



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

**REGULAR BOARD OF DIRECTORS' MEETING**

**AGENDA**

Sam Cason, Chair  
Sisi Cooper, Vice Chair  
Rachel Morse, Treasurer  
Susanne Fleek-Green, Secretary

Mark Wiggin, Director  
Bettina Chastain, Director  
Jim Nordlund, Director

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**September 27, 2023**

**4:00 p.m.**

**Chugach Board Room**

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- I. CALL TO ORDER (4:00 p.m.)
  - A. *Pledge of Allegiance*
  - B. *Roll Call*
  - C. *Safety Minute: Changing a Tire Safely (Freeman)*
  - D. *Electric Power Factoid: Power Generation Models (Baker)*
- II. APPROVAL OF THE AGENDA\* (4:15 p.m.)
- III. PERSONS TO BE HEARD (4:20 p.m.)
  - A. *Member Comments*
- IV. DIRECTOR REPORTS (4:30 p.m.)
  - A. *Alaska Power Association (APA) Report*
  - B. *Board Committee Reports (Audit & Finance, Operations & Governance)*
  - C. *Other Meeting Reports*
- V. CONSENT AGENDA\* (4:50 p.m.)
  - A. *Board Calendar*
  - B. *Training and Conferences*
  - C. *Minutes*
    - 1. *August 16, 2023 Regular Board of Directors' Meeting (Hamilton)*
  - D. *BRU Asset Retirement Obligation (ARO) Investment Account (Griffin)*
  - E. *KPMG Contract Extension (Highers)*
  - F. *Director Expenses*

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

9/22/2023 2:21:15 PM

- VI. CEO REPORTS AND CORRESPONDENCE (5:05 p.m.)
  - A. *July 2023 Financial Statements and Variance Report (Griffin) (5:05 p.m.)*
  - B. *BRU Capital Surcharge/Rebate (Chicola/Clarkson) (5:25 p.m.)*
  - C. *Rate Case Update (Clarkson) (5:40 p.m.)*
  - D. *RRC Update (Baker) (5:55 p.m.)*
  - E. *Board Policy Scheduled Tasks/Reports (Board/Staff) (6:00 p.m.)*
- VII. UNFINISHED BUSINESS (*none*)
- VIII. NEW BUSINESS\*\* (*scheduled*) (6:05 p.m.)
  - A. *Director Meeting Fees & Expenses\*\* (Miller/Board)*
- IX. EXECUTIVE SESSION\* (*scheduled*) (6:35 p.m.)
  - A. *Strategic Planning (Miller)*
- X. NEW BUSINESS (*none*)
- XI. DIRECTOR COMMENTS (7:15 p.m.)
- XII. ADJOURNMENT\* (7:30 p.m.)

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

A man wearing a grey long-sleeved shirt, blue pants, and a high-visibility yellow and grey safety vest is kneeling on the ground, working on the tire of a white van. He is using a black tire iron. The van is parked on a paved surface, and its rear wheel is visible in the foreground. The background shows a grassy area and some trees. The image is overlaid with abstract, colorful, wavy lines in shades of red, orange, and blue.

# CHANGING A TIRE SAFELY

Regular Board of Directors' Meeting  
September 27, 2023



# NEWS HEADLINES

**DC man dead after being struck by car while changing tire in College Park**

**Person Changing Tire Hit and Killed on I-580**

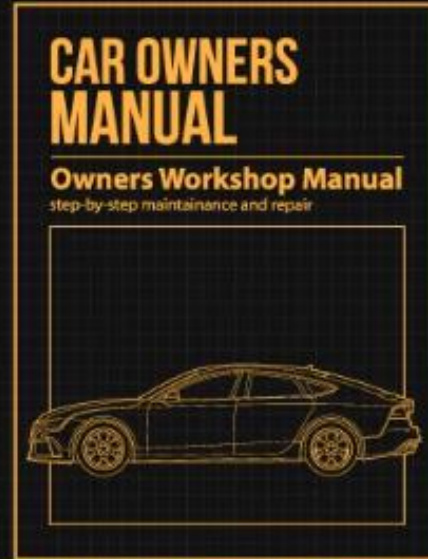
By TheNevadaGlobeStaff, January 25, 2023

**Man killed while changing tire on I-95**



# THESE ITEMS SHOULD HAVE COME WITH YOUR VEHICLE:

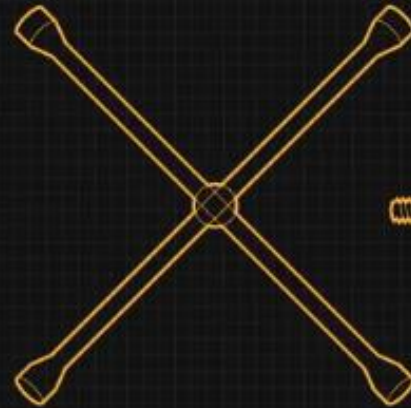
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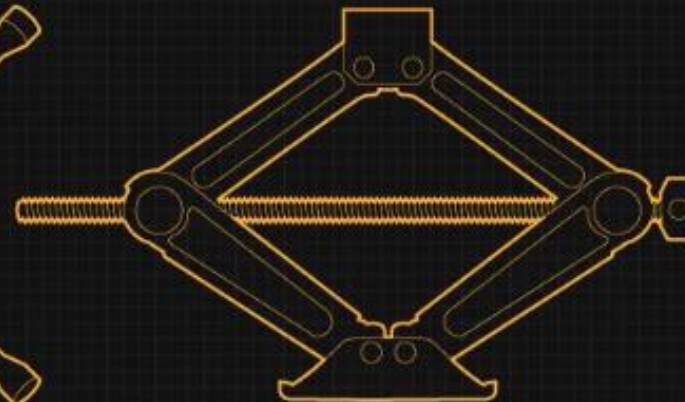
Vehicle Owner's Manual



Spare Tire



Wrench



Jack

# CHANGING A TIRE SAFELY-KEY STEPS

1

Make sure you have the right equipment beforehand

2

Find a safe place to pull over

3

Turn on your hazard lights

4

Apply parking brake

5

If you have a donut spare, do not drive over 50 mph. Check pressure, it should be 60 psi

# YTD SAFETY STATISTICS

Recordable Injuries			
Business Unit	2022	2022 August YTD	2023 August YTD
Line Operations	6	3	4
Power Generation	5	3	1
Office and Administrative	0	0	1
Total	11	6	6

Lost time Injuries			
Business Unit	2022	2022 August YTD	2023 August YTD
Line Operations	3	1	3
Power Generation	1	0	0
Office and Administrative	0	0	0
Total	4	1	3

Rates and Lost Workdays			
	2022	2022 August YTD	2023 August YTD
OSHA Rate	2.71	2.26	2.24
Lost Time Rate	.98	.38	1.12
Lost Workdays	179	9	252

**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.



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\*\* *Denotes Possible Action Items*

9/22/2023 2:21:15 PM



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  - C. *Rate Case Update (Clarkson) (5:40 p.m.)*
  - D. *RRC Update (Baker) (5:55 p.m.)*
  - E. *Board Policy Scheduled Tasks/Reports (Board/Staff) (6:00 p.m.)*
- VII. UNFINISHED BUSINESS (none)
- VIII. NEW BUSINESS\*\* (scheduled) (6:05 p.m.)
  - A. *Director Meeting Fees & Expenses\*\* (Miller/Board)*
- IX. EXECUTIVE SESSION\* (scheduled) (6:35 p.m.)
  - A. *Strategic Planning (Miller)*
- X. NEW BUSINESS (none)
- XI. DIRECTOR COMMENTS (7:15 p.m.)
- XII. ADJOURNMENT\* (7:30 p.m.)

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

# August 2023

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

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jul 30	31	<b>Aug 1</b> 11:00am Alaska Legislators' Tour of SPP (Cooper) (Electric Vehicle) - Trish Baker	2	3 11:00am Alaska Legislators' Tour of SPP (Chastain) (Electric Vehicle) - Trish Baker	4 9:00am Governance Packet Review (Fleek-Green, Morse) (Board Room CR) - Ashton Doyle	5
6	7	8 11:00am Alaska Legislators' Tour of SPP (Nordlund, Cooper, Cason) (Electric Vehicle) - Trish Baker	9 4:00pm Governance Committee Meeting (Board Room CR) - Sandra Cacy	10 11:00am Alaska Legislators' Tour of SPP (Fleek-Green, Wiggins, Cason) (Electric Vehicle) - Trish Baker	11 11:00am Board Packet Review (Board Room CR) - Ashton Doyle	12
13	14	15	16 3:30pm Board Group Photo (Chugach TBD (outside if sunny)) - Ashton Doyle 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	17	18	19
20	21	22	23	24	25	26
		APA & AIE Annual Meeting (8/22-8/25)				
			NRECA Director Training		9:00am Review Audit & Finance Packet (Board Room CR) - Sandra Cacy	
27	28	29	30 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Sandra Cacy	31	Sep 1	2

# September 2023

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

October 2023						
Su	Mo	Tu	We	Th	Fr	Sa
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
Aug 27	28	29	30	31	Sep 1 8:30am Review Operations Meeting Packet (Board Room CR) - Sandra Cacy	2
3	4 Labor Day	5	6 4:00pm Operations Committee Meeting (Board Room CR) - Ashton Doyle	7 2023 Alaska Wind Workshop (Wiggin) 11:00am Modeling of Renewable Integration (Chugach Boardroom (5601 Electron Drive)) - Ashton Doyle	8 9:00am Review Governance Packet (Board Room CR) - Sandra Cacy	9
10	11	12 11:00am Alaska Legislators' Tour of SPP (Cason, Morse) (Electric Vehicle) - Trish Baker	13 4:00pm Governance Committee Meeting (Board Room CR) - Sandra Cacy	14 NWPPA Meeting (Morse)	15	16
17	18 NRECA Fast Track Director Training (Anchorage, AK)	19	20	21	22 9:30am Review Board Packet (CEO's Office) - Arden Quezon	23
24	25	26 NRECA Regional Meetings 7&9 (Omaha, NE)	27 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	28	29	30

# October 2023

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

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

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 1	2	3	4 5:00pm Member Advisory Council (MAC) Meeting (TBD) - CCBOD	5	6 9:00am Review OPS Packet (Board Room CR) - Sandra Cacy	7
8	9 APA 2023 Accounting and Finance Workshop	10	11 4:00pm Operations Committee Meeting (Board Room CR) - Sandra Cacy	12	13	14
15	16	17 4:00pm Governance Committee Meeting (Board Room CR) - Sandra Cacy	18	19	20 9:30am Review Board Packet (CEO's Office) - Arden Quezon	21
22	23	24	25 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	26	27	28
29	30	31	Nov 1	2	3	4

# November 2023

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

December 2023						
Su	Mo	Tu	We	Th	Fr	Sa
						1
3	4	5	6	7	8	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 29	30	31	Nov 1	2	3	4
5	6 9:30am Audit & Finance Packet Review (Sherri's Office) - Arden Quezon	7 11:30am Legislative Luncheon (The Megan Room - 6591 A Street, Anchorage, AK 99518) - Ashton Doyle	8 4:00pm Audit & Finance Committee (Budget) (Board Room CR) - Sandra Cacy	9 11:30am FW: Legislative Luncheon (Megan Room, 6591 A Street, Anchorage) - Trish Baker	10 9:30am Board Packet Review (CEO's Office) - Arden Quezon	11
12	13 Strategic Planning Session (11/13-11/14) (The Megan Room) 8:00am Regular Board of Directors' Meeting -5:00pm	14	15	16	17	18
19	20	21	22	23 Thanksgiving Holiday	24	25
26	27 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Sandra Cacy	28	29	30	Dec 1	2



# December 2023

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

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

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

# January 2024

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

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

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 31	Jan 1, 24 New Years Day	2	3	4	5 9:00am Review Governance Packet (Board Room CR) - Sandra Cacy	6
7	8	9	10 4:00pm Governance Committee Meeting (Board Room CR) - Sandra Cacy	11	12	13
14	15 Martin Luther King Jr. Day	16	17	18	19 9:00am Review Board Packet (Board Room CR) - Sandra Cacy	20
21	22	23	24 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	25	26	27
28	29	30 APA Managers' Forum meeting and NRECA Director Training class	31 2024 APA State Legislative Cc	Feb 1	2	3

