	27	28	29	30	Jul 1
2	3	4 Independence Day	5	6	7 9:00am Operations Committee Packet Review (CEO's Office) - Arden Quezon	8
9	10	11	12 4:00pm Operations Committee Meeting (Board Room CR) - Arden Quezon	13	14	15
16	17	18	19 5:00pm Member Advisory Council (MAC) Meeting (Board Room CR) - CCBOD	20	21 9:30am Review Board Packet (CEO's Office) - Arden Quezon	22
23	24	25	26 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	27	28 Arctic Road Rally	
30 Arctic Road Rally	31	Aug 1	2	3	4	5

# August 2023

August 2023

Su	Mo	Tu	We	Th	Fr	Sa
		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 2023

Su	Mo	Tu	We	Th	Fr	Sa
						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
Jul 30	31	Aug 1 Arctic Road Rally	2	3	4	5
6	7	8 APA 2023 Accounting and Finance Workshop	9	10	11	12
13	14	15	16	17	18 9:30am Review Board Packet (CEO's Office)	19
20	21	APA & ARECA Annual Meeting		24	25	26 NRECA Director Training 4:00pm Regular Board of Directors Meeting (Board Room)
27	28	29	30 4:00pm FW: Audit & Finance Committee Meeting (Board Room CR) - Arden Quezon	31	Sep 1	2

# September 2023

September 2023

Su	Mo	Tu	We	Th	Fr	Sa
					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

October 2023

Su	Mo	Tu	We	Th	Fr	Sa
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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
Aug 27	28	29	30	31	Sep 1	2
3	4 Labor Day	5	6	7	8	9
10	11	12	13 4:00pm Governance Committee Meeting (Board Room CR) - Arden Quezon	14	15	16
17	18	19	20	21	22 9:30am Review Board Packet (CEO's Office) - Arden Quezon	23
24	25	26	27 TENTATIVE: Strategic Planning Session (9/27-9/29) (TBD) 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	28	29	30

# October 2023

October 2023

Su	Mo	Tu	We	Th	Fr	Sa
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				

November 2023

Su	Mo	Tu	We	Th	Fr	Sa
			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
Oct 1	2	3	4 5:00pm Member Advisory Council (MAC) Meeting (TBD) - CCBOD	5	6	7
8	9	10	11 4:00pm Operations Committee Meeting (Board Room CR) - Arden Quezon	12	13	14
15	16	17	18	19	20 9:30am Review Board Packet (CEO's Office) - Arden Quezon	21
22	23	24	25 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	26	27	28
29	30	31	Nov 1	2	3	4

# November 2023

November 2023

Su	Mo	Tu	We	Th	Fr	Sa
			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		

December 2023

Su	Mo	Tu	We	Th	Fr	Sa
						1
	3	4	5	6	7	8
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
Oct 29	30	31	Nov 1	2	3	4
5	6 9:30am Audit & Finance Packet Review (Sherri's Office) - Arden Quezon	7	8 4:00pm FW: Audit & Finance Committee (Budget) (Board Room CR) - Arden Quezon	9	10 9:30am Board Packet Review (CEO's Office) - Arden Quezon	11
12	13	14	15 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	16	17	18
19	20	21	22	23 Thanksgiving Holiday	24	25
26	27 9:00am Audit & Finance Packet Review (Sherri's Office) - Arden Quezon	28	29 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Arden Quezon	30	Dec 1	2

# December 2023

December 2023							January 2024						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2		1	2	3	4	5	6
3	4	5	6	7	8	9	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29	30	31			
31													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Nov 26	27	28	29	30	Dec 1 9:00am Governance Packet Review (Arthur's Office) - Arden Quezon	2
3	4	5	6 APA/AIE Open House December Meeting Series 4:00pm Governance	7	8 9:00am Review Board Packet (CEO's Office) - Arden Quezon	9
10	11	12	13 4:00pm Regular Board of Directors Meeting (Board Room CR) - Arden Quezon	14	15	16
17	18	19	20	21	22 Christmas Eve Holiday Observed	23
24	25 Christmas Day	26	27	28	29 New Years Eve Holiday Observed	30
31	Jan 1, 24	2	3	4	5	6

# January 2024

January 2024

Su	Mo	Tu	We	Th	Fr	Sa
	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 2024

Su	Mo	Tu	We	Th	Fr	Sa
				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
Dec 31	Jan 1, 24 New Years Day	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 APA Managers' Forum meeting and NRECA Director Training class	31 2024 APA State Legisl	Feb 1	2	3

# February 2024

February 2024

Su	Mo	Tu	We	Th	Fr	Sa
				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		

March 2024

Su	Mo	Tu	We	Th	Fr	Sa
						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
Jan 28	29	30	31	Feb 1 2024 APA State Legi	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	Mar 1	2



# March 2024

March 2024						April 2024							
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2		1	2	3	4	5	6
3	4	5	6	7	8	9	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29	30				
31													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 25	26	27	28	29	Mar 1 8:00am NRECA PowerXchange (March 1 - 6)	2
3	4	5	6 8:30am	7	8	9
NRECA PowerXchange (March 1 - 6 San Antonio)						
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	Apr 1	2	3	4	5	6

# NWPPA Annual Conference

## Anchorage, AK

### May 14 – 17, 2023

#### JOIN US IN ANCHORAGE

Our annual conference is an ideal learning and networking opportunity for a broad array of utility personnel. It will be a great opportunity to hear from your peers and other leaders who are cognizant of the public power mission and charting the future of our industry. It is also a time to celebrate; first by honoring extraordinary colleagues at the awards luncheon and then by recognizing the exquisite culture of Alaska at an evening banquet. In the interest of your utility, your members, employees, and communities, don't miss this exciting in-person learning and networking opportunity where outstanding speakers, panelists, experts, and your peers will share their rich knowledge and experience. Come reconnect with your colleagues in Anchorage.



#### Keynote speaker

Peter Leyden has spent his career in a wide range of roles figuring out the future, explaining what's probably coming next, and helping envision how we can build a better world. He came to San Francisco at the beginning of the digital revolution to work with the founders of wired magazine, he then learned the futures business working with the founders of the pioneering strategic foresight firm global business network, and eventually founded two of his own media startups focused on the future.

Leyden now is considered a thought leader on the future, on the impact

Of new technologies, and on the repercussions of megatrends. He has worked for 25 years as a futurist and tech expert through Keppler speakers, giving keynotes on roughly a monthly basis throughout America. He's written two influential books on the future that went into multiple languages, and most recently written popular online pieces like "the great progression, 2025 to 2050." He is regularly interviewed by the media and podcasts.

Leyden also is a senior adviser on strategic foresight, operating through his firm, reinvent futures. He frequently takes what he learns about the future and helps senior leaders of organizations think through the strategic implications of what's coming in the decade ahead.

# CONFERENCE AGENDA

## SUNDAY, MAY 14

Explore all that the Anchorage area has to offer during the day. Schedule a tour with [Revel Treks and Tours](#) for NWPPA-only rates, times, and excursion descriptions. To see more of what Anchorage has to offer, visit [www.anchorage.net](http://www.anchorage.net).

## MONDAY, MAY 15\*

**7:30 a.m.–4 p.m. Registration open**

**8:30-11:30 a.m. Government Relations Committee Meeting**

Open to all members

**1:30-4:30 p.m. NWPPA Board and committee meetings**

*Other meetings and evening events hosted by associates*

**4:30-6 p.m. NISC reception**

## TUESDAY, MAY 16

**7 a.m.–4 p.m. Registration open**

**7–8 a.m. Breakfast and exhibits**

**8–10 a.m. Spouse/companion hospitality room**

**8:30–10:20 a.m. Opening session**

NWPPA President Dave Kelsey, Secretary/Treasurer, Yellowstone Valley Electric Cooperative  
Crystal Enkvist, Executive Director, Alaska Power Association

**Welcome and Strategies to Power the Future**

Arthur Miller, CEO, Chugach Electric Association

**Reliability in the Railbelt and Beyond**

Julie Estey, Senior Manager, Matanuska Electric Association

**Grid Edge Technologies**

Rob Roys, CIO, Launch Alaska

**10:20–10:35 a.m. Break and exhibits**

**10:35-11:50 a.m. Energy Outlook: The Future of the West**

**Panelists:** Randy Hardy, Principal, Energy Consultant, Hardy Energy Consulting; Bill Drummond, Executive Director, Mid-West Electric Consumers Association; and Steve Wright, Utility Executive

**Moderator/Panelist:** Debra Smith, CEO, Seattle City Light

**Noon–1:30 p.m. NWPPA Annual Business Meeting and Lunch**

Members learn about education initiatives and vote on board nominations and policy resolutions

Hosted by Diamond Sponsor [EES Consulting](#), a [GDS Associates Company](#)

**1:45–2:50 p.m. Keynote: The Great Progression from 2025 to 2050**

Pete Leyden, Futurist, Author, Journalist, and Foreign Correspondent

Hosted by Platinum Sponsor [CFC](#)

**2:50–3:10 p.m. Break and exhibits**

**3:10–4:30 p.m. Nuclear Futures – Micro, Small, and Advanced**

**Panelists:** Travis Million, CEO, Copper Valley Electric Association; Greg Cullen, VP, Energy Services & Development, Energy Northwest; and Mike Squires, Director of Government Affairs, UAMPS

**5:30–7:30 p.m. NWPPA Welcome Reception at Anchorage Museum**

Experience special cultural exhibits, live music, and the planetarium

**4:30–5:30 p.m. Energy Northwest meeting** (members only)

**WEDNESDAY, MAY 17**

**7:30 a.m.–4 p.m. Registration open**

**7:30–8:30 a.m. Breakfast and exhibits**

**8–10 a.m. Spouse/companion hospitality room**

**8:30–9:30 a.m. Innovations in Energy Options**

**The Future of Hydrogen Production and Use**

Gary Ivory, General Manager, Douglas County PUD

**Covering Canals with Solar Power**

Michelle Reimers, General Manager, Turlock Irrigation District

**9:30–10:30 a.m. Advancements in Resource Technology**

**Next-Gen Geothermal**

Ben Serrurier, Government Affairs and Policy, Fervo Energy

**The State of Floating Off-Shore Wind**

**Advanced Compressed Air Energy Storage**

Dean Tuel, Vice President, Hydrostor

**10:30–10:45 a.m. Break and exhibits**

**10:45 a.m.–noon Electric Vehicles and Utility Strategies**

**Panelists:** Teri Viswanath, Lead Economist, Power Energy and Water, CoBank; Emeka Anyanwu, Energy Innovation and Resources Officer, Seattle City Light; and Jacob Thomas, Principal, EES/GDS Associates

**Noon–1:30 p.m. Dine Around Anchorage**

Network and enjoy regional fare at one of the local downtown Anchorage restaurants

**1:30-2 p.m. Critical Infrastructure Security – Threats and Strategies**

Cybersecurity and Infrastructure Security Agency – Regional Director (invited)

**2–3 p.m. Keynote: Brain Science and Steps to Developing High Performing Teams**

Dr. Britt Andreatta, CEO Brain Aware Training

Hosted by Diamond Sponsor CoBank

**3–3:20 p.m. Break and Exhibits**

**3:20-4:30 p.m. CEO Panel: Hot Topics and Insights**

**Panelists:** Jackie Flowers, Director of Utilities/CEO, Tacoma Public Utilities; Brandon Wittman, CEO/General Manager, Yellowstone Valley Electric Cooperative; Brad Janorschke, General Manager, Homer Electric Association; and Robert Echenrode, General Manager & CEO, Umatilla Electric Cooperative

**Moderator:** Scott Corwin, Executive Director, NWPPA

**5 p.m. President’s reception**

**6 p.m. Celebratory Dinner**

Dinner hosted by Platinum Sponsor Powerex

Entertainment hosted by Gold Sponsor NISC

*\*The evening’s activities will feature music and entertainment from around the region along with a live broadcast of the popular Public Power Underground podcast.*

**Other meetings *hosted by associate members:***

**7-8 a.m. Northwest Requirements Utilities (NRU) breakfast** (members only)

*\*Agenda subject to change.*



# Alaska Sustainable Energy Conference

Monday, May 22 – Thursday, May 25, 2023

Dena'ina Civic and Convention Center

Anchorage, Alaska

[REGISTER NOW](#)





**Mike Dunleavy**

*Governor of Alaska*

The Alaska Sustainable Energy Conference is a chance to join visionaries, researchers, policymakers, and investors from across the world as the energy transition unfolds and emerging technologies advance.

There is no better place to explore the future of energy than Alaska – a land filled with more sustainable energy potential than nearly any place on earth.

Alaska is home to established commercial scale wind, solar and hydro; it's serving as a proving ground for tidal and micronuclear power; and the state is advancing an LNG project that will displace coal, reduce global emissions by at least 77 million tons, and has the potential to unlock blue and green hydrogen fuel.

With its challenging climate and hundreds of remote communities unconnected to traditional infrastructure, Alaska is a world leader in microgrid deployment where renewable energy sources are being integrated even north of the Arctic Circle. The state has the ability to capture and sequester gigatons of carbon and has nearly every one of the 50 critical minerals identified as key to the energy transition.

In short, Alaska has it all.

**The 2023 conference will explore the future of energy in Alaska and around the world, the intersection of geopolitical upheaval with food and energy security, the latest advancements in renewable power, transmission, and storage, and much more.**





## TRACK 1: DECARBONIZING EVERYTHING

The energy transition is all about decarbonization, but how do we replace existing practices and technologies that produce our food and move goods and people around the world? From agriculture to aviation, this track will explore the most promising work toward decarbonization.

## TRACK 2: MADE IN ALASKA

Owing to its rugged and isolated place on the planet, Alaska has long had to rely on its own resources to support its people. From critical minerals to carbon storage and harnessing tidal energy, this track will explore the ways Alaska is well-positioned to be a global leader in all phases of the energy transition at home and beyond.

## TRACK 3: WORKING IN REMOTE ALASKA

With more than 200 microgrids and a similar number of isolated communities in some of the harshest climates on the planet, Alaska's successes in remote power generation, cold climate research, and the integration of renewable power north of the Arctic Circle will be explored in this track focused on applying lessons learned here around the world.

[VIEW AGENDA](#)



# 2023 PRE-EVENT VIRTUAL WORKSHOP SERIES

*Sponsored by the University of Alaska Fairbanks (UAF) and the Alaska Center for Energy and Power (ACEP)*

*This series of three virtual workshops will be held monthly as two half-day Zoom sessions, free of charge, leading up to the Alaska Sustainable Energy Conference:*

*May 22nd – 25th at the Dena'ina Center in Anchorage, Alaska.*

**REGISTER NOW**

**WORKSHOP 1: Low Carbon Energy Transitions: Lessons Learned from Global Pathfinders** ▼

**WORKSHOP 2: Carbon Capture and Sequestration: The Myth and the Reality** ▼

**WORKSHOP 3: Energy Storage: Beyond Lithium-Ion Batteries** ▼



# AGENDA

**Monday, May 22, 2023**

5:00 PM – 9:30 PM

**Welcome Reception**

**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

8:00 AM – 9:30 AM

**Registration, Exhibitor Booths and Breakfast Open**



**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

9:30 AM – 9:45 AM

**Welcome Remarks**

**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

9:45 AM – 10:45 AM

**Plenary Presentation**

**RAHM EMANUEL**



**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

11:05 AM – 12:05 PM

Room 1:

**Agriculture: Sustainable Land Practices**

Room 2:

**Critical Mineral Demand in the Energy Transition**

Room 3:

**Cold Climate Solutions**

**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

12:30 PM – 1:45 PM

**Lunch Presentation**

**KIP TOM**



**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

2:05 PM – 3:05 PM

Room 1:

**Greenhouses as Key to Reducing Land, Water, Energy Use + Food as Medicine**

Room 2:

**Harnessing Alaska's Geothermal Potential**

Room 3:

**Storage Solutions (Microgrids)**

**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

3:25 PM – 4:15 PM

**Plenary Presentation**

**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

4:30 PM – 5:15 PM

**Closing Presentation**

**Tuesday, May 23, 2023 –  
What Alaska Has to Offer**

6:00 PM – 8:00 PM

**Alaska Railroad Excursion**

**Wednesday, May 24, 2023 –  
Building the Future**

8:00 AM – 9:00 AM

**Registration, Exhibitor Booths and Breakfast Open**

**Wednesday, May 24, 2023 –  
Building the Future**

9:00 AM – 9:30 AM

**Welcome Remarks**

**Wednesday, May 24, 2023 –  
Building the Future**

9:30 AM – 10:45 AM

**Plenary Panel Presentation: Investing in the Future**

**Wednesday, May 24, 2023 –  
Building the Future**

11:05 AM – 12:05 PM

Room 1:

**Decarbonizing Aviation**

Room 2:

**CCUS**

Room 3:

**Training and Technical Assistance to Grow Capacity and Improve Utility Performance**

**ASHWIN JADHAV**



**Wednesday, May 24, 2023 –  
Building the Future**

12:30 PM – 1:30 PM

**Lunch Presentation**

**Wednesday, May 24, 2023 –  
Building the Future**

1:50 PM – 2:50 PM

Room 1:

**Decarbonizing Marine Shipping**

Room 2:

**Mariculture**

Room 3:

**Prioritization and Preparation: The Role of Data**

**Wednesday, May 24, 2023 –  
Building the Future**

3:10 PM – 4:10 PM

**Plenary Panel Presentation: The Business of Clean Energy in Alaska**

**Wednesday, May 24, 2023 –  
Building the Future**

4:30 PM – 5:30 PM

Room 1:

**Decarbonizing Ground Transportation**

Room 2:

**The Future of Cook Inlet Energy**

Room 3:

**The Critical Importance of Regionalization to Overcome Challenges of Scale and Cost**

**CHRIS GEARHART**



**Wednesday, May 24, 2023 –  
Building the Future**

5:30 PM – 7:00 PM

**VIP Networking Reception and Poster Presentations**



Thursday, May 25, 2023 –  
What's on the Horizon?

8:00 AM – 9:00 AM

**Registration, Exhibitor Booths and Breakfast Open**

Thursday, May 25, 2023 –  
What's on the Horizon?

9:00 AM – 9:30 AM

**Plenary Panel Presentation: AI and its Role in the Energy Transition**

**ALEXANDER LAVIN**



Thursday, May 25, 2023 –  
What's on the Horizon?

9:30 AM – 10:30 AM

**Plenary Panel Presentation: Emerging Technologies: The Latest Advancements in Nuclear and Hydrogen**

Thursday, May 25, 2023 –  
What's on the Horizon?

10:50 AM – 11:50 AM

Room 1:

**The Bioeconomy: Changing Inputs for Seed, Feed, Biofuels and Remediation**

Room 2:

**Rising Tide: NREL, Hilcorp, and Research Partners**

Room 3:

**Cybersecurity**

**BEN LOEFFLER**



**LEVI KILCHER**



Thursday, May 25, 2023 –  
What's on the Horizon?

12:15 PM – 1:45 PM

**Lunch Presentation by Daniel Yergin**

**DANIEL YERGIN**



Thursday, May 25, 2023 –  
What's on the Horizon?

2:00 PM – 2:45 PM

**Railbelt Utilities Discussion**

Thursday, May 25, 2023 –  
What's on the Horizon?

2:45 PM – 3:00 PM

## Closing Remarks

[View the 2022 Schedule of Events Here](#)

The 2023 conference is proudly sponsored by:





- The conference will be based from The Phoenix Park Hotel.
  - The room block is for June 4, to June 9, 2023.
  - Rates are: Single – \$299 (King size bed) (plus fees and taxes)
  - To book: Call 1-855-371-6824 and identify yourself as a member of Alaska Power Association.
    - Members may also book online by visiting [www.phoenixparkhotel.com](http://www.phoenixparkhotel.com) (in case you need it, the room block code is 24451).
  - The room block deadline is May 4, 2023.
  - The conference usually begins between 8 a.m. and 9 a.m. on the first day (June 6).
  - Those who have attended before can attest to the amount of walking during the conference. Our two and a half day conference is busy, so be prepared for a lot of walking around the National Mall area.

Registration Cost - \$850



## **ALASKA POWER ASSOCIATION 2023 ANNUAL MEETING – VALDEZ, ALASKA!**

The Alaska Power Association (APA) and ARECA Insurance Exchange (AIE) Annual Meetings is the premier conference for Alaska’s electric utilities. Featuring informative presentations, networking opportunities, and collaborative meetings, the conference is designed to continue advancing the industry that powers the Last Frontier.

