



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

REGULAR BOARD OF DIRECTORS' MEETING

AGENDA

Mark Wiggin, Chair
Sisi Cooper, Vice Chair
Rachel Morse, Treasurer
Susanne Fleek-Green, Secretary

Bettina Chastain, Director
Jim Norlund, Director
Dan Rogers, Director

October 15, 2024

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: Safe Use of Ladders (Freeman)*
 - D. *Electric Power Factoid: Call Before You Dig (Roy)*
- II. APPROVAL OF THE AGENDA* (4:15 p.m.)
- III. PERSONS TO BE HEARD (4:15 p.m.)
 - A. *Member Comments*
- IV. DIRECTOR REPORTS (4:25 p.m.)
 - A. *Alaska Power Association (APA) Report*
 - B. *Board Committee Reports (Audit & Finance, Operations & Governance)*
 - C. *Other Meeting Reports*
 - 1. *MAC Meeting*
- V. CONSENT AGENDA* (4:40 p.m.)
 - A. *Board Calendar*
 - B. *Training and Conferences*
 - 1. *2024 Legislative Luncheon, October 24, 2024 Anchorage, AK*
 - 2. *Key Member Summit, October 30, 2024, Anchorage, AK*
 - 3. *NRECA Winter School, December 13-17, 2024, Nashville TN*
 - 4. *NRECA PowerXchange, March 7-12, 2025, Atlanta, GA*
 - C. *Minutes*
 - 1. *September 25, 2024, Regular Board of Directors' Meeting (Cacy)*
 - D. *Director Expenses*

* *Denotes Action Items*

** *Denotes Possible Action Items*

10/15/2024 11:39:40 AM

- VI. CEO REPORTS AND CORRESPONDENCE (4:45 p.m.)
 - A. *Chugach Clean Energy: Recent Achievements (Miller) (4:45 p.m.)*
 - B. *August 2024 Financial Statements and Variance Report (Millwood) (4:50 p.m.)*
 - C. *Decarbonization Program Update (D. Highers) (5:05 p.m.)*
 - D. *Chugach Electric Association, Inc: Bill Round Up (Lewis-Boutte/Clarkson) (5:25 p.m.)*
 - E. *Board Policy Scheduled Tasks/Reports (Board/Staff) (5:45 p.m.)*
- VII. UNFINISHED BUSINESS (none)
- VIII. NEW BUSINESS* (scheduled) (5:50 p.m.)
 - A. *Unit 10 Project Increase* (Laughlin/Ori) (5:50 p.m.)*
 - B. *Capital Credit Retirement* (Highers) (6:10 p.m.)*
- IX. EXECUTIVE SESSION* (scheduled) (6:30 p.m.)
(Recess 20-Minutes)
 - A. *Gas Supply Negotiations, Subject to NDA (Rudeck/Armfield/Gerlek/Herrmann) (6:50 p.m.)*
 - B. *IPP, Subject to NDA (Baker/Herrmann) (7:05)*
 - C. *Collective Bargaining Negotiations (Wilson) (7:20 p.m.)*
- X. NEW BUSINESS (none)
- XI. DIRECTOR COMMENTS (7:45 p.m.)
- XII. ADJOURNMENT* (8:00 p.m.)

* *Denotes Action Items*

** *Denotes Possible Action Items*



Ladder Safety

Regular Board of Directors' Meeting
October 15, 2024

Each year more than 500,000 people are treated for injuries they received when falling off a ladder.



Ladder Safety Tips

- Make sure the ladder **is tall enough** for the job at hand. The most popular 18-foot ladder may not be tall enough to get you on and off your roof.
- **Don't lean out too far.** A good rule of thumb is to keep your belt buckle between the rungs and never reach out any farther on either side.
- Make sure the ladder is on a **firm level surface**.
- Always maintain **three points of contact** when on a ladder.
- Make sure the ladder is placed far enough from what you are leaning it against. The **4-1 rule** will help you get the distance right. For example, 3 feet away against a 12-foot wall



YTD Safety Statistics

Recordable Injuries			
Business Unit	2023	2023 SEP YTD	2024 SEP YTD
Line Operations	6	4	6
Power Generation	2	1	3
Office and Administrative	1	1	0
Total	9	6	9
Lost Time Injuries			
Business Unit	2023	2023 SEP YTD	2024 SEP YTD
Line Operations	4	3	4
Power Generation	0	0	1
Office and Administrative	0	0	0
Total	4	3	5
Rates and Lost Workdays			
	2023	2023 SEP YTD	2024 SEP YTD
OSHA Rate	2.20	1.98	2.93
DART Rate	1.95	.99	1.63
Lost Time Rate	.98	1.32	1.96
Lost Workdays	453	332	335

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

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

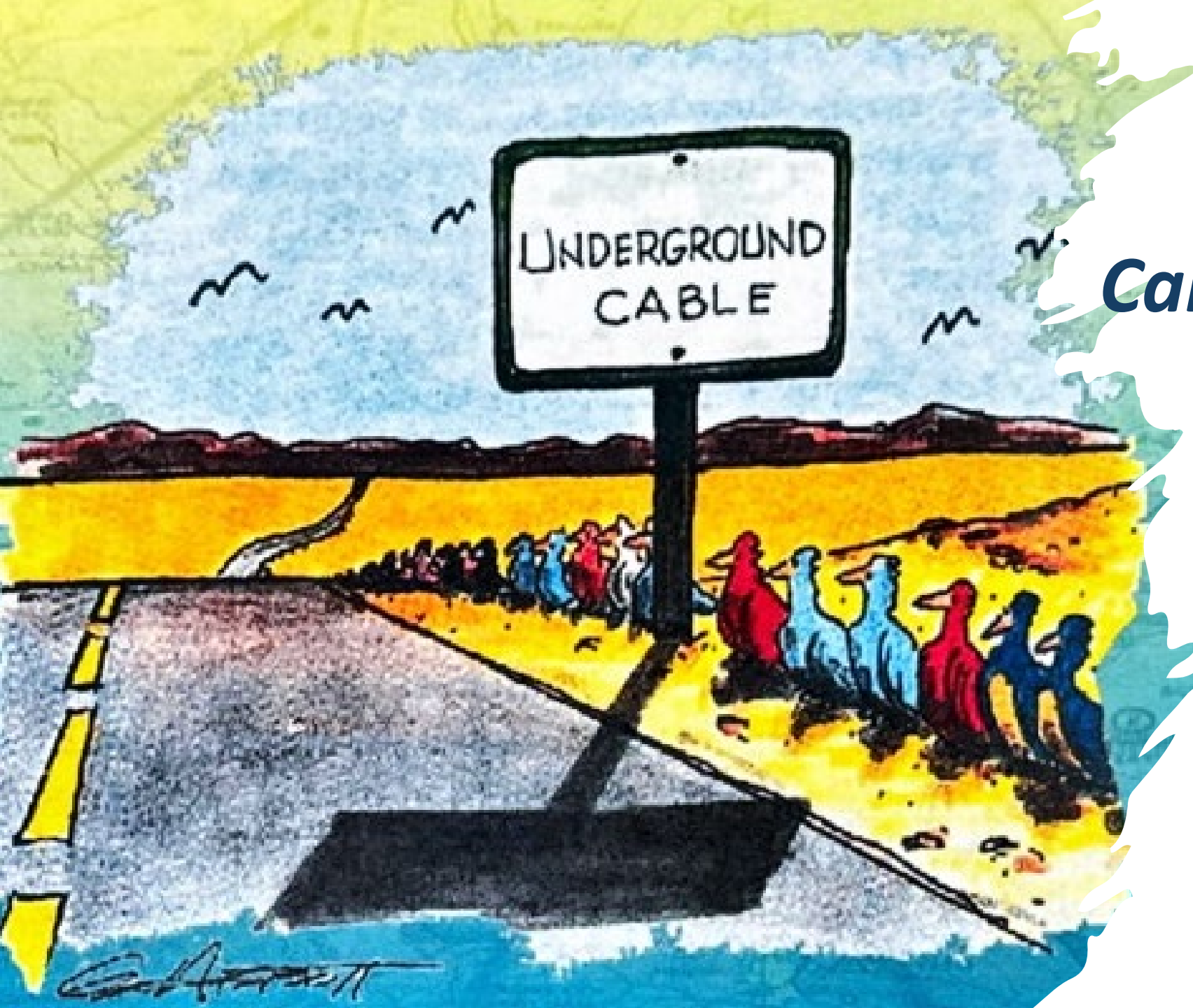
Lost Time Rate: Number of lost time injuries X 200,000/employee hours worked

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

DART Rate: Number of lost time and restricted duty injuries x 200,000/employee hours worked

2024 YTD Incident Review

Incident Description	Nonconformance with Safety Procedures or Work Practices	Incident Type	Opportunity for Intervention
Cut thumb while cutting tape on coiled service line	No	Normal Task	No
Strained knee while walking through deep snow	No	Normal Task	Possible
Strained shoulder when hit by ice that was shedding from building while performing rounds	No	Normal Task	No
Injured foot when descending off of vehicle during DOT inspection	No	Normal Task	No
Strained back pounding on ice with hatchet to find survey marker	No	Infrequent Task	No
Slipped on ice boarding plane	No	Normal Task	No
Received burns as result of electrical contact	Yes	Normal Task	Yes
Strained knee when walking in deep snow during avalanche training.	No	Infrequent Task	No
Cut leg when knife slipped when cutting banding strap off palletized elbows	No	Normal Task	No



Call Before You Dig

Regular Board of Directors' Meeting
October 15, 2024



CHUGACH ***LOCATES***



at&t



Anchorage School District
Educating All Students for Success in Life



811ak.com
EVERY DIG. EVERY TIME.



ALASKA NATIVE
TRIBAL HEALTH
CONSORTIUM

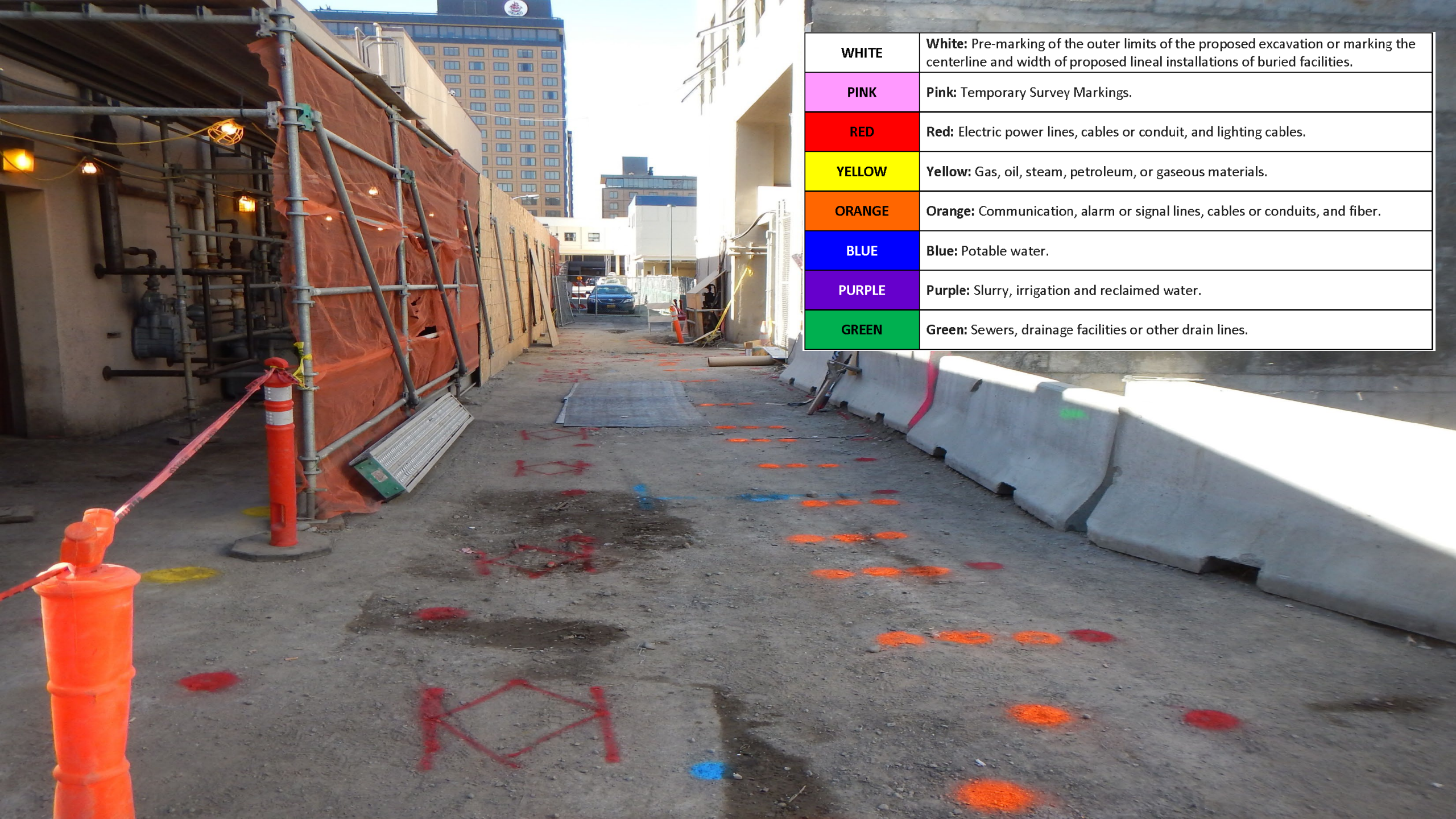


PETRO ST  R INC.



**DOYON
UTILITIES**
LLC





WHITE	White: Pre-marking of the outer limits of the proposed excavation or marking the centerline and width of proposed lineal installations of buried facilities.
PINK	Pink: Temporary Survey Markings.
RED	Red: Electric power lines, cables or conduit, and lighting cables.
YELLOW	Yellow: Gas, oil, steam, petroleum, or gaseous materials.
ORANGE	Orange: Communication, alarm or signal lines, cables or conduits, and fiber.
BLUE	Blue: Potable water.
PURPLE	Purple: Slurry, irrigation and reclaimed water.
GREEN	Green: Sewers, drainage facilities or other drain lines.



14,730
2023









Questions?



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

REGULAR BOARD OF DIRECTORS' MEETING

AGENDA

Mark Wiggin, Chair
Sisi Cooper, Vice Chair
Rachel Morse, Treasurer
Susanne Fleek-Green, Secretary

Bettina Chastain, Director
Jim Norlund, Director
Dan Rogers, Director

October 15, 2024

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: Safe Use of Ladders (Freeman)*
 - D. *Electric Power Factoid: Call Before You Dig (Roy)*
- II. APPROVAL OF THE AGENDA* (4:15 p.m.)
- III. PERSONS TO BE HEARD (4:15 p.m.)
 - A. *Member Comments*
- IV. DIRECTOR REPORTS (4:25 p.m.)
 - A. *Alaska Power Association (APA) Report*
 - B. *Board Committee Reports (Audit & Finance, Operations & Governance)*
 - C. *Other Meeting Reports*
 - 1. *MAC Meeting*
- V. CONSENT AGENDA* (4:40 p.m.)
 - A. *Board Calendar*
 - B. *Training and Conferences*
 - 1. *2024 Legislative Luncheon, October 24, 2024 Anchorage, AK*
 - 2. *Key Member Summit, October 30, 2024, Anchorage, AK*
 - 3. *NRECA Winter School, December 13-17, 2024, Nashville TN*
 - 4. *NRECA PowerXchange, March 7-12, 2025, Atlanta, GA*
 - C. *Minutes*
 - 1. *September 25, 2024, Regular Board of Directors' Meeting (Cacy)*
 - D. *Director Expenses*

* *Denotes Action Items*

** *Denotes Possible Action Items*

10/11/2024 3:54:57 PM

- VI. CEO REPORTS AND CORRESPONDENCE (4:45 p.m.)
 - A. *Chugach Clean Energy: Recent Achievements (Miller) (4:45 p.m.)*
 - B. *August 2024 Financial Statements and Variance Report (Millwood) (4:50 p.m.)*
 - C. *Decarbonization Program Update (D. Highers) (5:05 p.m.)*
 - D. *Chugach Electric Association, Inc: Bill Round Up (Lewis-Boutte/Clarkson) (5:25 p.m.)*
 - E. *Board Policy Scheduled Tasks/Reports (Board/Staff) (5:45 p.m.)*
- VII. UNFINISHED BUSINESS (none)
- VIII. NEW BUSINESS* (scheduled) (5:50 p.m.)
 - A. *Unit 10 Project Increase* (Laughlin/Ori) (5:50 p.m.)*
 - B. *Capital Credit Retirement* (Highers) (6:10 p.m.)*
- IX. EXECUTIVE SESSION* (scheduled) (6:30 p.m.)
(Recess 20-Minutes)
 - A. *IPP, Subject to NDA (Baker) (6:50)*
 - B. *Gas Supply Negotiations, Subject to NDA (Rudeck/Armfield/Gerlek/Herrmann) (7:05 p.m.)*
 - C. *Collective Bargaining Negotiations (Wilson) (7:20 p.m.)*
- X. NEW BUSINESS (none)
- XI. DIRECTOR COMMENTS (7:45 p.m.)
- XII. ADJOURNMENT* (8:00 p.m.)

