



**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

Erin Whitney, Director
Sisi Cooper, Director
Rachel Morse, Chair

June 22, 2022

4:00 p.m.

Chugach Board Room

- I. CALL TO ORDER (4:00 p.m.)
 - A. *Pledge of Allegiance*
 - B. *Roll Call*
 - C. *Safety Minute – “Bicycle Safety” (Freeman)*
- II. APPROVAL OF THE AGENDA*
- III. PERSONS TO BE HEARD (4:05 p.m.)
 - A. *Member Comments*
- IV. CONSENT AGENDA* (4:10 p.m.)
 - A. *Board Calendar*
 - 1. *Excused Absence – Director Wiggin – May 20, 2022, Regular Board of Directors’ Meeting*
 - B. *Training and Conferences*
 - 1. *2022 APA Annual Meeting (August 16-19, 2022) – Ketchikan, AK*
 - C. *Minutes*
 - 1. *May 25, 2022, Regular Board of Directors’ Meeting (Cacy)*
 - 2. *June 13-14, 2022, Special Board of Directors’ Meeting (Quezon/Doyle)*
 - D. *Director Expenses*
- V. UNFINISHED BUSINESS (none)
- VI. EXECUTIVE SESSION* (scheduled) (4:15 p.m.)
 - A. *CEO Transition (4:15 p.m.)*
 - B. *Halpern Dispute Discussion (5:00 p.m.)*

- C. May 1, 2022 – April 30, 2023, CEO Project Specific Initiatives (PSI) and Priority Areas (PA) Goals (Board) (5:15 p.m.)*

VII. DIRECTOR REPORTS (5:30 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*

VIII. CEO REPORTS AND CORRESPONDENCE (5:50 p.m.)

- A. Enterprise Resource Planning (ERP) Project Update (McCarty)*
- B. April 2022 Financial Statements and Variance Report (Griffin)*
- C. 2nd Quarter 2022 Railbelt Bill Comparison (Kornmuller)*
- D. Arctic Road Rally (Henspeter/Ayers)*
- E. Daves Creek Substation Update (Laughlin)*
- F. Board Policies Scheduled Tasks (Staff/Board)*

IX. NEW BUSINESS* (scheduled) (7:00 p.m.)

- A. Update Bank Signature Cards* (Griffin)*
- B. Appointment of NRECA Voting Delegate and Alternate Representatives* (Board)*
- C. Appointment of CFC Voting Delegate and Alternate Representative* (Board)*
- D. 2021 Capital Credit Allocations* (Kornmuller)*
- E. CEO Transition** (Board)*
- F. May 1, 2022 – April 30, 2023, CEO Project Specific Initiatives (PSI) and Priority Areas (PA) Goals** (Board)*

X. DIRECTOR COMMENTS (7:30 p.m.)

XI. ADJOURNMENT* (7:45 p.m.)

* *Denotes Action Items*

** *Denotes Possible Action Items*



BICYCLE SAFETY TIPS

Regular Board of Directors' Meeting
June 22, 2022

SAFETY TIPS

Wear	Always wear a helmet
Make	Make sure your bike is in mechanically good shape
Dress	Dress to be seen when on the road
Carry	Carry a patch kit and know how to use it
Bring	Bring water/snack for longer rides
Ride	Ride with traffic, not against it
Be	Always be ready to yield
Be	Be on the lookout for loose gravel, ice, sand, puddles, and other road hazards
Be	Be vigilant at intersections

June 2022

June 2022							July 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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19	20	21	22	23	24	25	17	18	19	20	21	22	23
26	27	28	29	30			24	25	26	27	28	29	30
							31						

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
May 29	30	31	Jun 1	2	3 2:00pm Review CEO Goals - PSI & PAs (Chastain/Cason/Wiggins) (Board Room CR) - CCBOD 3:30pm Review Operations Committee Packet (Board Room CR) - CCBOD	4
5	6	7 11:00am IBEW EV Charging Station Ribbon Cutting (333 Denali Street #200) - Connie Owens 4:00pm Review CEO Goals - PSI & PAs (Tentative) - CCBOD	8 4:00pm Operations Committee Meeting (Board Room CR) - CCBOD	9	10 10:00am Discuss Upcoming Visit (https://zoom.us/j/99851686101?pwd=NGN0UVVYQTJkdINXYWZFU2NuTW9zU) 4:30pm June 13-14, 2022 - Special Board Pre-meeting Discussion (StarLeaf Cloud) - CCBOD	11
12	13 10:00am Special Board of Directors Meeting (Board Room CR) - CCBOD	14 4:00pm Reconvene Special Board of Directors Meeting Followed by Governance Committee Meeting (Board Room CR) - CCBOD	15	16	17 9:30am Review Board Packet w/Chair (Board Room CR) - CCBOD	18
19	20	21	22 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	23 3:00pm Discussion w/Morse (StarLeaf Cloud) - Arden Quezon	24	25
26	27 10:30am Pre-meeting for the NVE Tribal Leadership & Eklutna Owners (StarLeaf Cloud/Boardroom CR) - Arden Quezon	28 1:00pm Meeting with NVE tribal leadership and Eklutna owners (Fireweed Business Center (CIRI Building) Eklutna floor conference room) - Julie Hasquet	29 5:00pm Member Advisory Council meeting (StarLeaf Cloud) - Julie Hasquet	30	Jul 1	2

July 2022

July 2022							August 2022						
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31													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jun 26	27	28	29	30	Jul 1	2
3	4 Independence Day Holiday	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22 9:30am Review Board Packet w/Chair (Board Room CR) - CCBOD	23
24	25	26	27 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	28	29	30
31	Aug 1	2	3	4	5	6

August 2022

August 2022						
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September 2022						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jul 31	Aug 1	2	3	4	5	6
7	8	9	10 4:00pm Operations Committee Meeting (Board Room CR) - CCBOD	11	12	13
14	15	16	17	18	19	20
APA Annual Meeting (8/16-8/18) (Ketchikan, AK)						
21	22	23	24 4:00pm Audit & Finance Committee Meeting (Board Room CR) - CCBOD	25	26 9:30am Review Board Packet (CEO's Office) - CCBOD	27
28	29 8:00am Special Board of Directors' Meeting - 5:00pm	30	31 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	Sep 1	2	3

September 2022

September 2022						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Aug 28	29	30	31	Sep 1	2	3
4	5 Labor Day - Connie Owens	6	7	8	9	10
11	12	13	14 4:00pm Governance Committee Meeting (Board Room CR) - CCBOD	15	16 9:30am Review Board Packet (CEO's Office) - CCBOD	17
18	19	20	21 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	22 Tentative: Strategic Planning (9/21-9/23)	23	24
25	26	27 Region IX Meeting (Portland, OR)	28	29	30	Oct 1

October 2022

October 2022						
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November 2022						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Sep 25	26	27	28	29	30	Oct 1
2	3	4	5 5:30pm Tentative: Member Advisory Council	6	7	8
9	10	11	12 4:00pm Operations Committee Meeting (Board Room CR) - CCBOD	13	14	15
16	17	18	19	20	21 9:30am Review Board Packet (CEO's Office) - CCBOD	22
23	24	25	26 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	27	28	29
30	31	Nov 1	2	3	4	5

November 2022

November 2022						
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December 2022						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 30	31	Nov 1	2	3	4	5
6	7	8	9 4:00pm Audit & Finance Committee Meeting (Budget & CIP) (Board Room CR) - CCBOD	10	11	12
13	14	15	16	17	18 9:30am Review Board Packet (CEO's Office) - CCBOD	19
20	21 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	22	23	24 Thanksgiving Holiday - Connie Owens	25	26
27	28	29	30 4:00pm Audit & Finance Committee Meeting (Board Room CR) - CCBOD	Dec 1	2	3

December 2022

December 2022						
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January 2023						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Nov 27	28	29	30	Dec 1	2	3
4	5 4:00pm Governance Committee Meeting (Board Room CR) - CCBOD	6	7 APA Open House and December Meeting Series (Details to Fo 4:00pm Operations Committee Meeting (Board Room CR) - CCBOD	8	9 9:30am Review Board Packet (CEO's Office) - CCBOD	10
11	12	13	14 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	15	16	17
18	19	20	21	22	23 Christmas Eve (Holiday Observed) - Connie Owens	24 Christmas Eve
25 Christmas Day	26 Christmas Day (Holiday Observed) - Connie Owens	27	28	29	30 New Year's Eve (Holiday Observed) - Connie Owens	31 New Years Eve

January 2023

January 2023						
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February 2023						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jan 1, 23	2 New Year's Day (Holiday Observed) - Connie Owens	3	4	5	6	7
8	9	10	11 4:00pm Governance Committee Meeting (Board Room CR) - CCBOD	12	13	14
15	16	17	18	19	20 9:30am Review Board Packet (CEO's Office) - CCBOD	21
22	23	24	25 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	26	27	28
29	30	31	Feb 1	2	3	4

February 2023

February 2023						
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March 2023						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jan 29	30	31	Feb 1	2	3	4
5	6	7	8 4:00pm Operations Committee Meeting (Board Room CR) - CCBOD	9	10	11
12	13	14	15	16	17 9:30am Review Board Packet (CEO's Office) - CCBOD	18
19	20	21	22 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	23	24	25
26	27	28	Mar 1	2	3	4

March 2023

March 2023						
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April 2023						
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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 26	27	28	Mar 1	2	3	4
				NRECA PowerXchange (3/3-3/8) (Nashville, TN)		
5	6	7	8	9	10	11
NRECA PowerXchange (3/3-3/8) (Nashville, TN)						
12	13	14	15	16	17	18
					9:30am Review Board Packet w/Chair (CEO's Office) - CCBOD	
19	20	21	22	23	24	25
			4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD			
26	27	28	29	30	31	Apr 1
			4:00pm Audit & Finance Committee Meeting (Board Room CR) - CCBOD			

April 2023

April 2023						
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May 2023						
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21	22	23	24	25	26	27
28	29	30	31			

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Mar 26	27	28	29	30	31	Apr 1
2	3	4	5	6	7	8
9	10	11	12 4:00pm Governance Committee Meeting (Board Room CR) - CCBOD	13	14	15
16	17	18	19	20	21 9:30am Review Board Packet (CEO's Office) - CCBOD	22
23	24	25	26 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	27	28	29
30	May 1	2	3	4	5	6

May 2023

May 2023							June 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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14	15	16	17	18	19	20	11	12	13	14	15	16	17
21	22	23	24	25	26	27	18	19	20	21	22	23	24
28	29	30	31				25	26	27	28	29	30	

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Apr 30	May 1	2	3 4:00pm Operations Committee Meeting (Board Room CR) - CCBOD	4	5	6
7	8	9	10	11	12	13
14	15	16	17 4:00pm Audit & Finance Committee Meeting (Board Room CR) - CCBOD	18	19 9:30am Review Board Packet (CEO's Pffice) - CCBOD 3:00pm TENTATIVE: Member Appreciation Day 6:00pm TENTATIVE: Annual Membership Meeting (TBD) 7:00pm TENTATIVE: Special Board of	20
21	22	23	24 4:00pm Regular Board of Directors Meeting (Board Room CR) - CCBOD	25	26	27
28	29 Memorial Day	30	31	Jun 1	2	3

ALASKA POWER ASSOCIATION 2022 ANNUAL MEETING – KETCHIKAN, ALASKA!

Planning has begun for the 2022 APA & AIE Annual Meeting in Ketchikan, Alaska on August 16-19, 2022. More information will be posted to this webpage as lodging and other logistics are finalized. Keep checking back for the latest!



ANNUAL MEETING LODGING INFORMATION:

- The annual meeting will take place at the [Ted Ferry Civic Center](#).
- Don't forget: the new **annual meeting dates are August 16-19**, with a welcome reception the evening of August 16.
- Our two conference hotels are:
 - The [Cape Fox Lodge](#), located directly across the parking lot from the annual meeting venue. (This hotel is currently sold out, but it's worth trying.)
 - [The Landing](#), which is located 2.5 miles from the meeting venue.
- Below is information for booking at the conference hotels. **Reservations must be made by phone.** Please mention that you are with the Alaska Power Association conference when booking.

Hotel Name	Rate	Phone number	Cutoff Date
Cape Fox Lodge	\$250 + tax	907-225-8001	15 July 2022
The Landing	\$195 + tax	907-225-6720	15 July 2022

TO REGISTER - COMING SPRING 2022!

APA ANNUAL MEETING STAFF CONTACTS (CLICK TO EXPAND)

Future Annual Meeting Locations:

2023- Valdez, Alaska

2024 – Fairbanks, Alaska

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

May 25, 2022
Wednesday
4:00 p.m.

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Sandra Cacy

I. CALL TO ORDER

Chair Morse called the Regular Board of Directors' meeting to order at 4:03 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

- A. *Pledge of Allegiance*
Chair Morse led the Board in the Pledge of Allegiance.

- B. *Roll Call*
Board Members Present:
Rachel Morse, Chair
Bettina Chastain, Vice Chair
Harold Hollis, Treasurer
Sam Cason, Director (*arrived at 4:04 p.m.*)
Mark Wiggin, Director
Erin Whitney, Director
Sisi Cooper, Director

Guests and Staff Attendance:
Present:

Arthur Miller	Karen Griffin	Marty Freeman
Crystal Enkvist, APA	Sherri Highers	Todd McCarty
Pete Smithson	Julie Hasquet	Sean Skaling
Andrew Laughlin	Mike Miller	Kate Ayers
Arden Quezon	Chantelle Lewis-Boutte	Barbara Bachmeier,
Matthew Clarkson		Member

Via Teleconference:

Jean Kornmuller	Shaina Kilcoyne, Municipality of Anchorage
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Director Cason arrived at 4:04 p.m.

- C. *Safety Minute (Freeman)*
Marty Freeman, Senior Manager HSE, discussed "Fire Safety Tips".