### **APA & AIE Annual Meeting Trade Show**

The APA & AIE Annual Meeting Trade Show is the perfect place for vendors to interact with electric utility employees from across the state. We strategically locate the trade show so our members **MUST** pass through it on their way into the meetings. The APA & AIE Annual Meeting Trade Show will be **THE** place to be this August.

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

**March 22, 2023**  
**Wednesday**  
**4:00 p.m.**

**REGULAR BOARD OF DIRECTORS' MEETING**

Recording Secretary: Ashton Doyle

**I. CALL TO ORDER**

Vice Chair Wiggin called the Regular Board of Directors' meeting to order at 4:00 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*A. Pledge of Allegiance*

Vice Chair Wiggin led the Board in the Pledge of Allegiance.

*B. Roll Call*

*Board Members Present:*

Bettina Chastain, Chair (*via teleconference*)

Mark Wiggin, Vice Chair

Harold Hollis, Treasurer

Sam Cason, Secretary

Rachel Morse, Director

Sisi Cooper, Director

Bernie Smith, Director

*Staff and Guests in Attendance:*

*Present:*

Arthur Miller

Matthew Clarkson

Mike Brodie

Josh Travis

Marty Freeman

Andrew Laughlin

Brandy Richards

Sean Skaling

Mike Miller

Karen Griffin

Sherri Highers

Scarlett Masten

Teresa Kurka

Julie Hasquet

Jean Kornmuller

Todd McCarty

Chantelle Lewis-Boutte

Steve Konkel

Kate Ayers

Mark Henspeter

Ky'yanna Hamilton

*Via Teleconference:*

Peyton Reid

Cutis Sims

Nathan Golab

Shaina Kilcoyne, Member

*C. Safety Minute*

Marty Freeman, Senior Manager, HSE, discussed "*Electrical Safety at Home*" and February Safety Statistics and responded to questions from the Board.

*D. Electric Power Factoid: Member Requests for Engineering Service*

Mike Miller, Vice President, Engineering, Distribution – Construction, presented an overview of member requests for engineering and responded to questions from the Board.

**II. APPROVAL OF AGENDA**

Director Hollis moved, and Director Morse seconded the motion to approve the agenda. There was a friendly amendment to remove New Business item VIII.C. Girdwood to Indian Steel Procurement and item IV.B. Renewable Energy Alaska Project (REAP) Report under Director Reports. The motion passed unanimously, as amended.

**III. PERSONS TO BE HEARD**

*A. Member Comments*

None.

**IV. DIRECTOR REPORTS**

*A. Alaska Power Association (APA) Report*

Director Hollis provided an update on APA activities and upcoming events.

*B. Renewable Energy Alaska Project (REAP) Report*

This item was removed from the agenda.

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

Director Hollis stated there have been no Audit & Finance Committee Meetings since the last Regular Board of Directors' Meeting and the next meeting will be held on March 29, 2023.

Director Hollis reported on the March 15, 2023, Operations Committee Meeting and reported the next meeting would be held on April 19, 2023.

Director Cason reported that there had been no new Governance Committee Meetings since the last Regular Board of Directors' Meeting and reported the next meeting would be held on April 12, 2023.

*D. Other Meeting Reports*

Director Morse reported on the NRECA Annual Meeting in Nashville Business meeting, reported on relevant items that came up in that meeting, and discussed a schedule for discussion and timeline for action.

Director Chastain reported on the Special Board of Directors meeting that was held on March 10, 2023, and discussed avenues for member input and timeline for action on any bylaw changes.

Director Cooper reported there has not been a MAC meeting since the last Regular Board of Directors' Meeting. The next MAC meeting is scheduled for April 4.

Director Cooper reported on the second round of Election Committee meetings. She noted that meetings will resume after voting is underway. The next meetings are scheduled for May 2 and May 16.

**V. CONSENT AGENDA**

- A. *Board Calendar*
- B. *Training and Conferences*
  - 1. *NWPPA Annual Conference, May 14-17, 2023, Anchorage, AK*
  - 2. *Alaska Sustainable Energy Conference, May 22-25, 2023, Anchorage, AK*
- C. *Minutes*
  - 1. *February 22, 2023, Regular Board of Directors' Meeting (Cacy)*
  - 2. *March 10, 2023, Special Board of Directors' Meeting (Cacy)*
- D. *Director Expenses*

Director Cason moved, and Director Hollis seconded the motion to approve the consent agenda. The motion passed unanimously.

**VI. CEO REPORTS AND CORRESPONDENCE**

- A. *Overview of 2023 Election, Member Appreciation Event, and Annual Meeting (Kurka/Ayers/Hasquet)*
- B. *1<sup>st</sup> Quarter 2023 Railbelt Bill Comparison (Kornmuller)*
- C. *Payment Processing Change Update (Kurka)*
- D. *Renewable Energy Plan Update (Skaling)*
- E. *Central Business District – Reliability Improvements (M. Miller/Laughlin)*
- F. *Board Policy Scheduled Tasks/Reports (Board/Staff)*

Arthur Miller, CEO, discussed the CEO Reports and Correspondence contents and responded to questions from the Board.

*Director Chastain left the meeting at 5:27 p.m.*

**VII. UNFINISHED BUSINESS**

None.

**VIII. NEW BUSINESS**

- A. *Annual Election: Approval of Date of Record, Master Election Judge, and Election Procedures (Kurka)*

Teresa Kurka, Vice President, Member Services, discussed the date of record, master election judge, annual election procedures, and responded to questions from the Board.

Director Cooper moved, and Director Cason seconded the motion to move that the Board of Directors set March 30, 2023, as the Date of Record, that Dawn Bundick be appointed Master Election Judge with Lawrence Camp as the alternate, and that the 2023 Election Procedures be approved as recommended for Chugach's 2023 election. The motion passed unanimously.

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

- B. *Campbell Lake Switchgear (Laughlin)*



Mike Miller, Vice President, Engineering, Distribution – Construction, discussed the Campbell Lake Substation Rebuild Switchgear Procurement and Project Authorization increase and responded to questions from the Board.

Director Cason moved, and Director Cooper seconded the motion to move that the Chugach Board of Directors authorize the Chief Executive Officer to execute a contract with States Manufacturing, Inc. in the amount of \$2,920,000 for the procurement of metal clad switchgear and increase the Campbell Lake Substation Rebuild Project Authorization by \$1,200,000 to an estimated Total Installed Cost of \$8,600,000. The motion passed unanimously.

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

C. *Girdwood to Indian Steel Procurement (Laughlin)*  
This item was removed from the agenda.

D. *35 kV Conductor Purchase (Travis)*  
Josh Travis, Vice President, Administrative Services, discussed the competitive request for bid for the bulk purchase of 35kV conductor necessary to complete four engineering projects.

Director Hollis moved, and Director Cason seconded the motion to move that the Board of Directors authorize the Chief Executive Officer to approve the 35kV conductor purchase requisition and subsequent purchase order to Anixter Power Solutions for \$2,455,785.00 adjusted by the COMEX copper closing price on March 23, 2023. The motion passed unanimously.

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

E. *Proposed Bylaw Amendment (Bylaw Committee); Utility Bill Roundup (Masten)*  
Scarlett Masten, Key Members, Sustainability, Document Control Specialist discussed the proposed bylaw addition: Article XII – Miscellaneous Section 4, motion options, and responded to questions from the Board.

Director Cason moved, and Director Hollis seconded the motion to move that the Board of Directors approve placement on the 2023 Annual Election ballot to add an electric bill round up program for 501(c)(3) charitable purposes within Chugach’s service area for inclusion in the Association’s Bylaws under Section 4 of Article XII. The motion passed unanimously.

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

## **IX. EXECUTIVE SESSION**

- A. *Seward Electric System (Miller)*
- B. *Eklutna Project (Brodie/Laughlin)*

At 6:24 p.m., Director Morse moved, and Director Cason 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 matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) discuss with its attorneys matters the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

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

*The meeting reconvened in open session at 7:43 p.m.*

**X. DIRECTOR COMMENTS**

Director comments were made at this time.

**XI. ADJOURNMENT**

At 7:52 p.m., Director Cason moved, and Director Morse seconded the motion to adjourn. The motion passed unanimously.

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Samuel Cason, Secretary  
Date Approved: April 26, 2023

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

**April 13, 2023**  
**Thursday**  
**12:00 p.m.**

**SPECIAL BOARD OF DIRECTORS' MEETING**

Recording Secretary: Ashton Doyle

**I. CALL TO ORDER**

Chair Chastain called the Special Board of Directors' meeting to order at 12:12 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  
Mark Wiggin, Vice Chair  
Harold Hollis, Treasurer  
Rachel Morse, Director  
Sisi Cooper, Director  
Bernie Smith, Director  
Sam Cason, Secretary

*Staff and Guests in Attendance:*

*Present:*

Arthur Miller  
Matthew Clarkson

Andrew Laughlin  
Sherri Highers

Ky'yanna Hamilton  
Katie Millen

*Via Teleconference:*

Sandra Cacy

Delaine Orendorff,  
NRECA Consultant

**II. APPROVAL OF AGENDA**

Director Wiggin moved, and Director Hollis seconded the motion to approve the agenda. Chair Chastain requested a friendly amendment to change the adjournment from 3:00 p.m. to no later than 2:30 p.m. The motion passed unanimously, as amended.

**III. PERSONS TO BE HEARD**

None.

**IV. DIRECTOR REPORTS**

None.

**V. CONSENT AGENDA**

None.

**VI. CEO REPORTS AND CORRESPONDENCE**

None.

**VII. UNFINISHED BUSINESS**

None.

**VIII. EXECUTIVE SESSION**

- A. *Personnel Matters – Compensation (Miller/Orendorff)*
- B. *Personnel Matters – Succession Planning (Miller/Orendorff)*
- C. *Personnel Matters – Engagement (Miller/Orendorff)*

At 12:16 p.m., Director Cason moved and Director Morse seconded the motion that pursuant to Alaska Statute 10.25.175(c)(4) the Board of Directors go into executive session to discuss personnel matters. The motion passed unanimously.

*The meeting reconvened in open session at 2:29 p.m.*

**IX. NEW BUSINESS**

None.

**X. DIRECTOR COMMENTS**

Director comments were made at this time.

**XI. ADJOURNMENT**

At 2:31 p.m., Director Wiggin moved, and Director Morse seconded the motion to adjourn. The motion passed unanimously.

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Samuel Cason, Secretary  
Date Approved: April 26, 2023

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

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

**April 26, 2023**

**ACTION REQUIRED**

**AGENDA ITEM NO. V.D.**

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

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**TOPIC**

Board Policy 304 – Capital Credits

**DISCUSSION**

On April 12, 2023, the Governance Committee reviewed the recommended changes to Board Policy 304 – Capital Credits.

The changes to Board Policy 304 – Capital Credits, describe different retirement methods and provides flexibility on choosing a retirement method that considers various factors, emphasizes the value of membership, and helps Chugach achieve its goals.

The Governance Committee recommended the Board of Directors approve the attached Board Policy 304 – Capital Credits, as amended.

**MOTION**

*(Consent Agenda)*

## CHUGACH ELECTRIC ASSOCIATION, INC.

### BOARD POLICY: 304

#### CAPITAL CREDITS

##### **I. OBJECTIVE**

The objective of this Capital Credits Policy (“Policy”) is to state the general policy of the Association for allocating and retiring capital credits.

##### **II. CONTENT**

The Association shall allocate and retire capital credits in a manner that: (1) is consistent with state and federal law; (2) is consistent with operating on a cooperative basis under federal tax law; (3) is fair and reasonable to the Association’s patrons and former patrons; (4) provides the Association with sufficient equity and capital to operate effectively and efficiently; and (5) protects the Association’s financial condition. Subject to law, the Association’s Articles of Incorporation and Bylaws; the allocation method and retirement of capital credits are at the sole discretion of the Association’s Board of Directors (“Board”), subject to section III. D., below.

The Association shall allocate and retire capital credits according to the manner, method, timing, and amount approved by the Board.

- A. Patronage Earning Allocations: All margins received by the Association shall, insofar as permitted by law and approved by the Board, be allocated to members on a patronage basis (as may be defined by specific agreements) in accordance with Article VII of the Bylaws. Any amount so allocated shall be included as part of the capital credited to the accounts of members, as herein provided.
- B. Patronage Loss Allocations: For each good or service provided by the Association on a cooperative basis, the Association shall offset patronage losses with the Association’s patronage non-operating earnings from providing the good or service during the next succeeding fiscal year(s).
- C. General Capital Credits Retirements: The Association shall generally retire capital credits with the goals of: (1) remaining in compliance with Indenture and debt agreement requirements; (2) maintaining or progressing toward an equity target level established by the Board; (3) retiring capital credits using a method approved by the Board; and (4) communicating and promoting cooperative principles.
- D. Capital Credit Retirement Methods: The Association shall retire capital credits under a first-in, first-out (“FIFO”), a last-in, first-out (“LIFO”), or a combination FIFO/LIFO methodology based on factors, including but not limited to, cooperative

goals, retirement amount, rotation periods, membership tenure, and/or general economic conditions within our service territory.

- E. Special / Discounted Capital Credits Retirements: The Association may retire capital credits on a discounted basis as approved by the Board to reflect the net present value of the capital credits. Approval of special or discounted capital credit retirements may reduce allowable amounts in a general retirement to the extent required to comply with Indenture and debt agreements. Amounts approved for discounting will be either (1) estate payments or (2) former members that are no longer on the Association's distribution system.
- F. Recoupment of bad debt: After retiring, and before paying, capital credits allocated to a patron or former patron, the Association, unless otherwise provided for by law, may recoup or offset any amount owed to the Association by the patron or former patron by reducing the amount of retired capital credits due to the patron or former patron by the amount owed until it is paid in full or all available capital credits have been credited to the amount owed.

### III. LIMITATIONS

- A. Forfeiture of Capital Credits: The Association shall not enter into contracts through which a patron or former patron forfeits the right to the allocation or retirement of capital credits. The Association shall not require any patron or former patron to forfeit the right to the allocation or retirement of capital credits.
- B. Patron Classes: As reasonable and fair, and as approved by the Board, the Association may allocate or retire capital credits to classes of similarly situated patrons or former patrons under different manners, methods, timing, and amounts, provided the Association allocates and retires capital credits to similarly situated patrons and former patrons under the same manner, method, timing, and amount pursuant to the Association's Bylaws.
- C. Notice of Allocation: Within eight and one-half (8 1/2) months following a fiscal year, the Association shall notify each patron in writing, or through electronic means, of the amount of capital credits allocated to the patron for the preceding fiscal year.
- D. Adverse Financial Impact: The Association shall not retire any capital credits unless the Board first determines that the retirement will not adversely impact the Association's financial condition.
- E. Request and Agreement for Special Retirement: Pursuant to Section II. E., the Association may specially retire and pay capital credits upon the death of a patron or former patron only upon receiving a written request from the appropriate legal representative, and only under terms and conditions agreed upon by the Association and the appropriate legal representative.

- F. Discount Rate: Pursuant to Section II. E., the Association may retire capital credits early on a discounted basis, by approximating the Association's current cost of equity capital. In making this determination, the Board will use the most recent cost of equity capital filed with the Regulatory Commission of Alaska (RCA). Alternatively, the Board may use the 10-year National Rural Utilities Cooperative Finance Corporation ("NRUCFC") borrowing rate plus 3% (three percent), if the resulting rate is higher than the rate set by the RCA.
- G. Minimum Amount: The Association shall establish a minimum check amount; unless the retirement and payment is for all remaining capital credits allocated to a former patron pursuant to Section II. E.
- H. Payment and Notice of Retirement: After the Association retires capital credits allocated to a patron; the Association shall pay the retired amount by sending a check or issuing a bill statement credit to active members for the amount to the patron's most current address listed on the Association's records.
- I. Unclaimed Capital Credits: A distribution of net margins is presumed abandoned if the distribution remains unclaimed by the owner for more than one year after payment has been made. An abandoned distribution reverts to the Association, provided the Association has, at least six months prior; (1) mailed a notice of the proposed reversion to the last known address of the owner as shown on the cooperative records, (2) posted for at least 180 days on the Association's Internet website a list of the persons for whom the Association has unclaimed distributions, and (3) published once a week for four consecutive weeks in a newspaper of general circulation in the Association's judicial district.

#### IV. RESPONSIBILITY

- A. Implementation of Policy: The Association's Chief Executive Officer is responsible for implementing this Policy.
- B. Recommendations to Board: Management is responsible for: (1) recommending to the Board the manner, method, timing, and amount for allocating and retiring capital credits; and (2) when in the best interest of the Association and its patrons and former patrons, recommending to the Board revisions to this Policy.
- C. Review and Approval by Board: The Board is responsible for: (1) reviewing, discussing, and evaluating management's recommendations regarding the manner, method, timing, and amount for allocating, retiring, and paying capital credits; (2) approving the manner, method, timing, and amount for allocating, retiring, and paying capital credits; and, (3) periodically reviewing, discussing, and evaluating this Policy.



- D. Compliance with Policy: The Board is responsible for the Association's compliance with this Policy.

Date Approved: April 26, 2023

Attested: \_\_\_\_\_  
Samuel W. Cason  
Secretary of the Board

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

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

**April 26, 2023**

**ACTION REQUIRED**

**AGENDA ITEM NO. V.E.**

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

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**TOPIC**

Board Policy 302 – Integrated Resource Planning

**DISCUSSION**

On April 12, 2023, the Governance Committee reviewed the recommended changes to Board Policy 302 – Integrated Resource Planning.

The recommended changes to Board Policy 302 – Integrated Resource Planning, updates the factors Chugach will consider as part of the integrated resource planning process, to include reliability standards and the development of a decarbonization plan that compliments Railbelt resource planning efforts. In addition, the comprehensive plan will consider the impacts of transitioning to achieve carbon reduction goals as defined in the strategic plan. It also requires Chugach to assess and evaluate economic values for power supply options that include changes in legislation and regulations related to thermal and clean energy generation resources, other environmental and sustainable attributes and incorporates alternative rate designs and on-going education to members on carbon reduction initiatives.

The Governance Committee recommended the Board of Directors approve the attached Board Policy 302 – Integrated Resource Planning, as amended.

**MOTION**

*(Consent Agenda)*

## **CHUGACH ELECTRIC ASSOCIATION, INC.**

### **BOARD POLICY: 302**

#### **INTEGRATED RESOURCE PLANNING**

##### **I. OBJECTIVE**

To outline the integrated resource planning requirements of the Association.

##### **II. CONTENT**

- A. The Association shall periodically undertake integrated resource planning as loads and resources change to ensure meeting power requirements at the lowest cost consistent with sound economics, reliability standards, wise use of resources, effective business management and through the development of a decarbonization plan that compliments Railbelt resource planning efforts.
- B. The Integrated Resource Plan will evaluate supply-side and demand-side resources to develop a comprehensive resource plan that reliably meets the member's electric load consistent with risk management, environmental responsiveness, costs and other factors and considers the impacts of transitioning to achieve carbon reduction goals as defined in Chugach's strategic plan.
- C. To ensure that a cost-effective electric power supply will increasingly rely upon renewable and alternative energy sources and that all technology alternatives be compared on a fair and equal basis, the Association shall assess and evaluate economic values for power supply options that include but are not limited to the following:
  - 1. The value of power supply security achieved from fuel type and generation technology diversification;
  - 2. The value of power supplies with the level and non-volatile pricing compared to market-based pricing, e.g., mitigating fuel price volatility;
  - 3. Employ life-cycle cost-to-benefit economic analysis including the cost of decommissioning;
  - 4. The cost of government actions, including carbon emissions taxes and carbon credit sales and other changes in legislation and regulations related to thermal and clean energy generation resources;
  - 5. The value of other environmental and sustainable attributes;

6. The statistical value of capacity from non-firm power supplies; and
  7. Demand side programs including energy efficiency and energy conservation and incorporating alternative rate designs and on-going education to members on carbon reduction initiatives.
- D. The Integrated Resource Plan shall be updated, reviewed and approved by the Board of Directors as needed.

**III. RESPONSIBILITY**

The Chief Executive Officer shall be accountable for the management and administration of integrated resource planning activities and programs prescribed in this Policy.

Date Approved: April 26, 2023

Attested: \_\_\_\_\_  
Samuel W. Cason  
Secretary of the Board

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

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

**April 26, 2023**

**ACTION REQUIRED**

**AGENDA ITEM NO. V.F.**

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

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**TOPIC**

Board Policy 306 – Strategic Planning

**DISCUSSION**

On April 12, 2023, the Governance Committee reviewed the recommended changes to Board Policy 306 – Strategic Planning.