* *Denotes Action Items*

** *Denotes Possible Action Items*

October 2024

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

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Sep 29	30	Oct 1	2	3	4 <div>9:00am OPS Packet Review (Board Room CR) - Sandra Cacy</div> <div>12:00pm FW: DC Fast Charger Ribbon Cutting Ceremony</div>	5
6	7 <div>1:00pm FW: BESS commissioning ceremony (BESS site) - Julie Hasquet</div>	8	9 <div>4:00pm Operations Committee Meeting (Board Room CR) - Sandra Cacy</div>	10 <div>5:00pm 2024 MAC Meeting #4 (Chugach Board Room)</div>	11 <div>8:00am 11/15 Regular Board Meeting Packet Review (Microsoft Teams Meeting) - Stephanie Huddell</div>	12
13	14 <div>Indigenous Peoples' Day</div>	15 <div>4:00pm Regular Board of Directors' Meeting (Board Room CR) - Sandra Cacy</div>	16	17	18 <div>Alaska Day</div>	19
20	21	22	23	24 <div>11:30am Special Board of Directors' Meeting - 2024 Legislative Luncheon (Alaska Native Heritage Center, 8800 Heritage</div>	25	26
27	28	29	30 <div>11:45am FW: Key Member Summit placeholder (TBD) - Scarlett Masten</div>	31	Nov 1	2

November 2024

November 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

December 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
Oct 27	28	29	30	31	Nov 1 9:00am Audit & Finance - Budget Packet Review (Sherri's Office) - Sandra Cacy	2
3	4	5	6 4:00pm Audit & Finance Committee Meeting - Budget (Board Room CR) - Sandra Cacy	7	8	9
10	11 Veterans Day	12	13	14	15 8:00am Regular Board of Directors Packet Review (Board Room) 9:00am Audit & Finance Packet Review (Sherri's Office) -	16
17	18	19 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Sandra Cacy	20 4:00pm Regular Board of Directors' Meeting (Board Room CR) - Sandra Cacy	21	22	23
24	25	26 9:00am Governance Packet Review (Board Room CR) - Sandra Cacy	27	28 Thanksgiving Holiday	29	30

December 2024

December 2024							January 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7				1	2	3	4
8	9	10	11	12	13	14	5	6	7	8	9	10	11
15	16	17	18	19	20	21	12	13	14	15	16	17	18
22	23	24	25	26	27	28	19	20	21	22	23	24	25
29	30	31					26	27	28	29	30	31	

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 1	2	3	4 4:00pm Governance Committee Meeting (Chugach Board Room) - Stephanie Huddell	5	6 8:00am Review Regular Board of Directors Meeting Packet (Board Room CR) - Stephanie Huddell	7 6:00pm Chugach 2024 Holiday Party (Hotel Captain Cook) - Stephanie Huddell
8	9	10	11 4:00pm Regular Board of Directors' Meeting (Board Room CR) - Sandra Cacy	12	13 NRECA Winter School (December 13-17, Nashville TN)	14
15 NRECA Winter School (December 13-17, Nashville TN)	16	17	18	19	20	21
22	23	24 Christmas Eve	25 Christmas Day	26	27	28
29	30	31 New Year's Eve	Jan 1, 25	2	3	4

January 2025

January 2025							February 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
5	6	7	1	2	3	4	2	3	4	5	6	7	1
12	13	14	8	9	10	11	9	10	11	12	13	14	8
19	20	21	22	23	24	25	16	17	18	19	20	21	15
26	27	28	29	30	31		23	24	25	26	27	28	22

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 29	30	31	Jan 1, 25 New Year's Day	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 Martin Luther King, Jr.	21	22 4:00pm Regular Board of Directors Meeting (Board Room CR) - Stephanie Huddell	23	24	25
26	27	28	29	30	31	Feb 1

February 2025

February 2025							March 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
2	3	4	5	6	7	8	2	3	4	5	6	7	8
9	10	11	12	13	14	15	9	10	11	12	13	14	15
16	17	18	19	20	21	22	16	17	18	19	20	21	22
23	24	25	26	27	28		23	24	25	26	27	28	29
							30	31					

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jan 26	27	28	29	30	31	Feb 1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17 President's Day	18	19	20	21	22
23	24	25	26 4:00pm Regular Board of Directors Meeting (Board Room CR) - Stephanie Huddell	27	28	Mar 1

March 2025

March 2025							April 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
2	3	4	5	6	7	1	6	7	1	2	3	4	5
9	10	11	12	13	14	8	13	14	8	9	10	11	12
16	17	18	19	20	21	15	20	21	15	16	17	18	19
23	24	25	26	27	28	22	27	28	22	23	24	25	26
30	31					29			29	30			

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 23	24	25	26	27	28	Mar 1
2	3	4	5	6	7	8
					NRECA PowerXchange - Atlanta, GA	
9	10	11	12	13	14	15
NRECA PowerXchange - Atlanta, GA						
16	17	18	19	20	21	22
23	24	25	26	27	28	29
			4:00pm Regular Board of Directors Meeting (Board Room CR) - Stephanie Huddell			
30	31	Apr 1	2	3	4	5

April 2025

April 2025							May 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
6	7	1	2	3	4	5	4	5	6	7	1	2	3
13	14	8	9	10	11	12	11	12	13	14	8	9	10
20	21	15	16	17	18	19	18	19	20	21	15	16	17
27	28	22	23	24	25	26	25	26	27	28	22	23	24
		29	30								29	30	31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Mar 30	31	Apr 1	2 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Stephanie Huddell	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23 4:00pm Regular Board of Directors Meeting (Board Room CR) - Stephanie Huddell	24	25	26
27	28	29	30	May 1	2	3

May 2025

May 2025							June 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
4	5	6	7	8	9	10	1	2	3	4	5	6	7
11	12	13	14	15	16	17	8	9	10	11	12	13	14
18	19	20	21	22	23	24	15	16	17	18	19	20	21
25	26	27	28	29	30	31	22	23	24	25	26	27	28

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Apr 27	28	29	30	May 1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Stephanie Huddell	22	23	24
25	26 Memorial Day	27	28	29	30	31

KEY MEMBER SUMMIT

RSVP

Two representatives from your organization are cordially invited to attend the fourth annual Key Member Summit.

We extend an invitation to join us for lunch and an opportunity to engage with Chugach's leadership.



Rate Case



Decarbonization



Integrated
Resource
Planning



Gas Supply



Chugach Electric
5601 Electron Way



Wednesday
October 30 | 10:00 AM



RSVP NOW
for Summit and tours



Winter School for Directors

Nashville, TN | December 13 - 17, 2024

NRECA's Winter School for Directors is designed to ensure that electric cooperative directors have greater impact on their communities through the development of knowledge and skills required to meet current challenges successfully.

REGISTER

JOIN US IN DECEMBER

Winter School for Directors

NRECA's Winter School for Directors is designed to ensure that electric cooperative directors develop the knowledge and skills required to meet current challenges that impact their communities successfully.

Winter School for Directors offers a variety of governance focused courses to help directors build the knowledge and experience to provide effective oversight to their co-ops. Directors can pursue the topics that best suit their learning goals by building a custom schedule. Whether you are working towards certificate or seeking knowledge on a specific, pressing topic, Winter School has the courses.

This five-day program offers co-op directors:

- The essential knowledge and skills necessary to succeed on the board
- All five courses required to earn the Credentialed Cooperative Director (CCD) certificate (2600-level courses)
- Over 20 Board Leadership Certificate (BLC) courses that dive deeper into specific industry and governance issues (900-level courses)
- Continuing education opportunities that can be applied toward earning or maintaining the Director Gold credential



Not sure where to start? Take the [Director Education Assessment](#) to receive personalized learning opportunities that address your areas of development and bolster your strengths.

ALSO OF INTEREST

[Director Training Online](#)

[NRECA Director Education](#)

[2025 Directors Conference](#)

Looking to earn credit?

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

Schedule

Subject to change. All times are local to the event location. Breakfast will be provided daily from 7:00-8:00 a.m.

Printed: Oct 9, 2024 11:50 AM

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

FRI. 12/13		
+	7:00am - 8:00am	NETWORKING EVENT Registration and Breakfast
+	8:00am - 4:00pm	CREDENTIALLED COOPERATIVE DIRECTOR (CCD) 2600 Director Duties and Liabilities (CCD)
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Boards are responsible for directing the affairs of the corporation. This course discusses and explains the duties of loyalty, obedience, and due care, and the need for directors to acquire the minimum knowledge and skills necessary to fulfill their responsibilities within the cooperative. 900.1 Rules and Procedures for Effective Board Meetings
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) This course provides an overview of what directors need to know about parliamentary procedure to become more effective participants in board meetings. Participants will understand the purpose and use of proper procedure in business meetings and become familiar with the rules of order. 900.2 Cooperative Power Supply and Industry in Transition
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Electric co-op boards face a rapidly evolving energy landscape where power supply decisions are more complex, involve greater risks and have greater cost consequences for consumer-members than ever before. The low price of natural gas, the combination of state renewable energy incentives, and solar, and environmental regulations are leading a fundamental shift in the U.S. electricity generation portfolio. This shift has significant implications for electricity suppliers and for consumers. At play are five fundamental dynamics: Regulatory/Legislative, Markets, Fuels, Power Technology, and Customer expectations and preferences. This course focuses on building competencies and strategies boards can pursue in the face of this uncertainty including understanding what members want, working closely with power providers, and communicating with members and being their trusted energy advisor. 900.3 Crisis Management This course is designed to help electric cooperative directors to recognize the landscape of a public relations crisis. Participants will learn to evaluate crisis management plans, oversee communication strategies, and navigate legal compliance. Interactive exercises will bolster board engagement, with a focus on developing resilience and strategic responses for long-term crisis management. This training is tailored to enhance the directors' ability to maintain cooperative integrity and member trust during challenging times.
+	11:30am - 1:00pm	NETWORKING EVENT The five CCD courses provide a solid foundation for all directors, but over time directors may want to refresh themselves on key concepts discussed in the curriculum. This BLC course uses co-op specific case studies that reflect the challenges electric co-op boards face today. 900.4 Lunch and Learning The course combines the knowledge and experience directors have gained throughout their service on the board. Whether you completed your CCD two years ago or twenty, this course is designed for you.
SAT. 12/14		
+	7:00am - 8:00am	NETWORKING EVENT Registration and Breakfast
+	8:00am - 4:00pm	CREDENTIALLED COOPERATIVE DIRECTOR (CCD) 2620 Board Operations and Process (CCD)
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) The board of directors is responsible for managing the affairs of the corporation. In fulfilling its duties, the board typically can only take official action via majority vote in a duly convened meeting. This course focuses on the legal requirements for holding board meetings and a board's role in the cooperative. 900.5 The Role of the Board Chair in Conducting Effective Meetings
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) The board chair has the responsibility for organizing the meeting, creating a productive atmosphere, allowing for the free exchange of opinion; presenting the issues to be resolved; bringing the decisions to resolution and moving the cooperative forward. This course focuses on the board's role in risk management. 900.6 Risk Oversight: The Board's Role in Risk Management
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Electric co-op boards are operating in what may be one of the most challenging business environments any generation of directors has ever known. The array of risks ranges from financial, regulatory, reputational, cyber and economic to technology and changing member demographics. This course is designed to provide directors with the principles and tools to improve their processes for overseeing the cooperative's risk management activities. Using co-op examples and real-world case studies, this interactive course discusses the unique role of board and management to identify, manage, and mitigate risk with processes that are appropriate to the characteristics of electric cooperatives. 900.7 Cybersecurity: The Board's Oversight Role
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) As a result of a rapidly changing cyber-threat landscape and the growth of digitization, electric cooperatives recognize the need to effectively manage cyber risks. Boards face a balancing act with cybersecurity and continued pursuit of digital innovation, transformation, and member satisfaction. 900.8 Succession Planning: Developing the Purpose-Driven Organization Directors find that balance and fulfill their cybersecurity oversight responsibilities.
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Board, CEO and staff succession planning are essential to ensuring tomorrow's purpose-driven organization. Personnel change is inevitable in every organization. Often, such change can be challenging, especially when vacancies occur in leadership positions. This course focuses on the board's role in succession planning. 900.9 Giving and Receiving Effective Feedback The cooperative has a succession plan in place for the CEO and its overall leadership. Also discussed is the board's role in ensuring that the CEO has a process in place to ensure ongoing development of the organization's workforce potential and a plan to ensure leadership continuity and quality.
+	11:30am - 1:00pm	NETWORKING EVENT Giving and receiving feedback is a necessary part of any functional relationship. Yet, many lack the confidence and skill to both deliver and receive it successfully. Electric co-op boards must give feedback to the CEO if the relationship with its only employee is to be effective and successful. 900.10 Lunch and Learning Giving and receiving feedback from one another in boardroom discussions is a critical element for effective boardroom dialogue. This course will provide valuable skills and instructor-guided practice opportunities to sharpen the skills needed to successfully give and receive both types of feedback.
SUN. 12/15		
+	7:00am - 8:00am	NETWORKING EVENT Registration and Breakfast
+	8:00am - 4:00pm	CREDENTIALLED COOPERATIVE DIRECTOR (CCD) 2640 Financial Decision Making (CCD)
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) This course is designed to help directors assess their cooperative's financial position via financial statements used in financial reporting and planning, as well as key ratios developed from these financial statements. Participants will also recognize how board decisions impact the cooperative. 900.1 Ethics and Governance: Implementing the New Accountability
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) In this era of corporate accountability, boards and management are expected (and in some cases required) to implement standards, programs, and procedures addressing such issues as ethical behavior, document retention, whistle-blower protection, fraud risk assessment, and more. 900.2 Artificial Intelligence and the Electric Cooperative
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Artificial intelligence has moved rapidly into the electric industry including electric cooperatives by accelerating a variety of functions such as the processing of vast amounts of meter data; automated functions that increase reliability and enhanced member satisfaction. This course provides a foundational understanding of AI, its jargon, implications, its applications, and strategic importance so that they can engage in conversations about AI in their boardroom and decide if this rapidly evolving technology has a role to play at their cooperative. 900.3 Appraisal and Compensation of the CEO
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) The board is responsible for appraising and compensating the chief executive officer. Appraisal is the process of using agreed-upon measures to evaluate the CEO's performance. Compensation is the process of developing a salary range and approving a salary based on the appraisal. 900.4 Moving from Shared Services to System Mergers and Territorial Acquisition
+	8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Co-operative boards are generally responsible for presenting few growth opportunities or scale for performance improvement. However, opportunities abound through cooperatives collaborating in "shared-services" agreements; examining the advantages of shared services; consolidation, partial territorial acquisition of an IOU, or completely purchasing and absorbing a municipal electric system. This course is designed to help directors navigate the pros and cons of each of these strategies. 900.5 The Board's Role in Safety
+	11:30am - 1:00pm	NETWORKING EVENT Establishing a culture of safety is the first responsibility of an electric cooperative board. Together with the CEO, the board must continually and carefully provide oversight of safety performance to establish and maintain a culture of safety. Many boards are challenged to find the balance between positively influencing safety performance and becoming entrenched in cooperative operations. This course is designed to help distribution cooperative boards find that balance and to fulfill their safety oversight responsibilities.
MON. 12/16		
+	7:00am - 8:00am	NETWORKING EVENT Registration and Breakfast


2019 UNDERSTANDING THE ELECTRIC BUSINESS (UEB)	
8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) This course is designed to provide the electric distribution director with an understanding of the operational challenges electric cooperatives face. The course also presents a set of tools to facilitate due diligence in boardroom decision making on these issues. 913.1 Cooperative Fundamentals, Legacy, and Economic Impact
8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Understanding the unique aspects of the cooperative business model better prepares directors to lead organizations with purpose, not profit, at their core. Course participants will explore the cooperative principles and define how they provide a competitive advantage for today's electric industry. 928.4 Artificial Intelligence and Electric Cooperatives
8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Artificial intelligence has moved rapidly into the electric industry including electric cooperatives by accelerating a variety of functions such as the processing of vast amounts of meter data, automated functions that increase reliability and enhanced member satisfaction. This course has moved rapidly into the electric industry including electric cooperatives by accelerating a variety of functions such as the processing of vast amounts of meter data, automated functions that increase reliability and enhanced member satisfaction. 974.1 Rate-Making Strategies and Policy Decisions for Electric Cooperative Boards
8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) It is often said that the rate making process is part art and part science. The process includes many mathematical calculations, but wisdom and judgment are also critical aspects of the process. Today, the rate making process requires Boards of Directors, CEOs, and staff to develop a plan to meet financial goals and lender requirements, member reliability, and service requirements amid competitive pressures in an era of rising costs, flat or declining sales, or member bases impacted by economic circumstances, energy efficiency, or energy conservation. 977.1 How to Evaluate and Improve Board Performance
11:30am - 1:00pm	NETWORKING EVENT All electric cooperative board members and CEOs are invited to join us for a networking event to discuss how to evaluate their performance to find areas where they can improve. Increasingly, corporate boards are following suit. The board of directors is the governing body for directing the affairs of a company or corporation and for ensuring its long-term health. Designed for cooperatives and public power district boards, this course will show them how to evaluate their own processes, including how they communicate with and appraise the chief executive, how they educate new directors, how they conduct strategic planning, how they govern themselves through the policy making process, and how they ensure they meet the long term needs of the membership.