II. APPROVAL OF AGENDA

Director Wiggin moved and Director Hollis seconded the motion to approve the agenda. The motion passed unanimously.

III. PERSONS TO BE HEARD

A. Member Comments

Chugach Electric Member Barbara Bachmeier addressed the Board and Arthur Miller, Acting Chief Executive Officer (CEO), and Chair Morse, responded to Ms. Bachmeier's comments.

IV. DIRECTOR REPORTS

A. Alaska Power Association (APA) Report

Director Hollis introduced Crystal Enkvist, Executive Director, APA, and she provided an update on APA activities, upcoming events, and legislative summary. Ms. Enkvist and Director Hollis responded to questions from the Board.

B. Renewable Energy Alaska Project (REAP) Report

Director Wiggin did not have any updates on recent REAP meetings.

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

Director Hollis reported on the May 18, 2022, Audit and Finance Committee meeting and stated that the next meeting is scheduled for August 24, 2022.

Director Chastain stated there has been no meeting since the April 25, 2022, Operations Committee meeting and that the next meeting is scheduled on June 8, 2022.

Director Cason stated there have been no meeting since the March 16, 2022, Governance Committee meeting.

D. Other Meeting Reports

Director Hollis reported to the Board on the Election Committee Meetings which occurred May 3, 10, 17, and 24, 2022.

Director Whitney commented on the Alaska Center for Energy and Power (ACEP) conference.

V. CONSENT AGENDA

A. Board Calendar

B. Training and Conferences

1. 2022 APA Annual Meeting (August 16-19, 2022) – Ketchikan, AK

C. Minutes

1. April 27, 2022 - May 4, 2022, Regular Board of Directors' Meeting (Doyle)

2. May 20, 2022, Regular Board of Directors' Meeting (Doyle)

D. Director Expenses

E. Beluga River Unit (BRU) Reserves Strategy Options (APCM/Highers)

Director Hollis moved and Director Wiggin seconded the motion to approve items B through E on the consent agenda. The motion passed unanimously.

Agenda item V.A. Board Calendar was discussed and the June 15, 2022, Governance Committee meeting was moved to June 14, 2022. The motion passed unanimously, as amended.

VI. CEO REPORTS AND CORRESPONDENCE

- A. *Enterprise Resource Planning (ERP) Project Update (Travis/McCarty)*
Todd McCarty, VP, Information Services, provided an update on the Enterprise Resource Planning Project.
- B. *2022 State Legislative Update (Miller)*
Arthur Miller, Chief Executive Officer (CEO), provided an update on the 2022 State Legislative and responded to questions from the Board.
- C. *Update on Railbelt Reliability Council (RRC) (Laughlin/Clarkson)*
Arthur Miller, Acting CEO, informed the Board that Matthew Clarkson, Executive VP, General Council, and Andrew Laughlin, Acting Chief Operating Officer (COO) are the Board liaisons for the RRC.

Mr. Clarkson provided an update on the Railbelt Reliability Council upcoming meetings and responded to questions from the Board.

- D. *Board Policy Scheduled Tasks/Reports (Board/Staff)*
Sherri Highers, Chief Financial Officer and Executive VP, Finance and Administration, discussed the Board Policy 401 II.B.7. Overtime Report and Ms. Highers and Mr. Laughlin responded to questions from the Board.

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

VII. UNFINISHED BUSINESS

None.

VIII. NEW BUSINESS

- A. *Discussion – Board Officer Election Procedures (Clarkson)*
Matthew Clarkson, Executive VP, General Counsel, discussed the Board Officer Election Procedures and responded to questions from the Board.
- B. *Board of Directors – Election of Officers (Board)*
Chair Morse opened the floor to nominations for Chair of the Board.

Director Hollis nominated Director Chastain for the Chair of the Board. Director Whitney nominated Director Cason for the Chair of the Board. Directors Cason and

Chastain both gave brief speeches on why they would make a good Chair of the Board.

Chair Morse closed the nominations and called for a vote.

Director Chastain received 4 votes and Director Cason received 3 votes.

The result of the vote: Director Chastain was elected as Chair of the Board.

Newly elected Chair Chastain, assumed the role of Board Chair for the remainder of the meeting.

Chair Chastain opened the floor to nominations for Vice Chair of the Board.

Director Cason nominated Director Morse for the Vice Chair of the Board. Director Morse, declined the nomination.

Director Hollis nominated Director Wiggin for Vice Chair of the Board. No other nominations were made. Chair Chastain closed the nomination and called for a vote. The nomination passed unanimously.

The result of the vote: Director Wiggin was elected Vice Chair of the Board.

Chair Chastain opened the floor to nominations for Secretary of the Board.

Director Morse nominated Director Cason for Secretary of the Board. No other nominations were made. Chair Chastain closed the nomination and called for a vote. The nomination passed unanimously.

The result of the vote: Director Cason was elected Secretary of the Board.

Chair Chastain opened the floor to nominations for Treasurer of the Board.

Director Whitney nominated Director Hollis for Treasurer of the Board. No other nominations were made. Chair Chastain closed the nomination and called for a vote. The nomination passed unanimously.

The result of the vote: Director Hollis was elected Treasurer of the Board.

C. Appointment of APA Member and Alternate Representatives (Board)

Director Cason nominated Director Hollis as the APA Member Voting Delegate.

Chair Chastain called for a vote. Director Hollis was appointed as the APA Member Voting Delegate.

Director Whitney nominated Director Morse as the APA Member Voting Alternate Representative.

Director Wiggin nominated Director Cooper, who declined the nomination.

Chair Chastain called for a vote. Director Morse was appointed as the APA Member Voting Alternate Representative.

D. Appointment of REAP Member and Alternate Representatives (Board)

Director Wiggin nominated Director Whitney as the REAP Member Representative.

Chair Chastain called for a vote. Director Whitney was appointed as the REAP Member Representative.

Director Cason nominated Director Wiggin as the REAP Member Alternate Representative.

Chair Chastain called for a vote. Director Wiggin was appointed as the REAP Member Alternate Representative.

E. Adopt 2022 – 2023 Calendar of Regular Meetings of the Board of Directors (Owens)

Director Wiggin moved and Director Cason seconded the motion that the Board of Directors approve the amended June Board Calendar. The motion passed unanimously, as amended.

The Board unanimously deferred the adoption of the Regular Board of Directors, July 2022 – May 2023 Calendar to the June 22, 2022, Regular Board meeting.

F. Hotel Employees and Restaurant Employees (HERE) Contract (Clarkson)

Mr. Clarkson discussed the Hotel Employees and Restaurant Employees' Contract and responded to questions from the Board.

Director Wiggin moved and Director Whitney seconded the motion that the Board of Directors approve the contract extension as discussed at the April 27, 2022, Regular Board Meeting. The motion passed unanimously.

IX. EXECUTIVE SESSION

A. Renewable Energy Plan Quarterly Update (Skaling/Miller)

B. CEO Transition (Board)

At 5:45 p.m., Director Morse moved and Director Hollis seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1), (3) and (4) the Board of Directors go into executive session to: 1) discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; 2) discuss with its attorneys legal matters, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative; and 3) personnel matters. The motion passed unanimously.

X. DIRECTOR COMMENTS

Director comments were made at this time.

XI. ADJOURNMENT

At 8:45 p.m. Director Morse moved and Director Wiggin seconded the motion to adjourn. The motion passed unanimously.

Samuel Cason, Secretary

Date Approved: June 22, 2022

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

June 13-14, 2022
Monday-Tuesday
10:00 a.m.

SPECIAL BOARD OF DIRECTORS' MEETING

Recording Secretary: Arden Quezon/Ashton Doyle

I. CALL TO ORDER

Acting Chair Chastain called the Special Board of Directors' meeting to order at 10:03 a.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Roll Call

Board Members Present:

Bettina Chastain, Chair
Mark Wiggin Vice Chair
Harold Hollis, Treasurer
Sam Cason, Secretary
Erin Whitney, Director (*joined via teleconference*)
Rachel Morse, Director
Sisi Cooper, Director

Guests and Staff Attendance

Present:

Arthur Miller	Sherri Highers	Andrew Laughlin
Matthew Clarkson		

Via Teleconference:

Arden Quezon	Karin Jones, Consultant	Jim Torgerson, Consultant
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II. APPROVAL OF THE AGENDA

Director Wiggin moved and Director Hollis seconded the motion to approve the agenda. The motion passed unanimously.

III. PERSONS TO BE HEARD

None.

IV. DIRECTOR REPORT

None.

V. CONSENT AGENDA

None.

VI. CEO REPORTS AND CORRESPONDENCE

None.

VII. UNFINISHED BUSINESS

None.

VIII. EXECUTIVE SESSION

A. CEO Transition

At 10:04 a.m., Director Hollis moved and Director Morse seconded the motion that pursuant to Alaska Statute 10.25.175(c)(3) and (4) the Board of Directors go into executive session to: 1) discuss with its attorneys legal matters, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative; and 2) personnel matters. The motion passed unanimously.

IX. RECESS

The meeting recessed at 1:00 p.m.

X. RECONVENE

The meeting reconvened on June 14, 2022 at 4:05 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

XI. EXECUTIVE SESSION

A. CEO transition

The meeting reconvened in open session at 7:25 p.m.

XII. NEW BUSINESS

None.

XIII. DIRECTOR COMMENTS

None.

XIV. ADJOURNMENT

At 7:26 p.m., Director Morse moved and Director Whitney seconded the motion to adjourn. The motion passed unanimously.

Samuel Cason, Secretary
Date Approved: June 22, 2022

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

June 22, 2022

ACTION REQUIRED

AGENDA ITEM NO. IV.D.

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

TOPIC

Director Expenses

DISCUSSION

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

MOTION

(Consent Agenda)

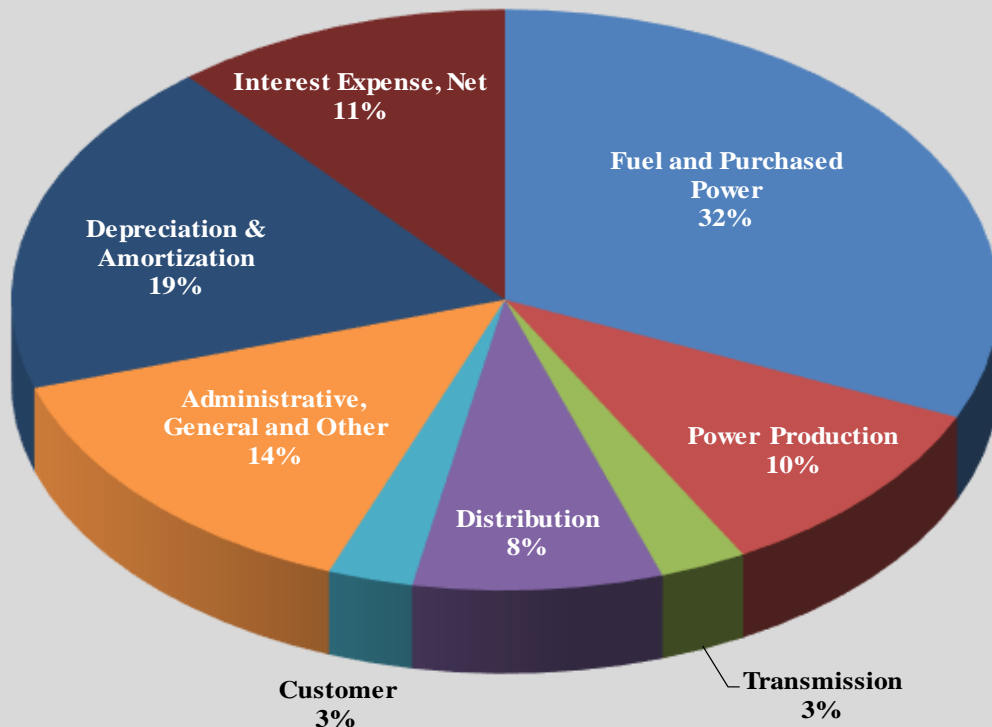
COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2022 MTD ACTUAL TO BUDGET

CATEGORY	ACTUAL	BUDGET ¹	VARIANCE
Operating Revenue & Patronage Capital	\$ 29,016,318	\$ 28,715,318	\$ 301,000
Fuel and Purchased Power	9,184,961	9,651,006	(466,045)
Power Production	3,013,582	2,992,142	21,440
Transmission	824,680	920,022	(95,342)
Distribution	2,372,467	2,247,704	124,763
Customer	810,358	953,707	(143,349)
Administrative, General and Other	4,146,573	4,330,847	(184,274)
Depreciation & Amortization	5,473,268	5,106,457	366,811
Interest Expense, Net	3,218,335	3,214,037	4,298
Total Cost of Electric Service	\$ 29,044,224	\$ 29,415,922	\$ (371,698)
Patronage Capital & Operating Margins	\$ (27,906)	\$ (700,604)	\$ 672,698
Non-Operating Margins - Interest	28,997	24,262	4,735
Allowance for Funds Used During Construction	7,132	22,043	(14,911)
Non-Operating Margins - Other	562	(12,099)	12,661
Patronage Capital or Margins	\$ 8,785	\$ (666,398)	\$ 675,183
Adj. Patronage Capital or Margins²	\$ 748,028	\$ 72,845	\$ 675,183