The recommended changes to Board Policy 306 – Strategic Planning, specifically adds progress towards meeting decarbonization targets as an evaluation factor associated with the strategic planning process in addition to reporting of the target progress.

The Governance Committee recommended the Board of Directors approve the attached Board Policy 306 – Strategic Planning, as amended.

**MOTION**

*(Consent Agenda)*

# CHUGACH ELECTRIC ASSOCIATION, INC.

## BOARD POLICY: 306

### STRATEGIC PLANNING

#### I. OBJECTIVE

The purpose of this policy is to describe the authority and responsibility for the Association's strategic planning.

#### II. OVERVIEW

The Association's Bylaws empower the Board of Directors to make, adopt and enforce policy as *it may deem advisable for the management of the affairs and business of the Association, for the protection of its investments, and for the interest and welfare of its members* (Chugach Electric Association, Inc. Bylaws Article IV, Section 6).

Board Policy 103 (*Duties and Responsibilities of the Board of Directors*) directs the Board to consider and adopt short and long-range plans, including:

- Objectives and major goals for the Association that are in conformance with the Articles of Incorporation and the Bylaws as well as all applicable federal and state laws; and
- Operating programs, services and activities developed and recommended by the Chief Executive Officer (CEO).

The Association shall establish an ongoing strategic planning process by which it transforms its mission and values into actionable, measurable goals. Strategic planning shall be based on consideration of the Association's Mission Statement, Value Statement, established decarbonization targets and on its internal capabilities and limitations and the external market, regulatory environment and other trends, events and developments.

The Board may guide the direction and conduct of the Association through periodic, fact-based, thoughtful and collaborative strategic planning. The Association's strategic plan will be updated annually and may be amended between updates if warranted.

#### III. CONTENT

To implement the strategic planning process, the Board Chair or his or her designee shall meet periodically with the CEO prior to any scheduled Board meeting to review a list of Significant Strategic Initiatives currently under consideration, and to decide whether and when the CEO shall present any such initiatives to the Board and how the Board will review that initiative. A "Significant Strategic Initiative" is a potential program, service or activity that:

- (1) Requires a substantial investment of staff time or other Association assets;
- (2) Has a potential substantial impact on the cost structure of the Association; or
- (3) Has the potential to substantially affect the Association's relationship with the community at large (including employees, members, government agencies including the Regulatory Commission of Alaska)

When reviewing potential initiatives, the strategic planning process will incorporate an evaluation including, for example, the following components:

Mission Statement, Value Statement, Long-term Vision Statement, safety and ethical concerns, reliability, progress towards meeting established decarbonization targets, rates and efficiency issues, environmental stewardship and a community needs assessment, critical assumptions regarding the future, Association resources, a success profile and exit strategies.

#### **IV. RESPONSIBILITY**

The Board of Directors of the Association has a critical role in the strategic planning process and shall:

- (A) Approve the strategic plan on an annual basis.
- (B) Commit the Association to a mission-driven strategic planning process and adopt long-term vision and mission statements for the Association.
- (C) Establish Board and subcommittee work that focuses on the strategic priorities of the organization, as necessary.
- (D) Identify and prioritize key strategic priorities of the Association and monitor the progress towards achieving these goals. Make adjustments and take corrective action in response to changes in business and operating conditions, as necessary.
- (E) Remain abreast on industry trends, and federal, state and local issues that have strategic implications to the Association.
- (F) Maintain standing meeting agenda item at each Board meeting for the opportunity to discuss strategic-level issues.

The responsibility of the CEO is to:

- (A) Update the Association's strategic plan based on Board guidance and present the plan to the Board for approval on an annual basis. Strategize, execute and manage the strategic planning process to meet the strategic objectives of the plan.
- (B) Provide on-going information to the Board on opportunities, challenges, and industry trends that impact the strategic direction of the Association and progress

towards meeting established decarbonization targets. Bring objective analysis and recommendations to the Board for deliberation and decision making.

- (C) Establish and coordinate board/management strategic planning subcommittees to identify short and long-term strategic matters that impact the Association.
- (D) Structure presentations on strategic topics to allow sufficient time for Board questions and guidance.
- (E) Include a list of Significant Strategic Initiatives in the CEO report to the Board. A majority of Board members may direct the CEO to present, and the Board to review, any Significant Strategic Initiative on the list at a future meeting of the Board.
- (F) Schedule annual Board retreat to address key strategic issues impacting the Association.

Date Approved: April 26, 2023

Attested: \_\_\_\_\_  
Samuel W. Cason  
Secretary of the Board



CHUGACH ELECTRIC ASSOCIATION, INC.  
Anchorage, Alaska

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

April 26, 2023

**ACTION REQUIRED**

AGENDA ITEM NO. V.G.

Information Only  
 Motion  
 Resolution  
 Executive Session  
 Other

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**TOPIC**

Director Expenses

**DISCUSSION**

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

**MOTION**

*(Consent Agenda)*

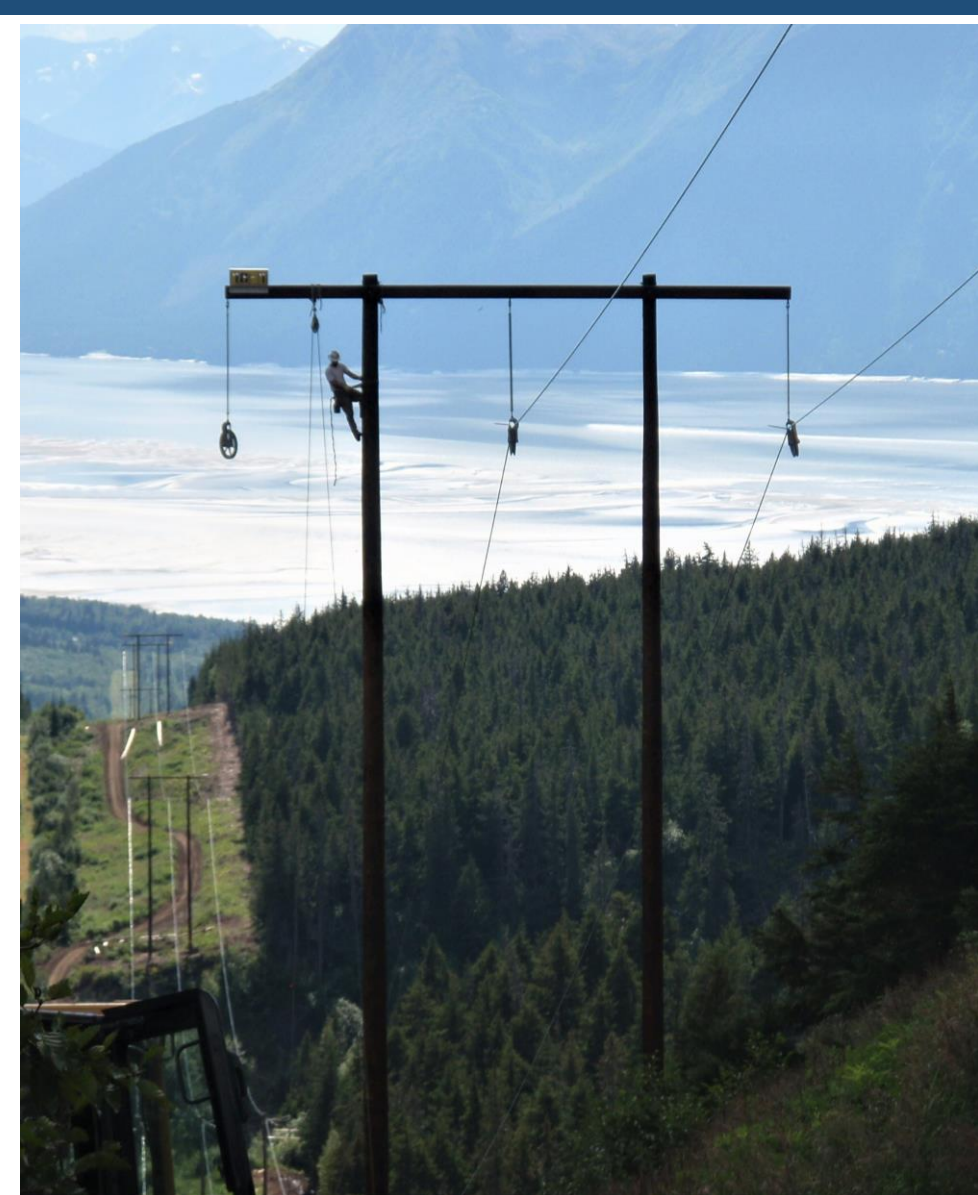
# Electric Reliability Organization Surcharge

Board of Directors Meeting: April 26, 2023



# Electric Reliability Organization (ERO)

- The ERO is a statutorily created entity that is responsible for developing and enforcing reliability standards and transmission interconnection standards as well as conducting integrated resource planning for the Railbelt electric system.
- The ERO recovers its costs associated with those activities from load serving entities (LSE) that are located within an interconnected bulk-electric system served by the ERO.



# Net Energy for Load

## The ERO costs are allocated to LSE's on the basis of Net Energy for Load

- Net Energy for Load is total system retail energy (kWh) sales as measured at delivery within each load-serving entity's (LSE) certificated service area.
- Net Energy for Load includes energy sales to military bases but excludes wholesale and economy energy sales to entities serving retail loads.



# ERO Cost Allocation to LSE's

- ERO costs are charged directly to each LSE on their previous calendar year actual Net Energy for Load.
- The ERO stipulated partial year budget is \$2,250,000 for April through December 2023. The cost allocation is shown below:

Load Serving Entity	Net Energy for Load (kWh)	Percent	Allocation	April-December 2023 Monthly Amount
Chugach	1,922,933,572	43.71%	\$983,505.90	\$109,278
GVEA	1,196,393,632	27.20%	\$611,908.91	\$67,990
HEA	461,432,441	10.49%	\$236,004.79	\$26,223
MEA	758,772,477	17.25%	\$388,082.68	\$43,120
SES	59,628,617	1.36%	\$30,497.72	\$3,389
<b>Total</b>	<b>4,399,160,739</b>	<b>100.00%</b>	<b>\$2,250,000.00</b>	<b>\$250,000</b>

# LSE Recovery of ERO Costs

- Each LSE may recover in tariffed rates their allocated share of the ERO costs through a separate retail surcharge assessed to retail customers on a per kWh basis.
- Prior Commission approval is not required but a tariff filing must be submitted within 15 days of implementation.

Inception year ERO Surcharge Calculation:

$$\textit{ERO Surcharge} = (\textit{LSE Share of ERO}) / (\textit{Projected Retail Sales})$$

- In subsequent periods, a balancing account will be used to record under or over recovery amounts.

# Example of ERO Surcharge on Member Bill

## Description of Charges

Previous Balance		\$0.00
Balance Forward:		\$0.00
<hr/>		
Customer Charge		92.61
Energy	11520 x 0.00498	57.37
Fuel	11520 x 0.040020	461.03
Regulatory Cost Charge	11520 x 0.000893	10.29
FIW Renewable Energy Adj.*	11520 x 0.001220	14.05
Purchased Power	11520 x 0.008770	101.03
Gross Revenue Tax	11520 x 0.000500	5.76
2% Underground Charge		45.29
Demand	40.40 x 44.53000	1799.01
BRU Contributed Capital Rebate	11520 x -0.02264	-260.81
Restricted Rate Reduction Account Rebate	11520 x -0.01291	-148.72
Electric Reliability Org Surcharge	11520 x 0.00090	10.37
<hr/>		
Total New Electric Charges:		2,187.28
<b>Total Balance</b>		<b>\$2,187.28</b>

## Member Corner

\* Represents the cost difference of Fire Island renewable wind power compared to other generation. For more information visit [www.chugachelectric.com](http://www.chugachelectric.com).

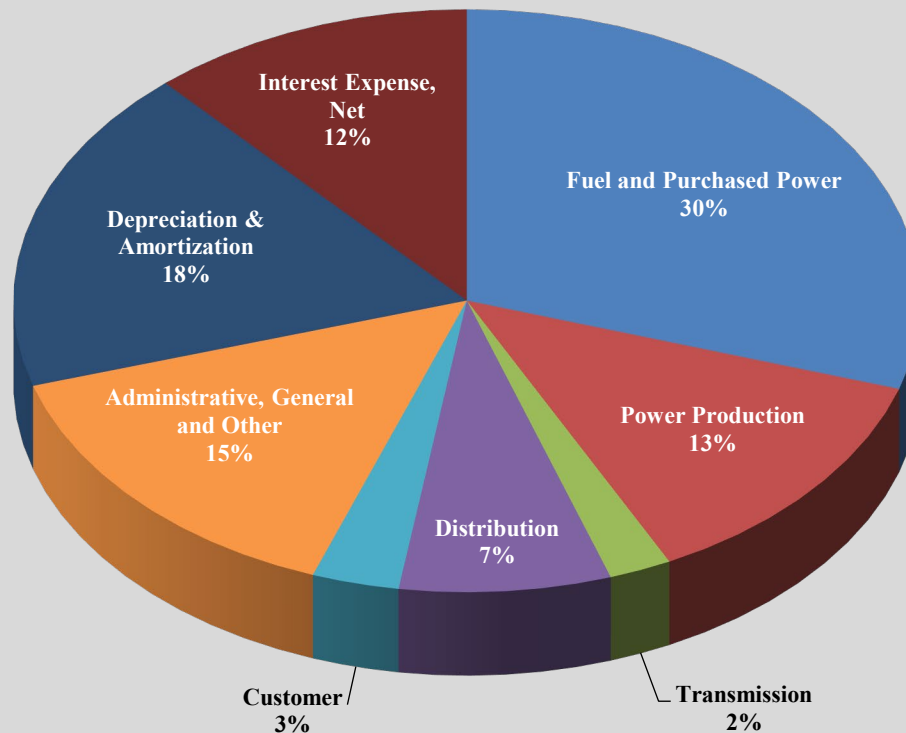
The newly implemented ERO Surcharge collects amounts associated with Chugach's statutory obligation to fund the Electric Reliability Organization (ERO). For information on the ERO please visit: [www.akrrc.org](http://www.akrrc.org).



## COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2023 MTD ACTUAL TO BUDGET

CATEGORY	ACTUAL	BUDGET	VARIANCE
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 31,054,824</b>	<b>\$ 31,391,476</b>	<b>\$ (336,652)</b>
Fuel and Purchased Power	8,542,834	8,509,151	33,683
Power Production	3,637,496	3,108,701	528,795
Transmission	636,151	1,029,215	(393,064)
Distribution	2,154,301	2,318,347	(164,046)
Customer	886,657	994,860	(108,203)
Administrative, General and Other	4,217,957	4,545,295	(327,338)
Depreciation & Amortization	5,183,501	5,405,704	(222,203)
Interest Expense, Net	3,308,698	3,211,437	97,261
<b>Total Cost of Electric Service</b>	<b>\$ 28,567,595</b>	<b>\$ 29,122,710</b>	<b>\$ (555,115)</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 2,487,229</b>	<b>\$ 2,268,766</b>	<b>\$ 218,463</b>
Non-Operating Margins - Interest	102,965	72,988	29,977
Allowance for Funds Used During Const.	14,944	12,500	2,444
Non-Operating Margins - Other	(25,312)	(10,850)	(14,462)
<b>Patronage Capital or Margins</b>	<b>\$ 2,579,826</b>	<b>\$ 2,343,404</b>	<b>\$ 236,422</b>
MFI/I	1.73	1.68	
TIER	1.78	1.71	

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

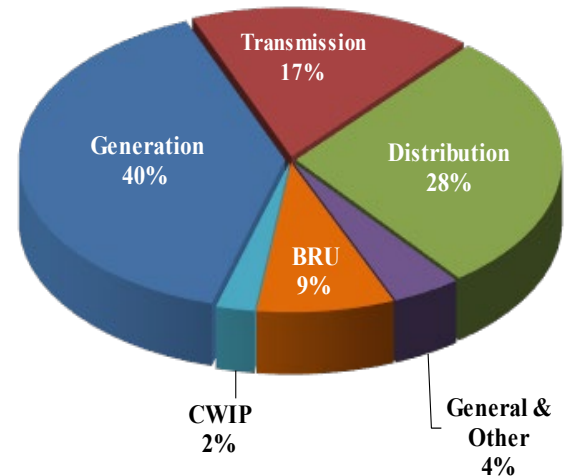




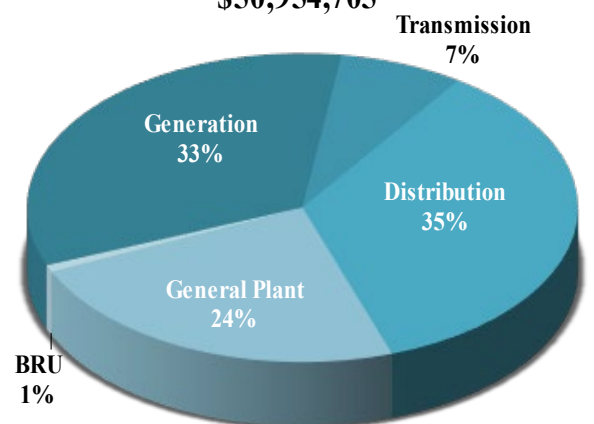
## BALANCE SHEET

ASSETS & OTHER DEBITS	1/31/2023	12/31/2022
Electric Plant in Service	2,110,643,146	2,109,990,748
Construction Work in Progress	50,954,705	52,721,736
<b>Total Utility Plant</b>	<b>\$ 2,161,597,851</b>	<b>\$ 2,162,712,484</b>
Accum. Prov. for Depreciation/Amortization	(707,509,660)	(702,820,630)
<b>Net Utility Plant</b>	<b>\$ 1,454,088,191</b>	<b>\$ 1,459,891,854</b>
Nonutility Property - Net	76,889	76,889
Financing & Operating Lease ROU Assets	4,006,699	4,048,789
Investment in Assoc. Organizations	6,993,487	6,993,487
Special Funds	22,943,196	26,275,805
Restricted Cash Equivalents & Other	30,000	30,000
Long-term Prepayments	0	305,854
<b>Total Other Property &amp; Investments</b>	<b>\$ 34,050,271</b>	<b>\$ 37,730,824</b>
Cash & Restricted Cash	26,609,576	15,854,739
Special Deposits and Marketable Securities	58,300	58,300
Accounts Receivable - Net	48,796,086	50,243,472
Materials and Supplies, Fuel Stock	69,962,122	68,199,774
Prepayments	8,337,082	6,239,353
Other Current & Accrued Assets	20,709,031	20,804,025
<b>Total Current &amp; Accrued Assets</b>	<b>\$ 174,472,197</b>	<b>\$ 161,399,663</b>
Deferred Debits	108,845,675	108,557,249
<b>Total Assets &amp; Other Debits</b>	<b>\$ 1,771,456,334</b>	<b>\$ 1,767,579,590</b>
LIABILITIES & OTHER CREDITS	1/31/2023	12/31/2022
Memberships	1,988,496	1,986,171
Pat. Capital, Margins & Equities	212,929,073	210,349,305
<b>Total Margins &amp; Equities</b>	<b>\$ 214,917,569</b>	<b>\$ 212,335,476</b>
Long-Term Debt - Bonds	1,128,549,996	1,128,549,996
Long-Term Debt - Other	17,898,000	18,924,000
Unamortized Debt Issuance Costs	(5,950,379)	(5,960,113)
Operating Lease Liabilities	3,576,342	3,583,801
Finance Lease Liabilities	203,996	203,786
<b>Total Long-Term Debt</b>	<b>\$ 1,144,277,955</b>	<b>\$ 1,145,301,470</b>
Notes Payable	104,144,030	94,178,851
Accounts Payable	14,642,206	26,356,140
Consumer Deposits	4,792,774	4,874,798
Other Current & Accrued Liabilities	57,931,789	53,272,014
<b>Total Current &amp; Accrued Liabilities</b>	<b>\$ 181,510,799</b>	<b>\$ 178,681,803</b>
Deferred Compensation	1,387,476	1,387,476
Other Liabilities, Non-Current	690,710	658,627
Deferred Liabilities	9,802,368	9,639,703
BRU Regulatory Liability	95,372,574	96,612,203
Cost of Removal Obligation	123,496,883	122,962,832
<b>Total Liabilities &amp; Other Credits</b>	<b>\$ 1,771,456,334</b>	<b>\$ 1,767,579,590</b>