TUE. 12/17	
7:00am - 8:00am	NETWORKING EVENT Registration and Breakfast
8:00am - 4:00pm	CREDENTIALIAED COOPERATIVE DIRECTOR (CCD) 2630 Strategic Planning (CCD)
8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) Boards have ultimate responsibility for ensuring and evaluating the long-term health of the organization. They help fulfill this duty through strategic thinking, identifying goals through strategic planning and authorizing the appropriate allocation of resources through the adoption of policies. 984.1 Equity Management and Boardroom Decision Making
8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) This course is designed to help directors assess their cooperative's capital position through a thorough understanding of the balance sheet and the three key levers that the board has at its disposal: rates, capital credits and asset growth. Participants will also receive an overview of the Generation, Transmission, and Distribution Relationship 989.1 Value of the Generation, Transmission, and Distribution Relationship
8:00am - 4:00pm	BOARD LEADERSHIP CERTIFICATE (BLC) This course is designed for all electric cooperative directors and CEOs. It places particular emphasis on directors and CEOs designated by their boards to serve on the G&T's board. Given the volatility of today's electric industry, all directors and CEOs must have a holistic understanding of the G&T board's oversight role to provide their member systems with reliable and economical power supply. This fast-paced, dynamic and interactive course features practical discussions about the G&T board's oversight responsibilities and how those responsibilities differ from those of the distribution board. 994.1 The Road to Resilience: A Board's Responsibility
11:30am - 1:00pm	NETWORKING EVENT Succeeding in today's electric industry requires more than the safe delivery of reliable and affordable energy. It requires resilience. This highly interactive course will define resilience, how building it is vital for cooperatives now and discuss the role of the board in creating it. Participants will own the oversight role in building resilience in such areas as power supply, cybersecurity, supply chain, workforce (winning the war for talent) and grid hardening. The course closes with a focus on personal resilience and how it can be built on a personal level as well as in the boardroom.

Registration Fees

All courses	\$715
-------------	-------

Registration is Open!

December 13 - 17, 2024	 In-Person Nashville, TN	REGISTER View My Co-op's Registration
------------------------	---	---

Hotel & Travel

MEETING LOCATION

Gaylord Opryland Resort and Convention Center

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

☎ For reservations call 877-491-7397

RESERVE BY

11/11/24

To guarantee event rate

RATE

\$234

USD/Night + taxes

BOOK NOW

Additional Hotel Information ▼

ABOUT THE LOCATION

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

View Airline and Travel Discounts →

Things to do in Nashville ↗

AIRPORT(S)

BNA

8 mile(s) from event

Additional Travel Information ▼

Questions about the program content/agenda?

Brianne McIntyre

703-907-5619

brianne.mcintyre@nreca.coop

Questions about the hotel?

Aysha Malik

703-907-5603

aysha.malik@nreca.coop

Questions about certification/credits?

Brianne McIntyre

703-907-5619

Brianne.McIntyre@nreca.coop

Cancellation and Refund Policy □

Registration: Frequently Asked Questions □

Conferences, Meetings & Training Policies □

- ① Cooperative.com will be intermittently unavailable Sat. Sept 21, and completely unavailable on Sun. Sept. 22 between the hours of 6 a.m. and 2 p.m. ET.

NRECA PowerXchange

Atlanta, GA | March 7 - 12, 2025

NRECA's annual meeting of members—where insights, ideas and connections converge.

#POWERXCHANGE25

Empowering America's Electric Cooperatives

PowerXchange is the largest gathering of electric cooperative leaders, designed to embrace the challenges of our ever-changing industry and cultivate future-focused thinkers.

2024 PowerXchange Highlights

View highlights from 2024 PowerXchange including addresses from NRECA CEO Jim Matheson, NRECA President Tony Anderson and Youth Leadership Council spokesperson Haley Dorsey. [View Videos.](#)

At NRECA PowerXchange, thousands of co-op executives, staff and members of co-op boards come together to fortify their role as leaders of this critical industry through:

- Dynamic general sessions headlined by **nationally renowned speakers**.
- Inspiring and educational breakout sessions on the **latest issues impacting the industry**.
- Valuable opportunities to **share ideas, strategies and best practices** with fellow co-op leaders.
- The **latest technologies** from the industry's leading solution providers in the Expo.
- **Casting their votes** on future-focused issues as part of the annual member business meeting.

Get Ready for Atlanta

We're excited to host PowerXchange in Atlanta next year! From restaurant and transportation tips to sample itineraries and attendee discounts, explore all that Atlanta has to offer in this [made-for-NRECA website](#) from our partners at the Atlanta Convention & Visitors Bureau.

Take Advantage of TechAdvantage

NRECA hosts [TechAdvantage](#), the premier conference for co-op technology professionals, at the same date and location as PowerXchange. Select programming and events, including breakout sessions, the closing general session, meals and the Expo will be open to attendees of both events. To experience the full scope of valuable learning opportunities offered by both events, at a discounted rate, choose the "PowerPlus" registration option during the PowerXchange registration process.

Also of Interest

- [Frequently Asked Questions](#)
- [Member Resolutions](#)

Schedule

Subject to change. All times are local to the event location.

Printed: Sep 19, 2024 2:28 PM

ALL DAYS **FRI. 03/07** **SAT. 03/08** **SUN. 03/09** **MON. 03/10** **TUE. 03/11**

FRI. 03/07

- | | | |
|--|-----------------|--|
|  | 8:00am - 4:00pm | PRE-CONFERENCE WORKSHOP
Director Education |
|--|-----------------|--|

SAT. 03/08

- | | | |
|---|-----------------|--|
|  | 8:00am - 4:00pm | PRE-CONFERENCE WORKSHOP
Director Education |
|---|-----------------|--|

SUN. 03/09



- | | | |
|---|-------------------|--|
|  | 7:00am - 6:00pm | REGISTRATION
Registration |
|  | 8:00am - 4:00pm | PRE-CONFERENCE WORKSHOP
Director Education |
|  | 8:00am - 4:30pm | PRE-CONFERENCE WORKSHOP
Leading Today: Sharpening Discernment and Cultivating Resilience |
|  | 10:00am - 12:00pm | NETWORK PARTNER ACTIVITIES
NISC Annual Meeting |

	2:00pm - 3:30pm	NETWORK PARTNER ACTIVITIES NRTC Annual Meeting
	4:00pm - 5:00pm	OTHER Proposed Resolutions Forum
	5:00pm - 6:00pm	RECEPTION Welcome Happy Hour

MON. 03/10

	7:00am - 8:30am	NETWORKING EVENT Breakfast
	7:00am - 6:00pm	REGISTRATION Registration
	9:00am - 10:30am	GENERAL SESSION Opening General Session
	11:00am - 12:00pm	BREAKOUT SESSION Breakout Sessions
	12:00pm - 2:00pm	NETWORKING EVENT Lunch
	12:15pm - 1:45pm	NETWORKING EVENT NRECA International Lunch
	2:00pm - 3:00pm	BREAKOUT SESSION Breakout Sessions
	3:30pm - 4:30pm	BREAKOUT SESSION Breakout Sessions
	4:45pm - 7:00pm	RECEPTION Expo Grand Opening Reception

TUE. 03/11

	7:00am - 8:30am	NETWORKING EVENT America's Electric Cooperatives PAC Breakfast
	7:00am - 8:30am	NETWORKING EVENT Continental Breakfast

	7:00am - 3:30pm	REGISTRATION Registration
	9:00am - 10:45am	GENERAL SESSION General Session 2
	11:00am - 12:00pm	OTHER NRECA Annual Member Business Meeting
	11:00am - 5:00pm	EXPO Expo Open
	11:30am - 1:30pm	NETWORKING EVENT Lunch

Speakers

TONY ANDERSON
President, NRECA Board of Directors

JIM MATHESON
CEO, NRECA

Fees

Registration fees include access to event general sessions, breakouts, conference-sponsored meal functions and conference materials. Pre-event education sessions are an additional charge.

PowerXchange Registration Fees

Member Early Bird Registration (By Jan. 8, 2025) (includes access to all PowerXchange sessions and the Expo)	\$729
Member Regular Registration (After Jan. 8, 2025) (includes access to all PowerXchange sessions and the Expo)	\$799

Member PowerPlus (includes access to all PowerXchange sessions, TechAdvantage sessions, and the Expo)	\$1099
Member One Day Registration (includes 1-day access to PowerXchange sessions and the Expo)	\$385
Guest/Spouse Registration	\$200
Federal Government Employee Registration: Please Contact Louis Finkel at Louis.Finkel@nreca.coop for approval.	
Media Registration: Please contact Stephen Bell at Stephen.Bell@nreca.coop for approval.	

Special Event Fees

NRECA International Lunch	To come
America's Electric Cooperatives PAC Breakfast	\$30
Entertainment Night	\$70

Pre-Conference Education Fees

CEO & Staff Education: Leading Today: Sharpening Discernment and Cultivating Resilience	\$649
Director Education	To come

Hotel & Travel

ABOUT ATLANTA, GA

Atlanta keeps visitors active and inspired with its dynamic personality and engaging attractions. Atlanta offers a multitude of attractions and activities that can soothe the soul or push the envelope on adventure — it's all yours for the taking.

[View Airline and Travel Discounts →](#)

[NRECA Visit Atlanta Site ↗](#)

AIRPORT(S)

ATL

10.5mi from event

[Additional Travel Information ▼](#)

Proudly Sponsored by

PARTNER SPONSORS



PREMIER+ SPONSORS



PREMIER SPONSORS



**National Rural Utilities
Cooperative Finance Corporation**



**FEDERATED RURAL ELECTRIC
INSURANCE EXCHANGE**



Member driven. Technology focused.



SUPPORTING SPONSORS



INTERESTED IN SPONSORING?

**POWERXCHANGE AND TECHADVANTAGE® CONFERENCE SPONSORSHIP
INFORMATION**

FUTURE POWERXCHANGE DATES

2026	Nashville	March 8-12
2027	San Diego	Feb. 14-17
2028	New Orleans	March 12-15

Questions about the program content/agenda?

Kristen Wheeler

703-907-5695

Kristen.Wheeler@nreca.coop

Questions about sponsorships?

Ijilbish Nergui

703-907-5908

Ijilbish.Nergui@nreca.coop

Questions about hotel?

Housing Center (PowerXchange and TechAdvantage)

864-208-3369

nrecaatt@maritz.com

Questions about exhibiting?

Mary Novack

718-578-4658

Mary@kenworthymanagement.com

Questions about NRECA member resolutions and business meeting?

Melissa DePuy

703-907-5788

Cancellation and Refund Policy ☐

Registration: Frequently Asked Questions ☐

Conferences, Meetings & Training Policies ☐

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

Wednesday, September 25, 2024

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Sandra Cacy

I. CALL TO ORDER

Chair Wiggin called the Regular Board of Directors' Meeting to order at 4:02 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Pledge of Allegiance

Chair Wiggin lead the Board in the Pledge of Allegiance.

B. Roll Call

Board Members Present:

Mark Wiggin, Chair

Sisi Cooper, Vice Chair (*telephonic*)

Susanne Fleek-Green, Secretary (*telephonic*)

Rachel Morse, Treasurer

Bettina Chastain, Director

Jim Nordlund, Director (*telephonic*)

Dan Rogers, Director

Guests and Staff Attendance

Present:

Arthur Miller

Trish Baker

Whitney Wilkson

Sherri Highers

Marty Freeman

Emily Muller

Matt Clarkson

Julie Hasquet

Jessie Anderson

Andrew Laughlin

Josh Travis

Chantelle Lewis-Boutte

Tiffany Wilson

Mark Henspeter

Bart Armfield, Consultant

Paul Millwood

Sean Skaling

Michael Rovito, APA

Dustin Highers

Grace Johnston

Bill Herman, Member

Via Teleconference:

Stephanie Huddell

Buddi Richey

Mitch Roth, Member

Amanda Mankel

Mark Henspeter

Bernie Smith, Member

Kate Ayers

Theresa Kurka

Daniel Herrmann

Jackie Berman

Debbie Gardino

C. Safety Minute

Marty Freeman, Senior Manager of Safety and Security, presented on Firearm Safety and the year-to-date safety information and responded to questions from the Board.

D. Electric Power Factoid: Engagement through Social Media (Hasquet)

Julie Hasquet, Sr. Manager of Corporate Communications, presented on Chugach's engagement efforts through social media and answered questions from the Board.

II. APPROVAL OF AGENDA

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

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

III. PERSONS TO BE HEARD

A. Member Comments

Mitchell Roth, Member, spoke to the Board regarding suggestions for the Eklutna Project & Fish & Wildlife Program.

IV. DIRECTOR REPORTS

A. Alaska Power Association (APA) Report

Michael Rovito, Deputy Director, Alaska Power Association, provided an update on APA activities, upcoming events, and responded to questions from the Board.

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

Director Morse reported on the August 24, 2024 Audit & Finance Committee Meeting and that the next meeting is scheduled for November 6, 2024.

Director Fleek-Green reported that the next Governance Committee Meeting was being moved to December 4, 2024.

Chair Wiggin reported that the next Operations Committee meeting is scheduled for October 9, 2024.

C. Other Meeting Reports

Director Fleek-Green mentioned there was a MAC meeting coming up on October 10, 2024. She also updated the Board on the NRECA Region 9 Meeting which she is currently attending.

Director Nordlund joined the meeting at 4:28 p.m.

V. CONSENT AGENDA

A. Board Calendar

B. Training and Conferences

- 1. Region 9 Meeting, September 24 – 26, 2024, Sacramento, CA*
- 2. NRECA Winter School, December 13 – 17, 2024, Nashville, TN*
- 3. NRECA PowerXchange, March 7 – 12, 2025, Atlanta, GA*

C. Minutes

- 1. August 27 & 28, 2024, Regular Board of Directors' Meeting & Strategic Planning (Slocum)*

D. Director Expenses

Director Rogers moved, and Director Chastain seconded the motion to approve the consent agenda. The motion passed unanimously.

VI. CEO REPORTS AND CORRESPONDENCE

A. July 2024 Financial Statements and Variance Report (Millwood)

Paul Millwood, VP of Finance & Accounting, presented the report and responded to questions from the Board.

B. Member Appreciation & Annual Meeting Start Time (Hasquet)

Julie Hasquet, Sr. Manager of Corporate Communications, presented the proposed new start time for the Member Appreciation event & Annual Meeting for 4:00 p.m. and responded to questions from the Board.

C. Board Policy Scheduled Tasks/Reports

The Board Policy Scheduled Tasks were provided in the meeting packets.

Arthur Miller, Chief Executive Officer, discussed CEO Reports and responded to questions from the Board. Sean Skaling, Sr. Manager of Business & Sustainability Program Development, reported on the Quarterly Business Development Report.

VII. UNFINISHED BUSINESS

NONE.

VIII. NEW BUSINESS

A. ERP Update (Travis/Highers)*

Sherri Highers, Chief Financial Officer, and Josh Travis, VP of Administrative Services, reported on the Enterprise Resource Planning Project updates and status and responded to questions from the Board.

Director Morse moved, and Director Chastain seconded the motion that the Board of Directors approve the attached Resolution authorizing the Chief Executive Officer to execute the necessary documents and agreements to complete and implement the Enterprise Resource Planning software upgrades. The motion passed unanimously.

IX. EXECUTIVE SESSION

A. Gas Supply Update (Herrmann/Armfield/Gerlek)

B. KPMG Contract Discussion (Highers)

At 5:05 p.m. Director Morse moved, and Director Rogers 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.

The meeting reconvened in open session at 6:23 p.m.

X. DIRECTOR COMMENTS

Director comments were made at this time.

XI. ADJOURNMENT

At 6:35 p.m. Director Morse moved, and Director Rogers seconded the motion to adjourn. The motion passed unanimously.

Susanne Fleek-Green, Secretary
Date Approved: October 15, 2024

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

October 15, 2024

ACTION REQUIRED

AGENDA ITEM NO. V.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)