¹ Amended budget

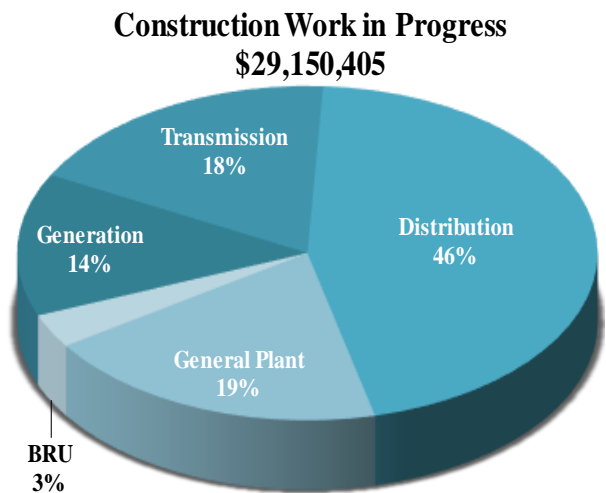
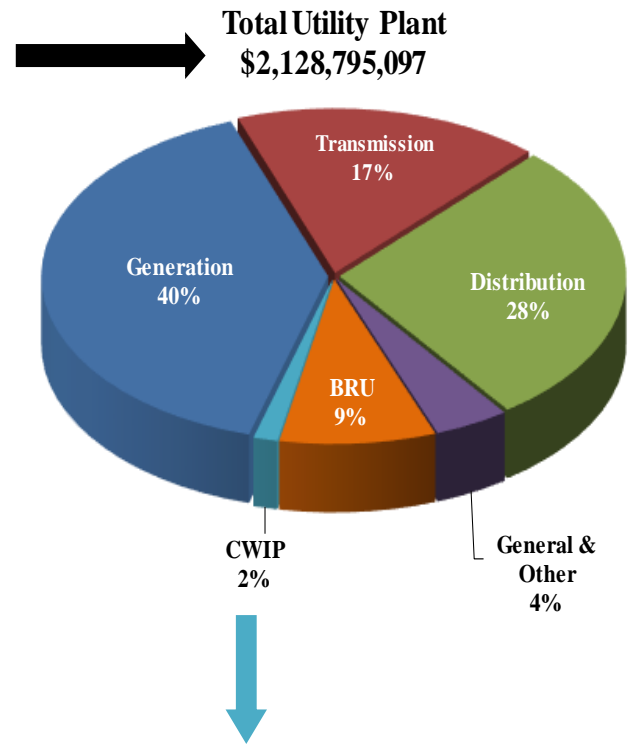
² Results if adjusted by secondary regulatory asset & Eklutna PPA

Total Cost of Electric Service (MTD Actual)



BALANCE SHEET

ASSETS & OTHER DEBITS	4/30/2022	12/31/2021
Electric Plant in Service	2,099,644,692	2,085,567,712
Construction Work in Progress	29,150,405	34,253,304
Total Utility Plant	\$ 2,128,795,097	\$ 2,119,821,016
Accum. Prov. for Depreciation/Amortization	(661,965,802)	(640,729,478)
Net Utility Plant	\$ 1,466,829,295	\$ 1,479,091,538
Nonutility Property - Net	76,889	76,889
Financing & Operating Lease Right-of-Use Assets	4,010,553	4,126,967
Investment in Assoc. Organizations	6,996,364	7,280,936
Special Funds	41,199,184	43,016,636
Restricted Cash Equivalents & Other	64,310	64,310
Long-term Prepayments	0	291,846
Total Other Property & Investments	\$ 52,347,300	\$ 54,857,584
Cash & Restricted Cash	44,304,548	37,590,723
Special Deposits and Marketable Securities	58,300	58,300
Accounts Receivable - Net	42,310,765	47,186,182
Materials and Supplies, Fuel Stock	54,673,520	59,371,225
Prepayments	6,222,784	4,917,095
Other Current & Accrued Assets	978,774	942,497
Total Current & Accrued Assets	\$ 148,548,691	\$ 150,066,022
Deferred Debits	110,989,935	112,348,138
Total Assets & Other Debits	\$ 1,778,715,221	\$ 1,796,363,282
LIABILITIES & OTHER CREDITS	4/30/2022	12/31/2021
Memberships	1,960,001	1,949,262
Pat. Capital, Margins & Equities	208,751,762	204,051,676
Total Margins & Equities	\$ 210,711,763	\$ 206,000,938
Long-Term Debt - Bonds	1,152,449,996	1,173,366,663
Long-Term Debt - Other	20,976,000	23,028,000
Unamortized Debt Issuance Costs	(6,037,970)	(6,072,373)
Operating Lease Liabilities	3,754,125	3,835,282
Finance Lease Liabilities	12,222	13,667
Total Long-Term Debt	\$ 1,171,154,373	\$ 1,194,171,239
Notes Payable	67,165,545	64,473,838
Accounts Payable	10,730,308	14,878,065
Consumer Deposits	4,979,036	5,663,067
Other Current & Accrued Liabilities	62,567,065	52,236,502
Total Current & Accrued Liabilities	\$ 145,441,954	\$ 137,251,472
Deferred Compensation	1,937,248	2,115,229
Other Liabilities, Non-Current	870,305	741,387
Deferred Liabilities	18,202,937	24,724,119
BRU Regulatory Liability	104,118,988	107,364,906
Cost of Removal Obligation	126,277,653	123,993,992
Total Liabilities & Other Credits	\$ 1,778,715,221	\$ 1,796,363,282



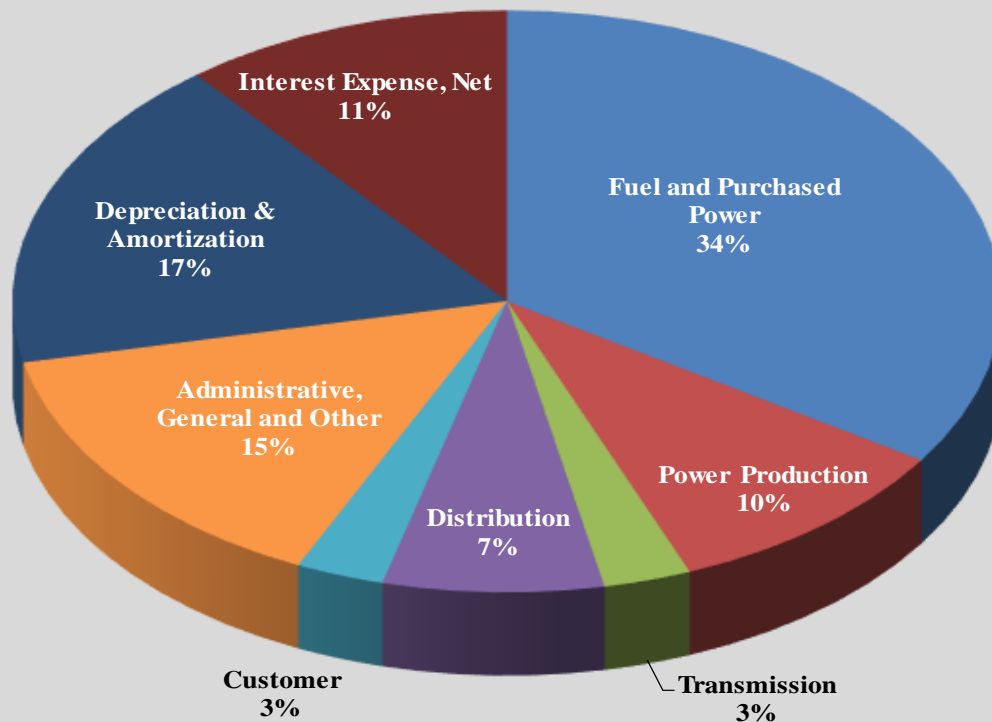
COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2022 YTD ACTUAL TO BUDGET

CATEGORY	ACTUAL	BUDGET ¹	VARIANCE
Operating Revenue & Patronage Capital	\$ 125,388,848	\$ 120,406,110	\$ 4,982,738
Fuel and Purchased Power	41,271,807	37,209,872	4,061,935
Power Production	11,803,799	11,950,892	(147,093)
Transmission	3,449,750	3,897,789	(448,039)
Distribution	8,701,812	9,391,524	(689,712)
Customer	3,471,660	3,758,112	(286,452)
Administrative, General and Other	17,717,797	17,767,951	(50,154)
Depreciation & Amortization	21,207,723	20,434,429	773,294
Interest Expense, Net	13,050,346	13,001,250	49,096
Total Cost of Electric Service	\$ 120,674,694	\$ 117,411,819	\$ 3,262,875
Patronage Capital & Operating Margins	\$ 4,714,154	\$ 2,994,291	\$ 1,719,863
Non-Operating Margins - Interest	107,956	97,048	10,908
Allowance for Funds Used During Construction	26,495	88,691	(62,196)
Non-Operating Margins - Other	(74,505)	(48,396)	(26,109)
Patronage Capital or Margins	\$ 4,774,100	\$ 3,131,634	\$ 1,642,466
Adj. Patronage Capital or Margins²	\$ 7,731,075	\$ 6,088,609	\$ 1,642,466

¹ Amended budget

² Results if adjusted by secondary regulatory asset & Eklutna PPA

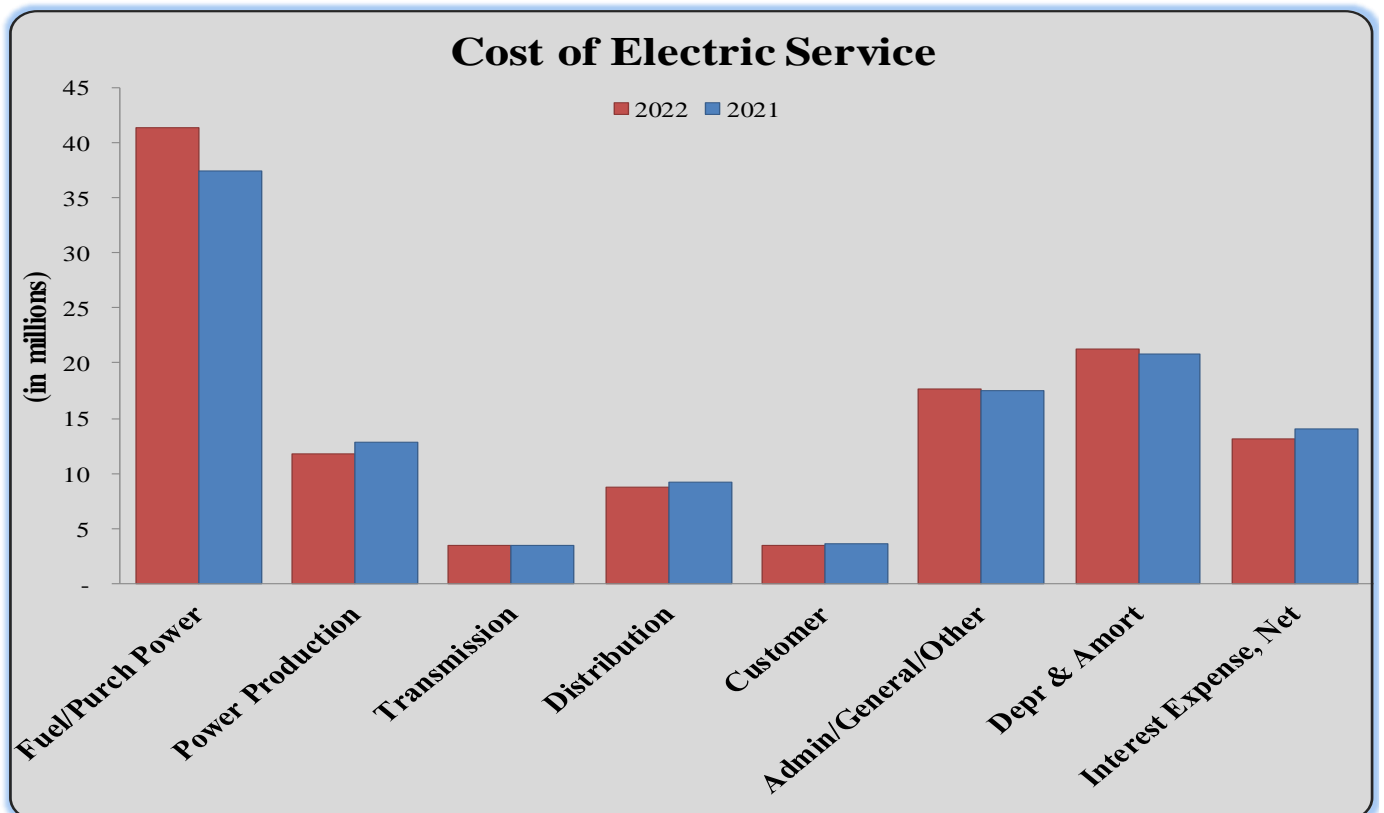
Total Cost of Electric Service (YTD Actual)