**Total Utility Plant**  
**\$2,161,597,851**

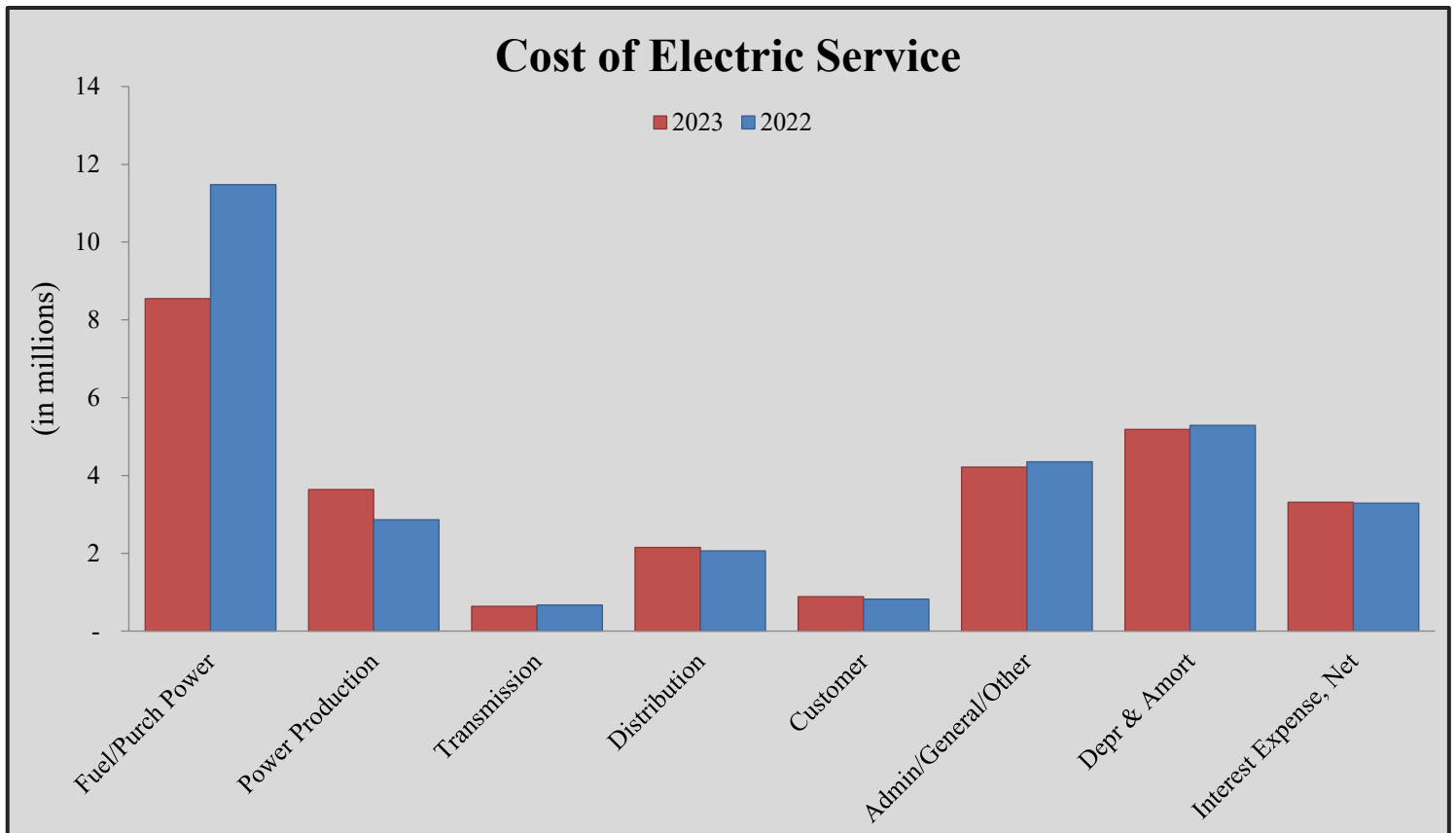


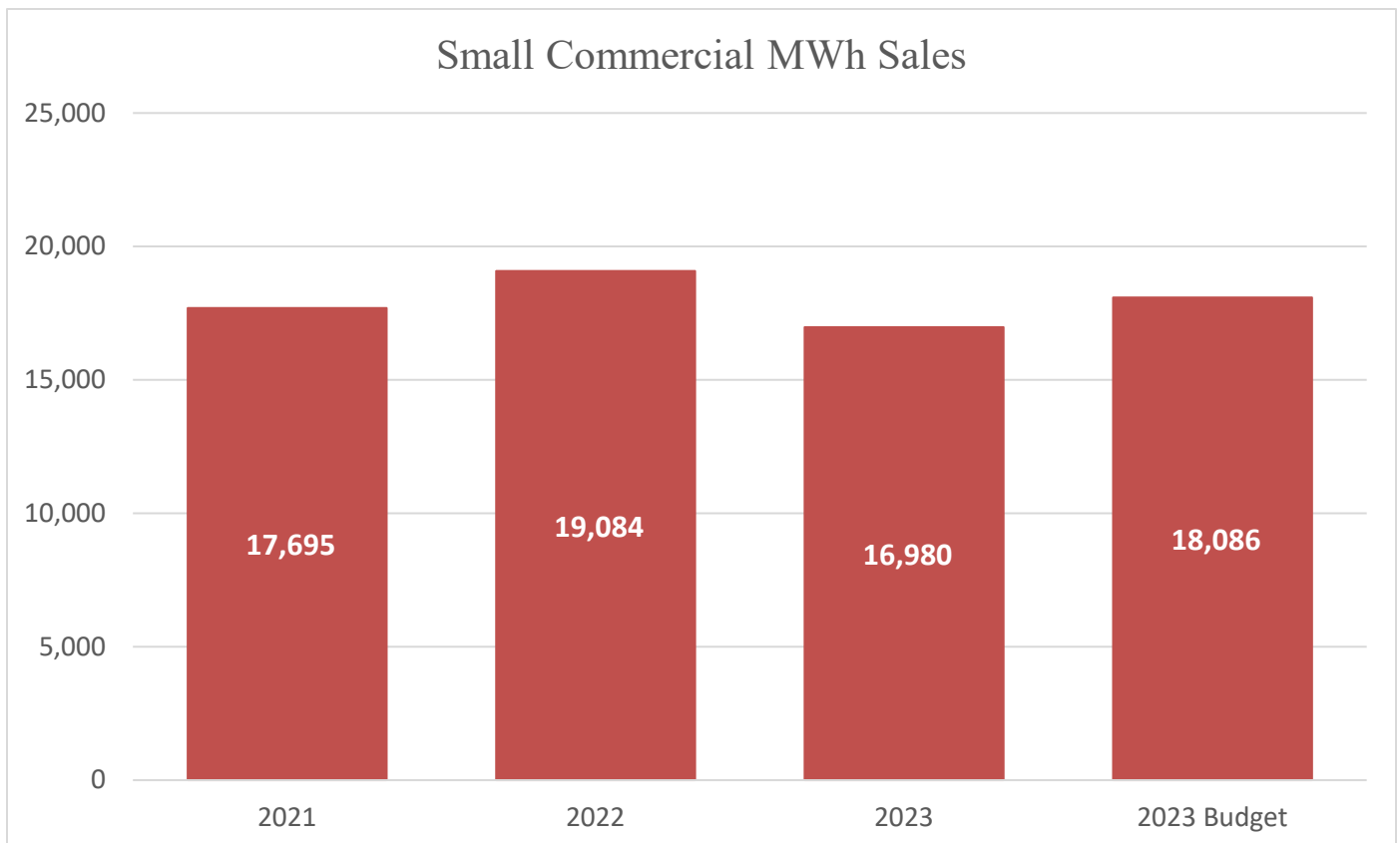
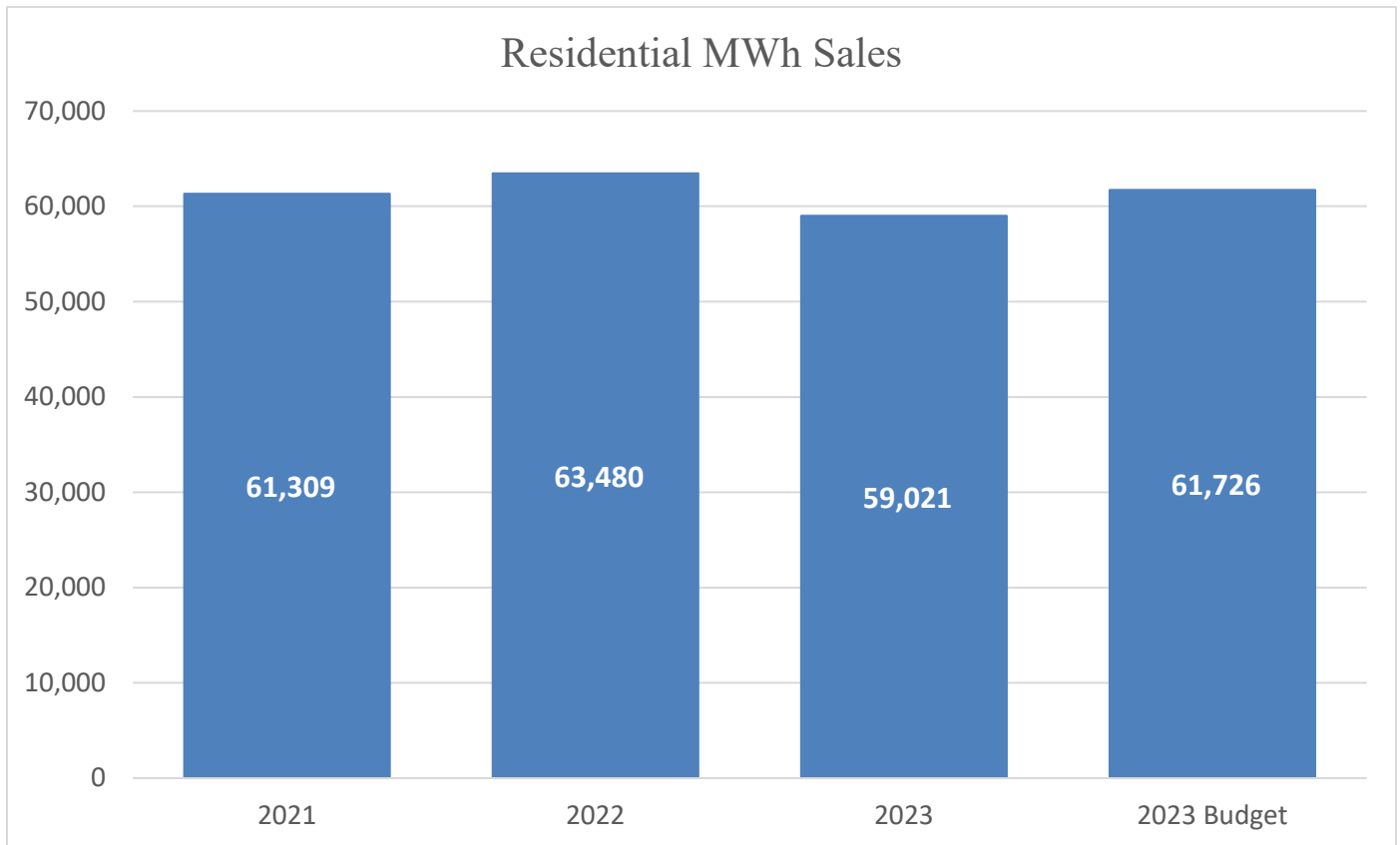
**Construction Work in Progress**  
**\$50,954,705**

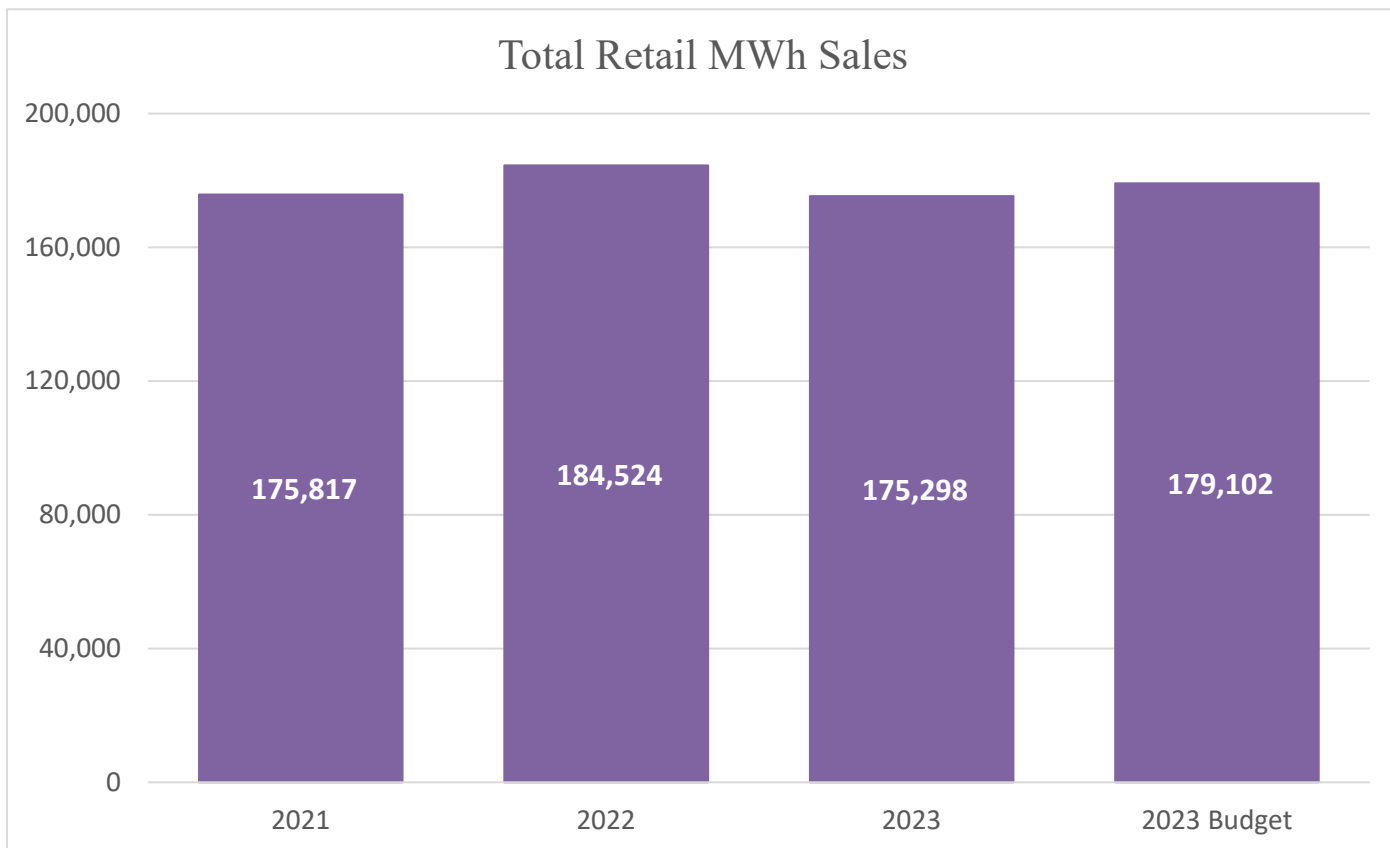


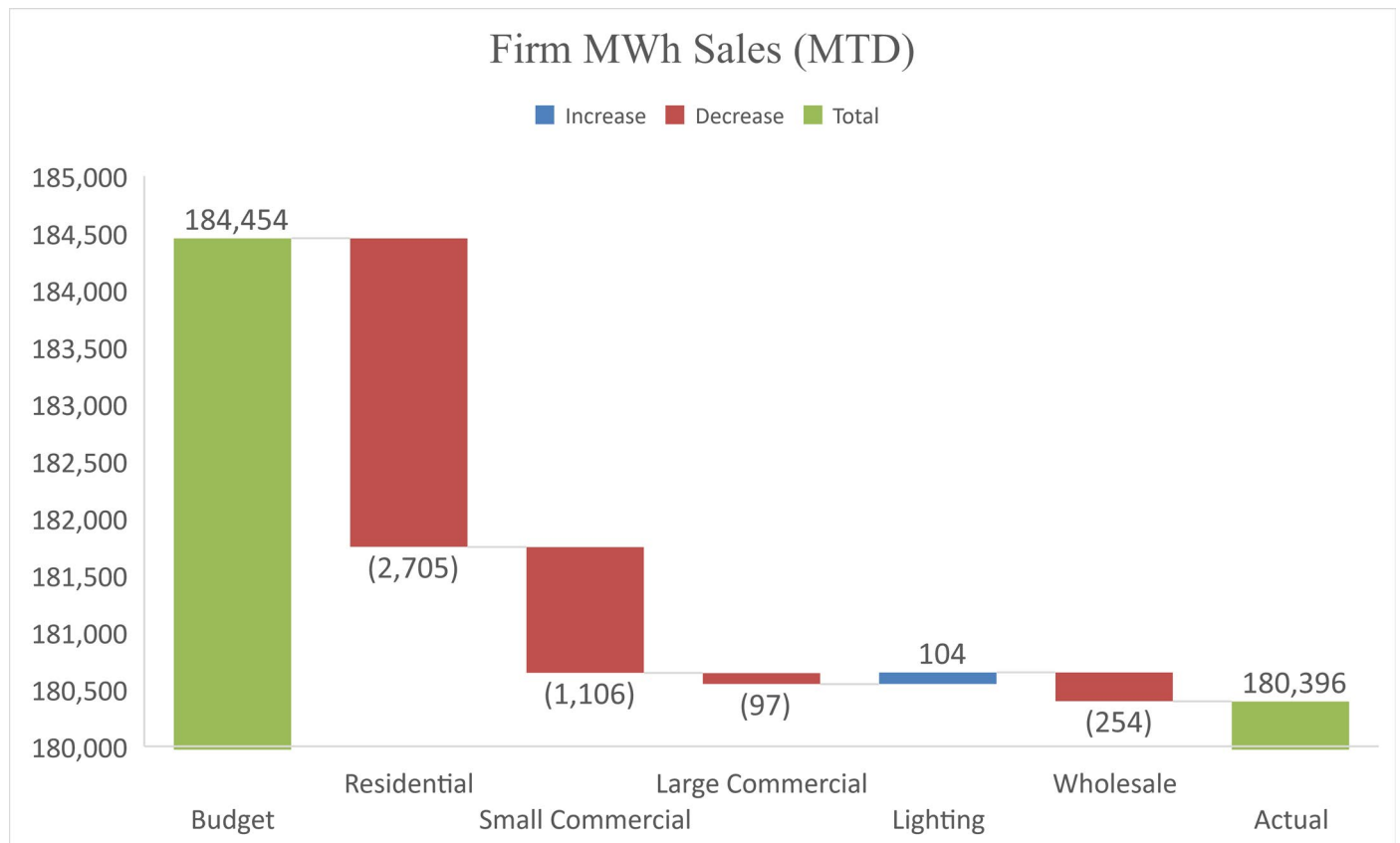
**COMPARATIVE FINANCIAL REPORT  
STATEMENT OF OPERATIONS  
CURRENT TO PRIOR YEAR**