Chugach Clean Energy

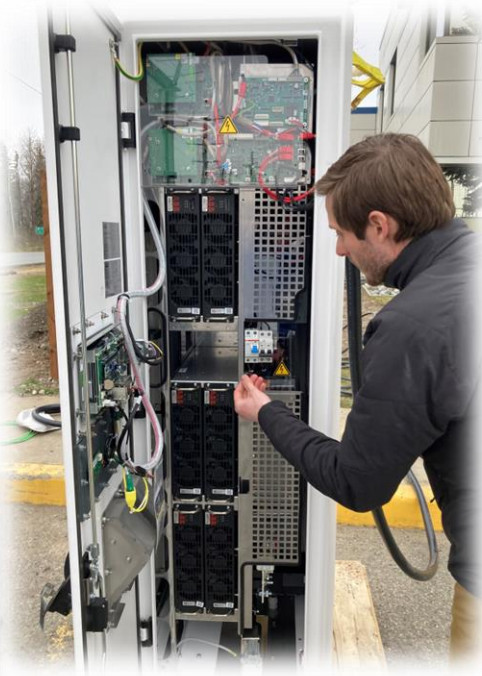
Recent Achievements

Regular Board of Directors' Meeting
October 15, 2024

Solar Panel Installation



DC Fast Charger Ribbon Cutting Ceremony



BESS Commissioning Ceremony

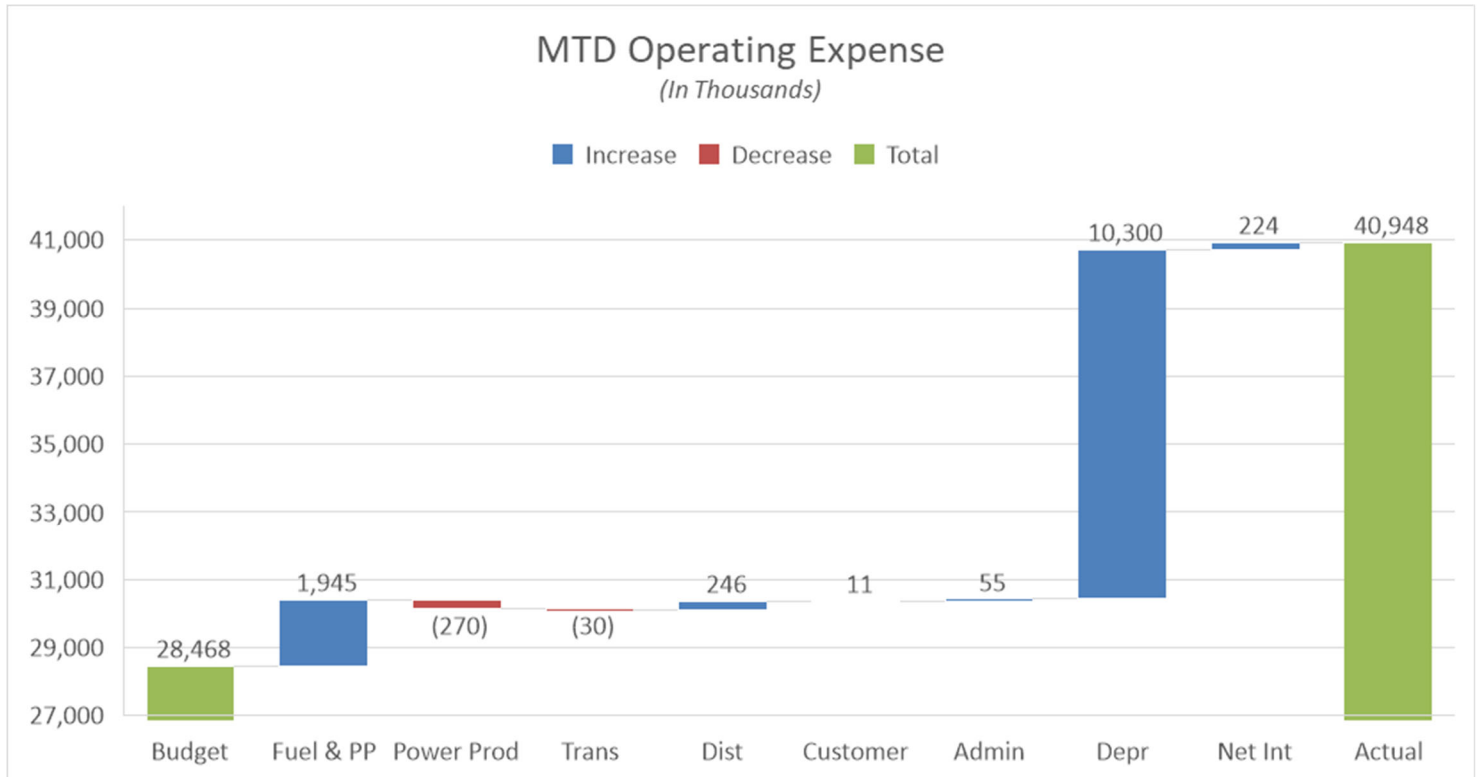


Clean Energy



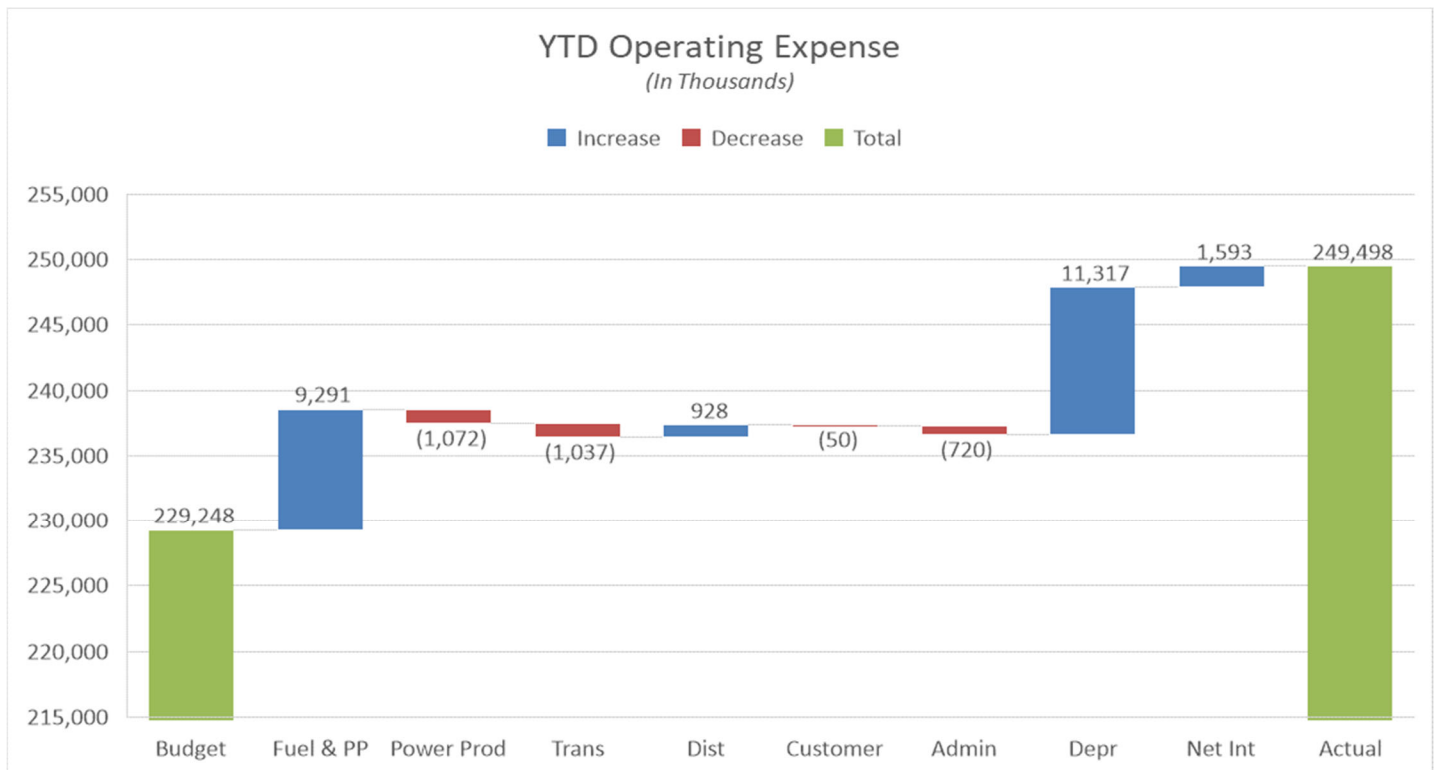
COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2024 MTD ACTUAL TO BUDGET

CATEGORY	ACTUAL	BUDGET	VARIANCE
Operating Revenue & Patronage Capital	\$ 39,947,486	\$ 28,129,520	\$ 11,817,966
Fuel and Purchased Power	9,341,146	7,396,013	1,945,133
Power Production	3,166,255	3,436,244	(269,989)
Transmission	927,013	956,710	(29,697)
Distribution	2,621,291	2,375,690	245,601
Customer	985,320	974,419	10,901
Administrative, General and Other	4,210,156	4,155,208	54,948
Depreciation & Amortization	15,893,905	5,594,235	10,299,670
Interest Expense, Net	3,803,245	3,579,406	223,839
Total Cost of Electric Service	\$ 40,948,331	\$ 28,467,925	\$ 12,480,406
Patronage Capital & Operating Margins	\$ (1,000,845)	\$ (338,405)	\$ (662,440)
Non-Operating Margins - Interest	245,598	38,343	207,255
AFUDC	38,608	10,094	28,514
Non-Operating Margins - Other	(1,980)	9,150	(11,130)
Patronage Capital or Margins	\$ (718,619)	\$ (280,818)	\$ (437,801)



COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2024 YTD ACTUAL TO BUDGET

CATEGORY	ACTUAL	BUDGET	VARIANCE
Operating Revenue & Patronage Capital	\$ 248,813,041	\$ 228,797,376	\$ 20,015,665
Fuel and Purchased Power	68,240,014	58,949,142	9,290,872
Power Production	26,886,586	27,958,607	(1,072,021)
Transmission	6,419,631	7,456,157	(1,036,526)
Distribution	19,944,166	19,016,218	927,948
Customer	7,651,163	7,701,563	(50,400)
Administrative, General and Other	33,692,345	34,412,579	(720,234)
Depreciation & Amortization	56,221,615	44,904,424	11,317,191
Interest Expense, Net	30,442,415	28,849,282	1,593,133
Total Cost of Electric Service	\$ 249,497,935	\$ 229,247,972	\$ 20,249,963
Patronage Capital & Operating Margins	\$ (684,894)	\$ (450,596)	\$ (234,298)
Non-Operating Margins - Interest	1,641,837	305,411	1,336,426
AFUDC	287,736	160,297	127,439
Non-Operating Margins - Other	611,235	73,200	538,035
Patronage Capital or Margins	\$ 1,855,914	\$ 88,312	\$ 1,767,602
MFI/I	1.06	1.00	
TIER	1.07	1.00	



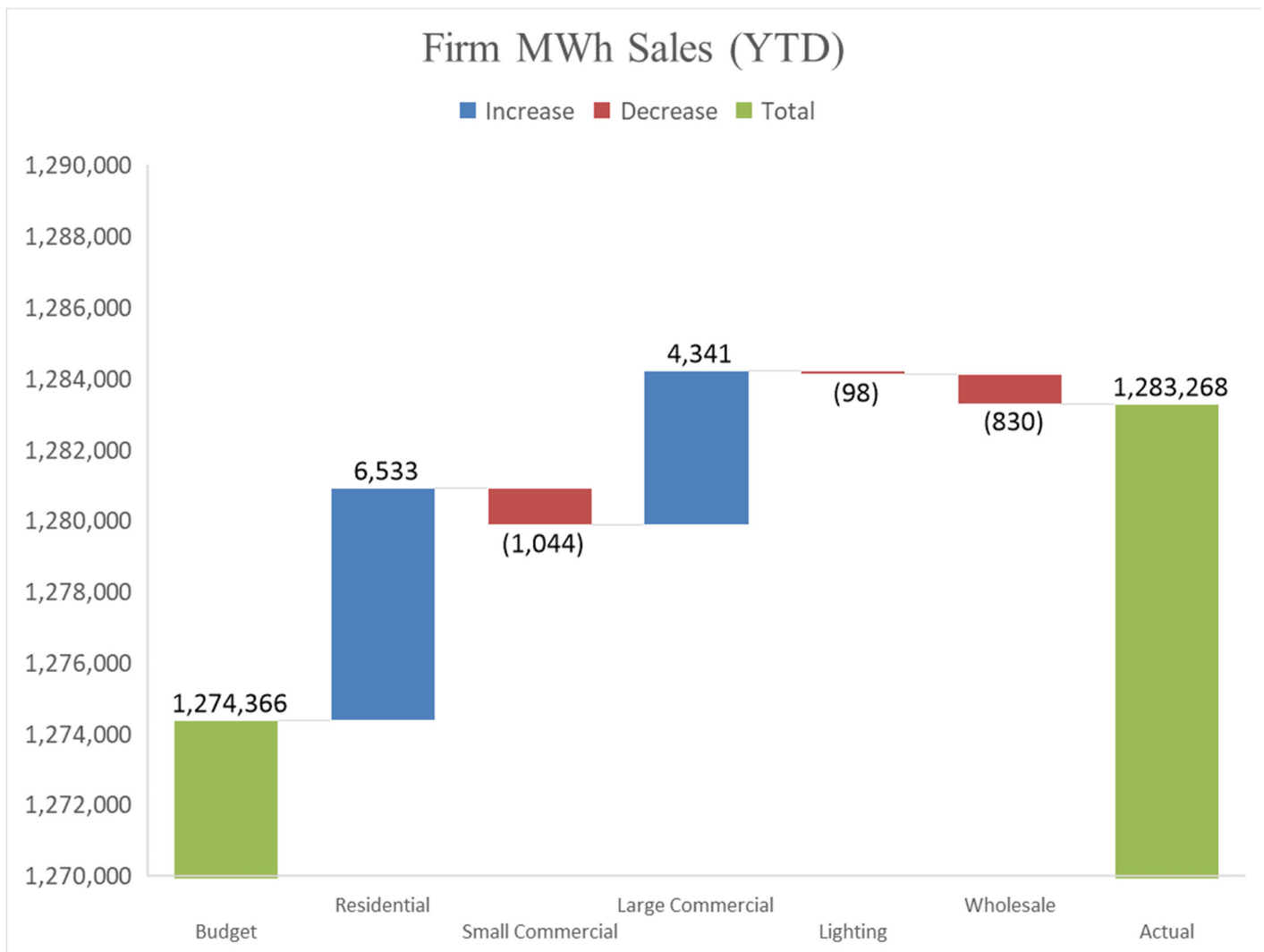
VARIANCE REPORT

AUGUST 2024

ENERGY SALES (kWh)

	2024 YTD Actual	2024 YTD Budget
Retail Energy Sales	1,243,672,229	1,233,940,396
Wholesale Energy Sales	39,595,596	40,425,942
Total Firm Energy Sales	1,283,267,825	1,274,366,338
Economy Energy/Capacity	79,943,000	100,774,692
Power Pool Sales	86,291,000	171,789,998
Total Energy Sales	1,449,501,825	1,546,931,028

Firm energy sales totaled 1,283,267,825 kWh, which was a 0.7% favorable variance compared to budget. This favorable variance was due to higher residential and large commercial sales. Economy energy and capacity sales were under budget by 20.7% due to lower than anticipated sales to GVEA, while power pool sales to MEA were under budget by 49.8%.



VARIANCE REPORT

AUGUST 2024

OPERATING REVENUE & PATRONAGE CAPITAL (in millions)

	2024 YTD Actual	2024 YTD Budget
Retail Revenue	\$ 236.0	\$ 214.0
Wholesale Revenue	4.3	3.3
Total Firm Revenue	240.3	217.4
Economy Energy/Capacity Revenue	3.3	4.2
Power Pool Revenue	1.3	2.5
Other Operating Revenue	4.0	4.7
Total Revenue	\$ 248.9	\$ 228.8

Revenue from firm sales was over budget at \$240.3 million compared to a budget of \$217.4 million. This favorable variance was due primarily to higher retail revenue as a result of higher residential and large commercial sales, and higher fuel recovered in revenue. Economy energy and capacity revenue was under budget by 21.6% due to lower economy energy sales. Power pool revenue was under budget at \$1.3 million compared to a budget of \$2.5 million. This unfavorable variance was due primarily to lower than anticipated power pool sales, as a result of Chugach's steam unit outage, during the first quarter of 2024. 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 under budget by 14.3%, due to lower wheeling revenue.

FUEL AND PURCHASED POWER (in millions)

	2024 YTD Actual	2024 YTD Budget
Fuel	\$ 48.5	\$ 37.2
Purchased Power	19.7	21.8
Total	\$ 68.2	\$ 59.0

Fuel expenses include fuel, storage, transportation, and BRU operating costs. Fuel expenses were over budget at \$48.5 million compared to \$37.2 million in the budget. This unfavorable variance was primarily caused by higher BRU operating expenses due to a higher than budgeted Gas Transfer Price (GTP), and more fuel purchased due to retail sales, which was somewhat offset due to a lower average effective price of non-BRU gas.

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 under budget at \$19.7 million compared to \$21.8 million in the budget. This favorable variance was due primarily to lower purchases from Bradley Lake and MEA through power pooling, which was somewhat offset by a higher average effective price.

POWER PRODUCTION (in millions)

	2024 YTD Actual	2024 YTD Budget
Power Production	\$ 26.9	\$ 28.0

Power production expense was \$26.9 million compared to \$28.0 million in the budget. This favorable variance was due to lower maintenance costs at the Sullivan Plant and at the Southcentral Power Project.

VARIANCE REPORT

AUGUST 2024

TRANSMISSION (in millions)

	2024 YTD Actual	2024 YTD Budget
Transmission	\$ 6.4	\$ 7.5

Transmission operations and maintenance expenses were \$6.4 million compared to \$7.5 million in the budget. This favorable variance was due to lower labor costs and less than expected costs related to projects and studies.

DISTRIBUTION (in millions)

	2024 YTD Actual	2024 YTD Budget
Distribution	\$ 19.9	\$ 19.0

Distribution operations and maintenance expenses were \$19.9 million compared to \$19.0 million in the budget. This unfavorable variance was due primarily to higher outage related costs, which was somewhat offset by lower tree clearing costs and fleet fuel expenses.

CONSUMER (in millions)

	2024 YTD Actual	2024 YTD Budget
Consumer/Customer Information	\$ 7.7	\$ 7.7

Consumer accounts and customer information expenses were on par with the budget at \$7.7 million.

ADMINISTRATIVE, GENERAL AND OTHER (in millions)

	2024 YTD Actual	2024 YTD Budget
Administrative, General and Other	\$ 33.7	\$ 34.4

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 \$33.7 million compared to \$34.4 million in the budget. The favorable variance was due primarily to lower labor and PILT costs.

DEPRECIATION, AMORTIZATION AND INTEREST (in millions)

	2024 YTD Actual	2024 YTD Budget
Depreciation and Amortization	\$ 56.2	\$ 44.9
Interest Expense, Net	30.5	28.9
Total Depreciation, Amortization and Interest	86.7	73.8

Depreciation, interest, and interest during construction expense totaled \$86.7 million compared to \$73.8 million in the budget. The unfavorable variance was primarily attributed to higher net interest expense caused by the issuance of new bonds, a higher than expected commercial paper balance and higher depreciation expense related to a BRU ARO adjustment.