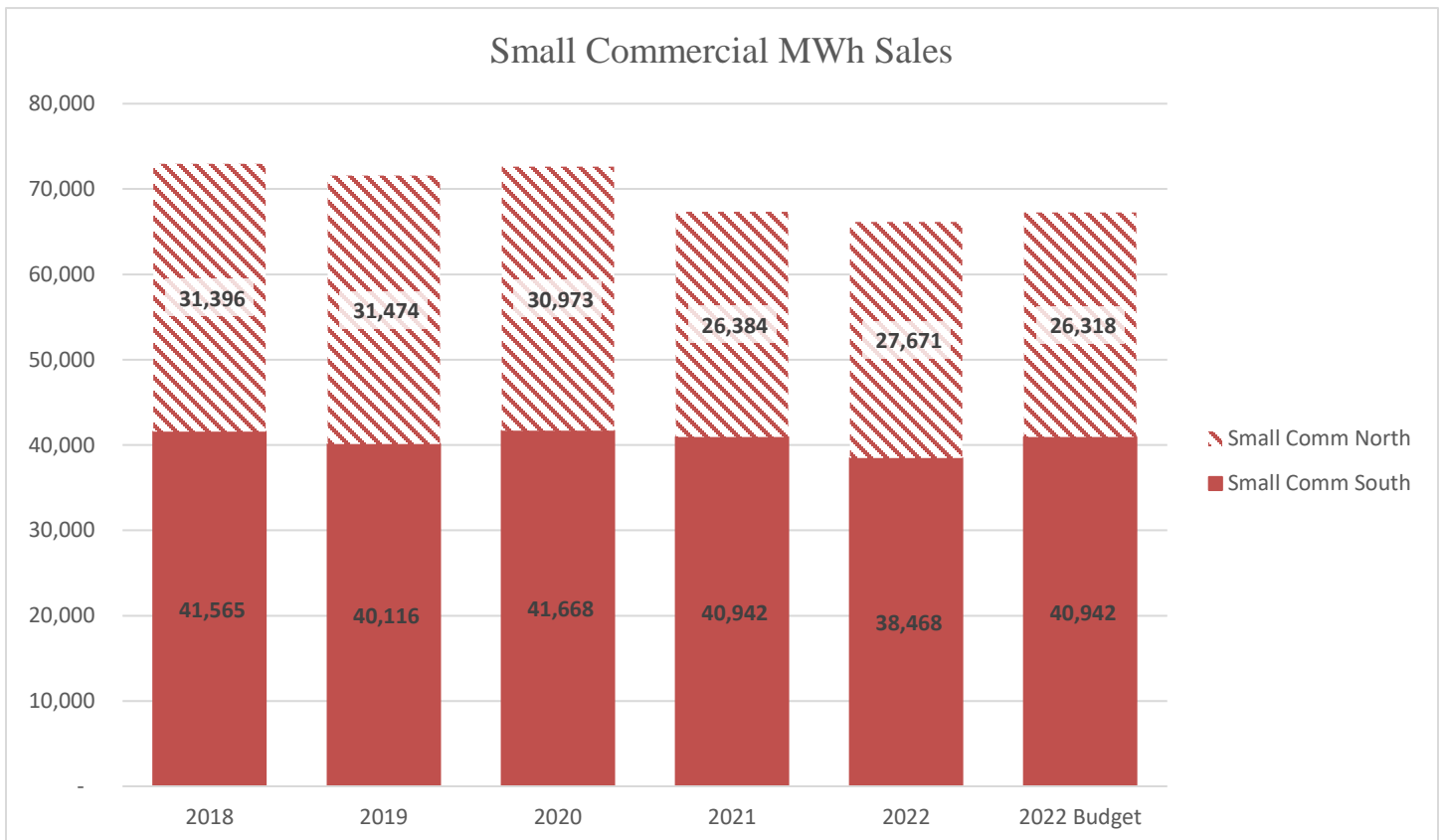
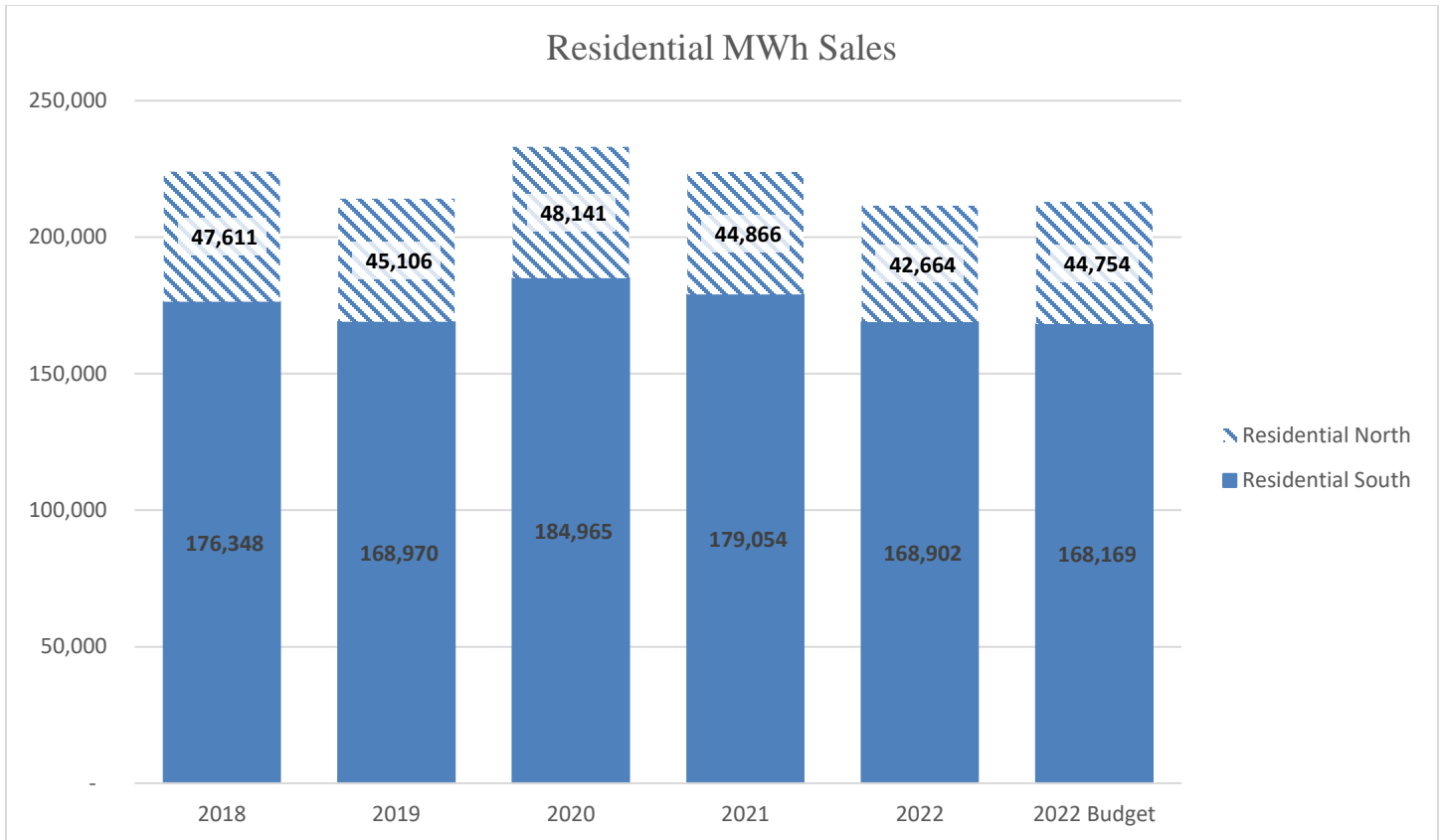


COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS CURRENT TO PRIOR YEAR

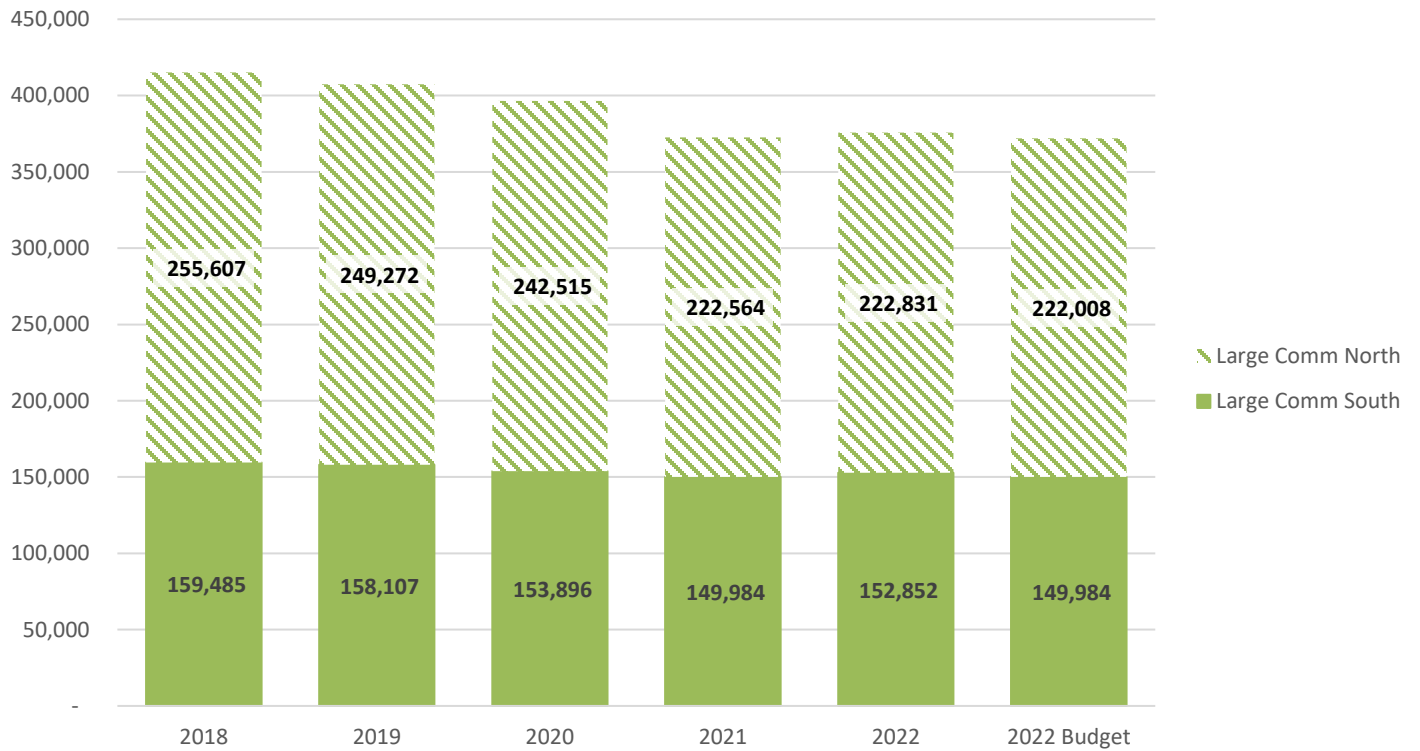
CATEGORY	2022 YTD ACTUAL	2021 YTD ACTUAL
Operating Revenue & Patronage Capital	\$ 125,388,848	\$ 121,338,436
Fuel and Purchased Power	41,271,807	37,463,967
Power Production	11,803,799	12,778,637
Transmission	3,449,750	3,433,494
Distribution	8,701,812	9,115,562
Customer	3,471,660	3,568,040
Administrative, General and Other	17,717,797	17,505,724
Depreciation & Amortization	21,207,723	20,738,874
Interest Expense, Net	13,050,346	14,094,381
Total Cost of Electric Service	\$ 120,674,694	\$ 118,698,679
Patronage Capital & Operating Margins	\$ 4,714,154	\$ 2,639,757
Non-Operating Margins - Interest	107,956	97,001
Allowance for Funds Used During Construction	26,495	43,180
Non-Operating Margins - Other	(74,505)	7,142
Patronage Capital or Margins	\$ 4,774,100	\$ 2,787,080
Adj. Patronage Capital or Margins¹	\$ 7,731,075	N/A
MFI/I	1.34	1.20
TIER	1.35	1.20