# February 2024

February 2024

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

March 2024

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

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jan 28	29	30	31	Feb 1 2024 APA State Legislative	2 9:00am Review Operations Packet (Board Room CR) - Sandra Cacy	3
4	5	6	7 4:00pm Operations Committee Meeting (Board Room CR) - Sandra Cacy	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23 9:00am Review Board Packet (Board Room CR) - Sandra Cacy	24
25	26	27	28 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	29	Mar 1	2

# March 2024

March 2024

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

April 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				

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 25	26	27	28	29	Mar 1 8:00am NRECA PowerXchange (March 1 - 6 San Antonio)	2
3	4	5	6 8:30am	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22 9:00am Review Board Packet (Board Room CR) - Sandra Cacy	23
24	25	26	27 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	28	29 9:00am Review Audit & Finance Packet (Board Room CR) - Sandra Cacy	30
31	Apr 1	2	3	4	5	6

# April 2024

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

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



# May 2024

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

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Apr 28	29	30	May 1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17 9:00am Board Packet Review (Board Room CR) - Sandra Cacy 3:00pm Member Appreciation Day (ChangePoint Alaska (6689 ChangePoint 6:00pm Annual Membership Meeting/Special	18
19	20	21	22 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	23	24 9:00am Audit & Finance Packet Review - Sandra Cacy	25
26	27 Memorial Day	28	29 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Sandra Cacy	30	31 9:00am Governance Packet Review (Board Room CR) - Sandra Cacy	Jun 1

# June 2024

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

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

# July 2024

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

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

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

**August 16, 2023**  
**Wednesday**  
**4:00 p.m.**

**REGULAR BOARD OF DIRECTORS' MEETING**

Recording Secretary: Ky'yanna Hamilton

**I. CALL TO ORDER**

Director Cooper called the Regular Board of Directors' meeting to order at 4:01 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*A. Pledge of Allegiance*

Director Cooper led the Board in the Pledge of Allegiance.

*B. Roll Call*

*Board Members Present:*

Sam Cason, Chair (*arrived at 4:04 p.m.*)

Sisi Cooper, Vice Chair

Rachel Morse, Treasurer

Susanne Fleek-Green, Secretary

Mark Wiggin, Director

Bettina Chastain, Director

Jim Nordlund, Director

*Staff and Guests in Attendance:*

*Present:*

Arthur Miller

Allan Rudeck

Matthew Clarkson

Andrew Laughlin

Sherri Highers

Dustin Highers

Julie Hasquet

Mike Miller

Cameron Miller

Russell Thornton

Mike Brodie

Randall Chicola

Bernie Smith, Member

Crysal Enkvist, APA

Kate Ayers

Todd McCarty

Mark Henspeter

David Caye

Bart Armfield, Consultant

Jim Pickel

*Via Teleconference:*

Karen Griffin

Steve Vandergriff

George Donart, Member

Ashton Doyle

Nat Herz, Member

Rachel Christensen,  
Member

Ethan Schutt, Member

Shaina Kilcoyne, Member

Heather Slocum

*C. Safety Minute*

Marty Freeman, Senior Manager of Safety, and Security presented "Preventing Sprains and Strains", the year-to-date safety information, and responded to questions from the Board.

*D. Electric Power Factoid: Federal Funding – (C. Miller)*

Cameron Miller, Senior Manager of Line Operations presented a detailed update about “Electric Power Factoid: Linework” and answered questions from the board.

**II. APPROVAL OF AGENDA**

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

**III. PERSONS TO BE HEARD**

*A. Member Comments*

Ethan Schutt, Chugach Member, spoke on Directors Compensation being discussed in Executive session.

Antony Scott, Chugach Member, spoke on the decarbonization update and some changes he would like to see in the future.

George Donart, Chugach Member, spoke about the Natural Gas Storage and Decarbonization.

**IV. DIRECTOR REPORTS**

*A. Alaska Power Association (APA) Report*

Crytal Enkvist, APA, provided an update on APA activities, upcoming events and responded to questions from the Board.

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

Director Morse reported that there have been no new Audit & Finance Meetings since May 31, 2023, and noted that the next Audit & Finance meeting would be August 30, 2023.

Director Wiggin reported on the July 12, 2023, Operations Committee Meeting and stated the next meeting would be held on September 6, 2023.

Director Fleek-Green reported on the August 9, 2023, Governance Committee Meetings and stated the next meeting would be held on September 13, 2023.

*C. Other Meeting Reports*

Director Cooper presented the Directors Gold Certificate to Chair Cason.

**V. CONSENT AGENDA**

*A. Board Calendar*

*B. Training and Conferences*

*1. NRECA Fast Track Director Training (September 18-22) – Anchorage, AK*

*2. NRECA Region 9 Meeting (September 26-28, 2023) – Omaha, NE*

*C. Minutes*

*1. July 26, 2023, Regular Board of Directors’ Meeting (Cacy)*

*D. Director Expenses*

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



## **VI. CEO REPORTS AND CORRESPONDENCE**

- A. *2023 General Rate Case Update (Clarkson) (4:45 p.m.)*  
Matt Clarkson, Chief Legal Officer, provided an updated timeline for the 2023 General Rate Case Update, and responded to questions from the Board.
- B. *New ERA – Funding Opportunities (D. Highers) (5:00 p.m.)*  
Dustin Highers, VP of Corporate Programs, provided an update New ERA Funding Opportunities and answered questions from the Board.
- C. *Chugach Energy Policy Principles (Rudeck) (5:20 p.m.)*  
Allan Rudeck, Chief Strategic Officer, provided a report on the Chugach Energy Policy Principles and answered questions from the board.
- D. *Board Policy Scheduled Tasks/Reports (Board/Staff) (5:40 p.m.)*  
The Board Policy Scheduled Tasks were provided in the meeting packet.

Arthur Miller, Chief Executive Officer (CEO), discussed the CEO Reports and Correspondence contents and responded to questions from the Board.

## **VII. UNFINISHED BUSINESS**

None.

## **VIII. NEW BUSINESS**

- A. *Cooper Lake Hydro Electric Project Siphon Operation Upgrades\* (Ori) (5:45 p.m.)*  
Eugene Ori, VP of Power Production, provided a report on the Cooper Lake Hydro Electric Project and Answered questions from the Board.

Director Wiggin moved, and Director Nordlund seconded the motion that the Board of Directors authorize the Chief Executive Officer to increase the McMillen contract to \$2,894,026. The motion passed unanimously.

- B. *35KV Switch Cabinet Procurement\* (M. Miller) (6:00 p.m.)*  
Mike Miller, VP of Engineering, provided a report on the 35KV Switch Cabinet Procurement and responded to questions from the Board.

Director Cooper moved, and Director Morse seconded the motion that the Board of Directors authorize the Chief Executive Officer to execute a contract with Anixter Power Solutions for the procurement of eight 35kV switch cabinets in the amount of \$2,747,904. The motion passed unanimously.

- C. *Appointment Power Transformer Procurement\* (M. Miller) (6:10 p.m.)*  
Mike Miller, VP of Engineering, provided a report on the Appointment Power Transformer Procurement and responded to questions from the Board.

Director Morse moved, and Director Wiggin seconded the motion that the Board of Directors authorize the Chief Executive Officer to execute a contract with OTC Services for the procurement of four power transformers in the amount of \$5,216,210. The motion passed unanimously.

*D. Desktop Replacement Project Authorization\* (McCarty) (6:25 p.m.)*

Todd McCarty, Vice President of Information Services, provided a detailed description of the Desktop Replacement Project, requested the Boards Approval, and responded to questions from the Board.

Director Fleek-Green moved, and Director Nordlund seconded the motion that the Board of Directors approve the attached Resolution authorizing the Chief Executive Officer to execute all agreements, contracts, purchase orders and all other documents deemed necessary to effectuate, carry out, or further the Desktop Replacement project with an estimated total cost of \$5,200,000 and an estimated completion date of May 2025.

**IX. EXECUTIVE SESSION**

*A. New ERA – Funding Opportunities (D. Highers)*

At 7:16 p.m., Director Morse moved, and Director Wiggin seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1), the Board of Directors go into executive session to discuss and receive reports regarding matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The motion passed unanimously.

*The meeting reconvened in open session at 8:04 p.m.*

**X. NEW BUSINESS**

None.

**XI. DIRECTOR COMMENTS**

Director comments were made at this time.

**XII. ADJOURNMENT**

At 8:14 p.m., Director Wiggin moved, and Director Nordlund seconded the motion to adjourn. The motion passed unanimously.

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Susanne Fleek-Green, Secretary  
Date Approved: September 27, 2023

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

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

**September 27, 2023**

**ACTION REQUIRED**

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

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

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**TOPIC**

Beluga River Unit (BRU) Asset Retirement Obligation (ARO) Investment Account

**DISCUSSION**

Chugach Electric Association, Inc. (Chugach) is required to reserve funds collected from members for the purpose of funding the ARO liability once the BRU becomes no longer economically feasible for gas production. Chugach has been investing those funds in a separately managed investment portfolio. The investment fund custodian is currently Principal Financial Group (Principal).

The Audit & Finance Committee has determined that it is in the best interest of Chugach to change its custodian of the BRU investment fund from Principal to KeyBank.

**MOTION**

*(Consent Agenda)*



## RESOLUTION

### **Beluga River Unit Asset Retirement Obligation Investment Fund Custodian Change**

WHEREAS, Chugach Electric Association, Inc. (Chugach) owns a 66.7% working interest in the Beluga River Unit (BRU) gas field; and

WHEREAS, once the BRU becomes no longer economically feasible for gas production, Chugach and Hilcorp Alaska LLC, the other working interest owner of BRU, will cease operations, remove facilities and abandon the field; and

WHEREAS, the expectation to close the BRU creates a liability referred to as an Asset Retirement Obligation (ARO) liability. Closing the BRU is known as Dismantle, Remove and Restore (DR&R). Final approval of the DR&R rests with state and federal regulatory agencies; and

WHEREAS, Chugach has been using DR&R cost estimates prepared by an engineering team as the basis of its ARO liability and has been collecting a surcharge from members for the purpose of funding the ARO liability and investing those funds in a separately managed investment portfolio; and

WHEREAS, the Board of Directors of Chugach has retained Alaska Permanent Capital Management (APCM) as investment manager and Wells Fargo Bank, N.A. Institutional Retirement & Trust (Wells Fargo) as custodian; and

WHEREAS, Wells Fargo was acquired by Principal Financial Group (Principal); and

WHEREAS, The Board of Directors of Chugach has determined that it is in the best interest of Chugach to change its custodian of the BRU investment fund from Principal to KeyBank; and

NOW, THEREFORE, BE IT RESOLVED, that the Chief Executive Officer and Chief Financial Officer are authorized and directed to execute the necessary documents to change Chugach's custodian of the BRU investment fund to KeyBank.

## CERTIFICATION

I, Susanne Fleek-Green, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 27th day of September 2023; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 27th day of September 2023.

\_\_\_\_\_  
Secretary

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

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

**September 27, 2023**

**ACTION REQUIRED**

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

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

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**TOPIC**

*KPMG Contract Extension*

**DISCUSSION**

The Audit & Finance Committee reviewed a contract extension proposal from KPMG for financial audit services. The Audit & Finance Committee discussed multiple options and recommended moving forward with a 2-year KPMG contract extension.