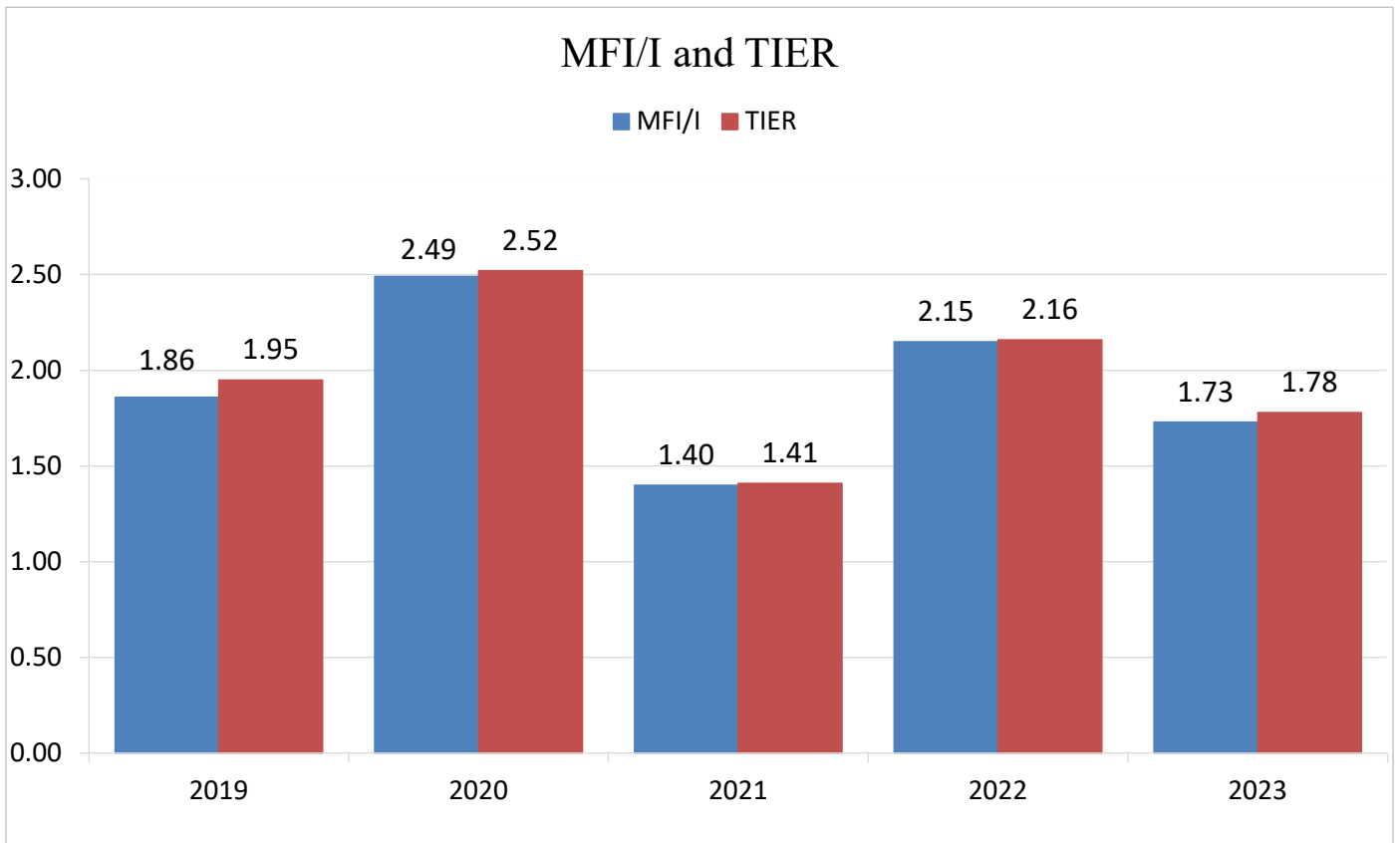
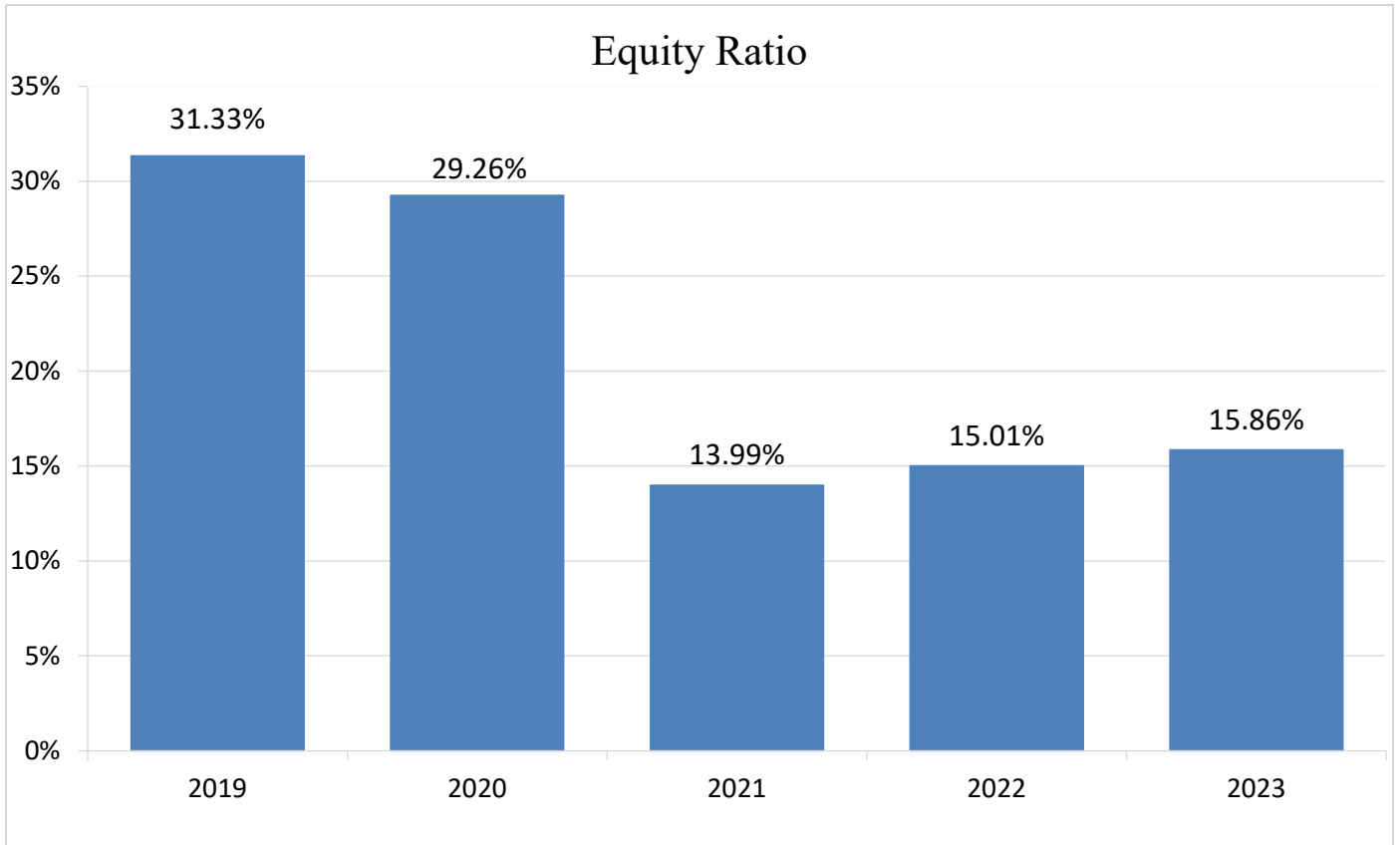
CATEGORY	2023 YTD ACTUAL	2022 YTD ACTUAL
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 31,054,824</b>	<b>\$ 34,818,818</b>
Fuel and Purchased Power	8,542,834	11,476,290
Power Production	3,637,496	2,859,657
Transmission	636,151	673,524
Distribution	2,154,301	2,060,663
Customer	886,657	820,596
Administrative, General and Other	4,217,957	4,354,806
Depreciation & Amortization	5,183,501	5,285,961
Interest Expense, Net	3,308,698	3,290,646
<b>Total Cost of Electric Service</b>	<b>\$ 28,567,595</b>	<b>\$ 30,822,143</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 2,487,229</b>	<b>\$ 3,996,675</b>
Non-Operating Margins - Interest	102,965	25,076
Allowance for Funds Used During Construction	14,944	6,226
Non-Operating Margins - Other	(25,312)	(16,719)
<b>Patronage Capital or Margins</b>	<b>\$ 2,579,826</b>	<b>\$ 4,011,259</b>
MFI/I	1.73	2.15
TIER	1.78	2.16











## ENERGY SALES (kWh)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Energy Sales	175,297,512	179,101,815
Wholesale Energy Sales	<u>5,098,252</u>	<u>5,351,871</u>
Total Firm Energy Sales	180,395,764	184,453,686
Economy Energy/Capacity	7,825,000	14,194,125
Power Pool Sales	<u>29,512,000</u>	<u>15,000,000</u>
Total Energy Sales	217,732,764	213,647,811

Firm energy sales totaled 180,395,764 kWh, which was a 2.2% unfavorable variance compared to budget. This unfavorable variance was due primarily to lower residential, small commercial, and wholesale energy sales. Economy energy and capacity sales were under budget by 44.9% due to lower than anticipated sales to GVEA, while power pool sales to MEA were over budget by 96.7%.

## ENERGY REVENUE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Revenue	\$ 29.4	\$ 29.9
Wholesale Revenue	<u>0.4</u>	<u>0.5</u>
Total Firm Revenue	29.8	30.4
Economy Energy/Capacity Revenue	0.5	0.3
Power Pool Revenue	0.3	0.2
Other Operating Revenue	<u>0.5</u>	<u>0.5</u>
Total Revenue	\$ 31.1	\$ 31.4

Revenue from firm sales was under budget at \$29.8 million compared to a budget of \$30.4 million, due primarily to lower residential and small commercial sales. Economy energy and capacity revenue was over budget by 80.1%, due to economy fuel recorded in revenue as a result of our short-term support of GVEA's generation failures. Power pool revenue with MEA was over budget at \$0.3 million compared to a budget of \$0.2 million. Other operating revenue includes late fees, pole rental, wheeling, microwave, BRU royalties, grants, AWWU revenue, miscellaneous services, and other electric revenue. Other operating revenue was on par with budget.

## FUEL AND PURCHASED POWER (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Fuel	\$ 6.0	\$ 6.1
Purchased Power	<u>2.5</u>	<u>2.4</u>
Total	\$ 8.5	\$ 8.5

Fuel expenses include fuel, storage, transportation, and BRU operating costs. Fuel expense was slightly below budget at \$6.0 million compared to \$6.1 million in the budget.

Fuel purchased or withdrawn from inventory for production was 416,731 Mcf at an average effective price of \$9.10 per Mcf compared to 449,193 Mcf budgeted at an average effective price of \$8.90 per Mcf.

Purchased power expense represents energy purchased from Bradley Lake, Fire Island, Eklutna, MEA through power pooling and other utilities as needed, as well as costs associated with dispatching. Purchased power expense was slightly above budget at \$2.5 million compared to \$2.4 million in the budget.

Energy purchased was 39,168 MWh at an average effective price of 5.1 cents per kWh compared to 33,338 MWh budgeted at an average effective price of 5.7 cents per kWh.

## POWER PRODUCTION (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Power Production	\$ 3.6	\$ 3.1

Power production expense was \$3.6 million compared to \$3.1 million in the budget. The unfavorable variance was due primarily to higher labor caused by the timing of maintenance activity, higher contract maintenance expense at SPP, and higher warehouse costs allocated to this financial category.

## TRANSMISSION OPERATIONS AND MAINTENANCE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Transmission	\$ 0.6	\$ 1.0

Transmission operations and maintenance expenses were \$0.6 million compared to \$1.0 million in the budget. This favorable variance was due primarily to lower clearing, labor, costs related to power pool settlement and warehouse costs allocated to this financial category.



## DISTRIBUTION OPERATIONS AND MAINTENANCE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Distribution	\$ 2.2	\$ 2.3

Distribution operations and maintenance expense was \$2.2 million compared to \$2.3 million in the budget. This favorable variance was due primarily to lower labor, clearing and costs related to easement activities, which were somewhat offset by higher warehouse and information services costs allocated to this financial category.

## CONSUMER ACCOUNTS / CUSTOMER INFORMATION (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Consumer/Customer Information	\$ 0.9	\$ 1.0

Consumer accounts and customer information expense was \$0.9 million compared to \$1.0 million in the budget. This favorable variance was due primarily to lower labor costs and the timing of grant related funds for member beneficial electrification.

## ADMINISTRATIVE, GENERAL AND OTHER (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Administrative, General and Other	\$ 4.2	\$ 4.5

Administrative, general, and other expenses include 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. Administrative, general, and other expenses were under budget by \$0.3 million. The favorable variance was due primarily to lower labor, costs related to regulatory, decarbonization, studies, and security, which was somewhat offset by ML&P regulatory asset amortizations.

## SUMMARY

Depreciation, interest, and interest during construction expense totaled \$8.5 million compared to \$8.6 million in the budget. The favorable variance was due primarily to lower than anticipated depreciation rates effective in January 2023, which was somewhat offset by higher interest expense. The unfavorable interest expense variance was driven by higher short-term interest rates and a larger than budgeted commercial paper balance.

All the foregoing expenses resulted in the cost of electric service of \$28.6 million compared to \$29.1 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 and dividend income. Non-operating margins totaled \$92.6 thousand compared to \$74.6 thousand in the budget due primarily to higher non-operating interest income.

The net result of revenue and expenses was margins of \$2.6 million compared to a projected margins of \$2.3 million in the budget. This resulted in an MFI/I of 1.73, a TIER of 1.78, and an equity-to-total capitalization ratio of 15.86%. The current forecast projects year-end margins of \$8.5 million, an MFI/I of 1.20, and TIER of 1.22.

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

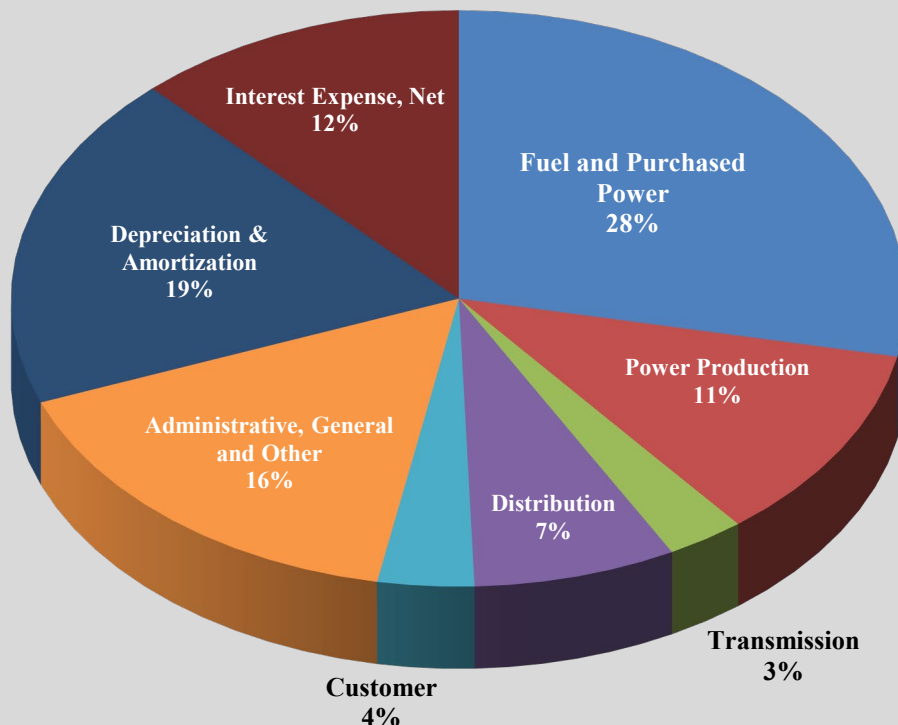
CATEGORY	2023 APPROVED BUDGET	2023 YTD BUDGET	2023 YTD ACTUALS	2023 YEAR-END FORECAST
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 355,033,525</b>	<b>\$ 31,391,476</b>	<b>\$ 31,054,824</b>	<b>\$ 355,033,525</b>
Fuel and Purchased Power Expense	100,583,752	8,509,151	8,542,834	100,583,752
Power Production Expense	37,066,245	3,108,701	3,637,496	37,580,121 <sup>1</sup>
Transmission Expense	11,617,536	1,029,215	636,151	11,617,536
Distribution Expense	26,635,196	2,318,347	2,154,301	26,678,756 <sup>1</sup>
Customer Expense	11,055,459	994,860	886,657	11,055,459
Administrative, General & Other	53,650,261	4,545,295	4,217,957	53,864,561 <sup>1</sup>
Depreciation and Amortization Expense	66,472,501	5,405,704	5,183,501	64,605,998 <sup>1</sup>
Interest Expense, Net	40,305,418	3,211,437	3,308,698	41,304,423 <sup>1</sup>
<b>Total Cost of Electric Service</b>	<b>\$ 347,386,368</b>	<b>\$ 29,122,710</b>	<b>\$ 28,567,595</b>	<b>\$ 347,290,606</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 7,647,157</b>	<b>\$ 2,268,766</b>	<b>\$ 2,487,229</b>	<b>\$ 7,742,919</b>
Non-Operating Margins - Interest	770,763	72,988	102,965	770,763
Allowance for Funds Used During Construction	150,000	12,500	14,944	150,000
Non-Operating Margins - Other	(130,200)	(10,850)	(25,312)	(130,200)
<b>Patronage Capital or Margins</b>	<b>\$ 8,437,720</b>	<b>\$ 2,343,404</b>	<b>\$ 2,579,826</b>	<b>\$ 8,533,482</b>
MFI/I	1.20	1.68	1.73	1.20
TIER	1.22	1.71	1.78	1.22

<sup>1</sup> Forecast has been adjusted to reflect anticipated changes

## COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2023 MTD ACTUAL TO BUDGET

CATEGORY	ACTUAL	BUDGET	VARIANCE
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 28,561,691</b>	<b>\$ 28,477,263</b>	<b>\$ 84,428</b>
Fuel and Purchased Power	7,740,430	7,746,087	(5,656)
Power Production	3,034,373	2,870,402	163,971
Transmission	773,976	937,393	(163,417)
Distribution	2,010,492	2,075,871	(65,379)
Customer	953,969	862,222	91,747
Administrative, General and Other	4,449,365	4,419,732	29,632
Depreciation & Amortization	5,169,468	5,355,738	(186,270)
Interest Expense, Net	3,293,500	3,173,653	119,847
<b>Total Cost of Electric Service</b>	<b>\$ 27,425,573</b>	<b>\$ 27,441,098</b>	<b>\$ (15,525)</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 1,136,118</b>	<b>\$ 1,036,165</b>	<b>\$ 99,953</b>
Non-Operating Margins - Interest	89,558	73,030	16,528
Allowance for Funds Used During Construction	14,655	12,500	2,155
Non-Operating Margins - Other	(28,077)	(10,850)	(17,227)
<b>Patronage Capital or Margins</b>	<b>\$ 1,212,254</b>	<b>\$ 1,110,845</b>	<b>\$ 101,409</b>

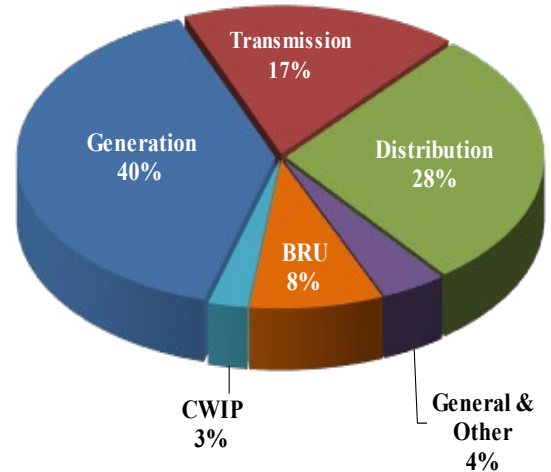
### Total Cost of Electric Service (MTD Actual)