¹Results if adjusted by secondary regulatory asset & Eklutna PPA

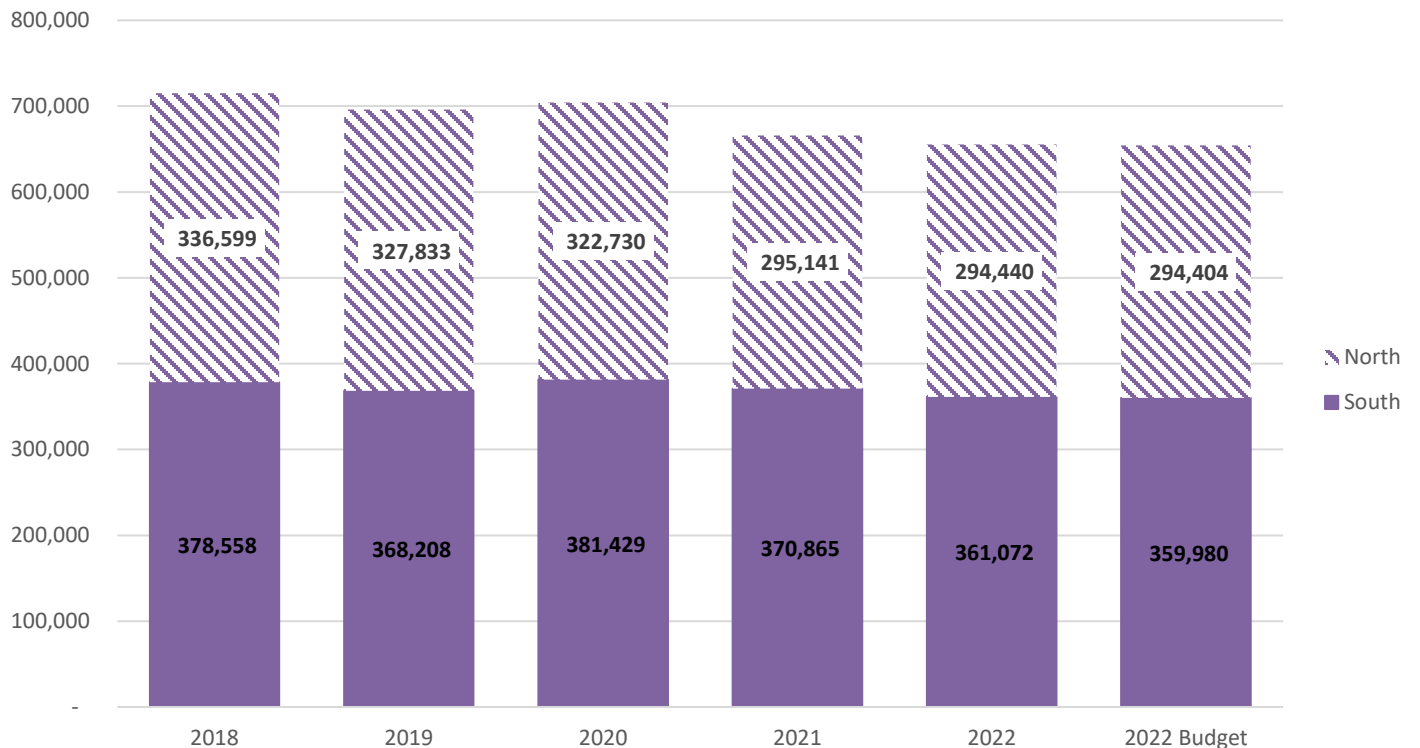


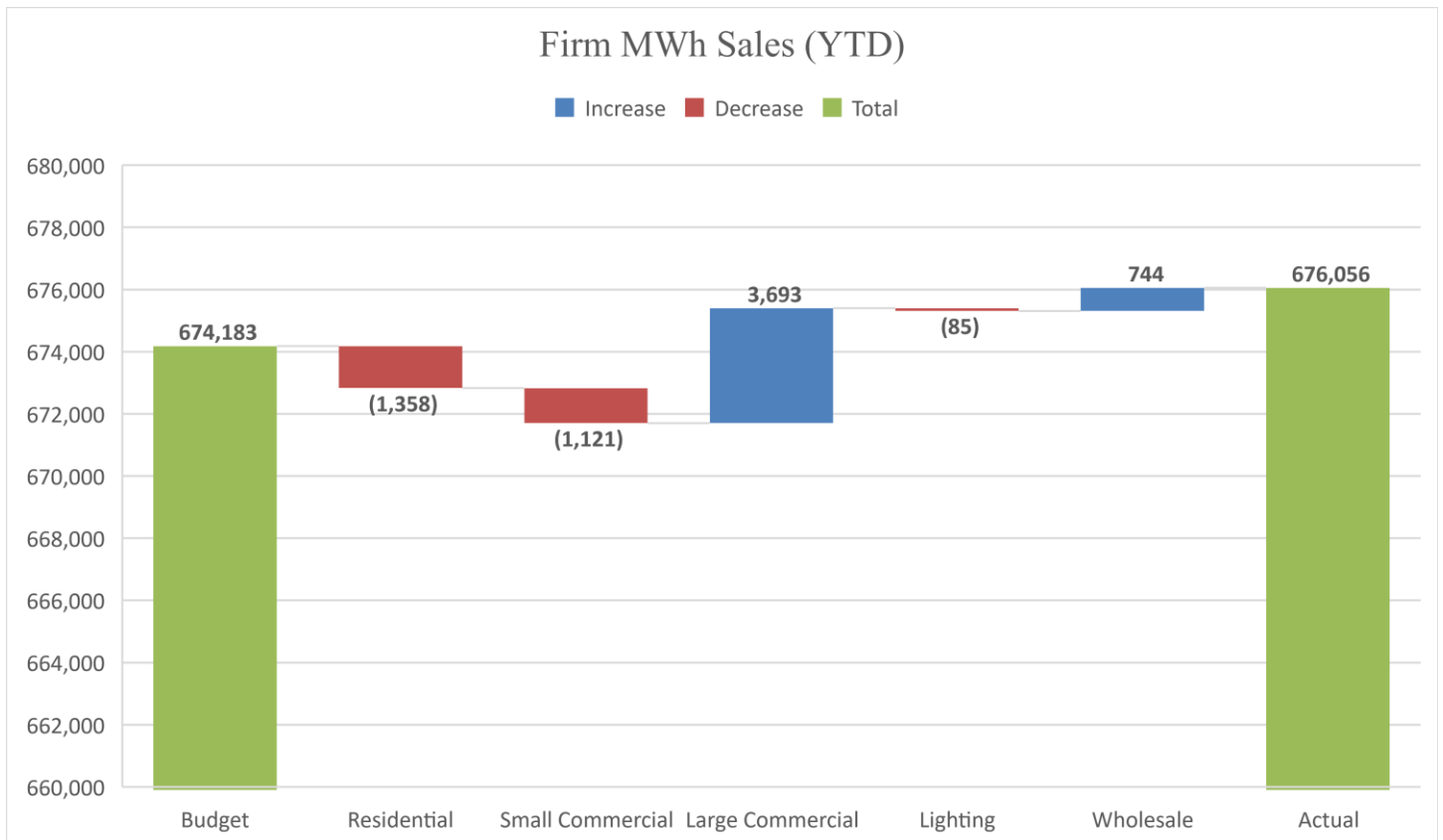
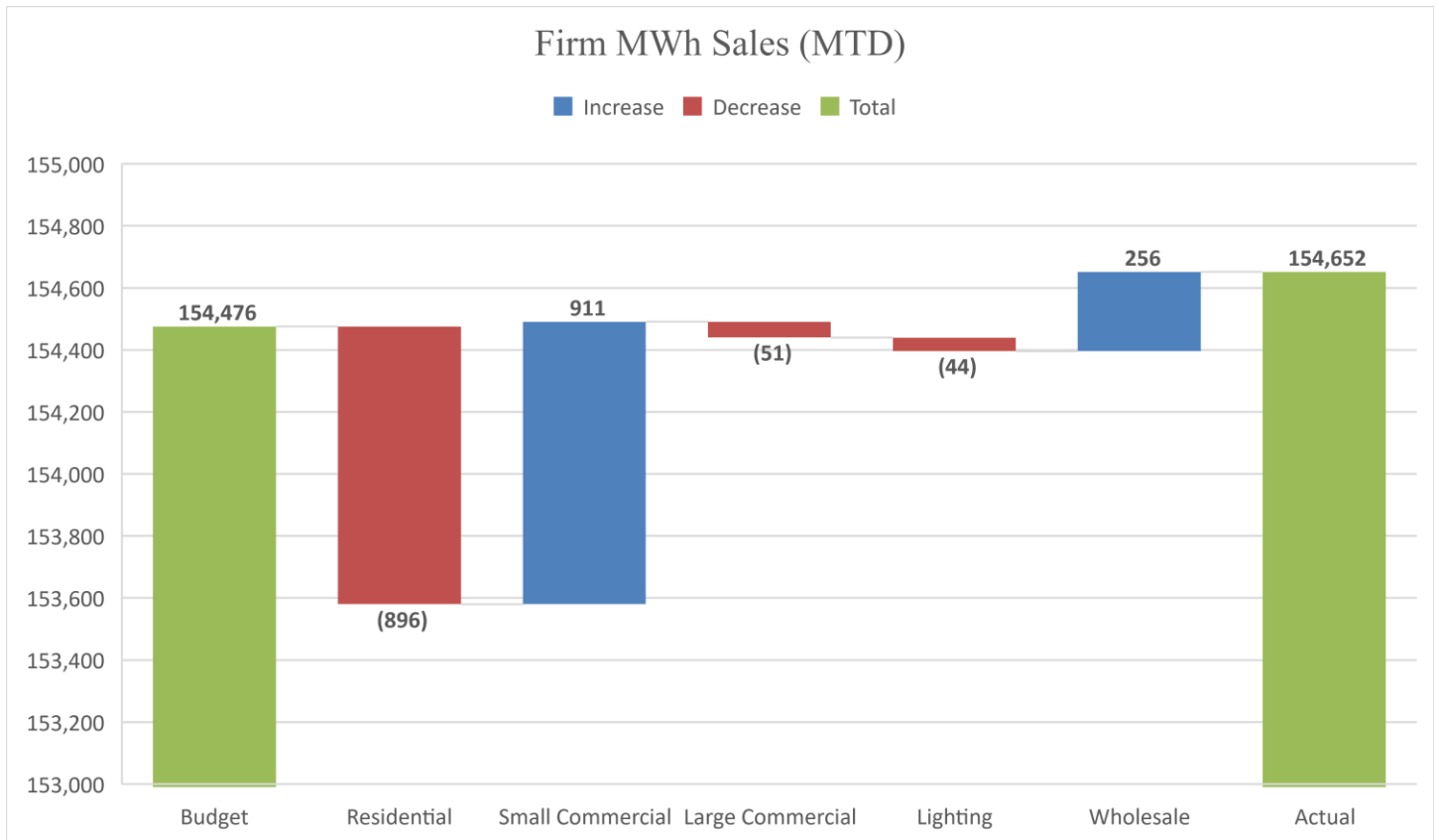


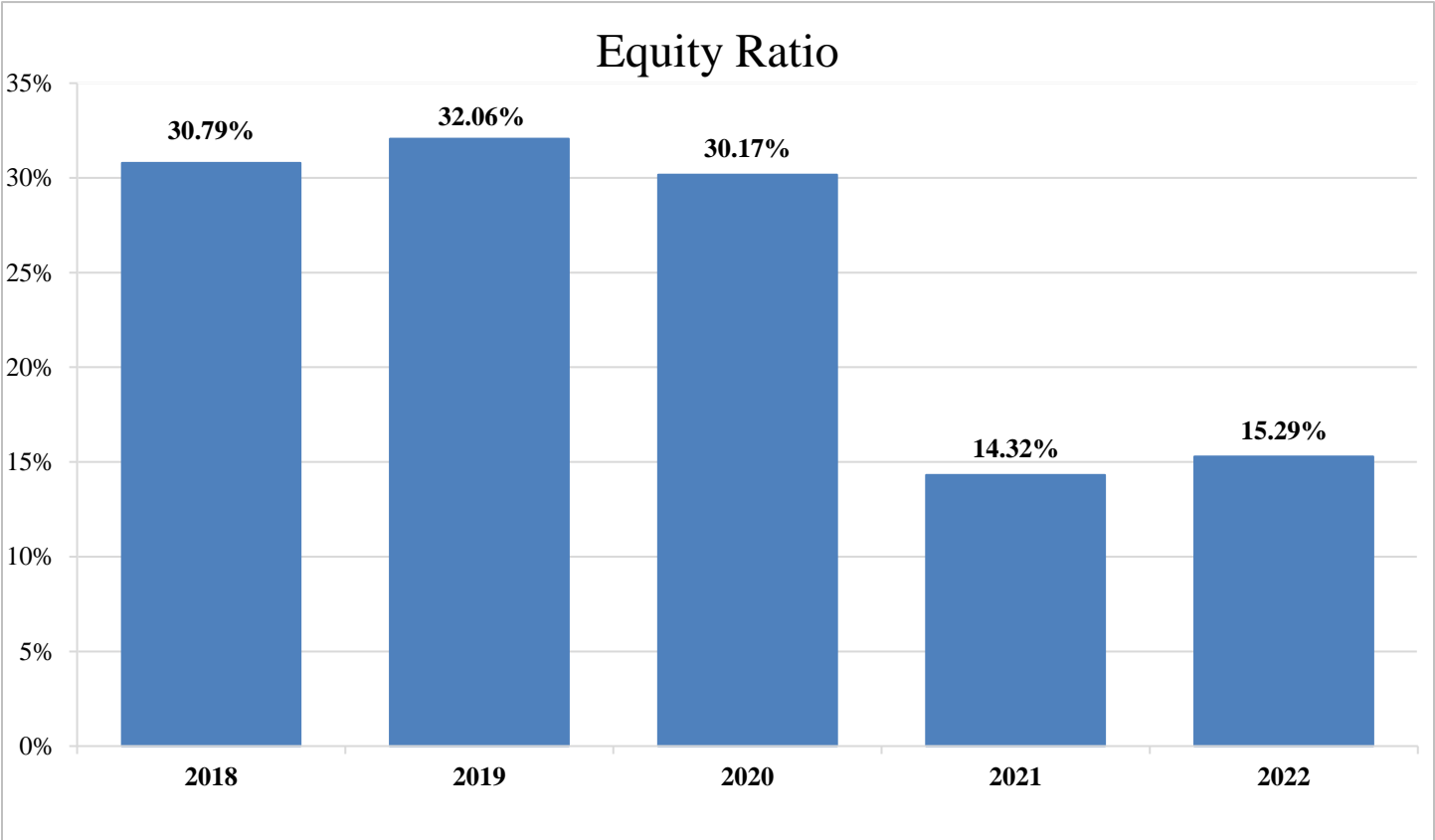
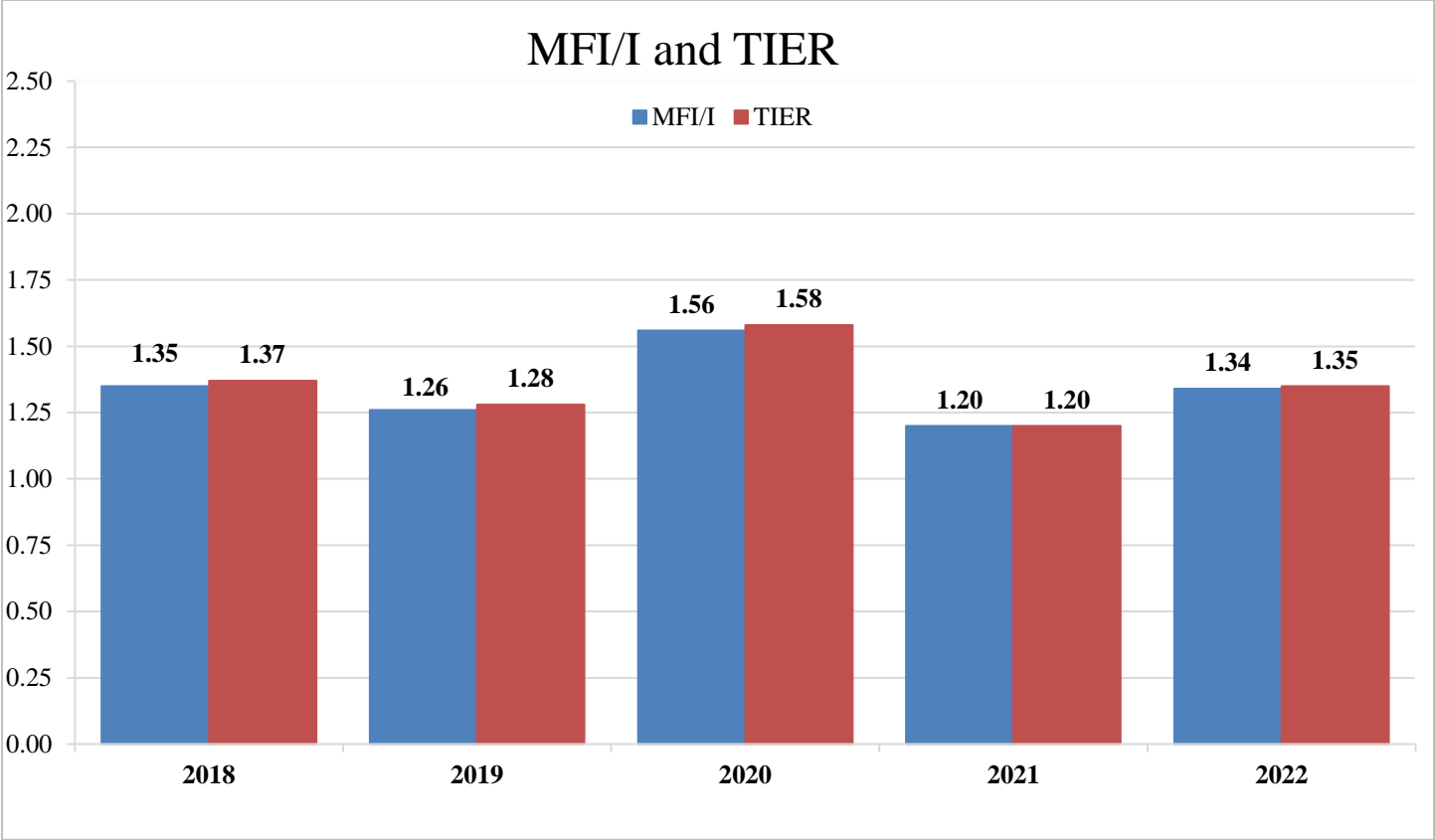
Large Commercial MWh Sales