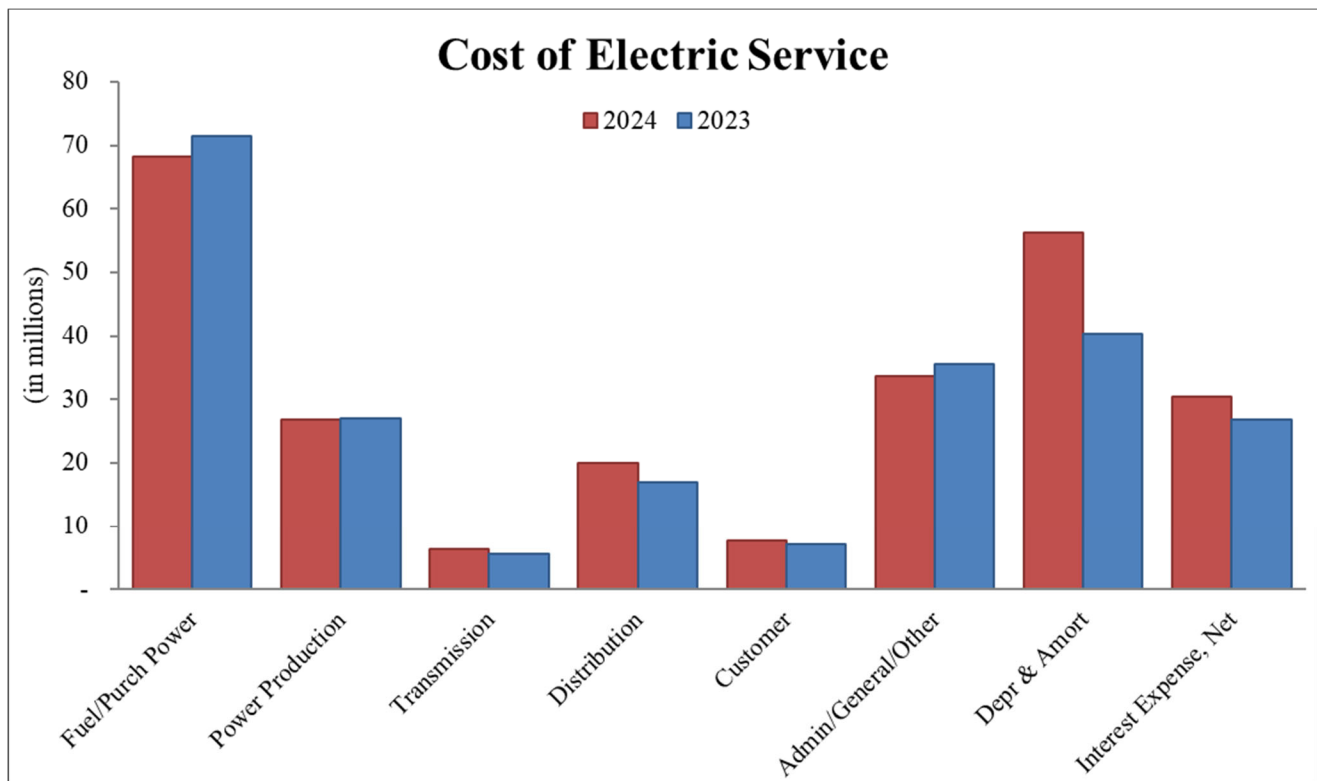
NON-OPERATING MARGINS (in millions)

	2024 YTD Actual	2024 YTD Budget
Non-Operating Margins - Interest	\$ 1.6	\$ 0.3
AFUDC	0.3	0.2
Non-Operating Margins - Other	0.6	0.0
Total Non-Operating Margins	2.5	0.5

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 \$2.5 million compared to \$0.5 million in the budget due primarily to higher non-operating interest income and a realized gain from the BRU ARO fund.

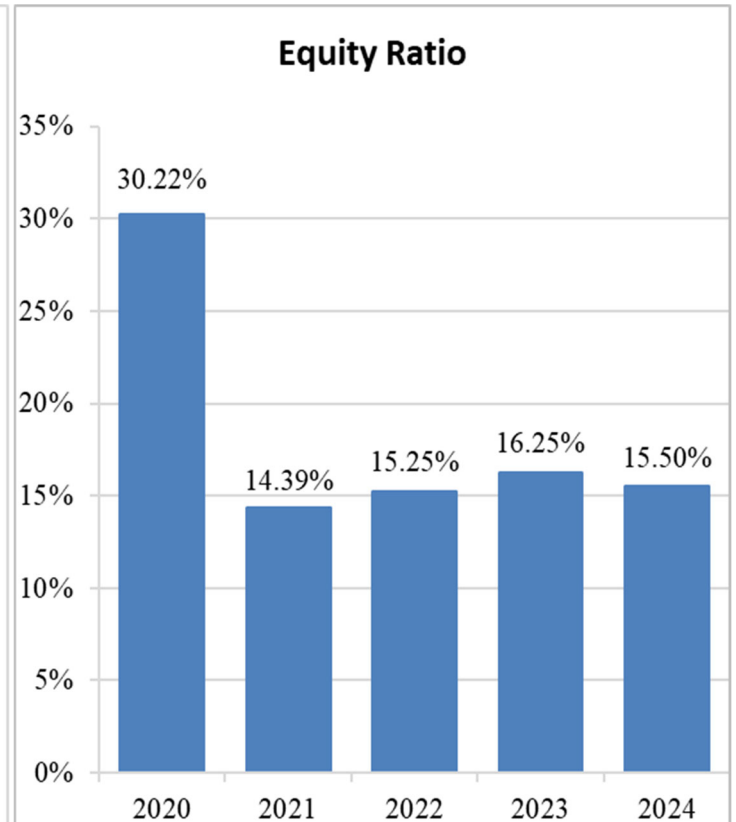
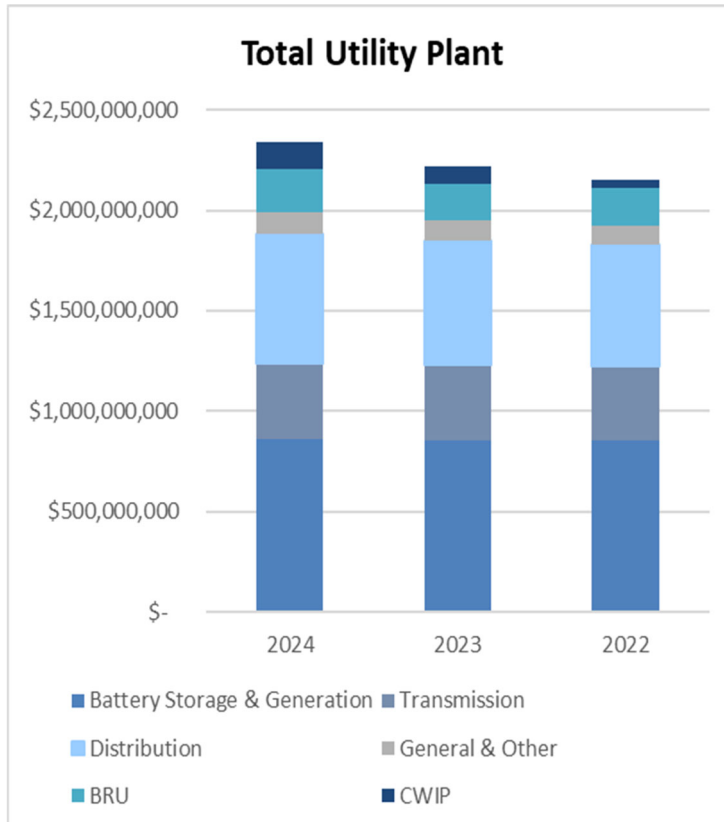
COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS CURRENT TO PRIOR YTD ACTUAL TO ACTUAL

CATEGORY	2024	2023	VARIANCE
Operating Revenue & Patronage Capital	\$ 248,813,041	\$ 232,371,951	\$ 16,441,090
Fuel and Purchased Power	68,240,014	71,473,221	(3,233,207)
Power Production	26,886,586	27,053,875	(167,289)
Transmission	6,419,631	5,674,777	744,854
Distribution	19,944,166	17,047,313	2,896,853
Customer	7,651,163	7,143,878	507,285
Administrative, General and Other	33,692,345	35,565,256	(1,872,911)
Depreciation & Amortization	56,221,615	40,334,119	15,887,496
Interest Expense, Net	30,442,415	26,776,606	3,665,809
Total Cost of Electric Service	\$ 249,497,935	\$ 231,069,045	\$ 18,428,890
Patronage Capital & Operating Margins	\$ (684,894)	\$ 1,302,906	\$ (1,987,800)
Non-Operating Margins - Interest	1,641,837	729,677	912,160
AFUDC	287,736	134,812	152,924
Non-Operating Margins - Other	611,235	(73,699)	684,934
Patronage Capital or Margins	\$ 1,855,914	\$ 2,093,696	\$ (237,782)
MFI/I	1.06	1.07	
TIER	1.07	1.08	



BALANCE SHEET As of 08/31/2024

ASSETS & OTHER DEBITS		LIABILITIES & OTHER CREDITS	
Electric Plant in Service	2,203,753,986	Memberships	2,040,608
Construction Work in Progress	134,100,706	Pat. Capital, Margins & Equities	217,549,130
Total Utility Plant	\$ 2,337,854,692	Total Margins & Equities	\$ 219,589,738
Accum. Depreciation/Amortization	(817,089,492)	Long-Term Debt - Bonds	1,191,916,662
Net Utility Plant	\$ 1,520,765,200	Long-Term Debt - Other	11,856,000
Nonutility Property - Net	76,889	Unamortized Debt Issuance Costs	(6,328,674)
Financing & Operating Lease ROU	3,750,222	Operating Lease Liabilities	3,520,280
Investment in Assoc. Organizations	6,422,673	Finance Lease Liabilities	184,312
Special Funds	35,765,980	Total Long-Term Debt	\$ 1,201,148,580
Restricted Cash Equivalents & Other	30,000	Notes Payable	120,854,669
Long-term Prepayments	-	Accounts Payable	33,054,543
Total Other Property & Investments	\$ 46,045,764	Consumer Deposits	3,811,453
Cash & Restricted Cash	28,929,761	Other Current & Accrued Liabilities	46,506,213
Special Deposits	55,800	Total Current & Accrued Liabilities	\$ 204,226,878
Accounts Receivable - Net	45,100,284	Deferred Compensation	1,875,039
Materials and Supplies, Fuel Stock	72,771,341	Other Liabilities, Non-Current	786,230
Prepayments	8,824,334	Deferred Liabilities	11,434,016
Other Current & Accrued Assets	56,513,868	BRU Regulatory Liability	74,076,052
Total Current & Accrued Assets	\$ 212,195,388	Cost of Removal Obligation	166,653,827
Deferred Debits	100,784,008		
Total Assets & Other Debits	\$ 1,879,790,360	Total Liabilities & Other Credits	\$ 1,879,790,360



Decarbonization Program

PORTFOLIO SELECTION

REGULAR BOARD OF DIRECTORS' MEETING
OCTOBER 15, 2024



Projects were selected into a portfolio which is based on the Integrated Resource Plan and, ultimately, the Strategic Plan



**Decarbonization
Portfolio**

IRP

Strategic Plan

The portfolio is not a menu of project options - it is a curated selection of projects which work together to achieve our goals

Li-Ion BESS is the Only Option for Fast Acting Power Regulation

A 1:1 ratio of lithium-ion BESS to intermittent renewables is required until we gain experience in the regulation of renewables using new dispatching techniques

LDES technologies are promising but not yet viable

There are many long-duration energy storage options on the horizon, but none are fully commercialized and ready for installation with a degree of reliability risk to the system

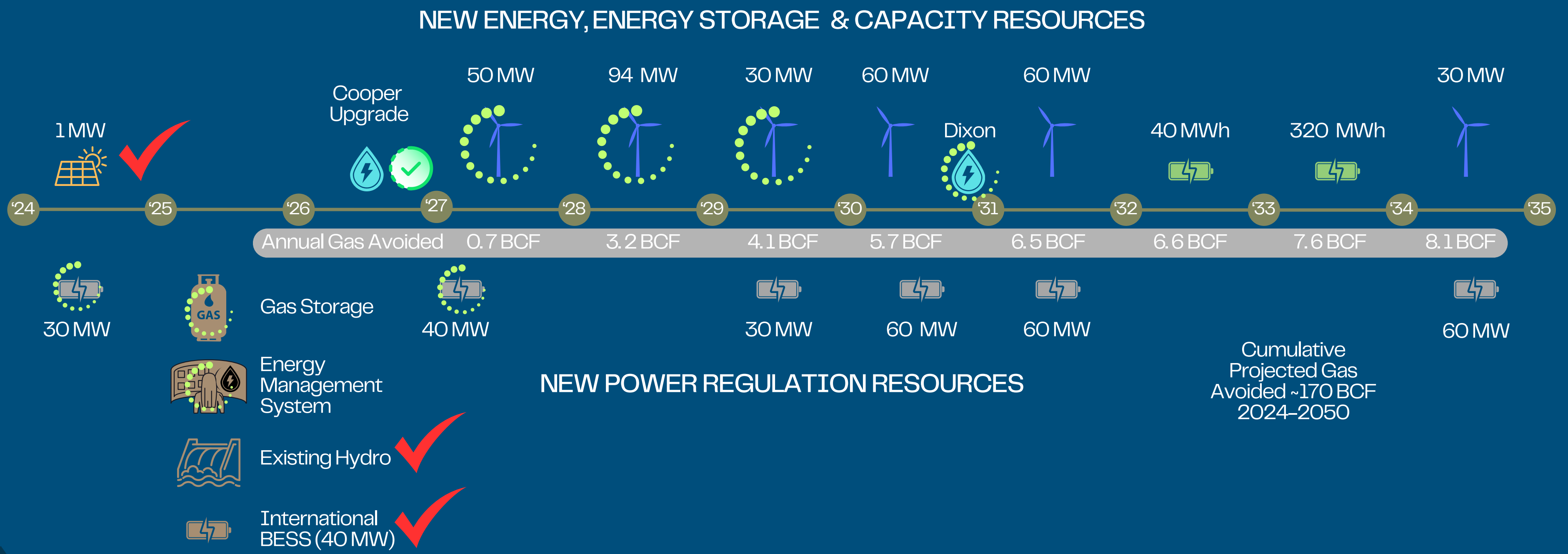
Recognized Power Regulation Comes First

While the regulators may prefer to precisely match a single wind or solar project with the exact power regulation project needed to balance that variable production, it will be less risky to build a larger amount of power regulation than needed early in the deployments to ensure high system reliability

Costs Can Be Controlled Using Purchase Power

The portfolio is designed to be economic because it aligns with the least-cost IRP scenario, the full amount of costs may be too large to take on; this can be addressed through utility partnerships and power purchase agreements

The portfolio aligns with the least-cost option of the IRP, which indicates it can produce the lowest rate impact over the long term.



In addition to meeting the program’s goals and objectives, the portfolio must also achieve the solution within certain parameters.

PORTFOLIO REQUIREMENTS

System Reliability

System reliability is measured in terms of outage durations and frequency of occurrence. Besides safety, this is the most important function of the utility. The choice of projects cannot impact system reliability.

Carbon Reduction

Carbon reduction is being measured in terms of “intensity”. That is the number of tons of carbon produced as a result of generating a single megawatt-hour of energy. This portfolio is designed to meet or exceed a reduction of 35% carbon intensity by 2030.

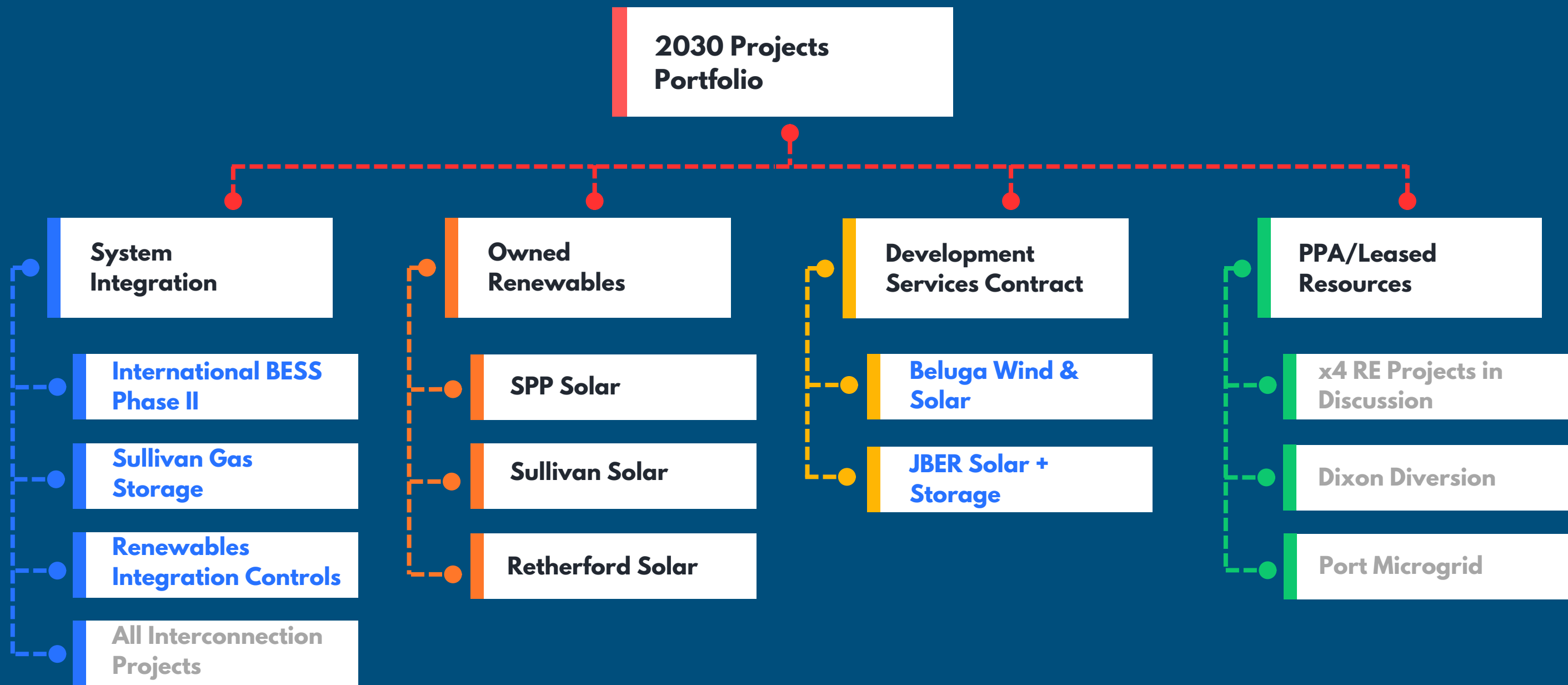
Affordability

Affordability is measured in two ways - impacts to member rates and in terms of corporate financial health. Taking on debt for new projects tends to lower the equity ratio of the cooperative, a key financial metric and should not fall below a minimum level. Rates will also be affected by new spending, but this is tempered by the fuel savings expected.