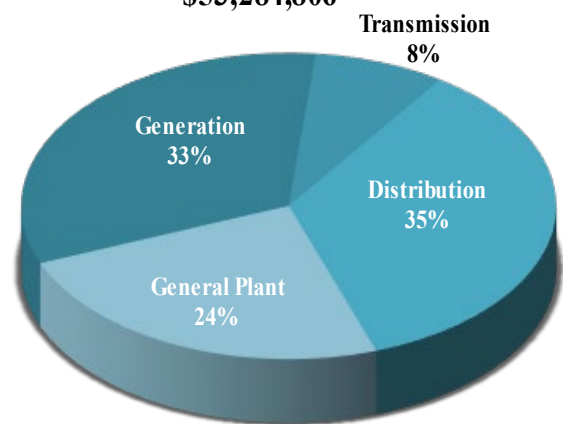
## BALANCE SHEET

ASSETS & OTHER DEBITS	2/28/2023	12/31/2022
Electric Plant in Service	2,109,179,731	2,109,990,748
Construction Work in Progress	53,284,806	52,721,736
<b>Total Utility Plant</b>	<b>\$ 2,162,464,537</b>	<b>\$ 2,162,712,484</b>
Accum. Prov. for Depreciation/Amortization	(711,035,872)	(702,820,630)
<b>Net Utility Plant</b>	<b>\$ 1,451,428,665</b>	<b>\$ 1,459,891,854</b>
Nonutility Property - Net	76,889	76,889
Financing & Operating Lease ROU Assets	3,989,244	4,048,789
Investment in Assoc. Organizations	6,993,487	6,993,487
Special Funds	22,782,187	26,275,805
Restricted Cash Equivalents & Other	30,000	30,000
Long-term Prepayments	0	305,854
<b>Total Other Property &amp; Investments</b>	<b>\$ 33,871,807</b>	<b>\$ 37,730,824</b>
Cash & Restricted Cash	23,088,268	15,854,739
Special Deposits and Marketable Securities	58,300	58,300
Accounts Receivable - Net	48,096,564	50,243,472
Materials and Supplies, Fuel Stock	69,889,178	68,199,774
Prepayments	7,853,459	6,239,353
Other Current & Accrued Assets	19,637,966	20,804,025
<b>Total Current &amp; Accrued Assets</b>	<b>\$ 168,623,735</b>	<b>\$ 161,399,663</b>
Deferred Debits	108,957,656	108,557,249
<b>Total Assets &amp; Other Debits</b>	<b>\$ 1,762,881,863</b>	<b>\$ 1,767,579,590</b>
LIABILITIES & OTHER CREDITS	2/28/2023	12/31/2022
Memberships	1,990,656	1,986,171
Pat. Capital, Margins & Equities	214,127,633	210,349,305
<b>Total Margins &amp; Equities</b>	<b>\$ 216,118,289</b>	<b>\$ 212,335,476</b>
Long-Term Debt - Bonds	1,128,549,996	1,128,549,996
Long-Term Debt - Other	17,898,000	18,924,000
Unamortized Debt Issuance Costs	(5,941,167)	(5,960,113)
Operating Lease Liabilities	3,576,243	3,583,801
Finance Lease Liabilities	203,603	203,786
<b>Total Long-Term Debt</b>	<b>\$ 1,144,286,675</b>	<b>\$ 1,145,301,470</b>
Notes Payable	94,127,068	94,178,851
Accounts Payable	13,530,410	26,356,140
Consumer Deposits	4,553,694	4,874,798
Other Current & Accrued Liabilities	59,496,736	53,272,014
<b>Total Current &amp; Accrued Liabilities</b>	<b>\$ 171,707,908</b>	<b>\$ 178,681,803</b>
Deferred Compensation	1,387,476	1,387,476
Other Liabilities, Non-Current	718,493	658,627
Deferred Liabilities	10,312,428	9,639,703
BRU Regulatory Liability	94,319,148	96,612,203
Cost of Removal Obligation	124,031,446	122,962,832
<b>Total Liabilities &amp; Other Credits</b>	<b>\$ 1,762,881,863</b>	<b>\$ 1,767,579,590</b>

➔ **Total Utility Plant**  
**\$2,162,464,537**



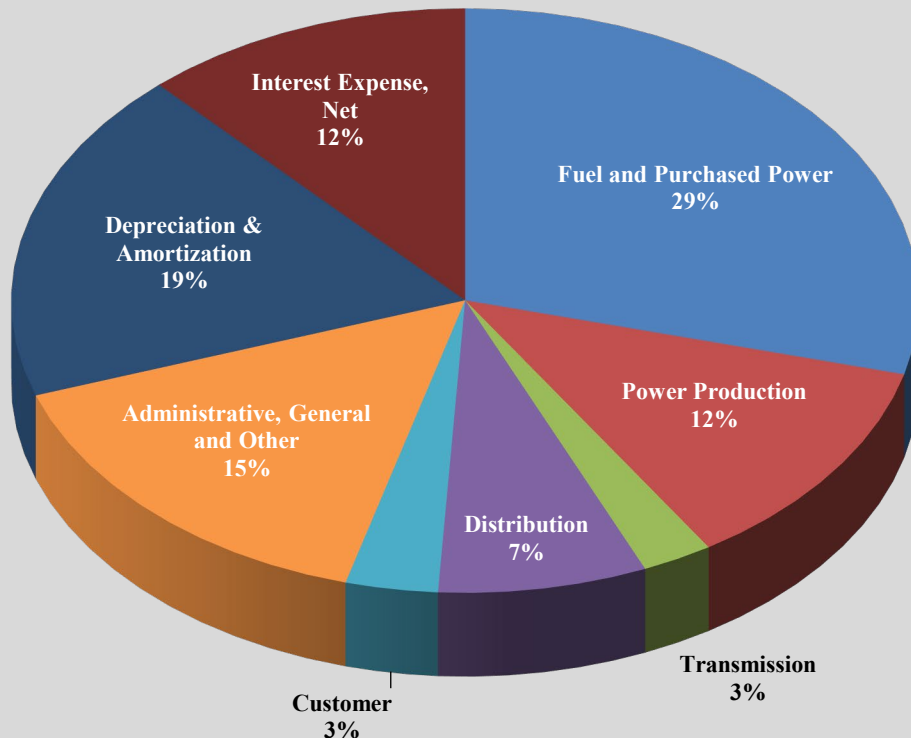
↓ **Construction Work in Progress**  
**\$53,284,806**



## COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2023 YTD ACTUAL TO BUDGET

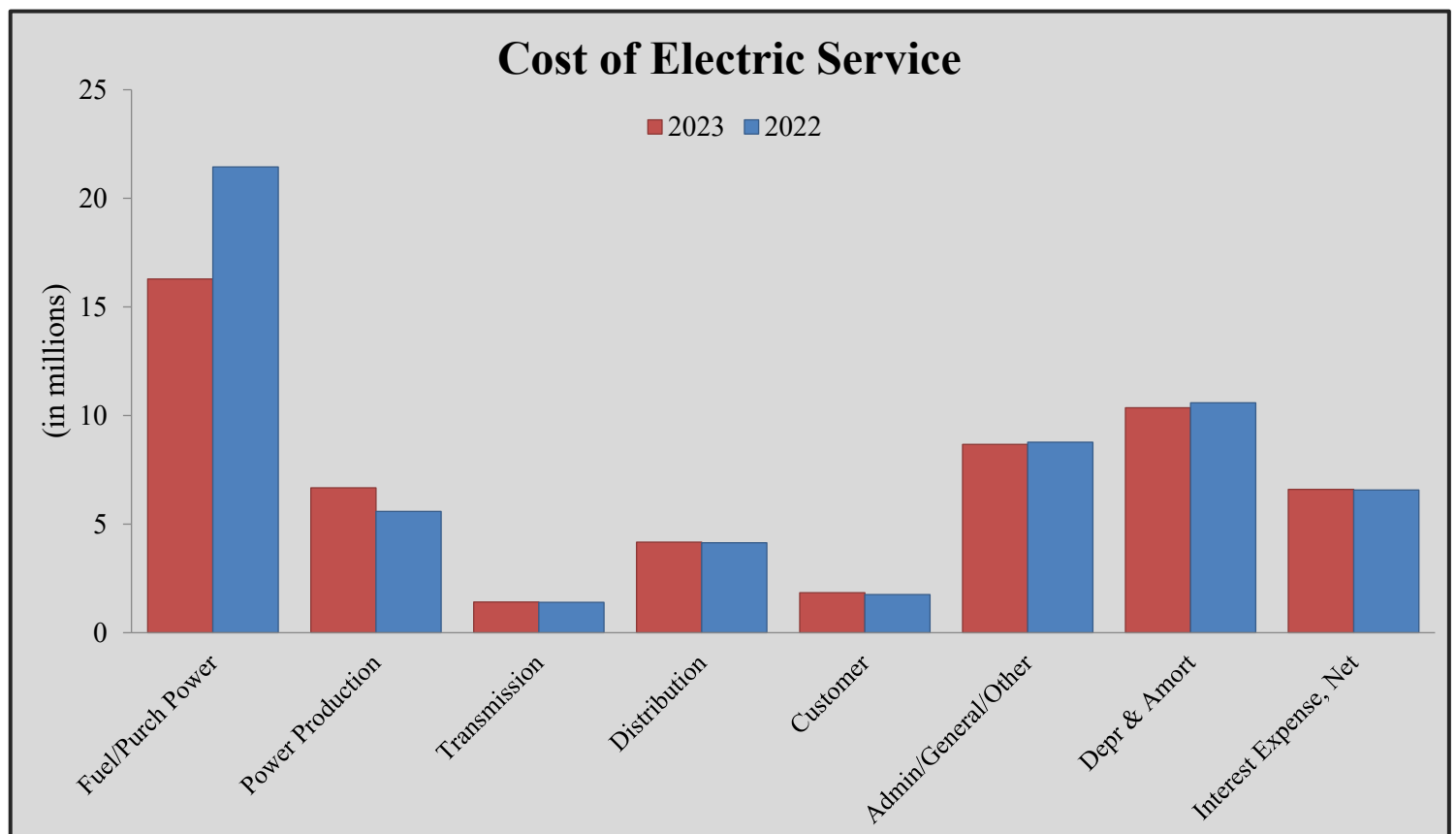
CATEGORY	ACTUAL	BUDGET	VARIANCE
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 59,616,515</b>	<b>\$ 59,868,739</b>	<b>\$ (252,224)</b>
Fuel and Purchased Power	16,283,263	16,255,238	28,027
Power Production	6,671,869	5,979,103	692,766
Transmission	1,410,127	1,966,608	(556,482)
Distribution	4,164,793	4,394,218	(229,425)
Customer	1,840,626	1,857,082	(16,457)
Administrative, General and Other	8,667,322	8,965,027	(297,705)
Depreciation & Amortization	10,352,969	10,761,442	(408,473)
Interest Expense, Net	6,602,198	6,385,090	217,108
<b>Total Cost of Electric Service</b>	<b>\$ 55,993,167</b>	<b>\$ 56,563,808</b>	<b>\$ (570,641)</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 3,623,348</b>	<b>\$ 3,304,931</b>	<b>\$ 318,417</b>
Non-Operating Margins - Interest	192,522	146,018	46,504
Allowance for Funds Used During Const.	29,599	25,000	4,599
Non-Operating Margins - Other	(53,390)	(21,700)	(31,690)
<b>Patronage Capital or Margins</b>	<b>\$ 3,792,079</b>	<b>\$ 3,454,249</b>	<b>\$ 337,830</b>
MFI/I	1.53	1.51	
TIER	1.57	1.52	

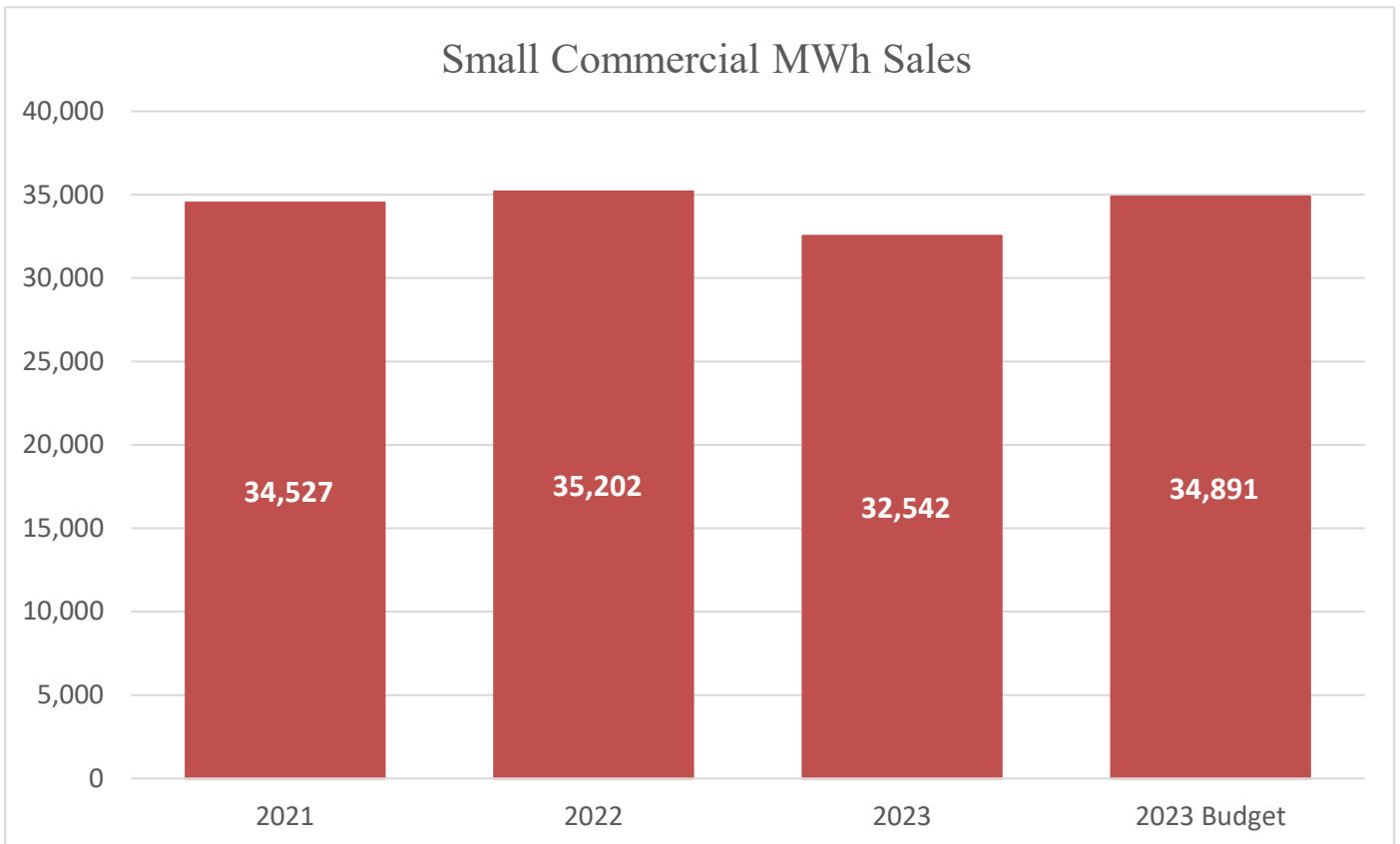
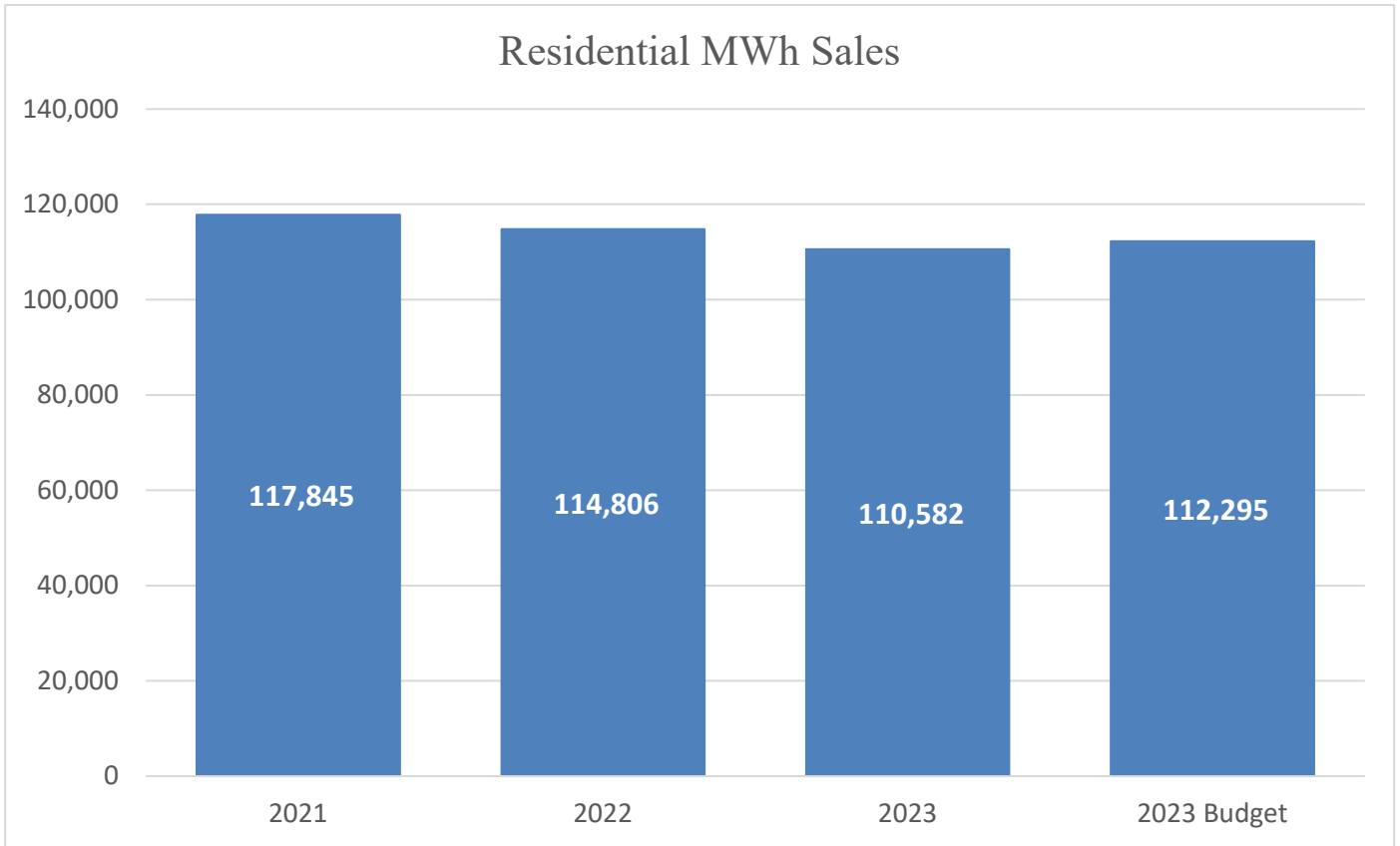
### Total Cost of Electric Service (YTD Actual)