Total Retail MWh Sales







ENERGY SALES (kWh)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Retail Energy Sales	655,512,857	654,384,443
Wholesale Energy Sales	<u>20,543,476</u>	<u>19,799,011</u>
Total Firm Energy Sales	676,056,333	674,183,454
Economy Energy/Capacity	97,278,000	60,894,281
Power Pool Sales	<u>52,636,000</u>	<u>57,000,000</u>
Total Energy Sales	825,970,333	792,077,735

Firm energy sales totaled 676,056,333 kWh, which was a 0.3% favorable variance compared to budget. Retail energy sales were over budget 0.2% due primarily to favorability in large commercial energy sales. This favorable variance was enhanced by higher than anticipated wholesale energy sales, which exceeded budget by 3.8%. Economy energy and capacity sales were over budget by 59.7% due to higher than anticipated economy sales to GVEA. Power pool sales with MEA totaled 52,636,000 kWh, which was below budget by 7.7%.

ENERGY REVENUE (in millions)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Retail Revenue	\$ 110.3	\$ 110.4
Wholesale Revenue	<u>1.7</u>	<u>1.9</u>
Total Firm Revenue	112.0	112.3
Economy Energy/Capacity Revenue	9.9	5.6
Power Pool Revenue	0.6	0.6
Other Operating Revenue	<u>2.9</u>	<u>1.9</u>
Total Revenue	\$ 125.4	\$ 120.4

Revenue from firm sales was on par with budget at \$112.0 million compared to \$112.3 million. Economy energy and capacity revenue was over budget by 77.7% due primarily to higher than anticipated economy sales to GVEA. Power pool sales with MEA were slightly below budget at \$543 thousand compared to a budget of \$598 thousand. Other operating revenue includes late fees, pole rental, wheeling, microwave, BRU royalties, grants, AWWU revenue, miscellaneous service, and other electric revenue. Other operating revenue totaled \$2.9 million compared to \$1.9 million in the budget, due primarily to higher wheeling and gas exchange revenue.

FUEL AND PURCHASED POWER (in millions)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Fuel	\$ 34.4	\$ 29.7
Purchased Power	<u>6.9</u>	<u>7.5</u>
Total	\$ 41.3	\$ 37.2

Fuel expense includes fuel, storage, transportation, and BRU operating costs. Fuel expense was \$34.4 million compared to \$29.7 million in the budget. This unfavorable variance was due primarily to higher than anticipated BRU operating costs and additional fuel purchased to meet customer demand.

Fuel purchased or withdrawn from inventory for production was 3,247,840 Mcf compared to 2,773,729 Mcf in the budget.

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 \$6.9 million compared to \$7.5 million in the budget, caused primarily by lower system control and dispatch labor.

Energy purchased was 69,439 MWh at an average effective price of 7.67 cents per kWh compared to 102,656 MWh budgeted at an average effective price of 5.27 cents per kWh. Water levels at the Bradley Lake reservoir were considerably lower than budget and led to a higher effective rate than planned.

POWER PRODUCTION (in millions)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Power Production	\$ 11.8	\$ 12.0

Power production expense was \$11.8 million compared to \$12.0 million in the budget. This favorable variance was due primarily to lower labor costs at the Nikkels, SPP, and Sullivan plants. This was somewhat offset by higher warehouse costs allocated to this financial category and the amortization of acquired ML&P regulatory assets.

TRANSMISSION OPERATIONS AND MAINTENANCE (in millions)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Transmission	\$ 3.4	\$ 3.9

Transmission operations and maintenance expense was \$3.4 million compared to \$3.9 million in the budget. This favorable variance was due primarily to lower warehouse costs allocated to this financial category, which was somewhat offset by higher tree clearing costs.

DISTRIBUTION OPERATIONS AND MAINTENANCE (in millions)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Distribution	\$ 8.7	\$ 9.4

Distribution operations and maintenance expense was \$8.7 million compared to \$9.4 million in the budget. This favorable variance was due primarily to lower labor and tree clearing costs.

CONSUMER ACCOUNTS / CUSTOMER INFORMATION (in millions)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Consumer/Customer Information	\$ 3.5	\$ 3.8

Consumer accounts and customer information expense was \$3.5 million compared to \$3.8 million in the budget. This favorable variance was due primarily to lower labor, which was somewhat offset by higher professional services related to member collection and communication costs.

ADMINISTRATIVE, GENERAL AND OTHER (in millions)

	<u>2022 Actual</u>	<u>2022 Budget</u>
Administrative, General and Other	\$ 17.7	\$ 17.8

Administrative, general, and other expense includes tax, donations, other deductions associated with preliminary survey and investigation charges of projects, and obsolete inventory write-offs that are not attributable to operating or maintenance accounts. Administrative, general, and other expense was on par with budget with no significant variance.

SUMMARY

Depreciation, interest, and interest during construction expense totaled \$34.3 million compared to \$33.4 million in the budget. The unfavorable variance was due primarily to higher than anticipated depreciation expense related to BRU.

All the foregoing expenses resulted in total cost of electric service of \$120.7 million compared to \$117.4 million.

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 \$59.9 thousand compared to \$137.3 thousand in the budget due primarily to lower than budgeted AFUDC.

The net result of revenue and expenses was margins of \$4.8 million compared to projected margins of \$3.1 million in the budget. This resulted in an MFI/I of 1.34, a TIER of 1.35, and an equity-to-total capitalization of 15.29%. The current forecast projects year-end margins of \$8.2 million, an MFI/I of 1.20, and TIER of 1.20.

COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS YEAR-END FORECAST

CATEGORY	2022 APPROVED BUDGET	2022 AMENDED BUDGET	2022 YTD ACTUALS	2022 REVISED FORECAST
Operating Revenue and Patronage Capital	\$353,756,696	\$345,060,581	\$125,388,848	351,914,697 ^{1,2}
Fuel and Purchased Power Expense	105,281,462	102,741,756	41,271,807	107,375,872 ¹
Power Production Expense	36,526,615	36,526,615	11,803,799	36,561,635 ^{1,2}
Transmission Expense	11,473,532	11,473,532	3,449,750	11,457,437 ¹
Distribution Expense	28,908,401	28,908,401	8,701,812	28,851,799 ^{1,2}
Customer Expense	11,510,953	11,510,953	3,471,660	11,362,289 ¹
Administrative, General & Other	52,462,820	46,129,486	17,717,797	45,975,109 ¹
Depreciation and Amortization Expense	61,413,835	61,413,835	21,207,723	64,148,161 ²
Interest Expense, Net	38,424,734	38,424,735	13,050,346	38,424,735
Total Cost of Electric Service	\$346,002,352	\$337,129,313	\$120,674,694	\$344,157,038
Patronage Capital & Operating Margins	\$ 7,754,344	\$ 7,931,268	\$ 4,714,154	\$ 7,757,659
Non-Operating Margins - Interest	291,144	291,144	107,956	291,144
Allowance for Funds Used During Construction	301,074	301,074	26,495	301,074
Non-Operating Margins - Other	(145,180)	(145,180)	(74,505)	(145,180)
Patronage Capital or Margins	\$ 8,201,382	\$ 8,378,306	\$ 4,774,100	\$ 8,204,697
MFI/I	1.20	1.20	1.34	1.20
TIER	1.20	1.21	1.35	1.20

¹ Forecast based on 4 month actual and 8 month forecast

² Forecast has been adjusted to reflect anticipated changes



TO: Arthur Miller, Acting, Chief Executive Officer

FROM: Jean Kornmuller, Sr. Manager, Regulatory Affairs

DATE: June 15, 2022

SUBJECT: *Railbelt Electric Utility Bill Comparison: Second Quarter 2022*

This memo summarizes the electric bill totals among the Railbelt utilities for retail rates effective second quarter, 2022, based on Chugach Electric Association, Inc. (Chugach) average monthly usage levels for the residential, small commercial, and large commercial rate classes. For this bill comparison, I have updated the billing determinants to reflect Chugach's current average consumption levels for each rate class. The usage levels for the residential class decreased from 600 to 525 kWh, small commercial decreased from 1,250 to 1,200 kWh, and large commercial increased from 28,000 to 31,000 kWh.

Table 1 below summarizes bill totals between first and second quarter 2022. Chugach's bill levels remain the lowest in the Railbelt for both North and South District members.

Table 1: Summary of Electric Bill Totals ¹ Period: Second Quarter 2022					
Customer Class	Chugach		GVEA	HEA	MEA
	South	North			
Residential (525 kWh)	\$111.84	\$98.86	\$163.38	\$145.89	\$117.09
Cost per kWh	\$0.213	\$0.188	\$0.311	\$0.278	\$0.223
% Change from prior quarter	0.7%	0.7%	3.6%	0.7%	0.7%
% Difference from Chugach South bill	--	(11.6%)	46.1%	30.5%	4.7%
Small General Service (1,200 kWh)	\$208.29	\$184.55	\$356.92	\$315.64	\$250.93
Cost per kWh	\$0.174	\$0.154	\$0.297	\$0.263	\$0.209
% Change from prior quarter	0.9%	0.9%	3.7%	0.8%	0.8%
% Difference from Chugach South bill	--	(11.4%)	71.4%	51.5%	20.5%
Large General Service Secondary ²	\$5,215.56	\$4,063.27	\$7,576.45	\$7,468.23	\$5,559.67
Cost per kWh	\$0.168	\$0.131	\$0.244	\$0.241	\$0.179
% Change from prior quarter	0.9%	1.0%	4.6%	0.8%	0.9%
% Difference from Chugach South bill	--	(22.1%)	45.3%	43.2%	6.6%
¹ Bill totals are based on the tariffed base and cost of power rates, Regulatory Cost Charge, and Gross Revenue Tax. Local taxes, including the Municipality of Anchorage two percent underground surcharge, are not applicable to all utilities in this comparison and are therefore excluded from the calculations.					
² Bill total for Large General Service Secondary is based on 31,000 kWh & 79kW and does not reflect impacts associated with tariffed demand ratchets.					

The primary drivers of the changes to residential bill levels are summarized below. For all utilities, base demand and energy rates did not change.

- Chugach's South District residential bill levels increased 0.7 percent due to the combined effects of an increase in the cost of power adjustment factor and an increase in the Beluga River Unit (BRU) Contributed Capital (CC) surcharge.
- Chugach's North District residential bill levels increased 0.7 percent due to the net effects of an increase in the cost of power adjustment factor and decreases in the BRU CC rebate and Restricted Rate Reduction (RRR) account rebate.
- GVEA's residential bill levels increased 3.6 percent due to an increase in their cost of power adjustment factor.
- HEA and MEA residential bill levels increased 0.7 percent due to increases in their cost of power adjustment factor. The base energy and demand rates remain unchanged.

Figures 1 through 4

The figures on the following pages illustrate the comparative bill levels for the Railbelt utilities. Figure 1 compares bill totals between first and second quarter 2022, and Figure 2 compares the base rate and the fuel and purchased power components of the monthly bills. Figures 3A and 3B summarize Chugach's North and South District bill levels for base rate and fuel and purchased power components on a quarterly basis for the last seven years. Figure 4 illustrates residential bill totals over the last five consecutive quarters for the Railbelt utilities.