**MOTION**

*(Consent Agenda)*



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

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

**September 27, 2023**

**ACTION REQUIRED**

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

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

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**TOPIC**

Director Expenses

**DISCUSSION**

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

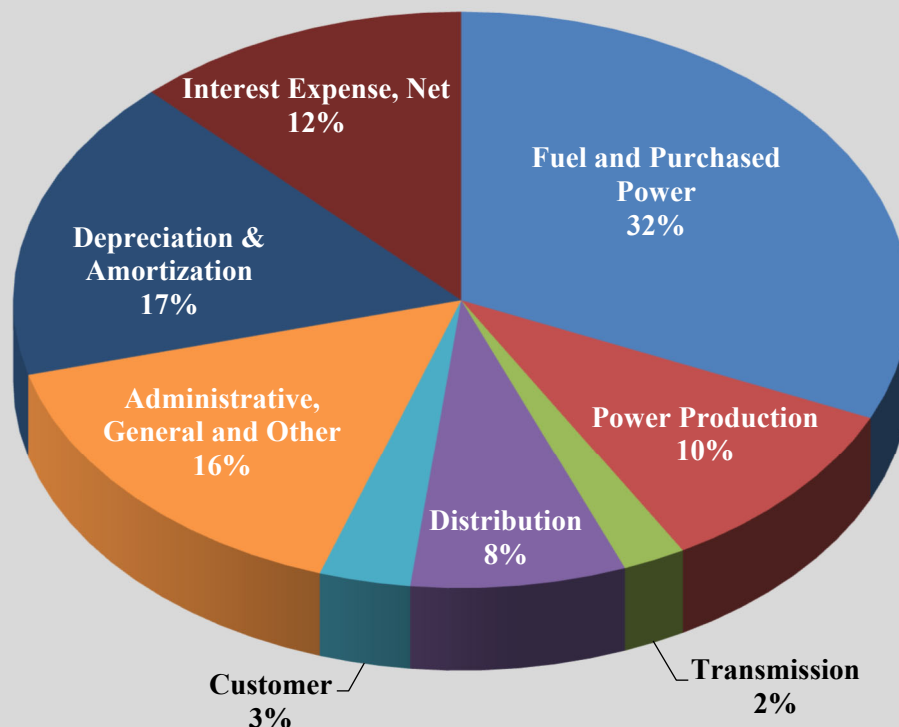
**MOTION**

*(Consent Agenda)*

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

CATEGORY	ACTUAL	BUDGET	VARIANCE
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 27,755,102</b>	<b>\$ 27,406,258</b>	<b>\$ 348,844</b>
Fuel and Purchased Power	8,684,453	7,912,012	772,441
Power Production	2,766,176	3,006,101	(239,925)
Transmission	623,594	959,972	(336,378)
Distribution	2,128,962	2,209,492	(80,530)
Customer	901,941	890,612	11,329
Administrative, General and Other	4,311,096	4,356,931	(45,835)
Depreciation & Amortization	4,658,544	5,356,573	(698,029)
Interest Expense, Net	3,334,926	3,275,105	59,821
<b>Total Cost of Electric Service</b>	<b>\$ 27,409,692</b>	<b>\$ 27,966,798</b>	<b>\$ (557,106)</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 345,410</b>	<b>\$ (560,540)</b>	<b>\$ 905,950</b>
Non-Operating Margins - Interest	79,551	76,601	2,950
AFUDC	27,138	12,500	14,638
Non-Operating Margins - Other	400	(10,850)	11,250
<b>Patronage Capital or Margins</b>	<b>\$ 452,499</b>	<b>\$ (482,289)</b>	<b>\$ 934,788</b>

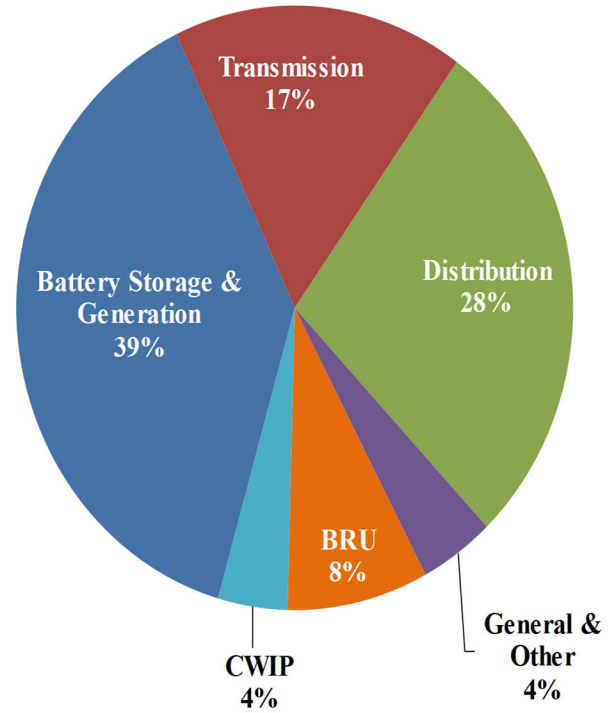
### Total Cost of Electric Service (MTD Actual)



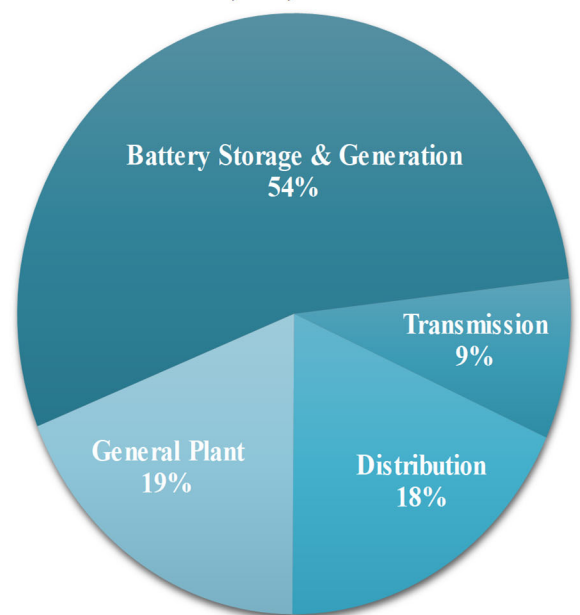
## BALANCE SHEET

ASSETS & OTHER DEBITS	7/31/2023	12/31/2022
Electric Plant in Service	2,126,764,717	2,109,990,748
Construction Work in Progress	89,519,521	52,721,736
<b>Total Utility Plant</b>	<b>\$ 2,216,284,238</b>	<b>\$ 2,162,712,484</b>
Accum. Prov. for Depreciation/Amortization	(735,193,996)	(702,820,630)
<b>Net Utility Plant</b>	<b>\$ 1,481,090,242</b>	<b>\$ 1,459,891,854</b>
Nonutility Property - Net	76,889	76,889
Financing & Operating Lease ROU Assets	3,800,795	4,048,789
Investment in Assoc. Organizations	6,633,888	6,993,487
Special Funds	28,443,778	26,275,805
Restricted Cash Equivalents & Other	30,000	30,000
Long-term Prepayments	0	305,854
<b>Total Other Property &amp; Investments</b>	<b>\$ 38,985,350</b>	<b>\$ 37,730,824</b>
Cash & Restricted Cash	7,101,237	15,854,739
Special Deposits	56,800	58,300
Accounts Receivable - Net	44,605,763	50,243,472
Materials and Supplies, Fuel Stock	66,899,764	68,199,774
Prepayments	9,682,363	6,239,353
Other Current & Accrued Assets	33,452,830	20,804,025
<b>Total Current &amp; Accrued Assets</b>	<b>\$ 161,798,757</b>	<b>\$ 161,399,663</b>
Deferred Debits	106,870,708	108,557,249
<b>Total Assets &amp; Other Debits</b>	<b>\$ 1,788,745,057</b>	<b>\$ 1,767,579,590</b>
LIABILITIES & OTHER CREDITS	7/31/2023	12/31/2022
Memberships	2,005,513	1,986,171
Pat. Capital, Margins & Equities	212,144,432	210,349,305
<b>Total Margins &amp; Equities</b>	<b>\$ 214,149,945</b>	<b>\$ 212,335,476</b>
Long-Term Debt - Bonds	1,094,733,329	1,128,549,996
Long-Term Debt - Other	15,846,000	18,924,000
Unamortized Debt Issuance Costs	(5,895,228)	(5,960,113)
Operating Lease Liabilities	3,558,570	3,583,801
Finance Lease Liabilities	195,208	203,786
<b>Total Long-Term Debt</b>	<b>\$ 1,108,437,879</b>	<b>\$ 1,145,301,470</b>
Notes Payable	151,967,569	94,178,851
Accounts Payable	28,327,552	26,356,140
Consumer Deposits	4,370,740	4,874,798
Other Current & Accrued Liabilities	50,226,645	53,272,014
<b>Total Current &amp; Accrued Liabilities</b>	<b>\$ 234,892,506</b>	<b>\$ 178,681,803</b>
Deferred Compensation	1,749,324	1,387,476
Other Liabilities, Non-Current	753,131	658,627
Deferred Liabilities	12,388,396	9,639,703
BRU Regulatory Liability	89,928,899	96,612,203
Cost of Removal Obligation	126,444,977	122,962,832
<b>Total Liabilities &amp; Other Credits</b>	<b>\$ 1,788,745,057</b>	<b>\$ 1,767,579,590</b>

### Total Utility Plant \$2,216,284,238



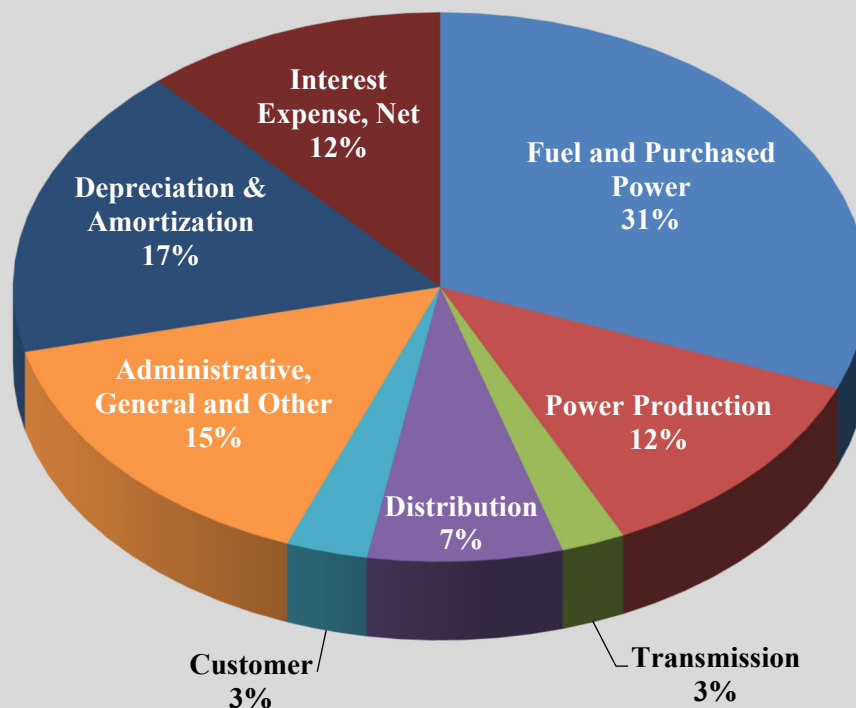
### Construction Work in Progress \$89,519,521