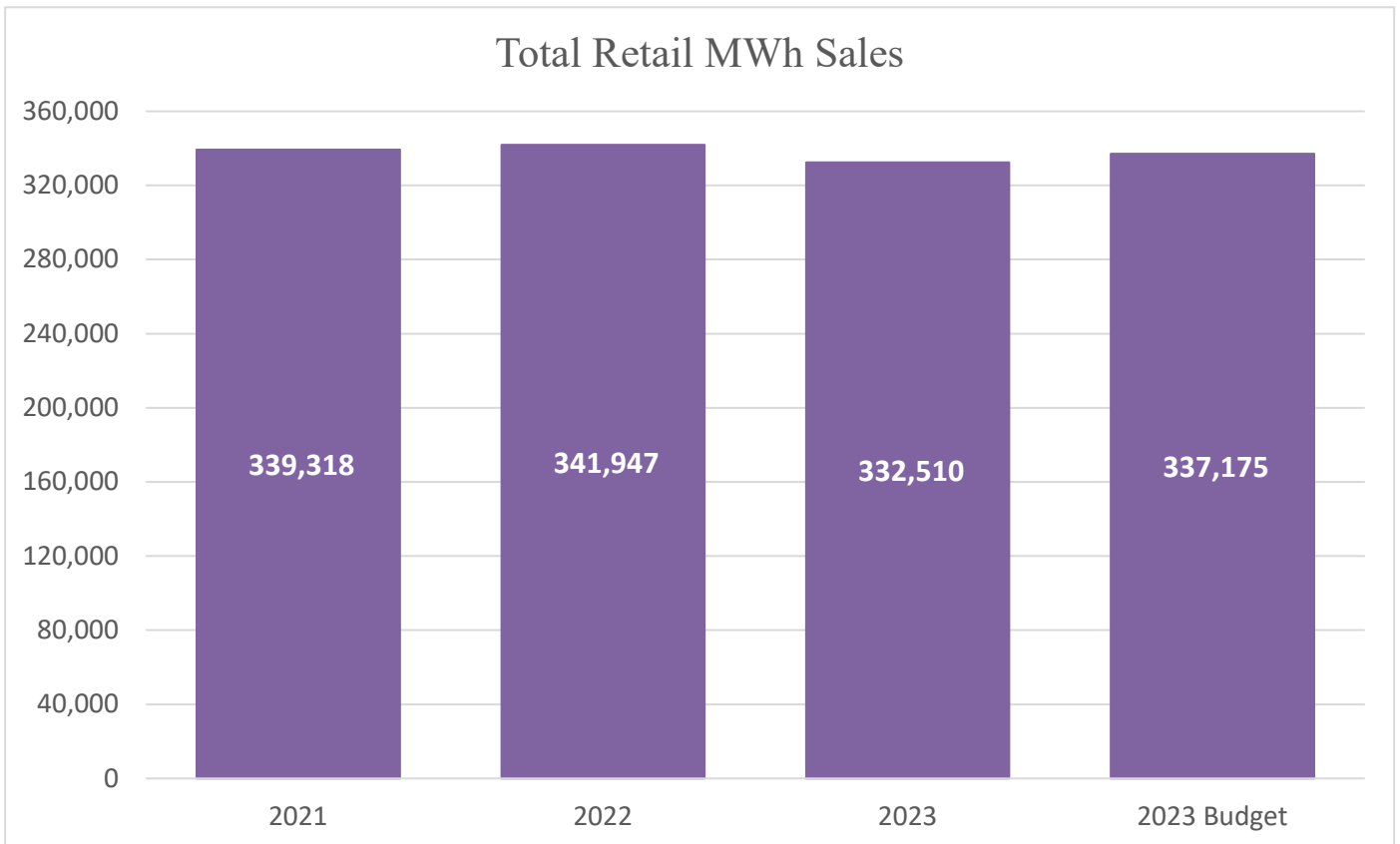
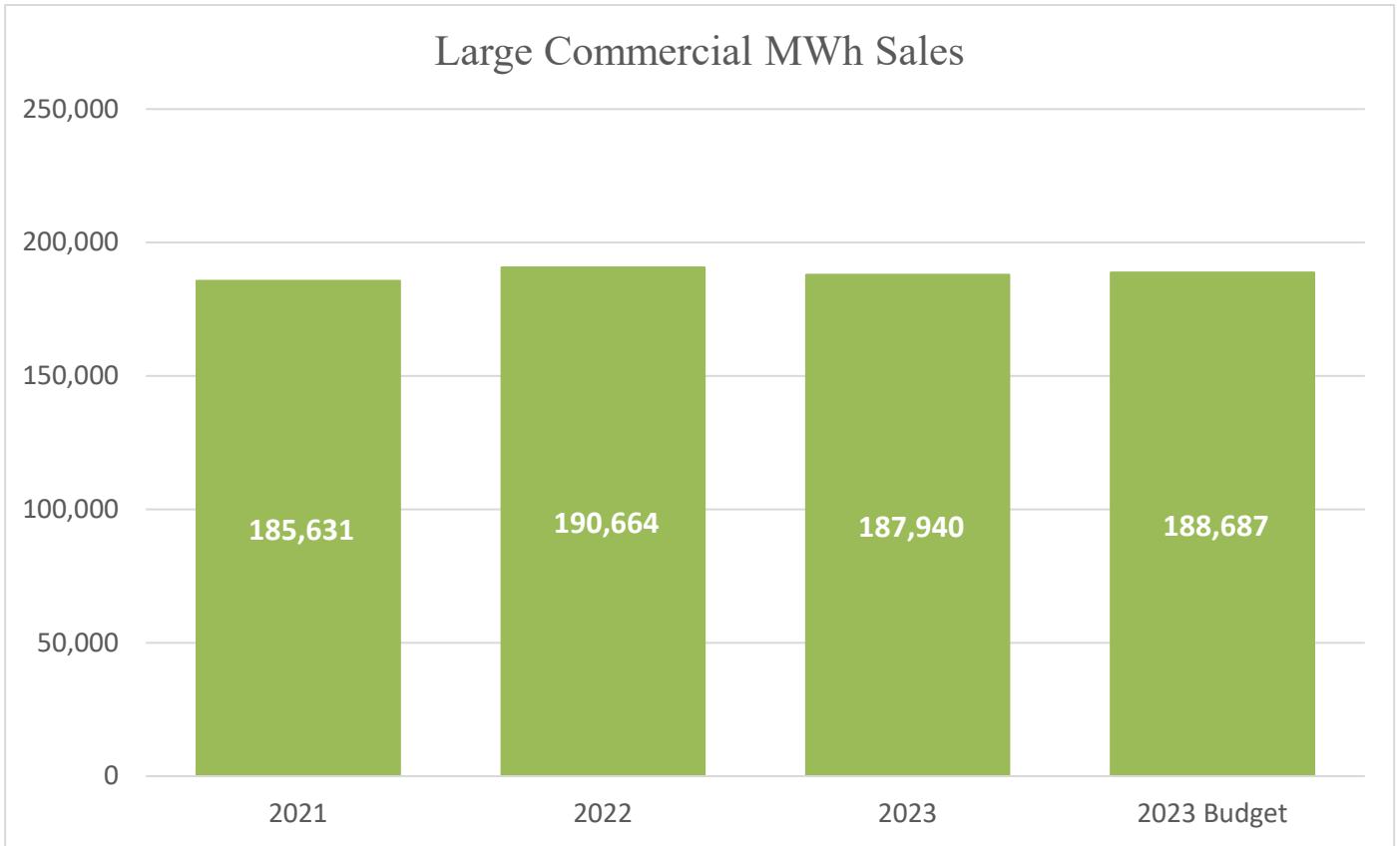


## COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS CURRENT TO PRIOR YEAR

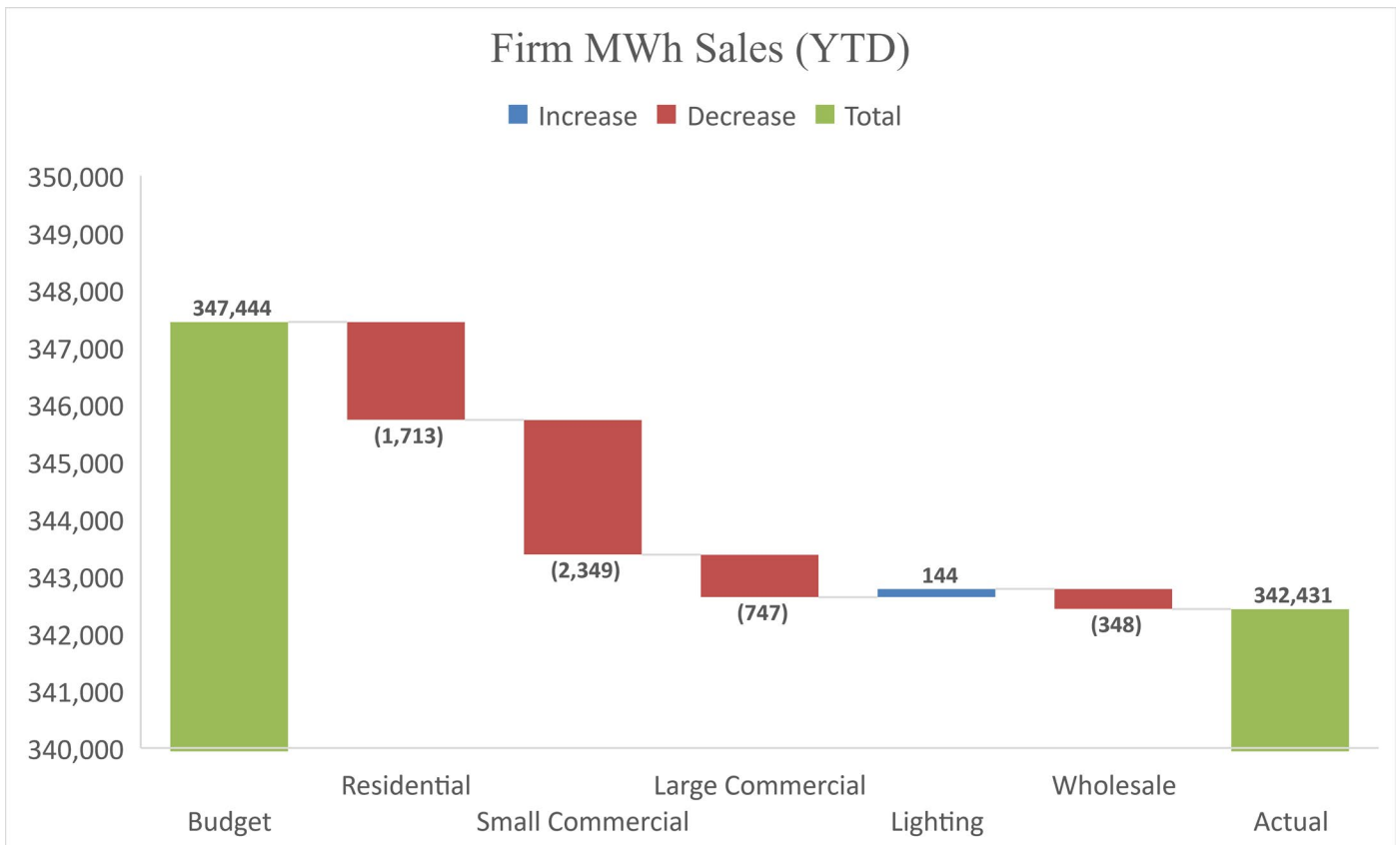
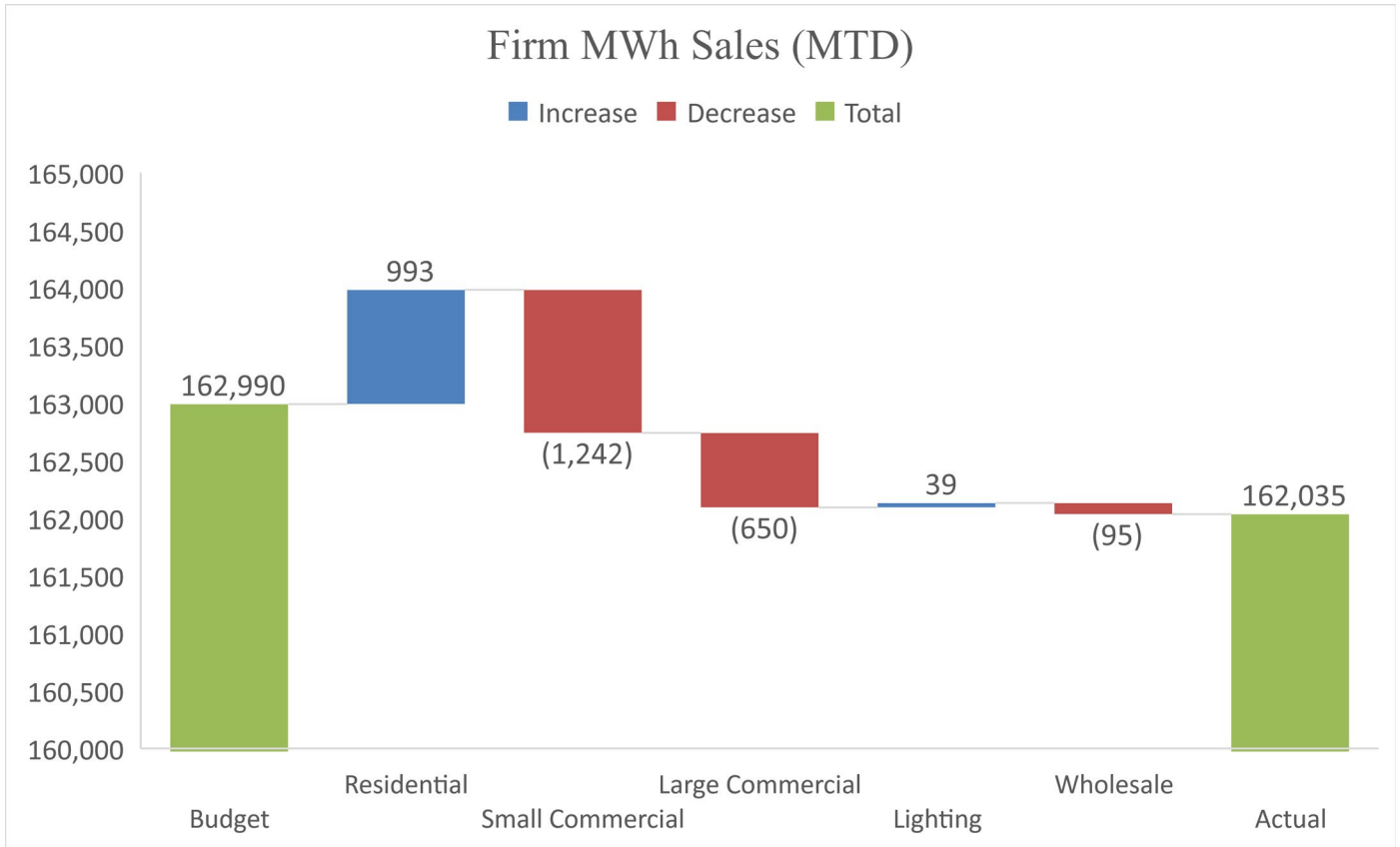
CATEGORY	2023 YTD ACTUAL	2022 YTD ACTUAL
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 59,616,515</b>	<b>\$ 65,321,722</b>
Fuel and Purchased Power	16,283,263	21,445,111
Power Production	6,671,869	5,585,634
Transmission	1,410,127	1,398,665
Distribution	4,164,793	4,144,887
Customer	1,840,626	1,755,746
Administrative, General and Other	8,667,322	8,777,532
Depreciation & Amortization	10,352,969	10,585,636
Interest Expense, Net	6,602,198	6,567,337
<b>Total Cost of Electric Service</b>	<b>\$ 55,993,167</b>	<b>\$ 60,260,548</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 3,623,348</b>	<b>\$ 5,061,174</b>
Non-Operating Margins - Interest	192,522	47,661
Allowance for Funds Used During Construction	29,599	12,713
Non-Operating Margins - Other	(53,390)	(41,817)
<b>Patronage Capital or Margins</b>	<b>\$ 3,792,079</b>	<b>\$ 5,079,731</b>
MFI/I	1.53	1.73
TIER	1.57	1.74

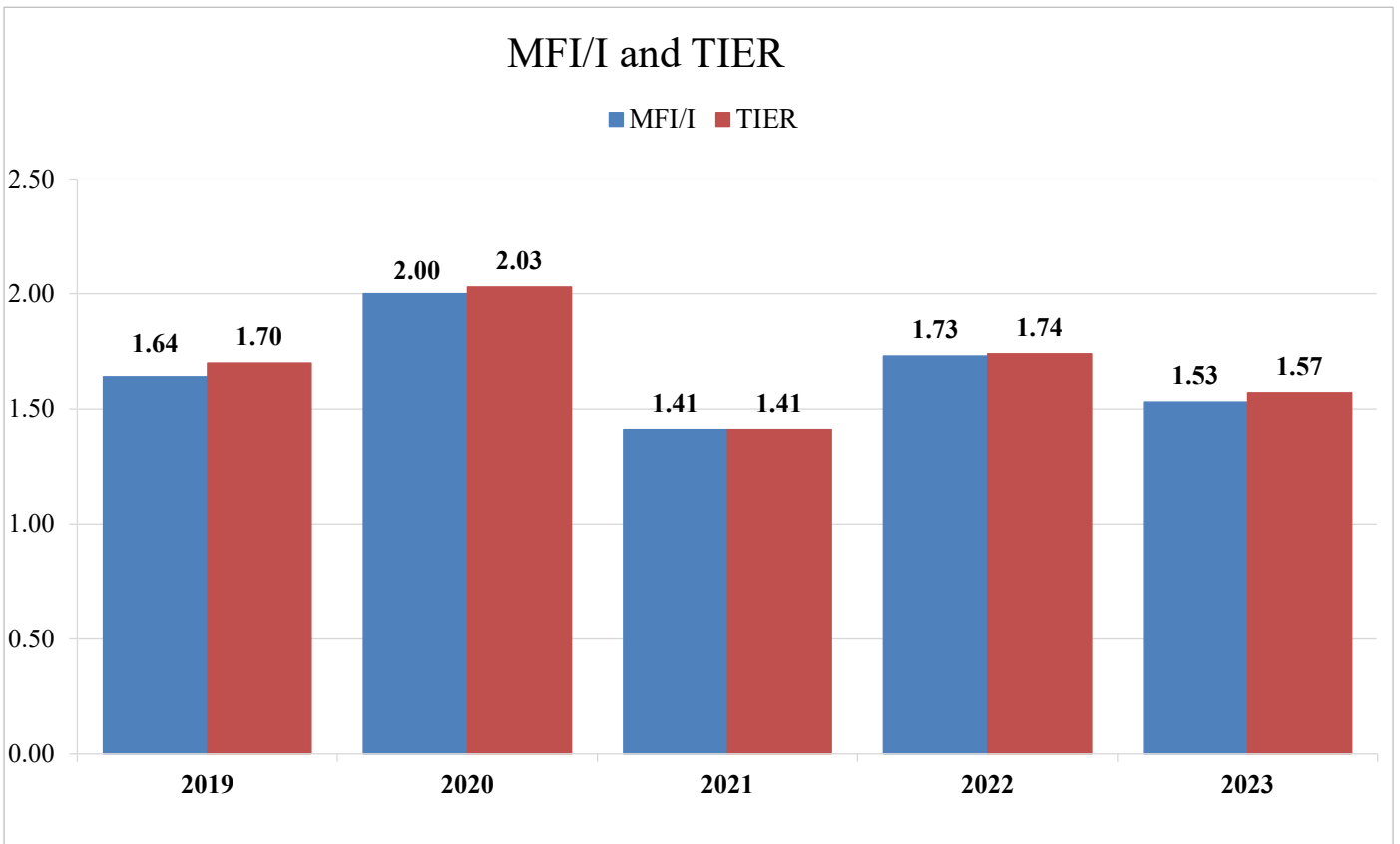
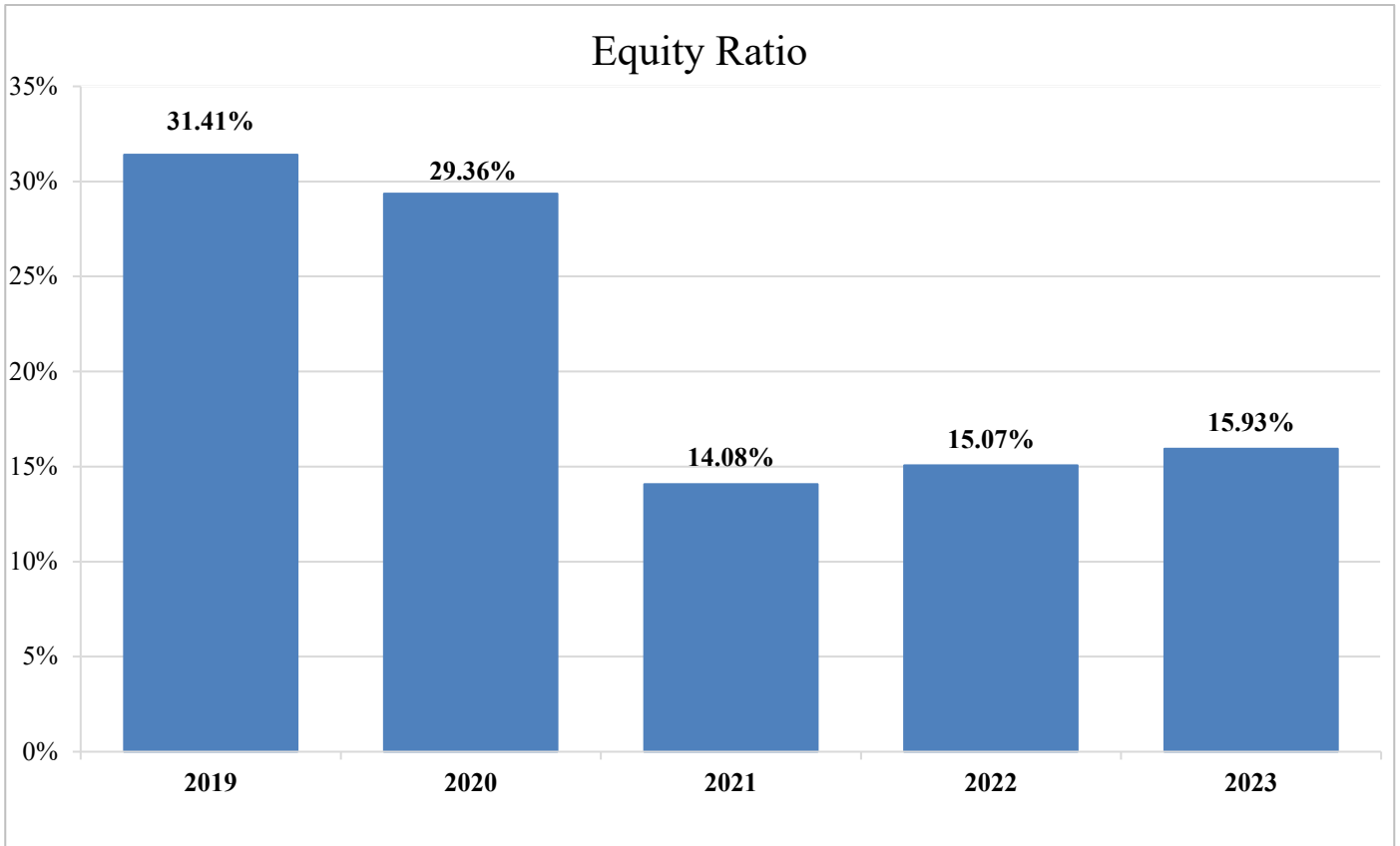












## ENERGY SALES (kWh)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Energy Sales	332,510,866	337,175,422
Wholesale Energy Sales	<u>9,920,331</u>	<u>10,268,521</u>
Total Firm Energy Sales	342,431,197	347,443,943
Economy Energy/Capacity	38,735,000	27,014,625
Power Pool Sales	<u>56,385,000</u>	<u>30,000,000</u>
Total Energy Sales	437,551,197	404,458,568

Firm energy sales totaled 342,431,197 kWh, which was a 1.4% unfavorable variance compared to budget. This unfavorable variance was due to lower residential, small commercial, and large commercial sales. Economy energy and capacity sales were over budget by 43.4% due to higher than anticipated sales to GVEA, while power pool sales to MEA were over budget by 88.0%.