Figure 1: Retail Electric Bill Totals by Utility
Comparing First Quarter 2022 and Second Quarter 2022

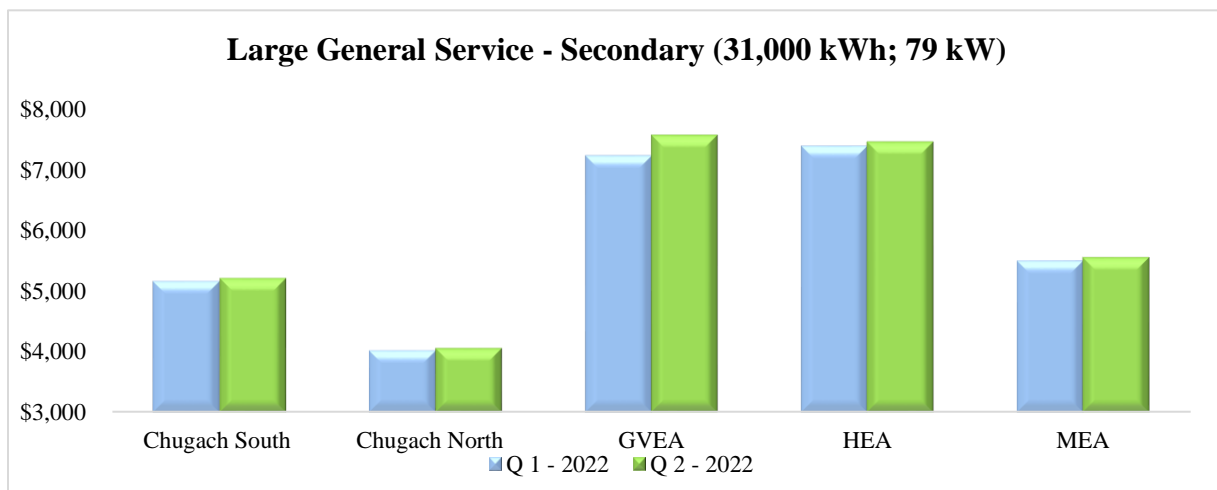
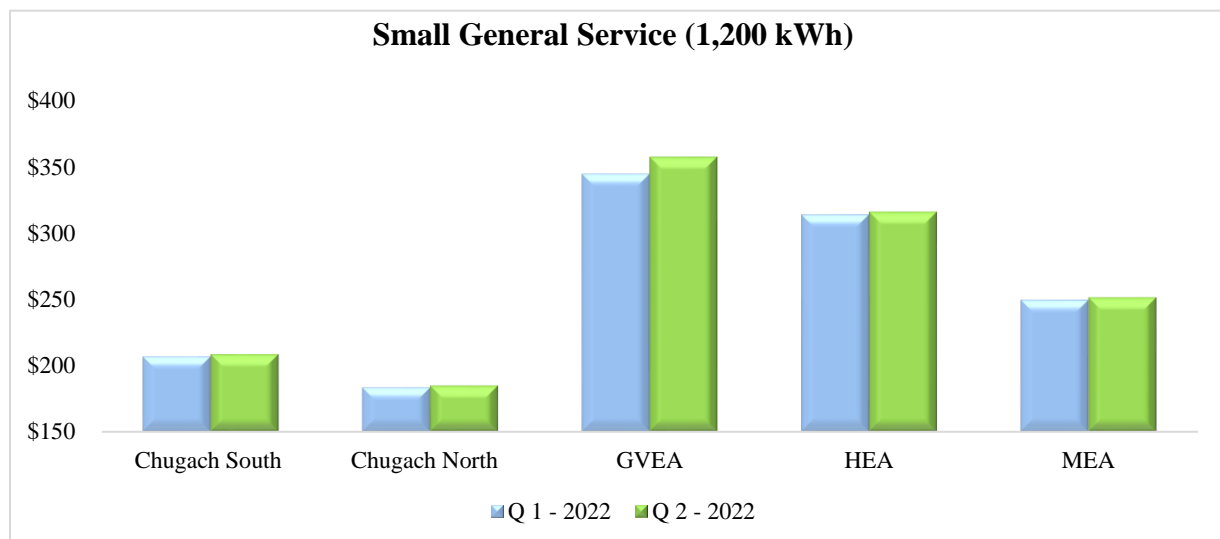
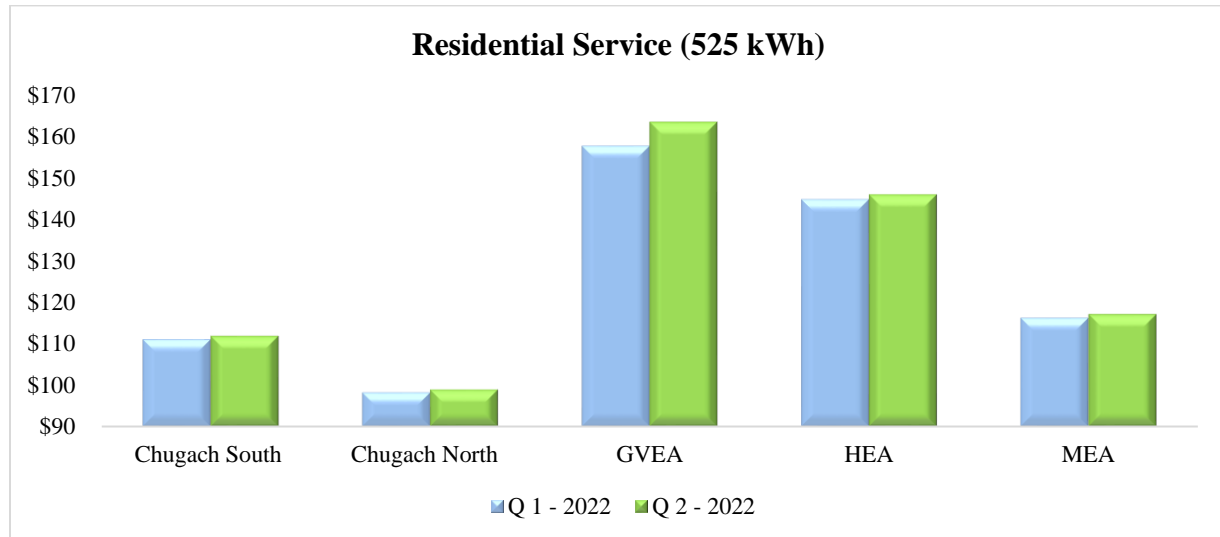


Figure 2: Base Rate and Fuel and Purchased Power Components
 Second Quarter 2022

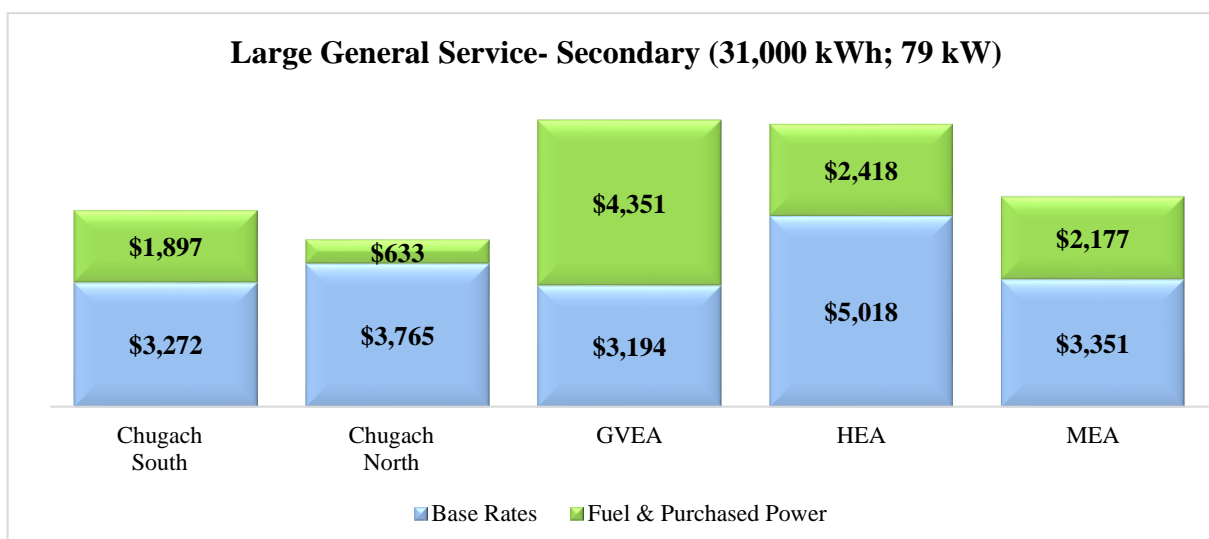
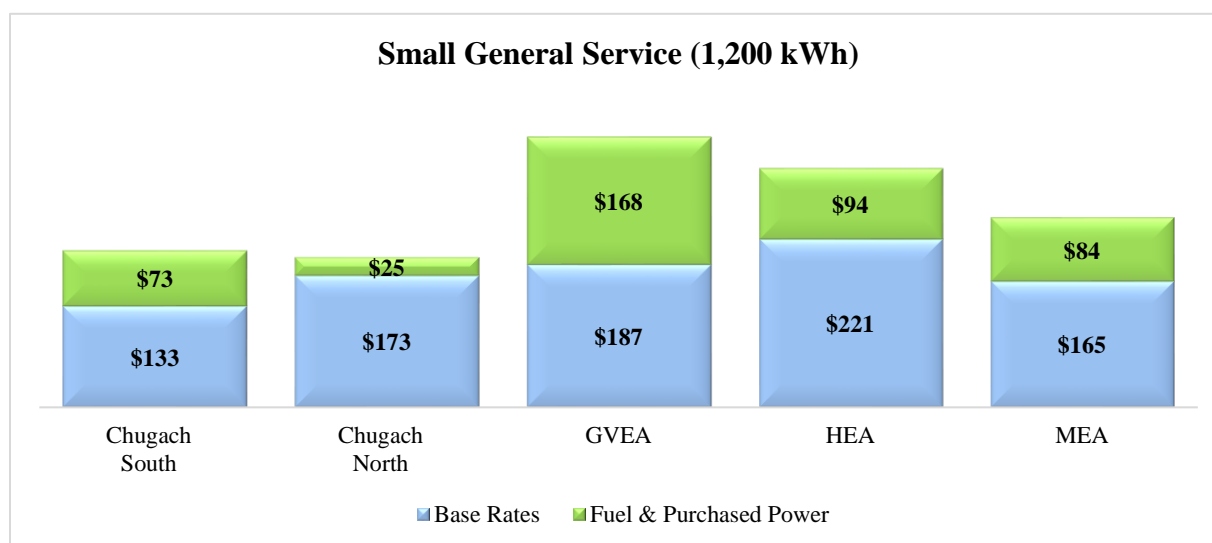
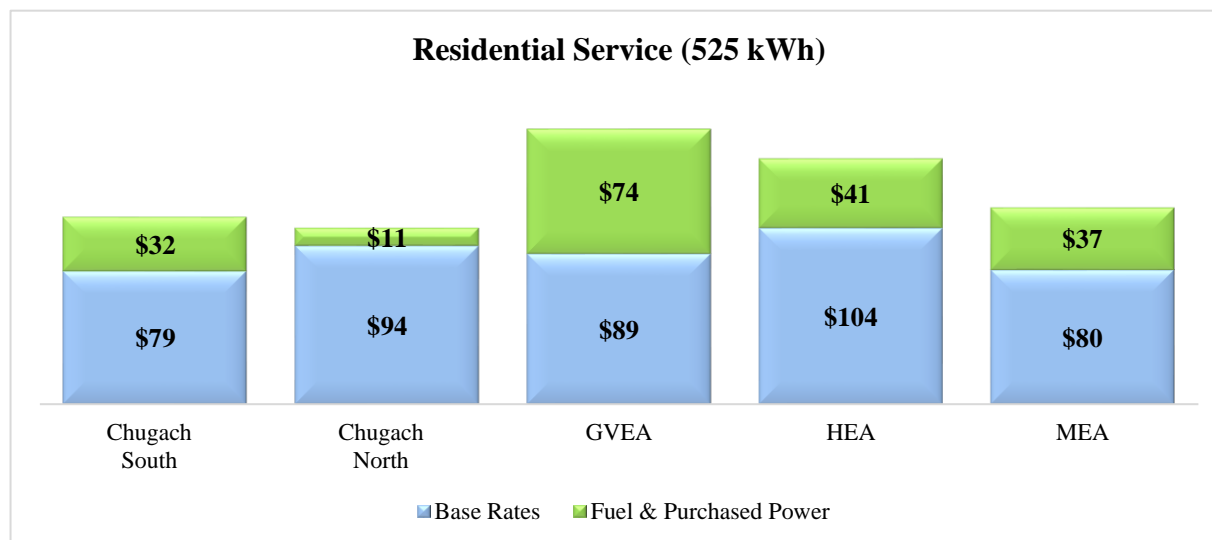


Figure 3A: Chugach South Quarterly Residential Bill Total History
Based on 525 kWh Consumption