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

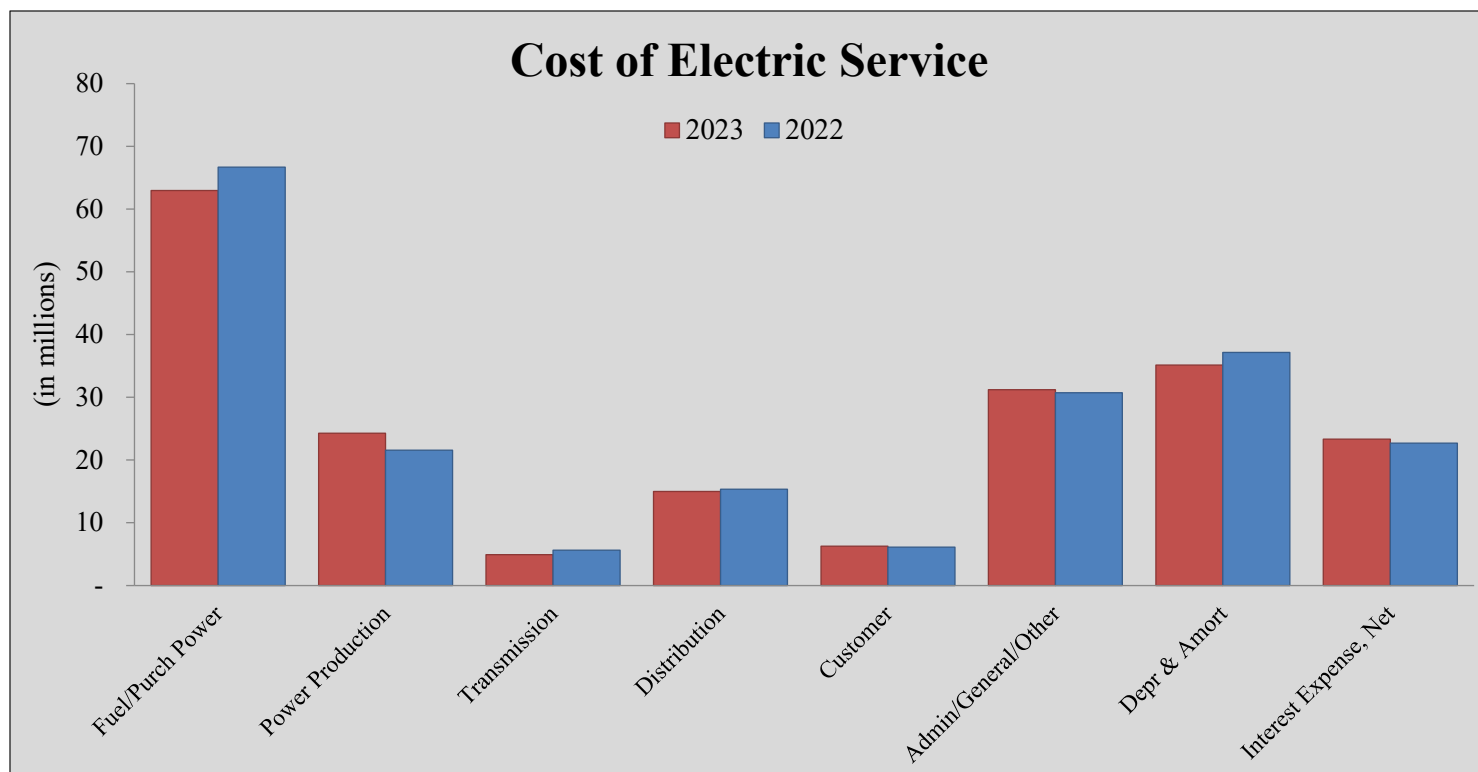
CATEGORY	ACTUAL	BUDGET	VARIANCE
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 204,222,428</b>	<b>\$ 198,863,552</b>	<b>\$ 5,358,876</b>
Fuel and Purchased Power	62,948,105	56,716,802	6,231,303
Power Production	24,263,237	22,066,694	2,196,543
Transmission	4,910,805	6,916,754	(2,005,949)
Distribution	14,980,978	15,412,891	(431,913)
Customer	6,266,777	6,431,530	(164,753)
Administrative, General and Other	31,214,333	31,143,079	71,254
Depreciation & Amortization	35,136,095	37,598,556	(2,462,461)
Interest Expense, Net	23,335,035	22,708,310	626,725
<b>Total Cost of Electric Service</b>	<b>\$ 203,055,365</b>	<b>\$ 198,994,616</b>	<b>\$ 4,060,749</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 1,167,063</b>	<b>\$ (131,064)</b>	<b>\$ 1,298,127</b>
Non-Operating Margins - Interest	658,402	540,795	117,607
AFUDC	108,017	87,500	20,517
Non-Operating Margins - Other	(73,499)	(75,950)	2,451
<b>Patronage Capital or Margins</b>	<b>\$ 1,859,983</b>	<b>\$ 421,281</b>	<b>\$ 1,438,702</b>
MFI/I	1.07	1.02	
TIER	1.08	1.02	

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

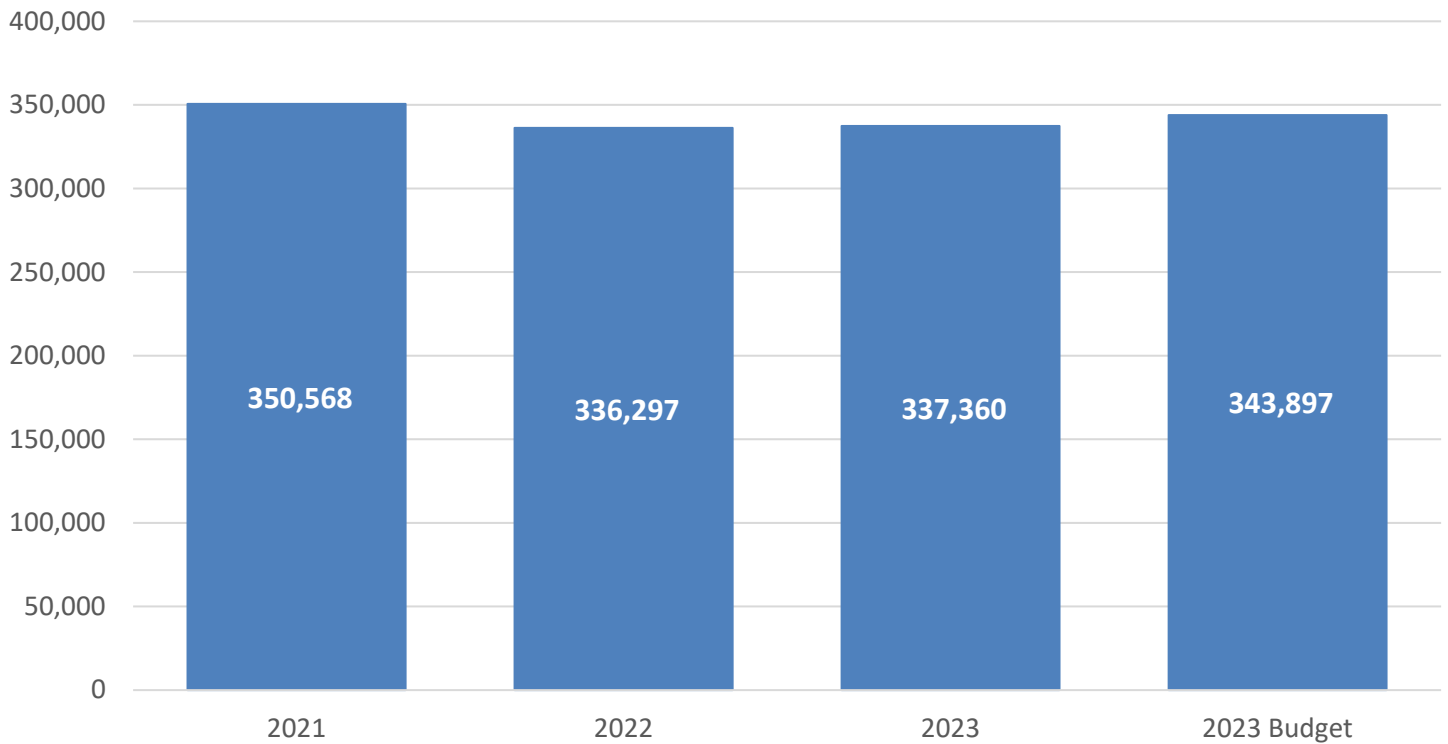


## COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS CURRENT TO PRIOR YTD ACTUAL TO ACTUAL

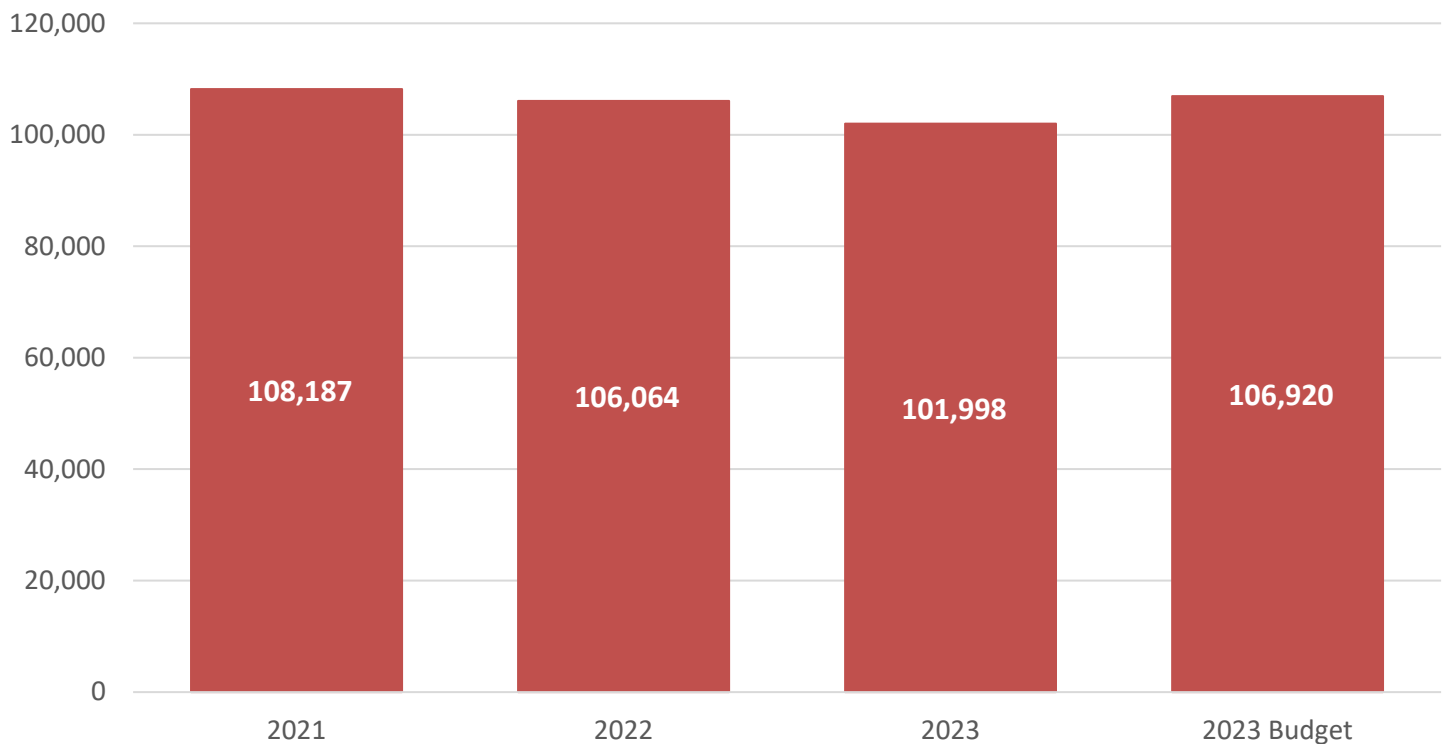
CATEGORY	2023	2022	VARIANCE
<b>Operating Revenue &amp; Patronage Capital</b>	<b>\$ 204,222,428</b>	<b>\$ 208,557,992</b>	<b>\$ (4,335,564)</b>
Fuel and Purchased Power	62,948,105	66,668,677	(3,720,572)
Power Production	24,263,237	21,573,207	2,690,030
Transmission	4,910,805	5,619,922	(709,117)
Distribution	14,980,978	15,338,126	(357,148)
Customer	6,266,777	6,122,996	143,781
Administrative, General and Other	31,214,333	30,713,424	500,909
Depreciation & Amortization	35,136,095	37,141,658	(2,005,563)
Interest Expense, Net	23,335,035	22,681,400	653,635
<b>Total Cost of Electric Service</b>	<b>\$ 203,055,365</b>	<b>\$ 205,859,410</b>	<b>\$ (2,804,045)</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 1,167,063</b>	<b>\$ 2,698,582</b>	<b>\$ (1,531,519)</b>
Non-Operating Margins - Interest	658,402	246,132	412,270
AFUDC	108,017	47,623	60,394
Non-Operating Margins - Other	(73,499)	(47,962)	(25,537)
<b>Patronage Capital or Margins</b>	<b>\$ 1,859,983</b>	<b>\$ 2,944,375</b>	<b>\$ (1,084,392)</b>
MFI/I	1.07	1.12	
TIER	1.08	1.12	