Pace

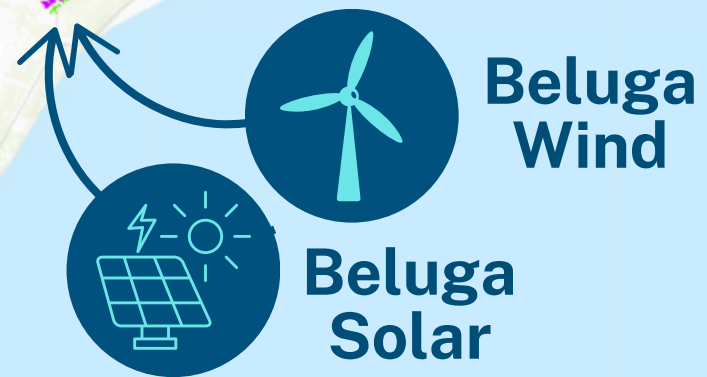
To achieve a 2030 deadline, the portfolio must be executed quickly. A combination of tactics is being utilized to bring renewable energy projects as quickly as possible while recognizing limitations set by the other portfolio requirements.

SHORT-TERM ACTION PLAN

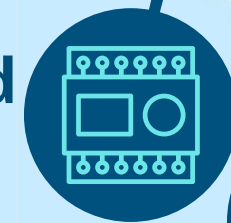


Proposed / In Development
Initial Approvals / In Planning
Approved / In Progress

DECARBONIZATION PROJECT LOCATIONS



Renewables Grid
Integration



International
BESS Ph II



JBER
Solar + Storage



Sullivan
Gas Storage



Carbon reduction will come substantially from purchased power, but these projects are not yet finalized, so they will be treated as placeholders while negotiations continue.

CARBON REDUCTION

Negotiations are Underway

Known wind resources totaling over 200 MW are currently being discussed and, in some cases, draft term sheets are being developed.

Due diligence is required on the part of both Chugach, our utility partners, and the developers before sites will be considered for contract negotiations

**Over
200,000
MT/Year**

Achieving the target amount of wind and solar results in significant carbon reduction

New Projects May be Solar

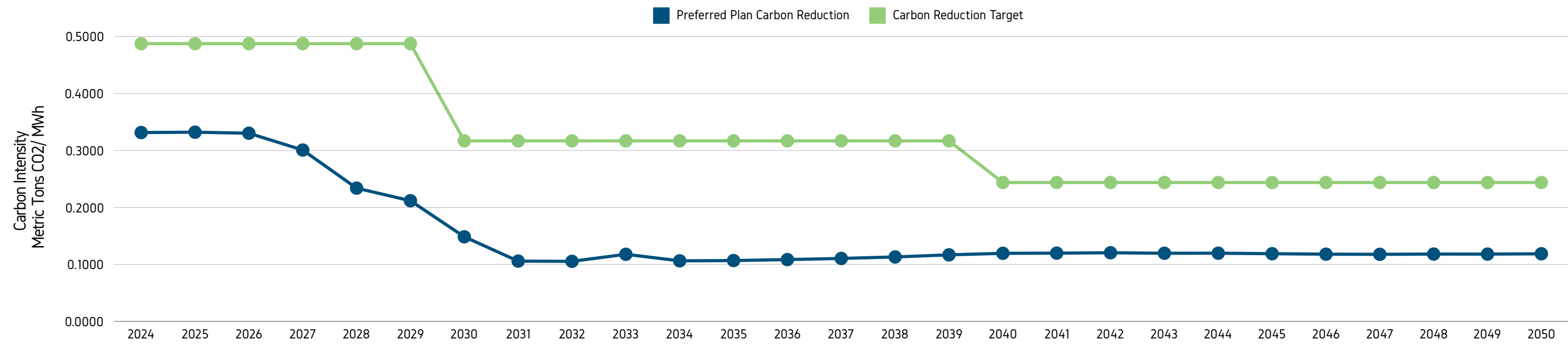
The IRP was based almost entirely on wind power. With the acceleration of small renewables in this plan, some of the 174 MW requirement may be met by solar coming online from projects like Hawk Lane, Beluga Wind & Solar, or JBER Solar + Storage.



A financial analysis of the portfolio will indicate if Chugach may self-perform projects or purchased as purchased power projects

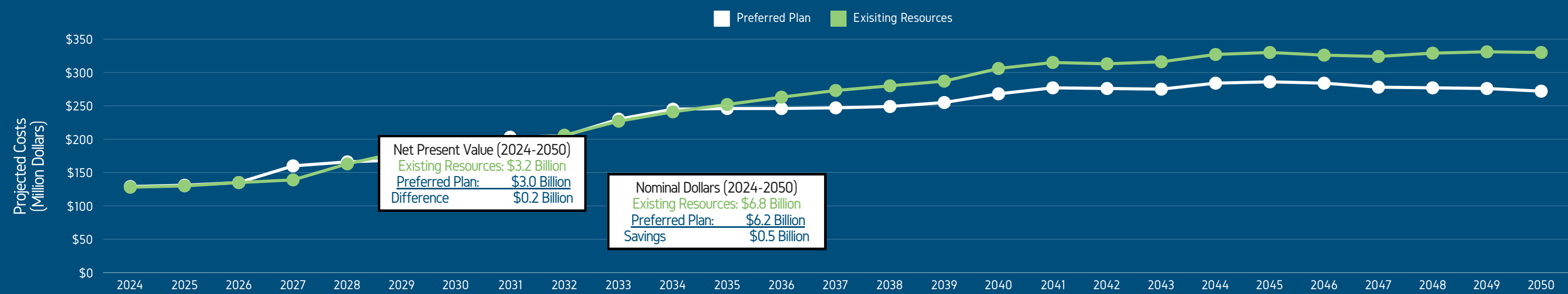
Preferred Plan Carbon Reduction Goals*

*Without a material negative impacts to rates or reliability



Economics

Preferred plan has a 6% savings compared to existing resource portfolio



Projects were chosen to work together as a single solution, and individual projects will be presented for approval after preliminary engineering (about 35%) is completed in four to six months.

\$150M

rough order of magnitude of
Chugach's capital cost for the
entire portfolio

Power Purchase Agreements

Projects may be shifted to a power purchase agreement (PPA) style to manage costs. Of the current projects, these are currently in the PPA group:

- x4 Renewables Projects
- Dixon Diversion
- Port Microgrid

Owned Projects

System integration projects will be owned by the utility to reduce the overall cost of introducing multiple types of renewables. Renewables tied to existing utility assets and for the support of our Community Solar program should be owned as well. These are:

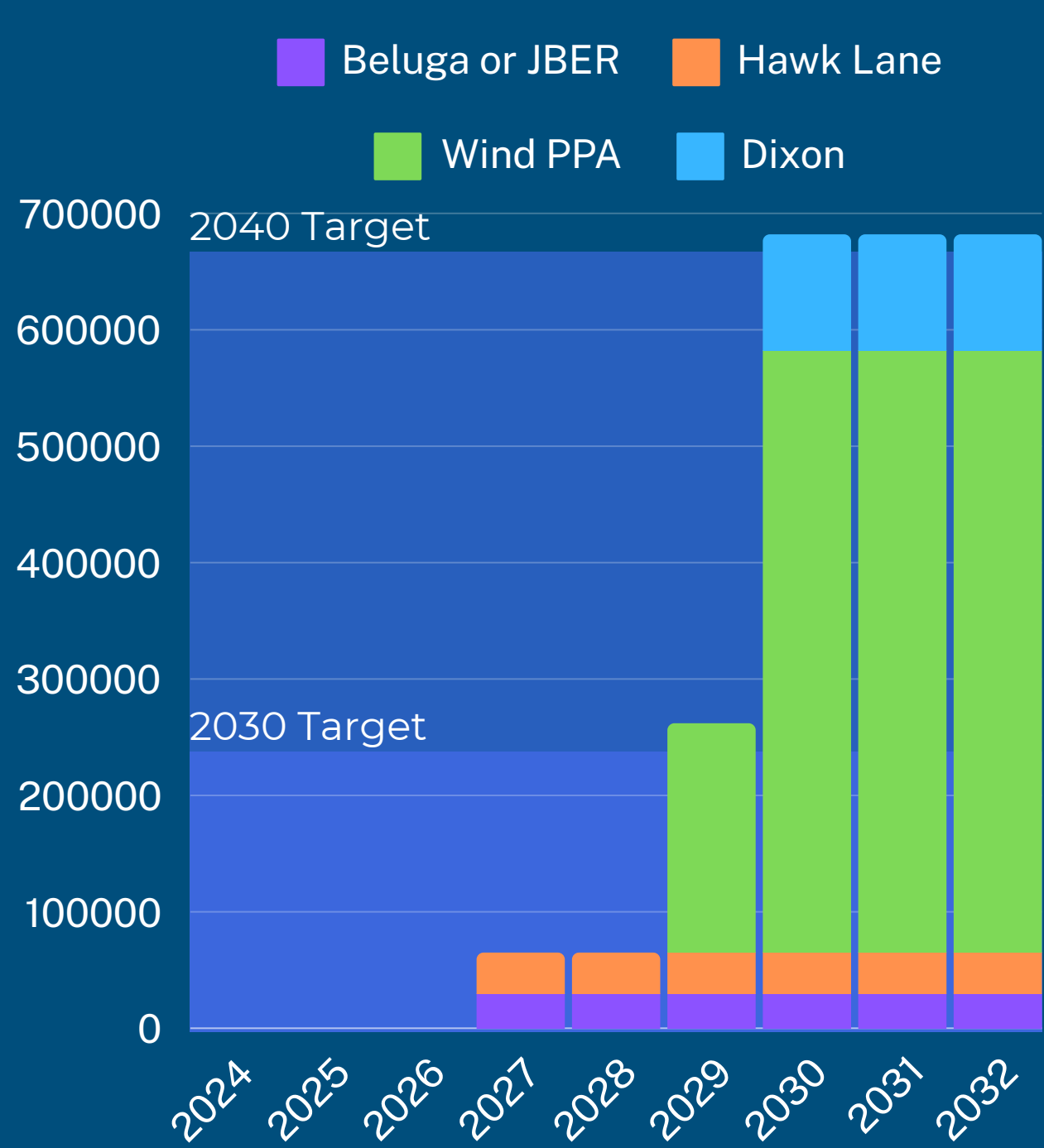
- Sullivan & SPP Solar Projects
- International BESS Phase II
- Sullivan Gas Storage
- Renewables Grid Integration Controls

Projects Development

Another method of cost control will be the development of projects for sale with a PPA requirement and buy-back option. Currently these include:

- Beluga Wind & Solar
 - JBER Solar + Storage
-

To accelerate performance, wind projects selected in the IRP have been augmented by smaller projects which can come online faster.



	2024	2025	2026	2027	2028	2029	2030	2031	2032
Houston (Hawk Lane)		18 MW							
Int'l BESS Expansion		70 MW 2 Hr							
Beluga Wind + Solar		10.5 MW							
JBER Solar + Storage		20 MW							
Wind PPA			124 MW						
Dixon Diversion				100,000 MWh					

SUMMARY



- **Initiating Small Renewables Projects**
 - Three small solar projects are underway, including Community Solar program support
- **Install Power Regulation at Scale**
 - Deploy BESS to 2030 scale
 - Install gas storage at minimum anticipated size
- **Accelerate Small Projects Development Program**
 - Wind and solar proposed for Chugach-owned property at Beluga
 - Solar and storage proposed for JBER
- **Acquire Experience in Renewables Regulation**
 - Industrial controller will combine existing assets and simulate new renewables and power regulation projects to accelerate experience
- **Scale Power Regulation Assets to Meet Large Renewables Size**
 - Four renewable energy contracts remain in discussion
 - Dixon Diversion and Port Microgrid are in development

¢ENTS OF COMMUNITY

October 2024



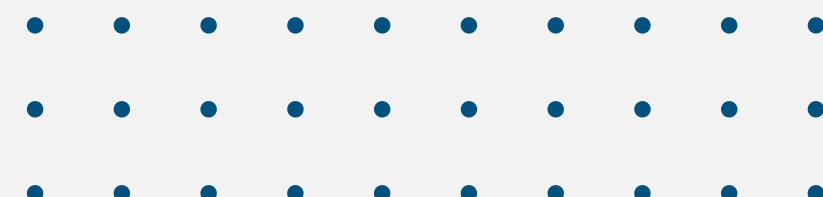
ROUND UP BYLAW PASSED IN 2023 ELECTION

ARTICLE XII, MISCELLANEOUS, SECTION 4

The Association **may** establish a program to permit members to round up their bills to the nearest dollar. The monies collected **shall be used for 501(c)(3) charitable purposes in the Association's service area.** Members **may be automatically included** in this program, but may choose not to participate in the program by notice to the Association.

55%

VOTED IN FAVOR



TIMELINE



2022

Drafted bylaw amendment



2023

Members passed Bylaw amendment



2024

Create 501(c)(3) charitable foundation
and program development



2025

Launch *Cents of Community*

ROUNDING EXPERIENCE IN ALASKA

	MEA	GVEA	AWWU	Copper Valley	Chugach
Enrollment Method	Opt-out	Opt-out	Opt-in	Opt-in	Opt-Out
Enrollment Rate	60%	62%	3%	9.7%	~60%
Annual Giving	\$168,000	\$160,000	\$8,000	\$17,000	~\$400,000

¢ENTS OF COMMUNITY

A retail Round-Up program offers members the opportunity to participate in a charitable giving program that rounds member's monthly bill to the next whole dollar amount, contributing between \$0.01 and \$0.99 a month, for an average of \$6.00 a year.

"Operation Round-up" is a registered trademark, by Palmetto Electric Cooperative. *Cents of Community* is a working title for Chugach's rounding program.



WHY DO WE NEED A CHARITABLE FOUNDATION?



**Liability
separation/protection**



**Protects Chugach's
501(c)(12) tax exempt status**



**Separates core
business activities**



**Donations are tax
deductible**




FOUNDATION GOVERNANCE

	MEA	GVEA	Clay Electric Cooperative	Johnson County Rural Elec Membership Corp	Recommendation
How many trustees on Foundation Board?	Seven (7) Same as Co-op Board	Six (6) Same as Co-op Board (5) Co-op Board Rep (1)	Nine (9) Same as Co-op Board	Nine (9) Same as Co-op Board (7) Co-op Employees (2)	Seven (7) Foundation Trustees
How are trustees selected for Foundation Board?	Appointed by MEA Board member, elected by MEA Board	<u>GVEA Board Rep (1)</u> : appointed annually by GVEA Board <u>Remaining Foundation Trustees (5)</u> : members apply, nominated by MAC, elected by GVEA Board	Nominated by Foundation Board, elected by CEC Board	<u>Employees (2)</u> : appointed by Co-op CEO <u>Remaining Trustees (7)</u> : appointed by co-op Board	Members apply for Foundation Board, Appointed by Chugach Board
Term served?	Staggered 4-year terms that coincide with MEA Board	<u>GVEA Board Rep</u> : 1-year <u>Remaining Board</u> : staggered 3-year terms; coincide with GVEA Board	Staggered 3-year terms that coincide with co-op board	<u>Employees</u> : 1-year appointment <u>Remaining Board</u> : staggered 3-year terms	Staggered 4-year terms