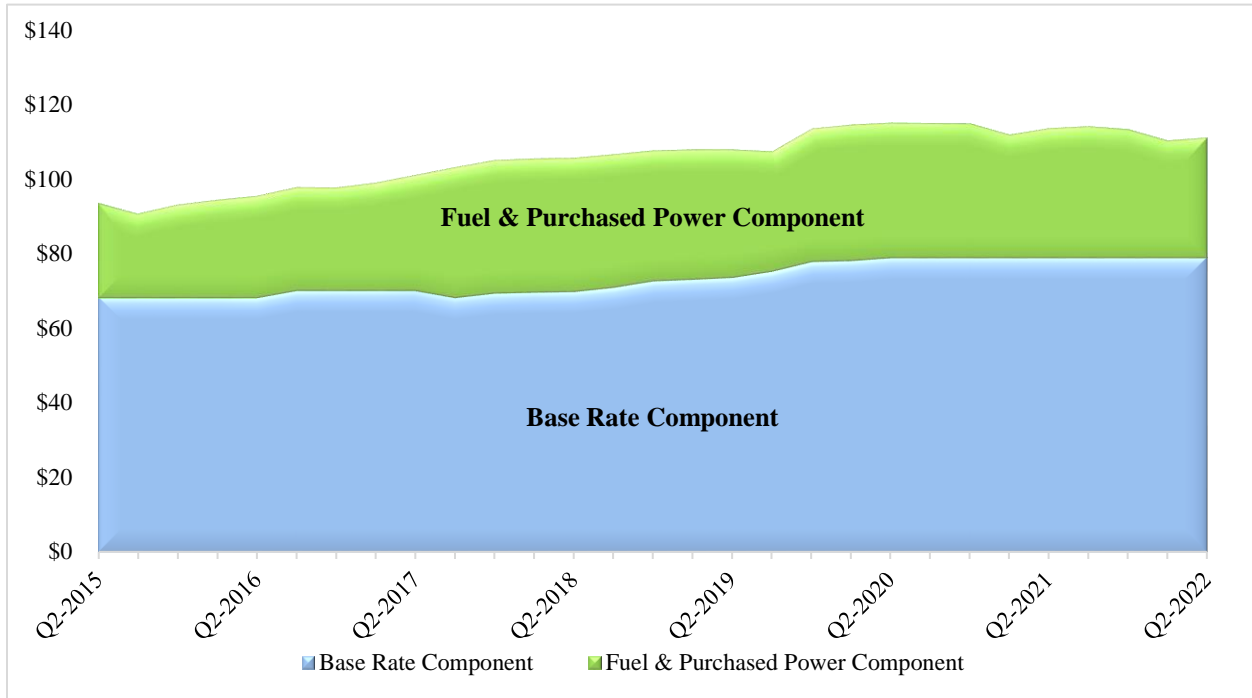


Figure 3B: Chugach North Quarterly Residential Bill Total History
Based on 525 kWh Consumption

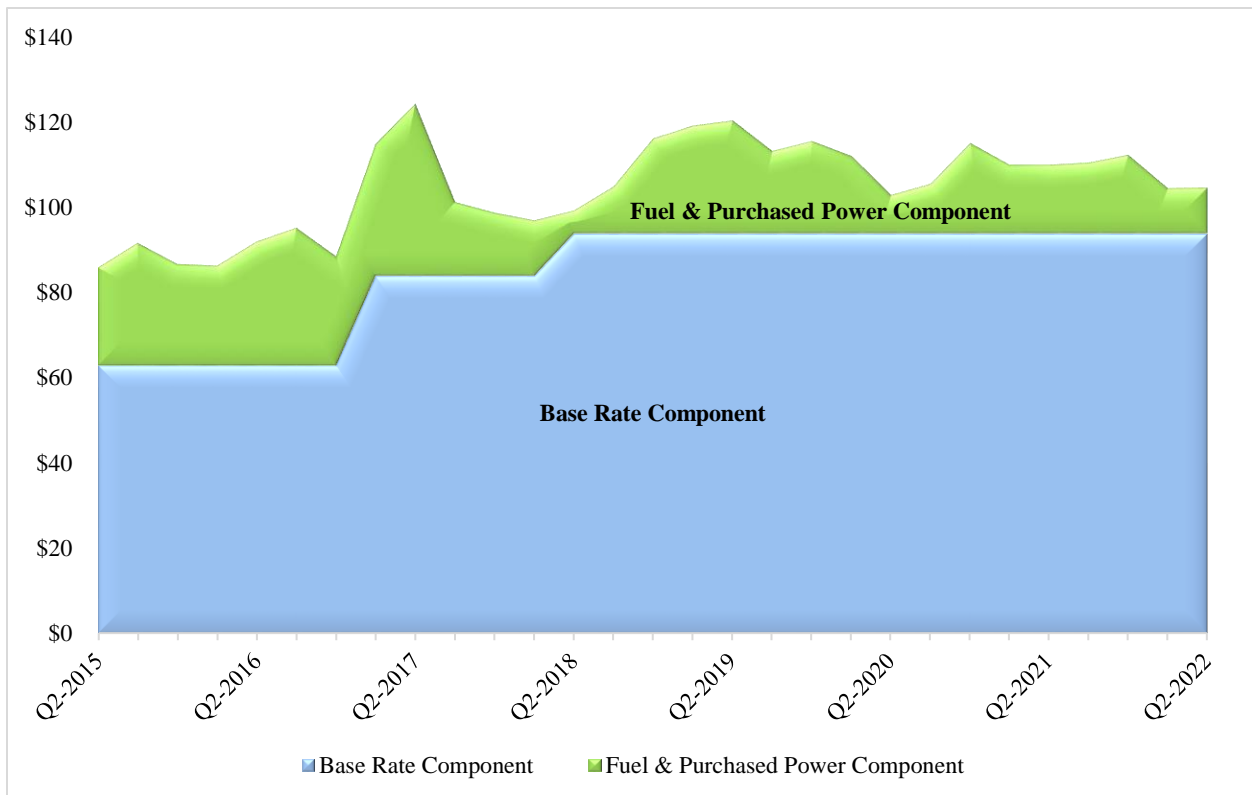


Figure 4: Railbelt Electric Utility Residential Bill Levels (525 kWh)
Second Quarter 2021 through Second Quarter 2022



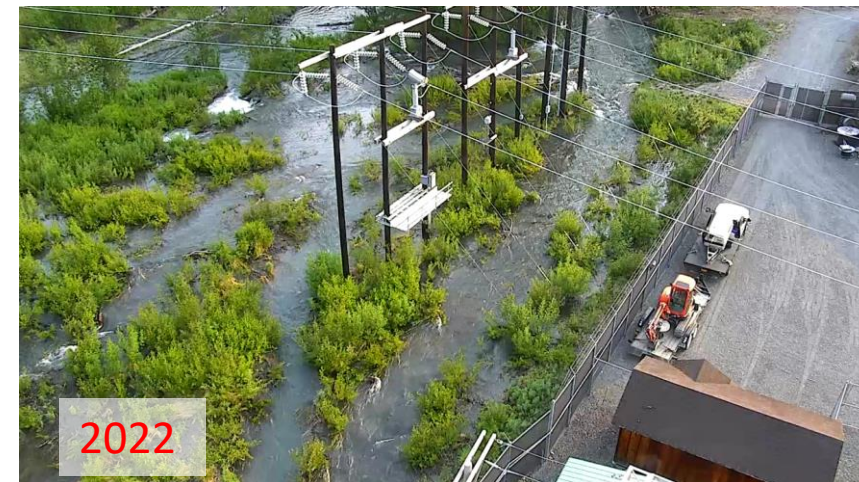


Daves Creek Substation, Flooding Mitigation

Regular Board of Directors Meeting
June 22, 2022

Daves Creek Substation, Flooding Mitigation

- *Daves Creek Substation is located adjacent to Quartz Creek.*
- *Quartz Creek's main channel eroded into an alternate channel.*
- *Mitigation efforts started in 2021.*
- *Water flows increased in 2022 leading to more proactive response measures.*
 - *Short term and Long term*
- *Permitting efforts are ongoing to support measures.*



Daves Creek Substation, Flooding Mitigation

Response measures:

1. *Short term, super sack diversion structure.*

a. *June 2022*



2. *Long term, rip-rap diversion structure.*

a. *Anticipated fall 2022*



CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

June 22, 2022

ACTION REQUIRED

AGENDA ITEM NO. IX.A.

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

TOPIC

Update Bank Signature Cards

DISCUSSION

The Board of Directors elected new officers at the May 25, 2022 Regular Board Meeting.

There has also been a management staff change in the Executive Office. With the election of new officers and the staff change it is necessary to update the Corporate Authorization Resolution for signing and endorsing checks and other documents of a substantially similar type and purpose.

Management is recommending the Board of Directors approve the attached resolution updating the bank signature cards to reflect the new Board officers and executive management personnel.

MOTION

Move that the Board of Directors approve the attached resolution updating the bank signature cards based on the election of officers at its May 25, 2022, Regular Board of Directors' Meeting and changes in executive management personnel.



RESOLUTION

Bank Signature Cards

WHEREAS, the Board of Directors has elected new officers and executive management changes necessitate a change to our Corporate Authorization Resolution for signing and endorsing checks; and

NOW, THEREFORE, BE IT RESOLVED, that the Corporate Authorization Resolution for signing and endorsing checks is adopted; and

BE IT FURTHER RESOLVED, the Acting Chief Executive Officer is authorized and directed to execute the Certified Copy of the Corporate Resolution for signing and endorsing checks and signature cards attached hereto or other documents of a substantially similar type and purpose.

CERTIFICATION

I, Samuel Cason, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 22nd day of June, 2022; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 22nd day of June 2022.

Secretary

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

June 22, 2022

ACTION REQUIRED

AGENDA ITEM NO. IX.B.

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

TOPIC

Appointment of NRECA Voting Delegate and Alternate

DISCUSSION

The voting delegate and alternate to the NRECA meetings are chosen from those who will be participating.

Directors Rachel Morse and Bettina Chastain are currently serving as the NRECA voting and alternate delegates.

MOTION

Motion 1:

Move that the Board of Directors appoint _____ as the NRECA Voting Delegate.

Motion 2:

Move that the Board of Directors appoint _____ as the NRECA Voting Alternate.

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

June 22, 2022

ACTION REQUIRED

AGENDA ITEM NO. IX.C.

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

TOPIC

Appointment of CFC Voting Delegate and Alternate

DISCUSSION

The voting delegate and alternate to the CFC meetings are chosen from those who will be attending.

The CFC voting delegate is currently Director Harold Hollis and James Henderson as the alternate.

MOTION

Motion 1:

Move that the Board of Directors appoint _____ as the CFC Voting Delegate.

Motion 2:

Move that the Board of Directors appoint _____ as the CFC Voting Alternate.

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

June 22, 2022

ACTION REQUIRED

AGENDA ITEM NO. IX.D.

<input type="checkbox"/>	Information Only
<input checked="" type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	Executive Session
<input type="checkbox"/>	Other

TOPIC

Allocation of 2021 Margins

DISCUSSION

Chugach Electric Association, Inc.'s (Chugach) Bylaws provide that at the end of each fiscal year the amount of capital furnished by each patron be clearly reflected and credited to the appropriate capital account of each patron. For calendar year 2021, Chugach's margins totaled \$9,578,479.

The 2021 allocations are calculated based on revenue, revenue requirements, cost of service, and adjusted ratemaking margin levels established by the Regulatory Commission of Alaska. Table 1 below summarizes the 2021 allocations for all functional classes on the Chugach system:

Table 1: Allocation of 2021 Margins				
	South District	North District	Total	Percentage
Retail - G&T	\$2,847,163	\$3,331,082	\$6,178,245	64.5%
Retail - Distribution	\$2,424,943	\$913,771	\$3,338,714	34.9%
Wholesale - Seward	\$61,520	---	\$61,520	0.6%
Total	\$5,333,626	\$4,244,853	\$9,578,479	100.0%

Chugach Board Policy 304 (Capital Credit Policy) requires that Chugach provide notification to its members of the amount of their capital credits allocated for the preceding year within eight and one-half months following each fiscal year. After approval of the allocations, each member will receive individual notice by August 15, 2022, of their allocation amount and an explanation of Chugach's capital credit program. In addition, the capital credit amounts allocated will be identified on each retail customer bill and a general notice of the allocations will be posted on

Chugach's website. Members using Chugach's "My Account" member engagement portal will be able to view their total accumulated capital credit allocations through December 2021.

MOTION

Move that the Board of Directors approve the attached Resolution authorizing 2021 capital credit allocations in the amount of \$9,578,479, with \$5,272,106 assigned to South District retail members, \$4,244,853 assigned to North District retail members, and \$61,520 assigned to Seward Electric System.



RESOLUTION

2021 Capital Credit Allocation

WHEREAS, Chugach Electric Association, Inc.'s ("Chugach" or "Association") Bylaws provide that at the end of each fiscal year the amount of capital furnished by each patron shall be reflected and credited to the appropriate capital account of each patron and that the Association notify each patron of the amount of capital so credited;

WHEREAS, Chugach Board Policy 304 (Capital Credit Policy) requires notification to patrons of the amount of their capital credits allocated for the preceding year within eight and one-half months following each fiscal year;

WHEREAS, Chugach's system patronage capital (margins) based on calendar year 2021 operating results totals \$9,578,479;

WHEREAS, the 2021 allocation provides that Chugach South District retail members shall be allocated \$5,272,106, North District retail members shall be allocated \$4,244,853, and Seward Electric System shall be allocated \$61,520; and,

WHEREAS, after approval of the 2021 allocation, Chugach shall notify each member of their allocated amount through individual notice not later than August 15, 2022.

NOW, THEREFORE, BE IT RESOLVED, the allocation of 2021 system patronage to the retail and wholesale members of the Association is as follows:

Table 1: Allocation of 2021 Margins				
	South District	North District	Total	Percentage
Retail - G&T	\$2,847,163	\$3,331,082	\$6,178,245	64.5%
Retail - Distribution	\$2,424,943	\$913,771	\$3,338,714	34.9%
Wholesale - Seward	\$61,520	---	\$61,520	0.6%
Total	\$5,333,626	\$4,244,853	\$9,578,479	100.0%

CERTIFICATION

I, Sam Cason, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 22nd day of June 2022; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 22nd day of June 2022.

Secretary

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

June 22, 2022

ACTION REQUIRED

AGENDA ITEM NO. IX.F.

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

TOPIC

May 1, 2022 - April 30, 2023 Chief Executive Officer (CEO) Project Specific Initiatives and Priority Areas

DISCUSSION

On June 8, 2022, the Operations Committee recommended the Chugach Board of Directors approve the May 1, 2022 through April 30, 2023 CEO Project Specific Initiatives and Priority Areas as discussed in executive session.

MOTION

Move that the Board of Directors approve the May 1, 2022 through April 30, 2023 CEO Project Specific Initiatives and Priority Areas as discussed in executive session.