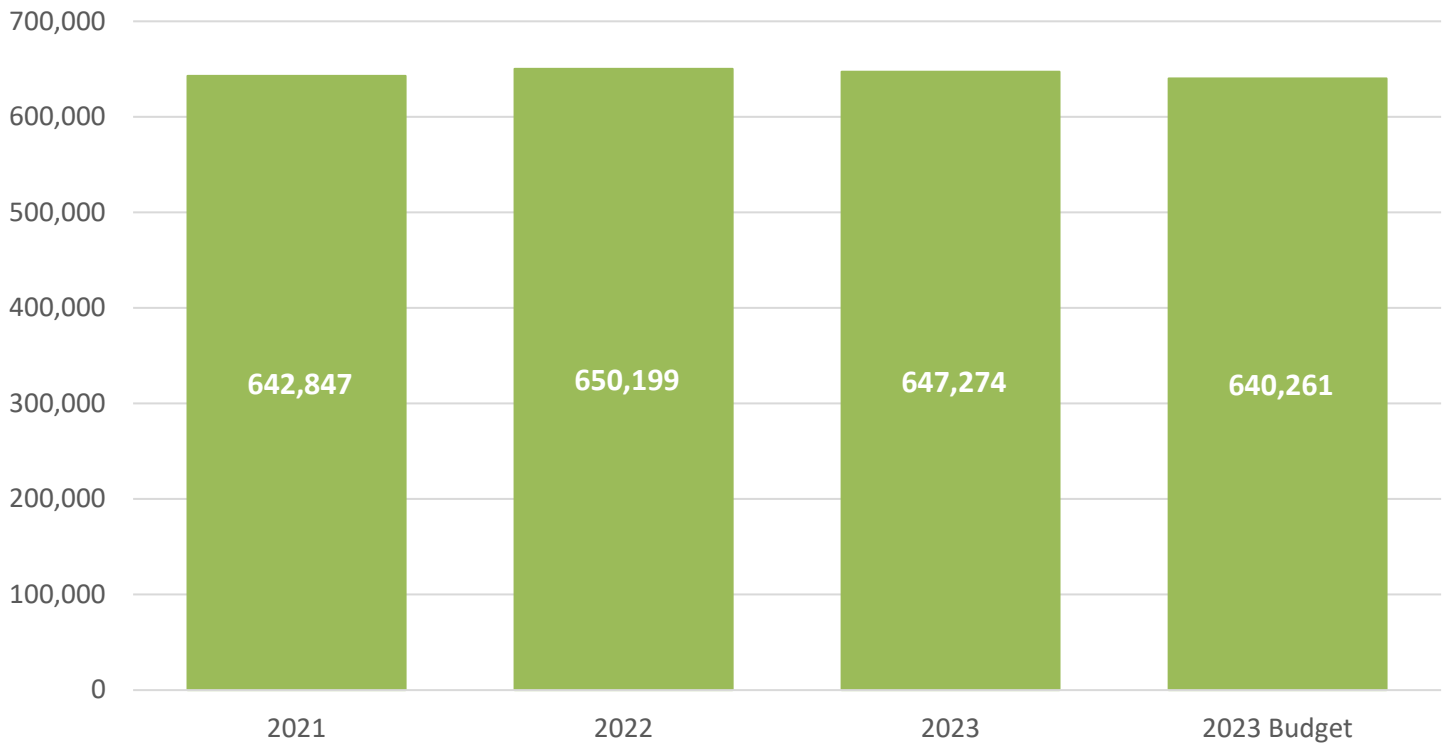
### Residential MWh Sales



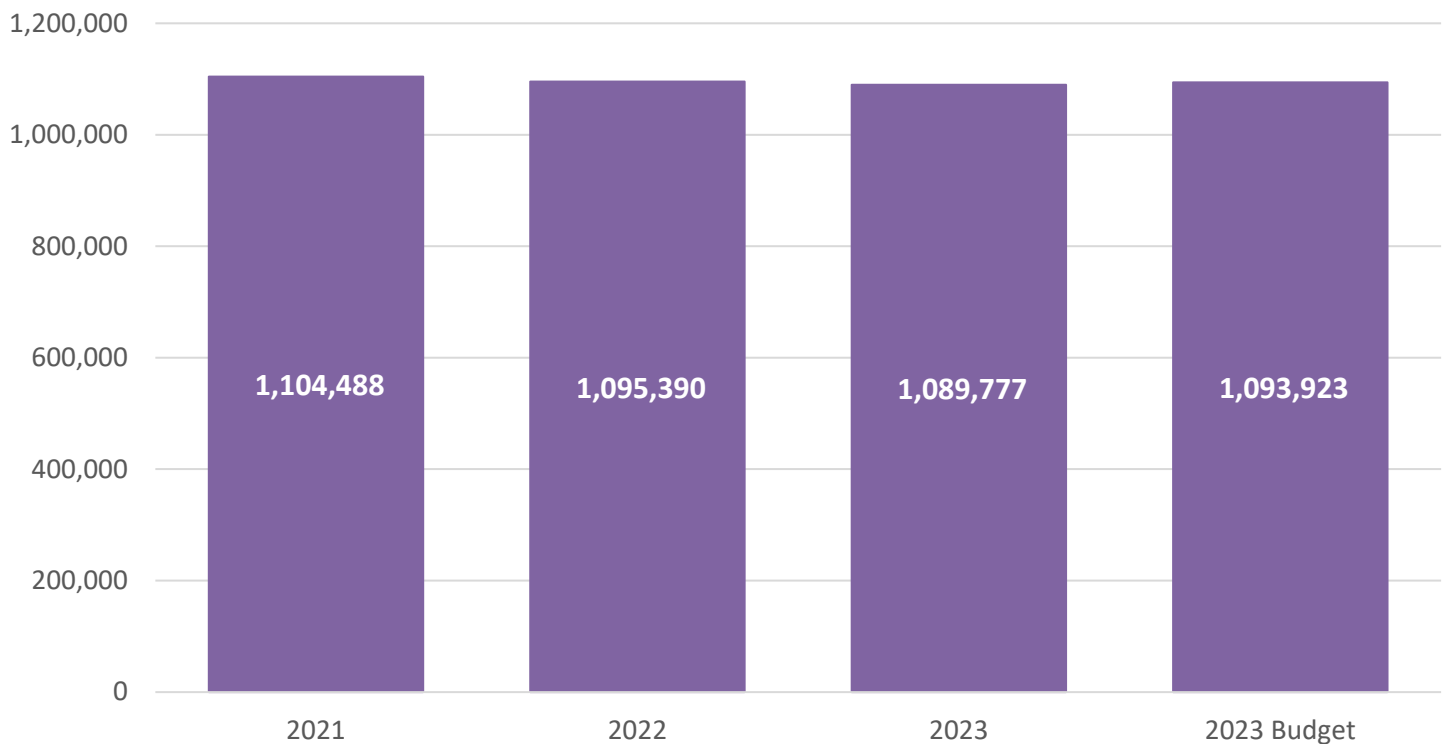
### Small Commercial MWh Sales

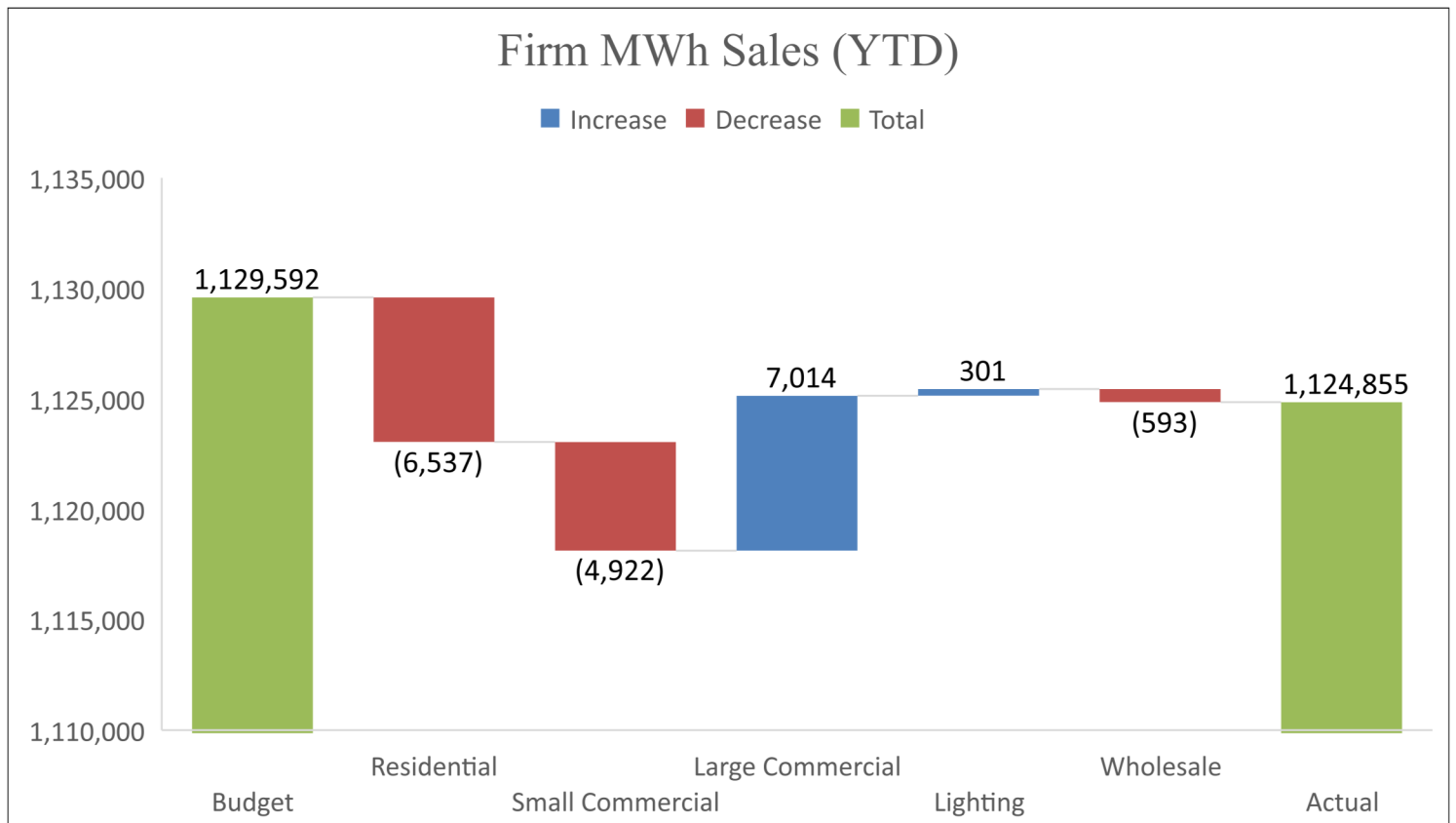
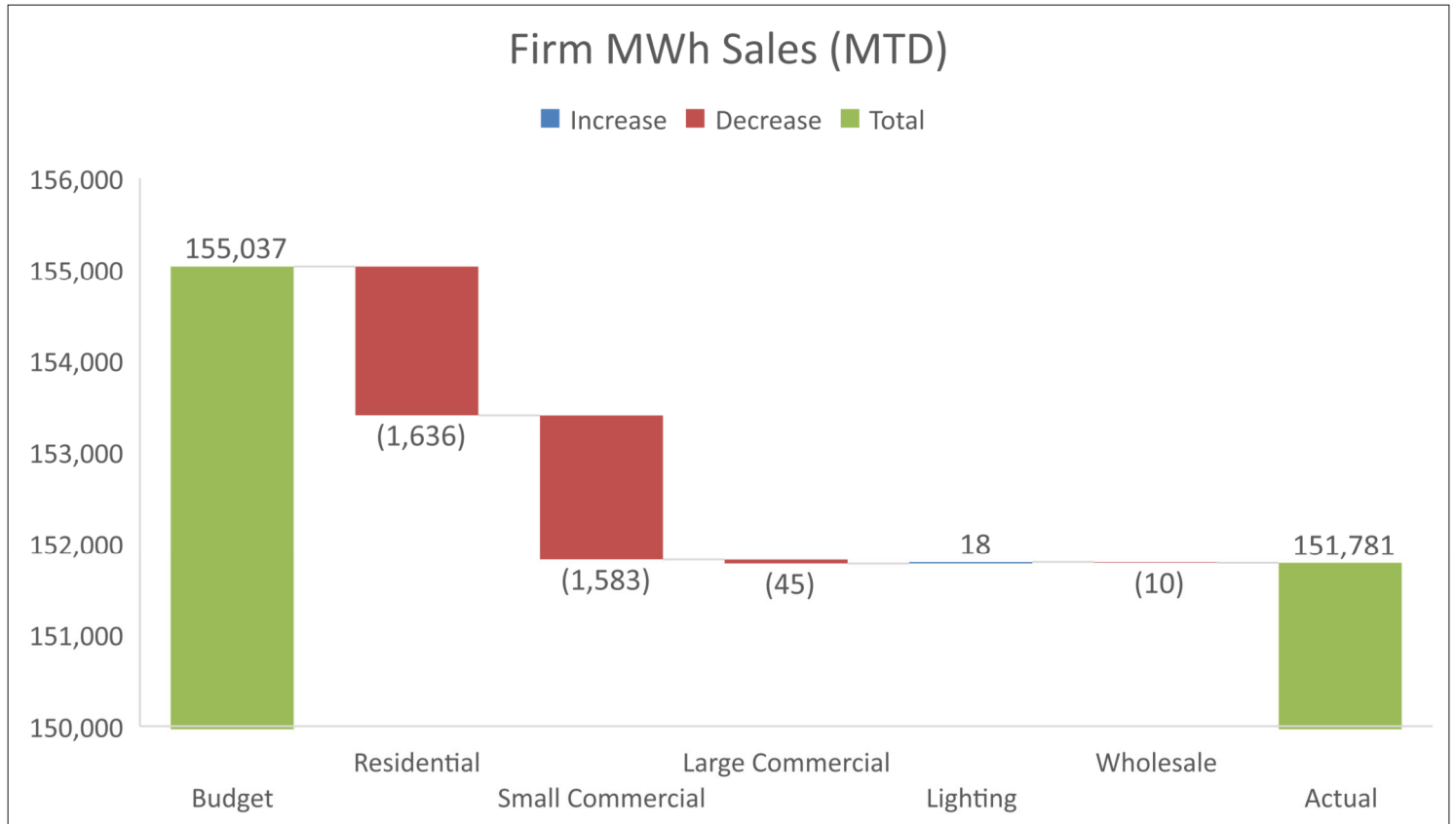