## ENERGY REVENUE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Revenue	\$ 54.6	\$ 57.0
Wholesale Revenue	<u>0.8</u>	<u>1.0</u>
Total Firm Revenue	55.4	58.0
Economy Energy/Capacity Revenue	2.3	0.5
Power Pool Revenue	0.6	0.3
Other Operating Revenue	<u>1.3</u>	<u>1.1</u>
Total Revenue	\$ 59.6	\$ 59.9

Revenue from firm sales was under budget at \$55.4 million compared to a budget of \$58.0 million, due primarily to lower residential and small commercial sales. Economy energy and capacity revenue was over budget by 367.4%, due to higher sales, and higher economy fuel recorded in revenue as a result of our short-term support of GVEA's generation failures. Power pool revenue with MEA was over budget at \$0.6 million compared to a budget of \$0.3 million. Other operating revenue includes late fees, pole rental, wheeling, microwave, BRU royalties, grants, AWWU revenue, miscellaneous services, and other electric revenue. Other operating revenue was over budget by 19.0%, due to wheeling from GVEA.

## FUEL AND PURCHASED POWER (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Fuel	\$ 11.7	\$ 11.7
Purchased Power	<u>4.6</u>	<u>4.6</u>
Total	\$ 16.3	\$16.3

Fuel expenses include fuel, storage, transportation, and BRU operating costs. Fuel expense was on par with budget at \$11.7 million.

Fuel purchased or withdrawn from inventory for production was 882,265 Mcf at an average effective price of \$9.05 per Mcf compared to 838,023 Mcf budgeted at an average effective price of \$9.01 per Mcf. This higher resultant fuel costs was completely offset by lower BRU operating expense.

Purchased power expense represents energy purchased from Bradley Lake, Fire Island, Eklutna, MEA through power pooling and other utilities as needed, as well as costs associated with dispatching. Purchased power expense was on par with budget at \$4.6 million.

Energy purchased was 77,277 MWh at an average effective price of 4.7 cents per kWh compared to 62,516 MWh budgeted at an average effective price of 5.7 cents per kWh.

## POWER PRODUCTION (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Power Production	\$ 6.7	\$ 6.0

Power production expense was \$6.7 million compared to \$6.0 million in the budget. The unfavorable variance was due primarily to higher labor caused by the timing of maintenance activities, higher contract maintenance expense at SPP, and higher warehouse costs allocated to this financial category.

## TRANSMISSION OPERATIONS AND MAINTENANCE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Transmission	\$ 1.4	\$ 2.0

Transmission operations and maintenance expenses were \$1.4 million compared to \$2.0 million in the budget. This favorable variance was due primarily to lower labor, costs related to power pool settlement, studies and warehouse costs allocated to this financial category.

## DISTRIBUTION OPERATIONS AND MAINTENANCE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Distribution	\$ 4.2	\$ 4.4

Distribution operations and maintenance expense was \$4.2 million compared to \$4.4 million in the budget. This favorable variance was due primarily to lower labor, costs related to easement activities and materials related to distribution maintenance.

## CONSUMER ACCOUNTS / CUSTOMER INFORMATION (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Consumer/Customer Information	\$ 1.8	\$ 1.9

Consumer accounts and customer information expense was \$1.8 million compared to \$1.9 million in the budget. This favorable variance was due primarily to lower labor costs and the timing of grant related funds for member beneficial electrification.

## ADMINISTRATIVE, GENERAL AND OTHER (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Administrative, General and Other	\$ 8.7	\$ 9.0

Administrative, general, and other expenses include 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. Administrative, general, and other expenses were under budget by \$0.3 million. The favorable variance was due primarily to lower labor, and costs related to decarbonization, legal, studies and security services, which was somewhat offset by ML&P regulatory asset amortizations.

## SUMMARY

Depreciation, interest, and interest during construction expense totaled \$17.0 million compared to \$17.1 million in the budget. The favorable variance was due primarily to lower than anticipated depreciation rates effective in January 2023, which was somewhat offset by higher interest expense. The unfavorable interest expense variance was driven by higher short-term interest rates and a larger than budgeted commercial paper balance.

All the foregoing expenses resulted in the cost of electric service of \$56.0 million compared to \$56.6 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 and dividend income. Non-operating margins totaled \$168.7 thousand compared to \$149.3 thousand in the budget due primarily to higher non-operating interest income.

The net result of revenue and expenses was margins of \$3.8 million compared to a projected margins of \$3.5 million in the budget. This resulted in an MFI/I of 1.53, a TIER of 1.57, and an equity-to-total capitalization ratio of 15.93%. The current forecast projects year-end margins of \$8.4 million, an MFI/I of 1.18, and TIER of 1.20.

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

CATEGORY	2023 APPROVED BUDGET	2023 YTD BUDGET	2023 YTD ACTUALS	2023 YEAR-END FORECAST
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 355,033,525</b>	<b>\$ 59,868,739</b>	<b>\$ 59,616,515</b>	<b>\$ 355,033,525</b>
Fuel and Purchased Power Expense	100,583,752	16,255,238	16,283,263	100,583,752
Power Production Expense	37,066,245	5,979,103	6,671,869	37,580,121 <sup>1</sup>
Transmission Expense	11,617,536	1,966,608	1,410,127	11,617,536
Distribution Expense	26,635,196	4,394,218	4,164,793	26,678,756 <sup>1</sup>
Customer Expense	11,055,459	1,857,082	1,840,626	11,055,459
Administrative, General & Other	53,650,261	8,965,027	8,667,322	53,864,561 <sup>1</sup>
Depreciation and Amortization Expense	66,472,501	10,761,442	10,352,969	64,511,830 <sup>1</sup>
Interest Expense, Net	40,305,418	6,385,090	6,602,198	41,547,582 <sup>1</sup>
<b>Total Cost of Electric Service</b>	<b>\$ 347,386,368</b>	<b>\$ 56,563,808</b>	<b>\$ 55,993,167</b>	<b>\$ 347,439,596</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 7,647,157</b>	<b>\$ 3,304,931</b>	<b>\$ 3,623,348</b>	<b>\$ 7,593,929</b>
Non-Operating Margins - Interest	770,763	146,018	192,522	770,763
Allowance for Funds Used During Construction	150,000	25,000	29,599	150,000
Non-Operating Margins - Other	(130,200)	(21,700)	(53,390)	(130,200)
<b>Patronage Capital or Margins</b>	<b>\$ 8,437,720</b>	<b>\$ 3,454,249</b>	<b>\$ 3,792,079</b>	<b>\$ 8,384,492</b>
MFI/I	1.20	1.51	1.53	1.18
TIER	1.22	1.52	1.57	1.20

# Old Seward Highway Undergrounding Project

Regular Board of Directors Meeting

April 26, 2023



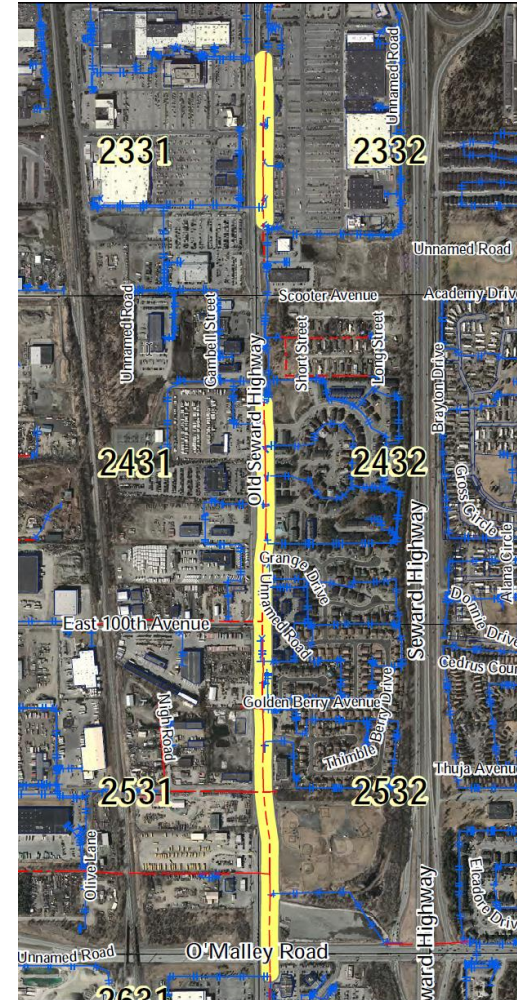
# Old Seward Highway Undergrounding Project

## Introduction:

- *Requesting an approved Motion for Project Authorization.*

## Project Description:

- *The projects will underground distribution and sub-transmission circuits on the East side of Old Seward Highway from O'Malley Rd. to Dimond Blvd.*
- *Replacing 336 ACSR overhead distribution conductors with underground 750 kcmil cables increasing the feeder's capacity.*
- *Replacing 266 ACSR overhead sub-transmission conductors with underground 1000 kcmil cables.*





# Old Seward Highway Undergrounding Project

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## ***Project Costs:***

- *\$5.7 M estimated cost / Project Authorization*

## ***Schedule:***

- *Construction Q2-4, 2023*
- *Commercial Operation Q4, 2024*

## ***Project funding source:***

- *Title 21 Municipal Undergrounding Ordinance.*
- *Currently \$13.0 M in the Undergrounding fund.*

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

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

**April 26, 2023**

**ACTION REQUIRED**

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

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

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**TOPIC**

Project Authorization – Old Seward: Dimond-O'Malley PH2 & Old Seward 34.5kV - O'Malley Rd to Dimond Blvd

**DISCUSSION**

The Old Seward, O'Malley Road to Dimond Boulevard Overhead to Underground Conversion project was designated as a project meeting the requirements for use of Undergrounding Funds collected from Members residing in the area covered by the Municipal Undergrounding Ordinance. The project will underground the existing overhead distribution and sub-transmission circuits from the South side of O'Malley Road to approximately Dimond Boulevard.

The project will remove the poles, circuit conductors and overhead line equipment along a busy commercial and residential area targeted by the Title 21 Municipal Code, increase feeder transfer capacity, and reduce tree related outages. The existing 336 ACSR overhead distribution lines will be replaced with a new underground 750 kcmil cable, in duct with below ground splicing vaults and pads. The existing 266.8 ACSR overhead sub-transmission lines will be replaced with a new underground 1000 kcmil cable, in duct with below ground splicing vaults.

This project is fully funded with funds on hand from the collection of the undergrounding surcharge as required by the Municipal Undergrounding Ordinance and funds budgeted in the 2023 Capital Improvement Plan.

**MOTION**

Move that the Board of Directors authorize the Chief Executive Officer to acquire, construct and install the Old Seward, O'Malley Road to Dimond Boulevard Overhead to Underground Conversion project for at an estimated Total Installed Cost of \$5,700,000.

# **Baxter Road Undergrounding Project**

**Regular Board of Directors Meeting**

**April 26, 2023**



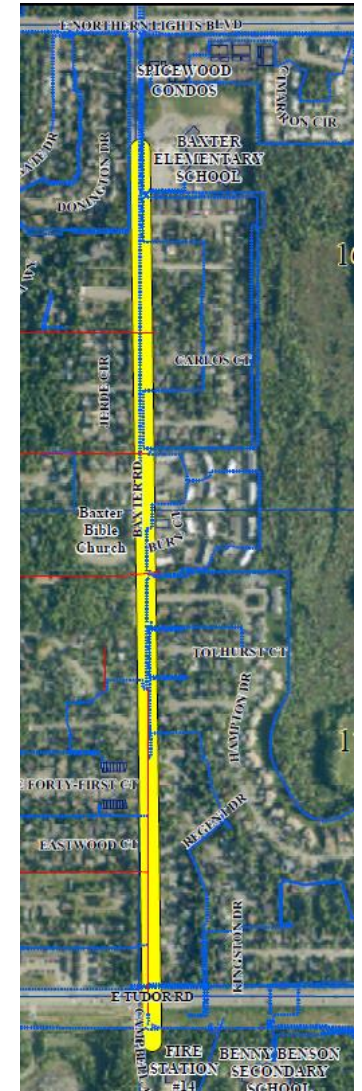
# Baxter Road Undergrounding Project

## Introduction:

- *Requesting an approved Motion for Project Authorization.*

## Project Description:

- *The projects will underground a distribution circuit on the East side of Baxter Road from East Tudor Rd. to East Northern Lights Blvd.*
- *Replacing #2 ACSR overhead distribution conductors with underground 4/0 CONC cables will increase the feeder's capacity.*
- *This project will also tie together 2 radial feeders BFSS 412 & BXSS 282 providing increased reliability.*



# Baxter Road Undergrounding Project

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## ***Project Costs:***

- *\$2.9 M estimated cost / Project Authorization*

## ***Project Schedule:***

- *Construction Q2-4, 2023*
- *Commercial Operation Q1, 2024*

## ***Project funding source:***

- *Title 21 Municipal Undergrounding Ordinance.*
- *Currently \$13.0 M in the Undergrounding fund.*

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

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

**April 26, 2023**

**ACTION REQUIRED**

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

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

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**TOPIC**

Project Authorization – Baxter Road Overhead to Underground Conversion

**DISCUSSION**

The Baxter Road Overhead to Underground Conversion project is designated as a project meeting the requirements for use of Undergrounding Funds collected from Members residing in the area covered by the Municipal Undergrounding Ordinance. The project will underground the existing overhead Distribution circuit from the south side of East Tudor Road to the South side of East Northern Lights Boulevard.

The projects will remove the poles, circuit conductors and overhead line equipment along a busy residential area, increase feeder transfer capacity, and reduce tree related outages. The existing #2 ACSR overhead distribution lines will be replaced with new underground 4/0 conductors, in ducts with below ground splicing and pads. In addition to undergrounding this project also ties two radial feeders to increase reliability in the area.

This project is fully funded with funds on hand from the collection of the undergrounding surcharge as required by the Municipal Undergrounding Ordinance and funds budgeted in the 2023 Capital Improvement Plan.

**MOTION**

Move that the Board of Directors authorize the Chief Executive Officer to acquire, construct, and install the Baxter Road Overhead to Underground Conversion project at an estimated Total Installed Cost of \$2,900,000.

# **Quartz Creek Transmission Line Rebuild: Girdwood – Indian Steel Procurement**

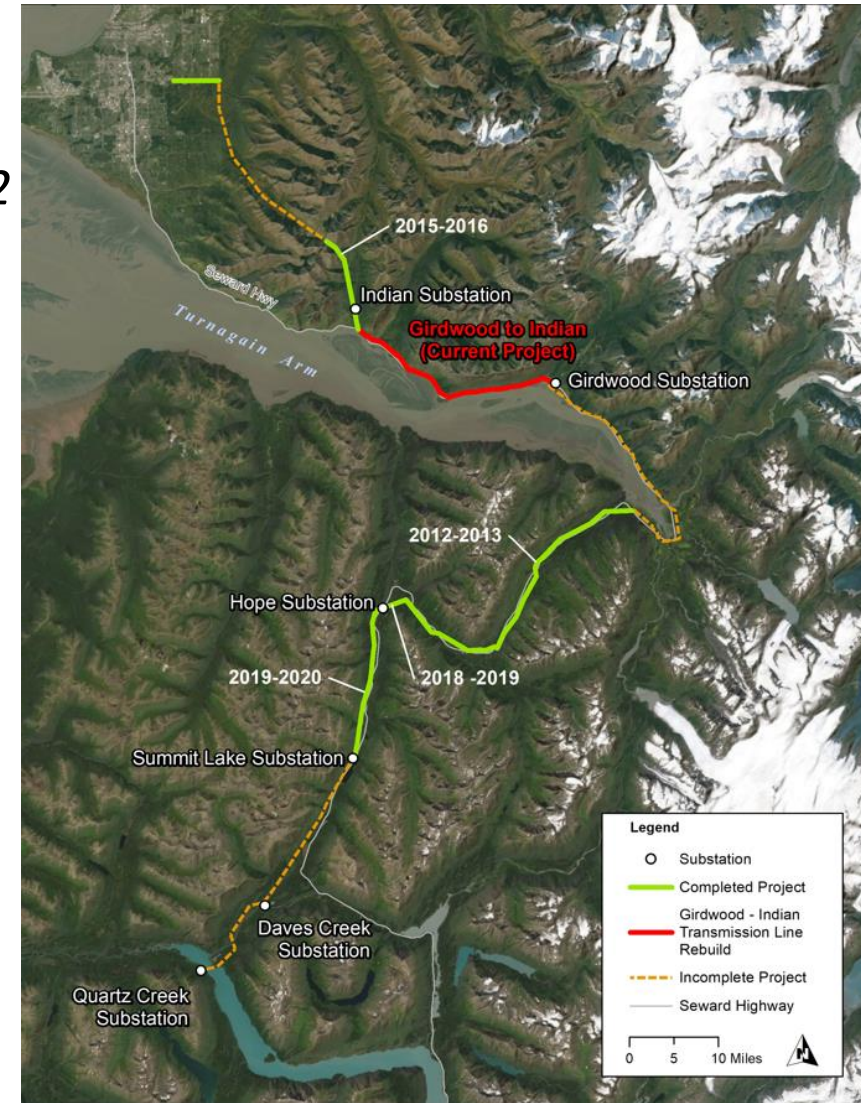
**Regular Board of Directors Meeting  
April 26, 2023**



# Introduction

## *Girdwood – Indian 115kV (GWID)*

- *Programmatic rebuild of the 115 kV transmission line starting in 2012 between the University and Quartz Creek Substations.*
  - *11 miles of transmission line between Indian and Girdwood*
- *In October of 2022, the Chugach Board approved the Girdwood – Indian Rebuild at an Authorized amount of \$21.2 M*
- *Requesting*
  - *Authorize steel procurement contract*





# Steel Procurement

## Range of Four Responsive Bidders

<b>Engineer's Estimate</b>	<b>\$4,605,400</b>
Lowest Responsive Bid	\$3,153,357
Highest Responsive Bid	\$8,474,339

## Contract Authorization

- Four bids were received
- Valmont was lowest responsive bid
- \$1.5M below engineer's estimate
- Valmont is a pre-qualified steel manufacturer for Chugach

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

**REGULAR BOARD OF DIRECTOR MEETING**  
**AGENDA ITEM SUMMARY**

**April 26, 2023**

**ACTION REQUIRED**

- Information Only  
 Motion  
 Resolution  
 Executive Session  
 Other
- 

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

**TOPIC**

Contract Authorization –Quartz Creek Rebuild: Girdwood to Indian Steel Pole and Crossarm Procurement

**DISCUSSION**

In October 2022 Chugach Board of Directors approved the rebuild of approximately eleven miles of the 115 kV transmission line between Girdwood and Indian. Chugach solicited steel pole and crossarm bids from January to March of 2023. Of the four responsive bidders, Valmont was found to be the lowest qualified.

This project is included in the 2023-2027 CIP.

Manufacturer	Bid
Lowest Responsive Bid	\$ 3,153,357
Highest Responsive Bid	\$ 8,474,339
Engineer's Estimate	\$ 4,605,400

**MOTION**

Move that the Chugach Board of Directors authorize the Chief Executive Officer to execute a contract with Valmont in the amount of \$3,153,357.

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

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

**April 26, 2023**

**ACTION REQUIRED**

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

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

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**TOPIC**

May 1, 2022 – April 30, 2023 - Chief Executive Officer Evaluation and Compensation

**DISCUSSION**

On April 19, 2023, the Operations Committee discussed the May 1, 2022 – April 30, 2023, Chief Executive Officer Evaluation and Compensation.

**MOTION**

Move that the Board of Directors approve the May 1, 2022 – April 30, 2023, Chief Executive Officer evaluation and compensation as discussed in executive session.