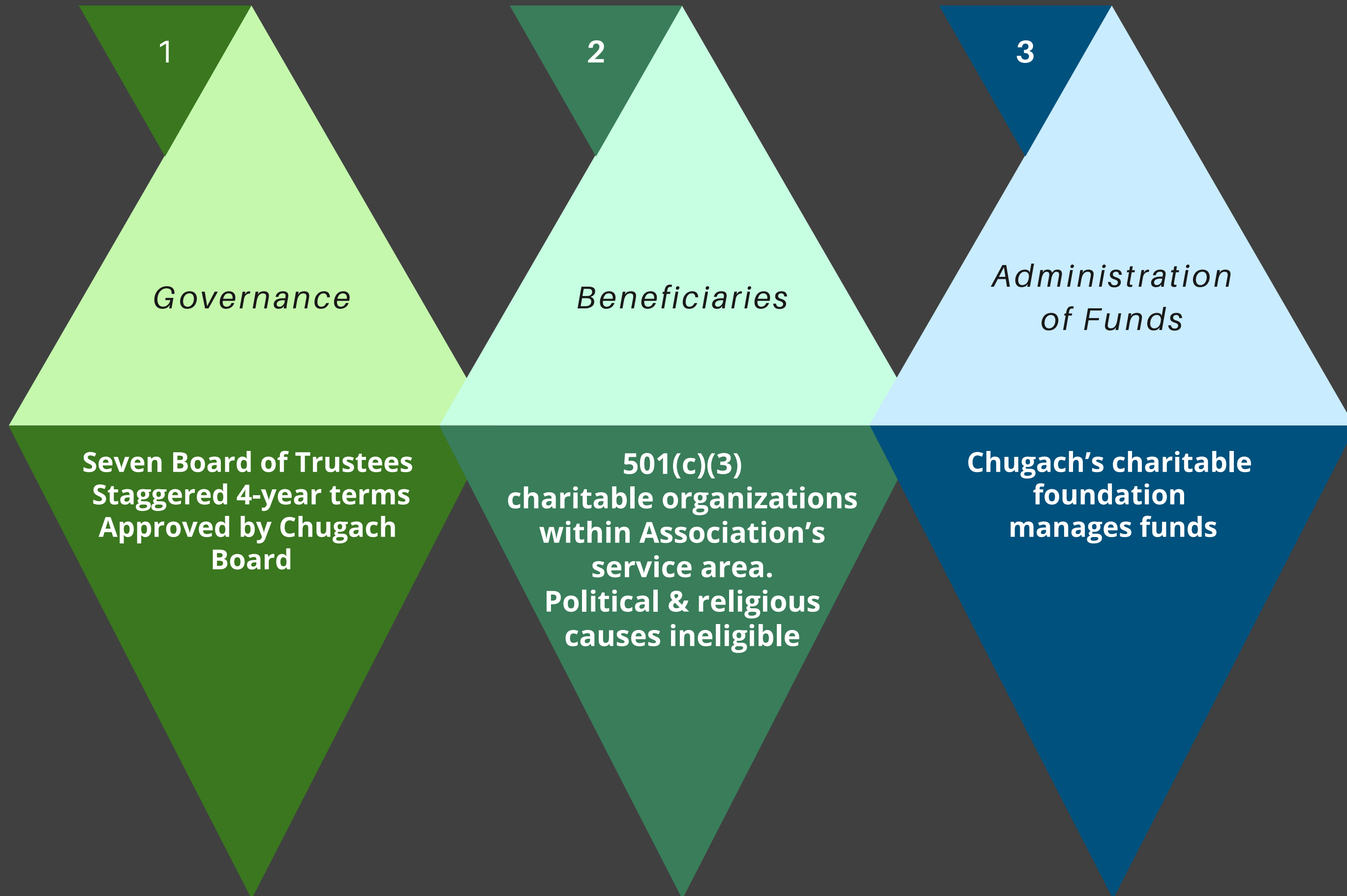
FOUNDATION BENEFICIARIES

	MEA	GVEA	CEC	JCREMC	Recommendation
Eligible beneficiaries?	501(c)(3) nonprofit and charitable organizations providing community support within coop service area	501(c)(3) nonprofit and charitable organizations providing community support within coop service area	501(c)(3) charitable and educational purposes that will improve lives and respond to immediate needs within the counties where the cooperative provides electric service	Primarily 501(c)(3) non-profit organizations, government entities, school districts or colleges which contribute to the entire community's health and/or welfare and the services must be nondiscriminatory in nature	501(c)(3) charitable purposes in the Association's service area
Ineligible beneficiaries?	Political campaigns, action committees, or similar purposes	Political or religious purposes, payment of utility bills, organized labor activities, fund raising, fund drives, advertising or ongoing operational expenses, including payroll	Churches & religious organizations, schools/preschools, local, st, fed gov't, lobbying, political organizations, or campaigns, for-profit organizations	Political purposes, should not take place of any social service programs, continuing situations cause by unwise spending and credit practices, will not go toward utility bills	Political purposes or religious purposes. Exception: Religious organizations for programs which serve broad and non-sectarian purposes (i.e. food pantry)

ADMINISTRATION OF FOUNDATION FUNDS

	Governance	Applications & Administration	Selection of Awardees	Costs	Decision Maker	Recommendation
Chugach's Charitable Foundation 501(c)(3) Board of Trustees	Volunteer governing Board of Trustees consisting of 7 Chugach members	Chugach staff and Charitable Foundation Board of Trustees	Chugach's Charitable Foundation Board of Trustees	<ul style="list-style-type: none"> Chugach staff time Advertising & Education Costs (8K-12K) System Costs 	Chugach's Charitable Foundation Board of Trustees	
Donor Advisor Fund: Alaska Community Foundation	Community Foundation board that consist of 16 statewide individuals	TBD: <ul style="list-style-type: none"> Chugach Staff Chugach Charitable Foundation Community Foundation 	Chugach Advisory Board recommends grant awardee Community Foundation has ultimate decision	<ul style="list-style-type: none"> Chugach staff time Advertising & Education Costs (8K-12K) System Costs 2% Community Foundation fee, 5% if they screen grant applications (8K-20K) 	Alaska Community Foundation	
Field of Interest Fund: Alaska Community Foundation	Community Foundation board that consist of 16 statewide individuals	Community Foundation *May not be competitive	Community Foundation *May ask experts to sit in on grantmaking committee	<ul style="list-style-type: none"> Chugach staff time Advertising & Education Costs (8K-12K) System Costs 2% Community Foundation fee (8K) 	Alaska Community Foundation	

RECOMMENDATIONS



NEXT STEPS

CREATING CHUGACH'S CHARITABLE FOUNDATION

1



File Non-Profit Foundation with State of Alaska

- Business License
- File Articles of Incorporation (drafted)

2



File for 501(c)(3) Status with Internal Revenue Service

- Bylaws for Foundation must be submitted with IRS Filing (drafted)

QUESTIONS?



NONPROFIT
ARTICLES OF INCORPORATION
OF
CHUGACH ELECTRIC ASSOCIATION CHARITABLE FOUNDATION

The undersigned incorporators, each being a natural person over the age of 19 years, adopt the following Articles of Incorporation for the purpose of forming a nonprofit corporation under the Alaska Nonprofit Corporation Act.

ARTICLE I

The name of the corporation is CHUGACH ELECTRIC ASSOCIATION CHARITABLE FOUNDATION.

ARTICLE II

The duration of the corporation is perpetual.

ARTICLE III

The corporation is organized and shall be operated exclusively for charitable, scientific, and educational purposes permitted by Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The corporation shall have the power to do all lawful acts necessary to carry out its purpose consistent with the provisions of the Alaska Nonprofit Corporation Act and Code Section 501(c)(3). The six-digit NAICS industry grouping code which most clearly describes the initial activities of the corporation is 813211 (Grantmaking Foundations).

ARTICLE IV

The corporation will have members. The sole member shall be CHUGACH ELECTRIC ASSOCIATION, INC., an Alaska nonprofit electric cooperative corporation, for so long as it is in existence.

ARTICLE V

Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income taxation under Code Section 501(c)(3) and (b) by a corporation, contributions to which are deductible under Code Sections 170(c)(2), 2055(a)(2) and 2522(a)(2). No part of the net earnings of the corporation shall inure to the benefit of any private shareholder or individual. No substantial part of the activities of the corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or

intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE VI

During any time that the corporation is classified as a “private foundation” as defined in Code Section 509, the corporation:

- (a) shall not engage in any act of self-dealing as defined in Code Section 4941(d);
- (b) shall distribute its income and, when necessary, amounts from principal at such time and in such manner as not to subject the corporation to the taxes on failure to distribute income imposed by Code Section 4942;
- (c) shall not retain any excess business holdings as defined in Code Section 4943(c);
- (d) shall not make any investments in such manner as to subject the corporation to the taxes on investments which jeopardize charitable purpose imposed by Code Section 4944; and
- (e) shall not make any taxable expenditures as defined in Code Section 4945(d).

ARTICLE VII

Upon dissolution or final liquidation of the corporation, after the payment or provision for payment of all of the liabilities of the corporation, the remaining assets of the corporation shall be distributed to such organization or organizations as are then-described in Code Sections 501(c)(3) or 170(c)(2) as the board of directors shall determine.

ARTICLE VIII

The names and addresses of the initial directors of the corporation are:

[Name]
5601 Electron Dr.
Anchorage, AK 99518

[Name]
5601 Electron Dr.
Anchorage, AK 99518

[Name]
5601 Electron Dr.
Anchorage, AK 99518

The incorporators have obtained the consent of all directors named to serve. All directors of the corporation other than the initial directors shall be elected at the time, in the manner and for the terms to be set forth in the corporation’s bylaws.

ARTICLE IX

No director shall be personally liable to the corporation for monetary damages for conduct as a director or officer, provided that this Article shall not eliminate or limit the liability of a director for any act or omission for which such elimination of liability is not permitted under the Alaska Nonprofit Corporation Act. No amendment to the Alaska Nonprofit Corporation Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director for any act or omission which occurs prior to the effective date of the amendment.

ARTICLE X

The corporation shall indemnify to the fullest extent permitted by the Alaska Nonprofit Corporation Act any person who is made, or threatened to be made, a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the corporation), by reason of the fact that the person is or was a director, officer, employee, or agent of the corporation. No amendment to this Article that limits the corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of directors, officers, employees, agents, and fiduciaries that may be allowable under any statute, bylaw, agreement, general or specific action of the board of directors, vote of the members or other document or arrangement.

ARTICLE XI

All references in these Articles of Incorporation to sections of the Code or the Alaska Nonprofit Corporation Act shall be deemed to refer also to the corresponding provisions of any future federal tax or Alaska nonprofit corporation laws.

ARTICLE XII

The mailing address of the corporation's registered office and the name of its registered agent at that location are:

[Arthur Miller]

5601 Electron Dr.
Anchorage, AK 99518

ARTICLE XIII

The names and addresses of the incorporators are:

[Name]
5601 Electron Dr.
Anchorage, AK 99518

[Name]
5601 Electron Dr.
Anchorage, AK 99518

[Name]
5601 Electron Dr.
Anchorage, AK 99518

ARTICLE XIV

The principal place of business of the corporation is:

Chugach Electric Association Charitable Foundation
5601 Electron Dr.
Anchorage, AK 99518

* * * * *

The incorporators affirm that they have read the foregoing document and believe all statements made herein to be true.

DATED: _____

[Name], Incorporator

DATED: _____

[Name], Incorporator

DATED: _____

[Name], Incorporator

BYLAWS
OF
CHUGACH ELECTRIC ASSOCIATION CHARITABLE FOUNDATION

SECTION 1 PURPOSE

CHUGACH ELECTRIC ASSOCIATION CHARITABLE FOUNDATION (the “corporation”) is a nonprofit corporation organized and operated to engage in any lawful activity permitted by Section 501(c)(3) of the Internal Revenue Code.

SECTION 2 SOLE MEMBER

2.1 Designation. The sole member of the corporation shall be CHUGACH ELECTRIC ASSOCIATION, INC., an Alaska nonprofit electric cooperative corporation, for so long as it is in existence. The sole member shall act through and be represented by its board of directors.

2.2 Meetings. An annual meeting of the sole member shall be held at a date, place, and time to be designated by the board of directors of the sole member. Special meetings of the sole member shall be held upon the call of the board of trustees of the corporation or the board of directors of the sole member and shall be preceded by not less than ten days’ notice.

2.3 Powers. The sole member shall have the following rights:

- (a) Appoint trustees;
- (b) Remove trustees;
- (c) Vote on any change to the number of trustees, including a change to a fixed number of trustees, a change to a variable range in the number of possible trustees, or a change from a fixed number of trustees to a variable range in the number of possible trustees;
- (d) Approve a vote to sell, transfer, lease, exchange, option, convey or otherwise dispose of substantially all of the corporation’s assets or to merge the corporation’s assets with the assets of another entity;
- (e) Approve a vote to dissolve the corporation; and
- (f) Approve any action that would reduce or eliminate the member’s right to appoint or remove trustees or to vote.

SECTION 3 TRUSTEES

3.1 Powers. The board of trustees (the “board”) shall exercise, or delegate or otherwise authorize the exercise of, all corporate powers and shall direct the management of the corporation’s affairs, subject to any limitation set forth in the Articles of Incorporation. The board shall retain authority over an exercise of corporate powers that the board delegates or authorizes under this section.

3.2 Qualifications. With the exception of the initial trustees, trustees shall not be a member of the Board of Directors of Chugach Electric Association, Inc. All trustees must be individuals 18 years of age or older. Trustees must be Chugach members, as prescribed in the Chugach Electric Association, Inc. Bylaws, in good standing, and must be a contributor to the Chugach Electric Foundation, Inc. The sole member may establish written policies that include additional criteria for qualifications of trustees and composition of the board.

3.3 Number. The board shall consist of a minimum of three and a maximum of seven persons. The number of trustees may be fixed or changed periodically within the minimum and maximum by the sole member.

3.4 Tenure of Office. Trustees serve for terms of four years. Trustees may, if reappointed, serve three successive four-year terms and thereafter may be reappointed to the Board after the lapse of a period of one year. By resolution, the sole member may divide the total number of trustees into groups and otherwise arrange for terms to be staggered such that not all of the trustees’ terms expire in the same year.

3.5 Appointment. Trustees shall be appointed by the sole member.

3.6 Resignation. A trustee may resign at any time by delivering written notice to the sole member and the chair or the secretary. A resignation is effective when the notice is received unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the sole member.

3.7 Removal. A trustee may be removed, at any time, with or without cause, either by the sole member or by vote of a majority of the trustees then in office at any meeting.

3.8 Vacancies. A vacancy or vacancies on the board shall exist if the number of trustees in office is less than the maximum number or the number fixed by the sole member. A vacancy in the board may be filled by appointment by the sole member. The term of a trustee appointed during the year to fill a vacancy shall begin as of the date specified in the resolution to appoint the trustee. Each trustee so appointed shall hold office for an initial term specified in the resolution to appoint the trustee, in order to arrange for terms to be staggered. If the board accepts the resignation of a trustee tendered to take effect at a future time, a successor may be appointed to take office when the resignation becomes effective.

3.9 Executive Committee. The board may have an executive committee. The executive committee shall be composed of the chair, vice chair, secretary, and treasurer; the board or the chair may also appoint other trustees to serve on the executive committee. The chair shall preside at the executive committee meetings. Between meetings of the board, the executive

committee shall have and exercise all the authority of the board in the management of affairs of the corporation, except as limited by Section 3.10. At least 24 hours' notice shall be required to convene a meeting of the executive committee.

3.10 Board Committees. In addition to an executive committee, the board may create one or more board committees that exercise the authority of the board. The creation of a board committee and either the appointment of trustees to the board committee or the designation of a method of selecting board committee members must be approved by the board. Each board committee must consist of two or more trustees, who serve at the pleasure of the board. Only a trustee may serve on a board committee. Except as may be contemplated by resolution of the board, the provisions of these bylaws governing meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the board shall apply to committees and their members as well. The board may delegate the authority of the board to a board committee; provided, however, no committee may:

(a) Authorize distributions, defined as the payment to a person from the income or assets of the corporation, other than a payment of reasonable value for property received or services performed or payment of benefits that furthers the corporation's purposes;

(b) Approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets;

(c) Elect, appoint, or remove trustees or fill vacancies on the board or on any board committees;

(d) Adopt, amend, or repeal the Articles of Incorporation or bylaws; or

(e) Appoint or remove officers.

3.11 Advisory Committees. The board may create one or more advisory committees. The board may appoint individuals to serve on an advisory committee or specify a method for selecting members. Members of these committees need not be trustees. Advisory committees shall have no power to act on behalf of, or to exercise the authority of, the board, but may make recommendations to the board or to board committees and may implement board or board committee decisions and policies under the supervision and control of the board or a board committee.

3.12 Compensation. Trustees shall not be compensated for service in their capacity as trustees or officers. A trustee may receive reimbursement of actual reasonable expenses incurred in carrying out their duties as a trustee.

3.13 Trustee Conflict of Interest. A conflict-of-interest transaction is a transaction with the corporation in which a trustee of the corporation has a direct or indirect interest. The board shall adopt a policy that (a) further defines what entails a conflict of interest, (b) requires trustees and officers to disclose any interest that constitutes or could result in a conflict of interest and (c) sets out procedures for reviewing and resolving such matters.

SECTION 4 OFFICERS

4.1 Designation. The officers of the corporation shall be a chair, a secretary, a treasurer, and may include one or more vice chairs, and such other officers as the board shall appoint. The board shall elect the chair, vice chair, secretary, and treasurer from among the board. The same individual may not serve simultaneously as chair and secretary.

4.2 Election; Term of Office. The board shall elect officers at its annual meeting. Officers shall serve for a term of one year or such other term as the board may designate and may be elected to any number of consecutive terms.

4.3 Removal. Any officer may be removed, either with or without cause, at any time by action of the board.

4.4 Resignation. An officer may resign at any time by delivering notice to the board, the chair, or the secretary. A resignation is effective when the notice is received unless the notice specifies a later effective date. If a resignation specifies a later effective date and the corporation accepts the later effective date, the board may fill the pending vacancy before the effective date if the board provides that the successor does not take office until the effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the board.

4.5 Chair. The chair shall preside at meetings of the board, shall serve as the chair of the executive committee, shall ensure that the board is advised on all significant matters of the corporation's business, and shall be responsible for overseeing the plans and directives of the board. The chair also shall have such other powers and perform such other duties as may be prescribed by the board.

4.6 Vice Chair. The vice chair, if any, shall preside at meetings of the board at which the chair is absent and in the absence of the chair shall have the other powers and perform the other duties of the chair. The vice chair also shall have such other powers and duties as may be prescribed by the board.

4.7 Secretary. The secretary shall oversee the preparation of minutes of meetings of the board and authenticate records of the corporation. The secretary shall keep or cause to be kept at the principal office or such other place as the board may order, the minutes of all board meetings. The secretary also shall have such other powers and perform such other duties as may be prescribed by the board. The board may appoint or authorize the appointment of an assistant who may perform such duties as are prescribed by the secretary or the board. The assistant, if any, need not be a member of the board.

4.8 Treasurer. The treasurer shall lead the board's oversight of the corporation's budgeting and planning process, financial performance, and financial condition. The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the assets and transactions of the corporation. The treasurer shall have such other powers and duties as may be prescribed by the board. The board may appoint or authorize the appointment of an assistant who may perform such duties as are prescribed by the treasurer or the board. The assistant, if any, need not be a member of the board.