### Large Commercial MWh Sales



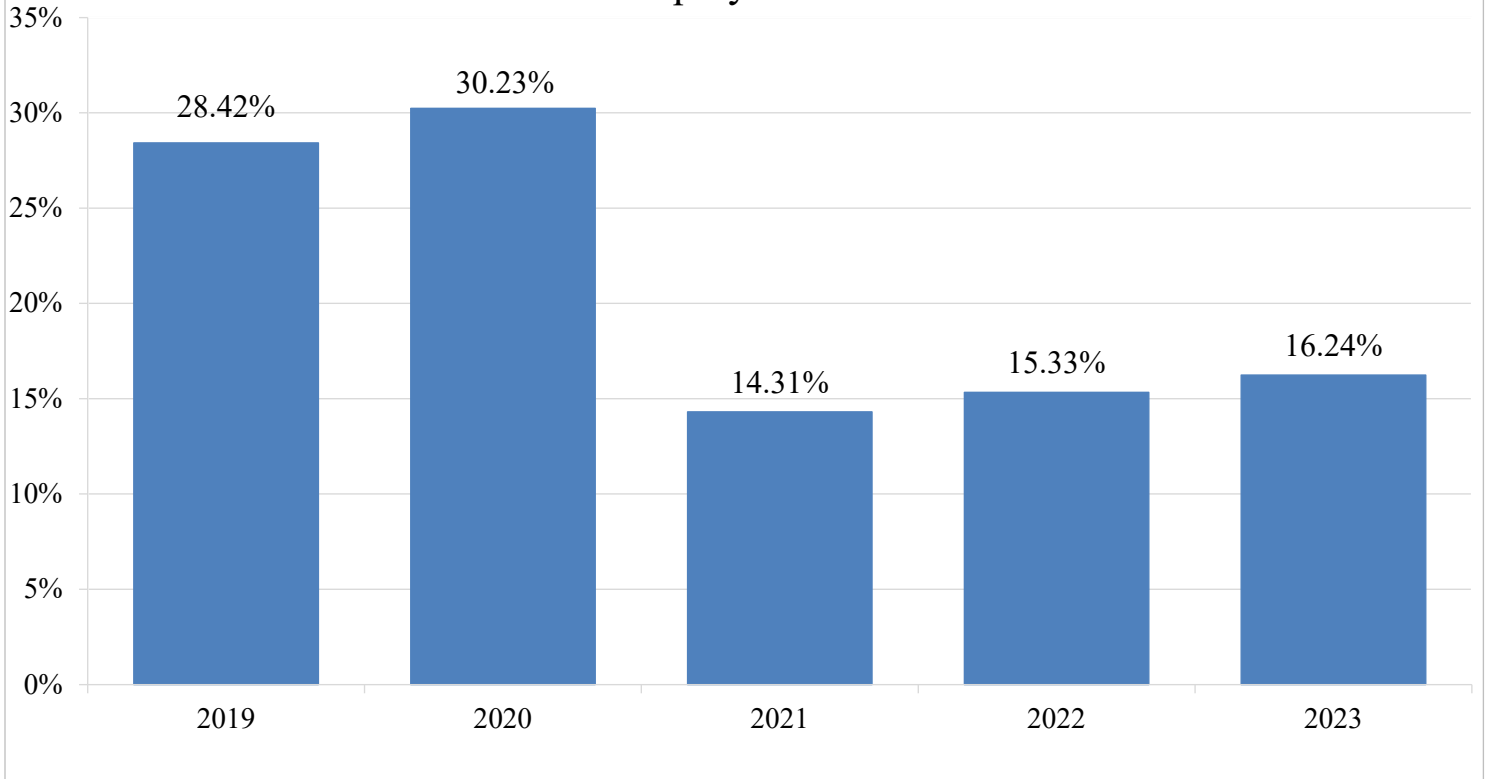
### Total Retail MWh Sales





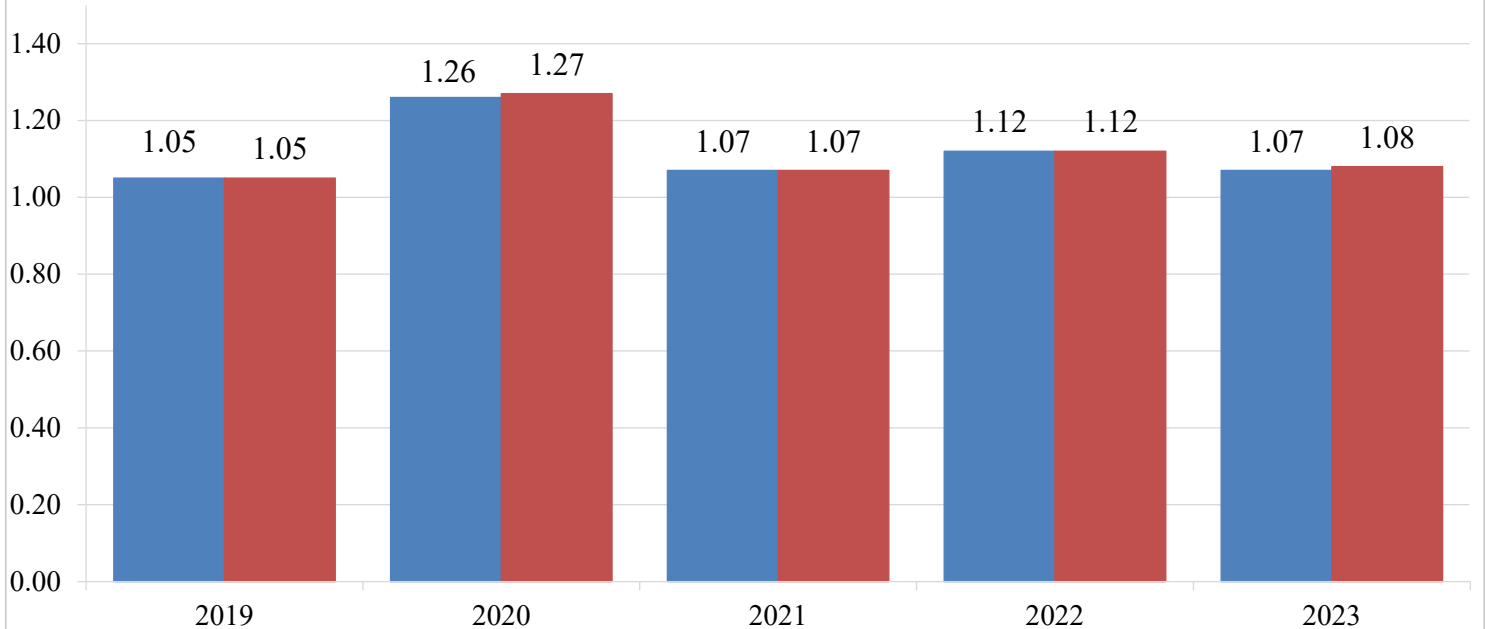


### Equity Ratio



### MFI/I and TIER

■ MFI/I ■ TIER



## ENERGY SALES (kWh)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Energy Sales	1,089,777,615	1,093,923,024
Wholesale Energy Sales	<u>35,075,864</u>	<u>35,668,889</u>
Total Firm Energy Sales	1,124,853,479	1,129,591,913
Economy Energy/Capacity	102,358,000	70,440,592
Power Pool Sales	<u>98,628,000</u>	<u>93,000,000</u>
Total Energy Sales	1,325,839,479	1,293,032,505

Firm energy sales totaled 1,124,853,479 kWh, which was a 0.4% unfavorable variance compared to budget. This unfavorable variance was due to lower residential and small commercial sales, which was largely offset by higher large commercial sales. Economy energy and capacity sales were over budget by 45.3% due to higher than anticipated sales to GVEA, while power pool sales to MEA were over budget by 6.1%.

## ENERGY REVENUE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Revenue	\$ 190.2	\$ 190.4
Wholesale Revenue	<u>3.3</u>	<u>3.0</u>
Total Firm Revenue	193.5	193.4
Economy Energy/Capacity Revenue	5.8	1.3
Power Pool Revenue	1.3	1.0
Other Operating Revenue	<u>3.6</u>	<u>3.2</u>
Total Revenue	\$ 204.2	\$ 198.9

Revenue from firm sales was over budget at \$193.5 million compared to a budget of \$193.4 million. This favorable variance was due primarily to higher large commercial and wholesale revenue as a result of higher fuel and purchased power recovered in revenue, which was somewhat offset by lower residential and small commercial sales. Economy energy and capacity revenue was over budget by 341.3%, due to higher sales, and higher economy fuel recorded in revenue as a result of our short-term support of GVEA's generation failures during the first quarter of the year. Power pool revenue with MEA was over budget at \$1.3 million compared to a budget of \$1.0 million. Other operating revenue includes late fees, pole rental, wheeling, microwave, BRU royalties, grants, AWWU revenue, miscellaneous services, and other electric revenue. Other operating revenue was over budget by 12.9%, due primarily to wheeling from GVEA.

## FUEL AND PURCHASED POWER (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Fuel	\$ 43.9	\$ 40.9
Purchased Power	<u>19.0</u>	<u>15.8</u>
Total	\$ 62.9	\$ 56.7

Fuel expenses include fuel, storage, transportation, and BRU operating costs. Fuel expense was over budget at \$43.9 million compared to \$40.9 million in the budget.

Fuel purchased or withdrawn from inventory for production was 3,455,476 Mcf at an average effective price of \$8.82 per Mcf compared to 2,887,918 Mcf budgeted at an average effective price of \$9.01 per Mcf. Higher purchased fuel cost, due to economy sales and less BRU fuel used was somewhat offset by lower CINGSA fuel storage costs.

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 over budget at \$19.0 million compared to \$15.8 million in the budget. This unfavorable variance was due primarily to higher purchases from MEA through power pooling.

Energy purchased was 248,785 MWh at an average effective price of 6.2 cents per kWh compared to 204,211 MWh budgeted at an average effective price of 6.2 cents per kWh.

## POWER PRODUCTION (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Power Production	\$ 24.3	\$ 22.1

Power production expense was \$24.3 million compared to \$22.1 million in the budget. The unfavorable variance was due primarily to higher warehouse costs allocated to this financial category, and higher labor at the Sullivan and Beluga plants.

## TRANSMISSION OPERATIONS AND MAINTENANCE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Transmission	\$ 4.9	\$ 6.9

Transmission operations and maintenance expenses were \$4.9 million compared to \$6.9 million in the budget. This favorable variance was due primarily to lower warehouse costs allocated to this financial category, lower costs related to power pool settlement studies, and tree clearing.

## DISTRIBUTION OPERATIONS AND MAINTENANCE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Distribution	\$ 15.0	\$ 15.4

Distribution operations and maintenance expenses were \$15.0 million compared to \$15.4 million in the budget. This favorable variance was due primarily to lower tree clearing, which was somewhat offset by higher warehouse costs allocated to this financial category.

## CONSUMER ACCOUNTS / CUSTOMER INFORMATION (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Consumer/Customer Information	\$ 6.3	\$ 6.4

Consumer accounts and customer information expense was \$6.3 million compared to \$6.4 million in the budget. This favorable variance was due primarily to lower labor costs and allowance for uncollectible accounts, which was somewhat offset by higher payment processing fees.

## ADMINISTRATIVE, GENERAL AND OTHER (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Administrative, General and Other	\$ 31.2	\$ 31.1

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 materially consistent with budget as unbudgeted costs related to regulatory asset amortizations were offset by lower labor and PILT.

Depreciation, interest, and interest during construction expense totaled \$58.5 million compared to \$60.3 million in the budget. The favorable variance was due primarily to lower than anticipated depreciation rates as approved in our new depreciation study, which were somewhat offset by higher interest expense. The unfavorable interest expense variance was driven by higher short-term interest rates and a larger than budgeted commercial paper balance.

All the foregoing expenses resulted in the cost of electric service of \$203.1 million compared to \$199.0 million in the budget.

Non-operating margins include allowance for funds used during construction (AFUDC), capital credit and patronage capital allocations, extraordinary items, and interest and dividend income. Non-operating margins totaled \$692.9 thousand compared to \$552.3 thousand in the budget due primarily to higher non-operating interest income.

The net result of revenue and expenses was margins of \$1.9 million compared to projected margins of \$0.4 million in the budget. This resulted in an MFI/I of 1.07, a TIER of 1.08, and an equity-to-total capitalization ratio of 16.24%. The current forecast projects year-end margins of \$8.4 million, an MFI/I of 1.19, and TIER of 1.22.

## COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2023 YEAR-END FORECAST

CATEGORY	YTD ACTUAL	YTD BUDGET	REVISED BUDGET	YEAR-END FORECAST
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 204,222,428</b>	<b>\$ 198,863,552</b>	<b>\$ 355,033,525</b>	<b>\$ 354,253,050</b> <sup>1</sup>
Fuel and Purchased Power Expense	62,948,105	56,716,802	100,583,752	100,583,752
Power Production Expense	24,263,237	22,066,694	37,356,737	38,734,617 <sup>1</sup>
Transmission Expense	4,910,805	6,916,754	11,617,536	10,513,274 <sup>1</sup>
Distribution Expense	14,980,978	15,412,891	26,635,196	26,919,014 <sup>1</sup>
Customer Expense	6,266,777	6,431,530	11,055,459	11,055,459
Administrative, General & Other	31,214,333	31,143,079	53,359,769	53,391,856 <sup>1</sup>
Depreciation and Amortization Expense	35,136,095	37,598,556	66,472,501	63,873,262 <sup>1</sup>
Interest Expense, Net	23,335,035	22,708,310	40,305,418	41,535,740 <sup>1</sup>
<b>Total Cost of Electric Service</b>	<b>\$ 203,055,365</b>	<b>\$ 198,994,616</b>	<b>\$ 347,386,368</b>	<b>\$ 346,606,974</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 1,167,063</b>	<b>\$ (131,064)</b>	<b>\$ 7,647,157</b>	<b>\$ 7,646,076</b>
Non-Operating Margins - Interest	658,402	540,795	770,763	770,763
Allowance for Funds Used During Construction	108,017	87,500	150,000	150,000
Non-Operating Margins - Other	(73,499)	(75,950)	(130,200)	(130,200)
<b>Patronage Capital or Margins</b>	<b>\$ 1,859,983</b>	<b>\$ 421,281</b>	<b>\$ 8,437,720</b>	<b>\$ 8,436,639</b>
MFI/I	1.07	1.02	1.20	1.19
TIER	1.08	1.02	1.22	1.22

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

# **Beluga River Unit Contributed Capital Adjustment**

**Regular Board of Directors' Meeting  
September 27, 2023**

# BRU Contributed Capital Surcharge/Rebate

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- Acquisition Order (U-18-102(44)/U-19-020(39)/U-19-021(39))
  - Required unified system BRU gas transfer price; BRU gas not segregated by prior BRU ownership or net district availability
  - Required transfer payments totaling \$176.6m (\$136m NPV, 5%) from South to North District members over 10-year period
    - Surcharge to South / Rebate to North District members (\$17.6m / year)
    - Amount justified on basis of ML&P ratepayer contributions to gas fund
- Transfer amounts fixed on a dollar-for-dollar basis; no margin impact

# Fixed Payment Structure Problems

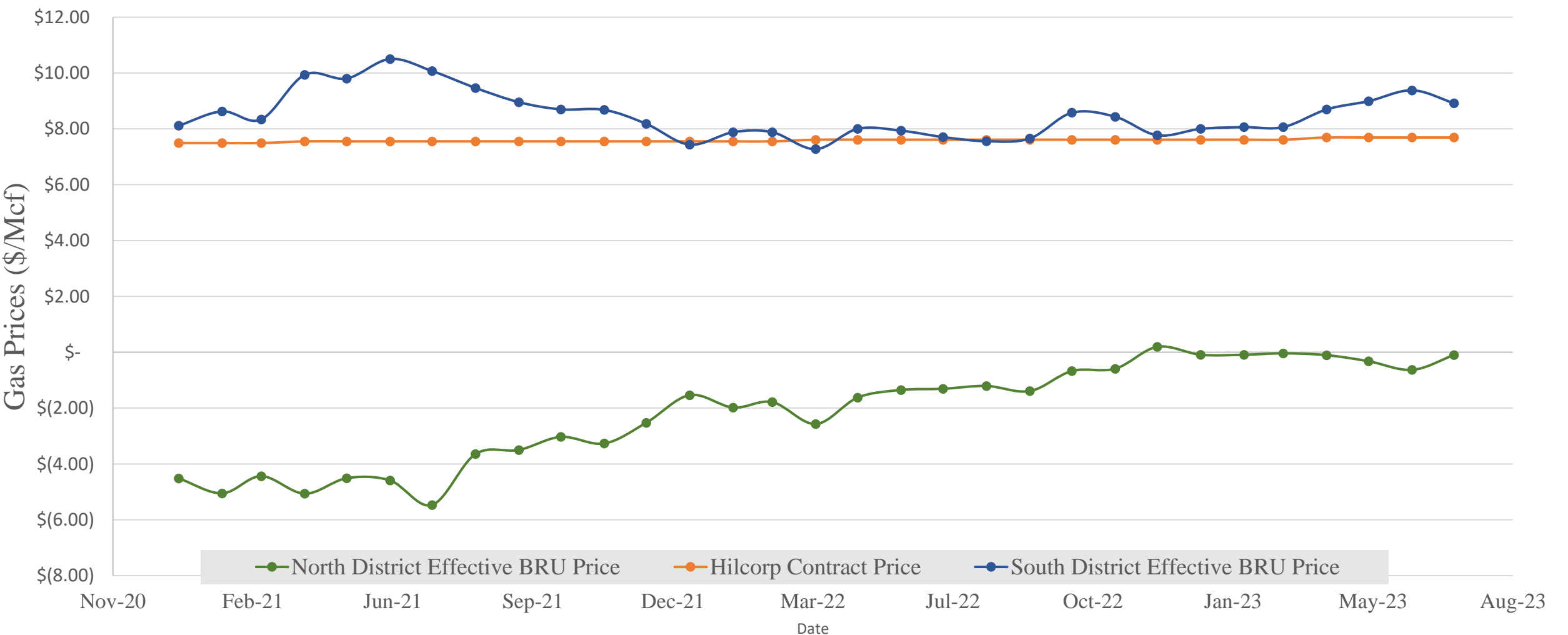
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Fixed payment structure is flawed for several reasons:

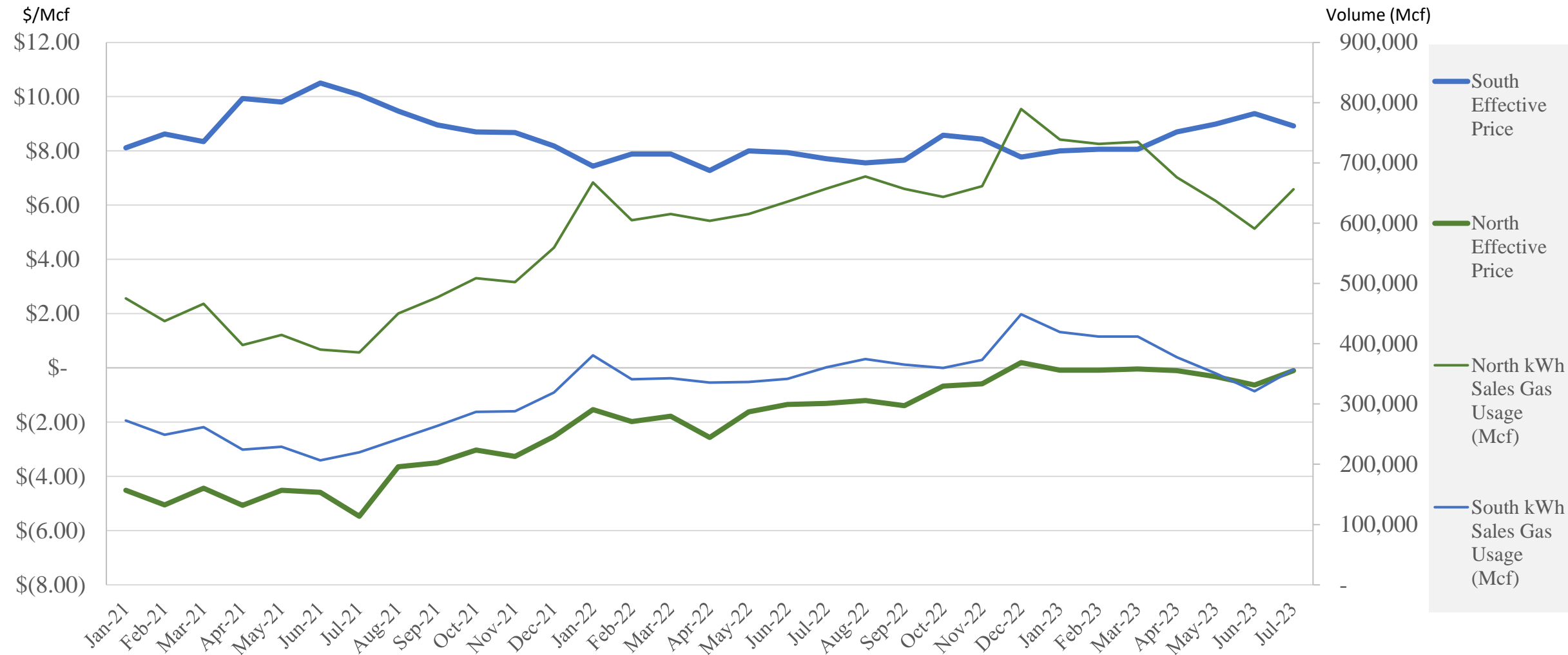
- Ignores South District's pre-existing 10% ownership interest in BRU
- Ignores BRU production levels
- Ignores market prices for alternative gas supplies
- Ignores North and South Districts' separate gas requirements
- Forces South District customers to pay substantially more than market price for gas
- Shifts BRU Production Risk to the South