SECTION 5 MEETINGS OF THE BOARD

5.1 Meetings. An annual meeting of the board shall be held at a time and place designated by the board. If the time and place of any other trustees' meeting is regularly scheduled by the board in a manner that informs all trustees of the time and place without additional notice, the meeting is a regular meeting. All other meetings are special meetings.

5.2 Virtual Participation. The board may permit any or all of the trustees to participate in any meeting by using a means of communication by which each trustee participating in the meeting can communicate with all of the other trustees simultaneously. A trustee participating in a meeting in accordance with this section is deemed present at the meeting.

5.3 Call and Notice of Meetings. Notice of regular meetings may be made by providing each trustee with the adopted schedule of regular meetings for the ensuing year, and without further notice of the date, time, place, or purpose of the meeting. The annual meeting must be preceded by at least ten days' notice, if given by first-class mail or private carrier, or 48 hours' notice, if delivered orally or electronically. Special meetings of the board must be preceded by at least 24 hours' notice and must be delivered orally or electronically. All notices must give the date, time, and place of the meeting. Except as specifically provided in these bylaws or applicable law, the notice need not describe the purposes of any meeting. The chair, the secretary, or one-third of the trustees then in office may call and give notice of a meeting of the board.

5.4 Waiver of Notice. A trustee may at any time waive any notice required by these bylaws to that trustee. A trustee's attendance at or participation in a meeting waives any required notice to the trustee of the meeting unless the trustee, at the beginning of the meeting or promptly upon the trustee's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting. A written waiver must be signed and may be transmitted electronically. The waiver must specify the meeting for which the notice is waived and must be filed with the minutes or the corporate records.

5.5 Quorum. A quorum of the board shall consist of a majority of the number of trustees in office immediately before the meeting begins. A trustee is considered present regardless of whether the trustee votes or abstains from voting.

5.6 Voting. If a quorum is present when a vote is taken, the affirmative vote of a majority of the trustees present when the action is taken is the act of the board except to the extent that the Articles of Incorporation, these bylaws, or applicable law require the vote of a greater number of trustees. Each trustee has one vote and may not vote by proxy.

5.7 Presumption of Assent. A trustee who is present at a meeting of the board is deemed to have assented to an action taken unless the trustee: (a) dissents or abstains from the action and it is recorded in the minutes; (b) objects to holding or transacting business at the beginning of the meeting or promptly upon the trustee's arrival; or (c) delivers written notice of

dissent or abstention to the presiding officer of the meeting before the meeting's adjournment or to the corporation immediately after the meeting adjourns. The right of dissent or abstention is not available to a trustee who votes in favor of the action taken.

5.8 Action Without Meeting: Unanimous Written Consent. Any action required or permitted to be taken at a board meeting may be taken without a meeting if the action is taken unanimously by all trustees entitled to vote. The action must be evidenced by one or more written consents describing the action taken, signed by each trustee, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this section is effective when the last trustee signs the consent unless the consent specifies an earlier or later effective date. For purposes of this section, an affirmative email sent by a trustee in response to a written consent is deemed to be a writing by the trustee. A unanimous written consent under this section has the effect of a meeting vote and may be described as a meeting vote in any document.

SECTION 6 NONDISCRIMINATION

The corporation shall not discriminate in providing services, hiring employees, or otherwise, upon the basis of gender, gender identity, race, creed, marital status, sexual orientation, religion, color, age, national origin, veteran status, or disability.

SECTION 7 GENERAL PROVISIONS

7.1 Amendment or Restatement of Bylaws. The board may amend or restate these bylaws by majority vote with the approval of the sole member. The date of approval of any amendment to the bylaws or a restatement of the bylaws shall be noted in the corporate records.

7.2 Inspection of Books and Records. All books, records, and accounts of the corporation shall be open to inspection by the trustees and the sole member in the manner and to the extent required by law.

7.3 Disbursements. All checks or other orders for payment of money shall be signed or endorsed by such person or persons and in such manner as the board may determine by resolution or policy.

7.4 Deposits. All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies or other depositories as the board may authorize.

7.5 Loans or Guarantees. The corporation shall not borrow or lend money unless authorized by the board by resolution or policy. This authority may be general or confined to specific instances. The corporation shall not make a loan, guarantee an obligation, or modify a pre-existing loan or guarantee to or for the benefit of a trustee or officer of the corporation.

7.6 Execution of Documents. The board may authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the board, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.

7.7 Insurance. The corporation may purchase and maintain insurance on behalf of an individual against liability asserted against or incurred by the individual who is or was a trustee, officer, employee, or agent of the corporation, or who, while a trustee, officer, employee, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise; provided, however, that the corporation may not purchase or maintain such insurance to indemnify any trustee, officer, or agent of the corporation in connection with any proceeding charging improper personal benefit to the trustee, officer, or agent in which the trustee, officer, or agent was adjudged liable on the basis that personal benefit was improperly received by the trustee, officer, or agent.

7.8 Fiscal Year. The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

7.9 Severability. A determination that any provision of these bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these bylaws.

* * * * *

The foregoing bylaws were duly adopted by the board of CHUGACH ELECTRIC ASSOCIATION CHARITABLE FOUNDATION on _____, 2024.

[Name], Secretary

MEMBER APPROVAL:
Chugach Electric Association, Inc.

[Name, Title]



Southcentral Power Project Steam Turbine Major Overhaul - Rotor Cracking

Regular Board of Directors Meeting

October 15, 2024

SPP Steam Turbine - Rotor Cracking

Introduction:

- Requesting Increase to Project Funding to Cover Project Overages

Project Background and Description:

- The Southcentral power project is a 200 MW 3 X 1 Combined Cycle Power plant with 3, LM6000PF gas turbines and a Mitsubishi 57.5 MW axial exhaust steam turbine.
- Per Original Equipment Manufacturer requirements, the steam turbine was due for its first major overhaul inspection (total teardown to the bearings), repairs, upgrades and reassembly.
- The project was authorized at \$2,979,000 in the Regular Board Meeting on November 3, 2023.



SPP Steam Turbine - Rotor Cracking

- Turbine rotor was removed, cleaned, and prepared for non-destructive testing inspection.
- Numerous cracks on the stage six blade dovetail area identified.
- Rotor was shipped to PSG - St. Louis facility in August 2023 for a 3rd party condition assessment.
- PSG/Mitsubishi repair timeline was too long and expensive.
- Sulzer Turbomachinery ultimately performed the Root Cause Analysis (RCA), and repairs in Houston, Texas.
- Sulzer Trepan repaired the sixth stage.
- The repaired rotor was shipped back to Anchorage in April 2024.
- Plant staff reinstalled the rotor and the turbine was returned to service May 15th, 2024.



SPP Steam Turbine Major - Rotor Cracking

Project Cost Summary

Project Authorization	\$2,979,000
-----------------------	-------------

Additional Costs

Rotor repairs, analysis, and shipping	\$127,000
---------------------------------------	-----------

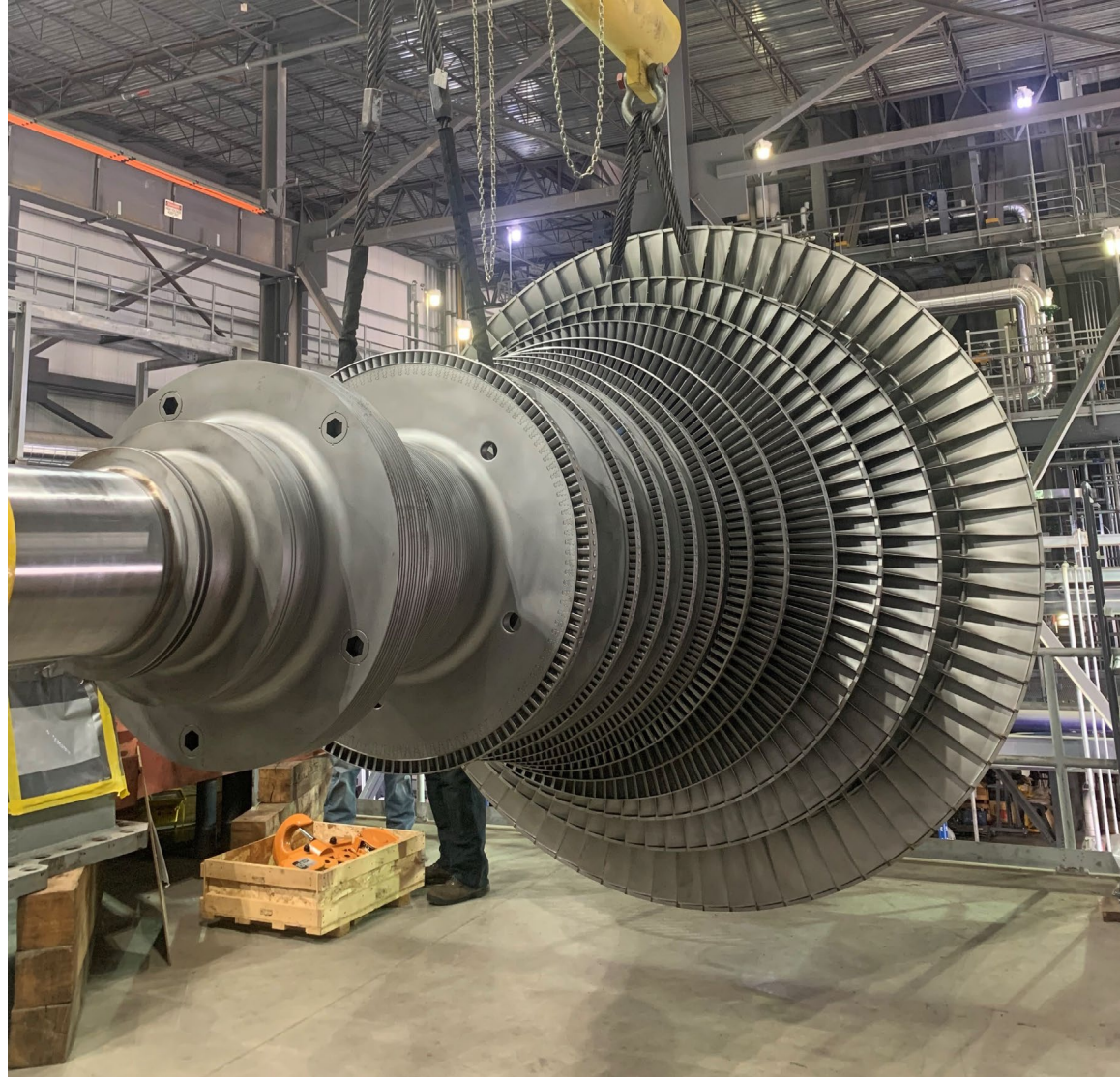
Water chemistry improvements and monitoring	\$61,200
---	----------

Labor and Technical Field Advisor	\$469,100
-----------------------------------	-----------

<i>Total Project Authorization Increase Request</i>	<i>\$657,300</i>
--	-------------------------

<i>Total Installed Cost</i>	<i>\$3,636,300</i>
------------------------------------	---------------------------

Questions?



CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS MEETING
AGENDA ITEM SUMMARY

October 15, 2024

ACTION REQUIRED

AGENDA ITEM NO. VIII. A

☐ Information Only
☒ Motion
☐ Resolution
☐ Executive Session
☐ Other

TOPIC

Project Authorization Increase: Southcentral Power Project (SPP) Steam Turbine Major Overhaul – Steam Turbine Rotor Cracking Repair

DISCUSSION

In November of 2023, the Chugach Electric Association, Inc. (Chugach) Board of Directors approved the SPP Steam Turbine Major Overhaul - Rotor Cracking project at an amount of \$2,979,000 to address stress corrosion cracking discovered during a routine major overhaul. To ensure that this type of cracking does not occur in the future, improved water and steam chemistry pH and sodium monitoring points as well as an after polisher for the steam cycle water were installed. Additional time at the repair facility, delays in shipping the rotor, additional technical field advisor time, and additional labor increased the actual costs beyond the estimate.

Additional scope and delays caused project costs to come in higher than estimated bringing the total project to \$3,636,326 at project close.

MOTION

Move that the Chugach Electric Association, Inc. Board of Directors authorize the increase to project funding for the SPP Steam Turbine – Rotor Cracking Repair from \$2,979,000 by the amount of \$657,300 to a new Project Authorization of \$3,636,300.

2024 Retail Capital Credit Retirement

Board of Directors' Meeting
October 15, 2024

Agenda

- Capital Credits Program
- Chugach's Capital Credit Retirement History
- Proposed 2024 Retail Capital Credit Retirement
- Questions

Capital Credits Program

- Capital Credits represent a member's share of Chugach's equity, or their ownership interest in Chugach.
- Patronage capital assignment and retirement is required to maintain tax exempt status under Internal Revenue Code Section 501(C)12.
- Capital Credit retirements are limited by the 2011 Amended and Restated Indenture of Trust (Indenture) at the lesser of 5% of Chugach's patronage capital or 50% of assignable margins for the prior fiscal year if Chugach's equity to total capitalization ratio falls below 30%.
- In accordance with Chugach bylaws, the board of directors shall determine that the financial condition of the Association will not be impaired by a capital credit retirement.
- Capital credits that are retired but unclaimed are retained by Chugach, rather than escheating to the state. Notice and advertising in accordance with the state statute is required to retain these unclaimed credits as permanent equity.

Chugach's Capital Credits Retirement History

- Chugach has historically used a First In – First Out (FIFO) method for retiring capital credits. Chugach has changed its policies to allow for a hybrid method of FIFO and Last In – First Out (LIFO).
- In 2002, the Chugach Board of Directors approved a discounted capital credits retirement plan to return capital to former members and estates who request early retirements at discounted rates. Annually, the board of directors sets the maximum amount to be distributed under that plan.
- To date, Chugach has retired approximately \$104 million of capital credits to its members.

Proposed 2024 Retail Capital Credit Retirement

- The maximum amount Chugach can retire in 2024 due to the Indenture restriction is 50% of 2023 assignable margins, or \$4,049,890. Since the board of directors approved \$300,000 to be distributed under the discounting program for 2024, the amount remaining for a retail capital credit retirement is \$3,749,890.
- Chugach management recommends a 75% FIFO / 25% LIFO capital credit retirement, which provides for a retirement of approximately \$3.0 million of capital credits for the year 1992 and approximately \$0.7 million of capital credits for the year 2023.
- The retirement is expected to be distributed in the form of a check or as a credit on a member's bill no later than December 31, 2024.

Questions?

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

October 15, 2024

ACTION REQUIRED

AGENDA ITEM NO. VIII. B

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

TOPIC

2024 Retail Capital Credit Retirement

DISCUSSION

The Board of Directors reviewed a proposed retail capital credit retirement in an amount not to exceed \$3,749,890, which would retire approximately \$3.0 million of capital credits for the year 1992 and approximately \$0.7 million of capital credits for the year 2023. The retirement would have a 0.24% impact on Chugach's equity to total capitalization ratio and would be distributed no later than December 31, 2024.

MOTION

Move that the Board of Directors approve a retail capital credit retirement in accordance with the attached resolution.



RESOLUTION

Retail Capital Credit Retirement

WHEREAS, the Chugach Electric Association, Inc. (Chugach) Board of Directors desires to proceed with a retail capital credit retirement;

WHEREAS, the Board of Directors has determined that this retirement will not impair the financial condition of the Association;

WHEREAS, in accordance with Chugach's Second Amended and Restated Indenture of Trust, capital credit retirements are currently restricted to the lesser of 5% of Chugach's patronage capital or 50% of assignable margins for the prior fiscal year, which cannot exceed \$4,049,890; and

WHEREAS, the Board of Directors approved \$300,000 for the retirement of retail capital credits on a discounted basis for estate payments and former members that are no longer receiving electric service for 2024 by resolution on December 6, 2023.

NOW THEREFORE BE IT RESOLVED, Chugach shall make a retail capital credit retirement of \$4,049,890 less \$300,000 paid early to estates and inactive members who closed their memberships and received discounted capital credit payments, or a total amount not to exceed \$3,749,890. This will retire approximately \$3.0 million of capital credits for the year 1992 and approximately \$0.7 million of capital credits for the year 2023, which utilizes a 75% First In - First Out (FIFO) and 25% Last In - First Out (LIFO) retirement method. This amount will have a 0.24% impact on Chugach's equity to total capitalization ratio.

BE IT FURTHER RESOLVED, that the retail retirement is expected to be distributed in the form of a check or as a credit on a member's bill no later than December 31, 2024.

BE IT FURTHER RESOLVED, that the capital credits of any member with an outstanding debt will be used to offset that debt until it is paid in full or all available capital credits have been credited to that debt.

CERTIFICATION

I, Susanne Fleek-Green, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric not for 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 15th day of October, 2024; 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 the 15th day of October, 2024.

Secretary

Executive Session Motion
(Financial, Legal and Personnel)
October 15, 2024

Chugach Electric Association, Inc.
Regular Board of Directors' Meeting

Agenda Item IX.

Move 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 matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; 2) discuss with its attorneys matters the immediate knowledge of which could have an adverse effect on the legal position of the cooperative; and 3) discuss personnel matters.

Chugach Electric Association, Inc.
Anchorage, Alaska

Summary of Executive Session Topics for
Regular Board of Directors' Meeting on October 15, 2024
Agenda Item IX.

- A. Discussion of confidential and sensitive information regarding an update of the natural gas supply, public disclosure of which could have an adverse effect on the finances and legal position of the Association. (AS 10.25.175(c)(1) and (3))
- B. Discussion of confidential and sensitive information regarding the Battery Energy Storage System negotiation, public disclosure of which could have an adverse effect on the finances and legal position of the Association. (AS 10.25.175(c)(1) and (3))
- C. Discussion of confidential and sensitive information regarding negotiations, public disclosure of which could have an adverse effect on the legal position and personnel of the Association. (AS 10.25.175(c)(3) and (4))