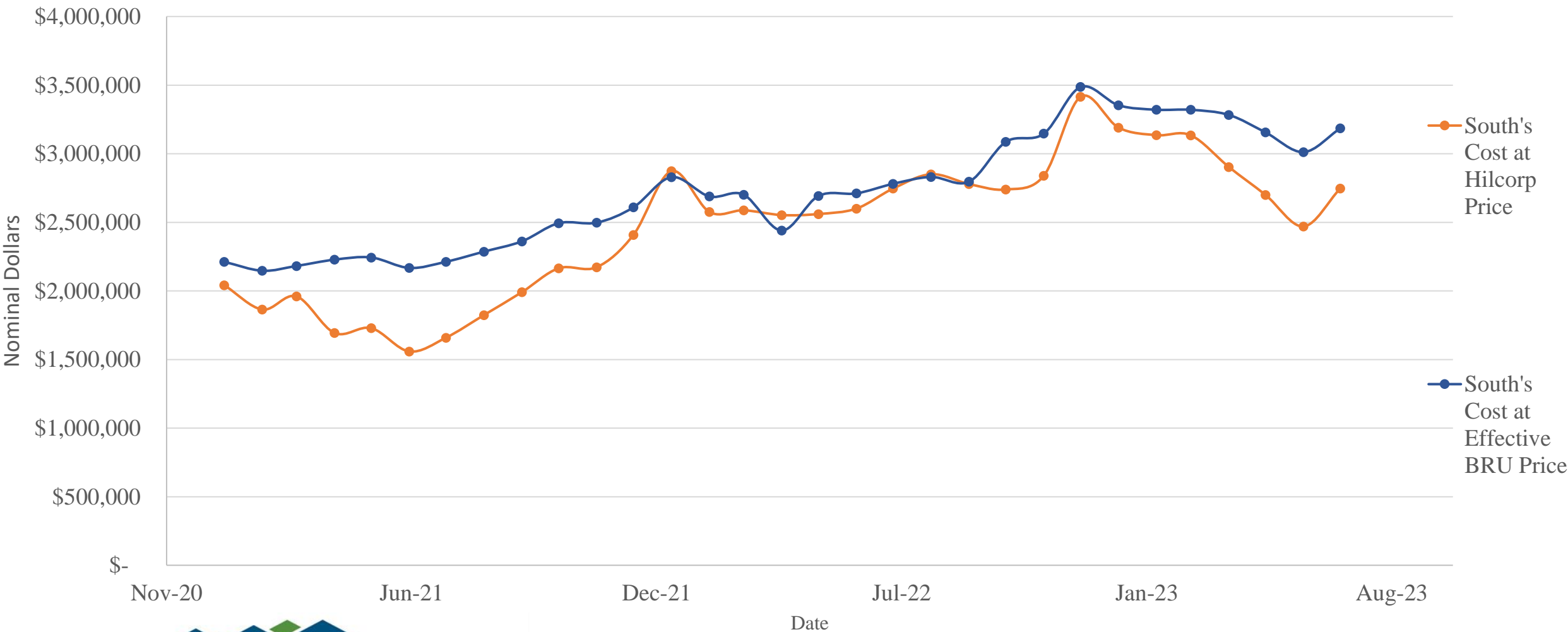
# Effective BRU Price By District



# Correlation Between Production and Price



# Nominal Dollar Costs to South District



# Economic Impact by District - Actuals

Actual BRU Gas Volumes Allocated by Distrcit (Mcf):				
	2021	2022	2023 (July)	Total
North	2,402,874	3,468,135	2,115,899	7,986,908
South	3,061,924	4,360,996	2,650,358	10,073,278

Nominal Impact to South District Customers				
	2021	2022	2023 (July)	Total
Effective BRU Price:	\$27,633,058	\$34,097,478	\$22,670,303	\$84,400,839
Hilcorp Contract Price:	\$23,071,596	\$33,121,767	\$20,290,385	\$76,483,748
Nominal Premium	\$4,561,462	\$975,711	\$2,379,917	\$7,917,090

NPV Impact to North and South District Customers				
	2021	2022	2023 (July)	Total
North	\$5,029,011	\$1,024,497	\$2,379,917	\$8,433,425
South	(\$5,029,011)	(\$1,024,497)	(\$2,379,917)	(\$8,433,425)

# Structural Changes Needed

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- Remaining South surcharge obligation should be offset by economic harm incurred to date
- Future surcharge payments should be capped at market price to avoid additional economic harm to South customers
- Future surcharge payments should be linked to BRU production
- Future surcharge payments should reflect South's pre-existing 10% ownership interest
- A balancing account should be created for reconciliation purposes on an NPV basis.
  - Consistent with COPA balancing account process
  - Avoid swings in surcharge and rebate amounts

# Questions?



# **Railbelt Reliability Council Update**

***Chugach Electric Association, Inc.  
Regular Board of Directors' Meeting  
September 27, 2023***



# Purpose



**The Railbelt Reliability Council is an Electric Reliability Organization charged with establishing electric system reliability standards and resource planning across Southcentral Alaska.**





# Background



**2014**

**The Legislature in 2014 directed the Regulatory Commission of Alaska (RCA) to investigate and report on means to improve effective and efficient electrical transmission among the utilities.**

**2015**

**RCA's recommendations included the need for greater cooperation and coordination among stakeholders and enforceable, consistent reliability standards for grid operations.**

**2019**

**The utilities, in consultation with other stakeholders, signed a memorandum of understanding to form the RRC Implementation Committee.**

**2020**

**The Legislature passed legislation and the Governor signed into law a mandate to create an electric reliability organization (ERO) to work on reliability, interconnection, and transmission standards and integrated resource planning for the Railbelt.**

**2022**

**The RRC was incorporated as a 501(c)(4) not-for-profit corporation and adopted bylaws, policies, and other foundational documents. The RRC submitted its application to the RCA for certification as an ERO. Following six months of public hearings and review, the RCA approved the RRC as the Railbelt's ERO on September 23, 2022.**

# Current Status



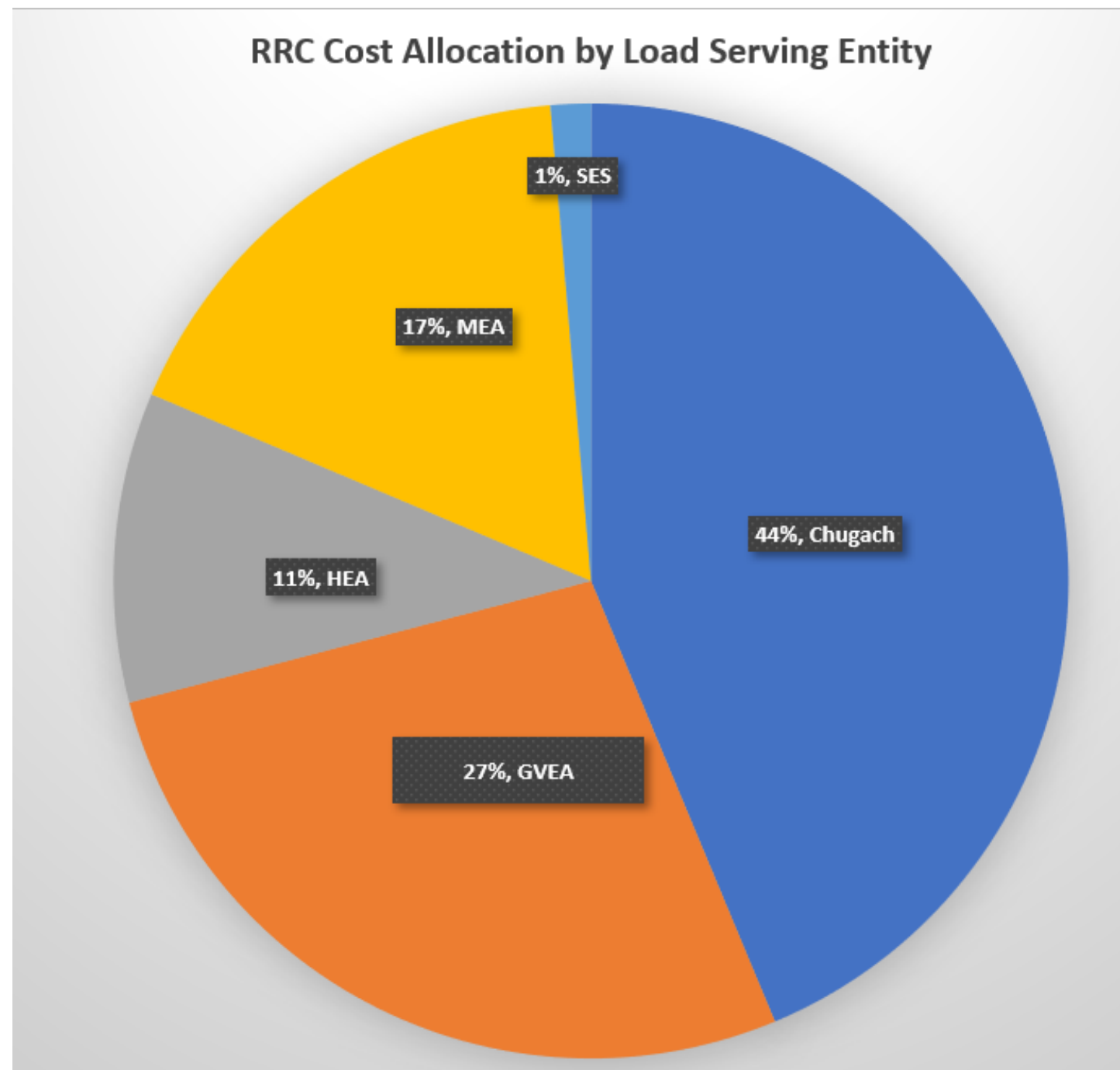
- **Organizational Structure**
  - **Board and Committees Established**
  - **Website Launched**
  - **Policies and Procedures – Under Development**
- **CEO - Search Underway**
- **Funding Surcharge Initiated on Member Bills in June 2023**
- **AK Reliability and Resource Planning Standards – initial phase of organizing for further review and development**
- **Developing 2024 Workplan and Budget**



# Funding Allocation



## Each Load Serving Utility Allocated Pro-rata Share of Costs



Basis: historic year sales (2021)

- **Chugach Member Share of 2023 costs  
~\$983,000 for 9 months**
- **2024 Full Year Budget estimate will be higher**



# Board Membership



- **4 seats for utilities – 1 for each Chugach, GVEA, MEA, & HEA**
- **1 seat for municipal electric utility – City of Seward**
- **1 seat for a distribution-only power provider – Doyon Utilities**
- **1 seat for State of Alaska – Alaska Energy Authority**
- **2 seats for independent power producers**
- **1 seat for residential/small commercial consumers**
- **1 seat for large commercial/industrial consumers**
- **1 seat for environmental advocacy**
- **1 seat to an independent person unaffiliated with a grid entity**

**13 members**



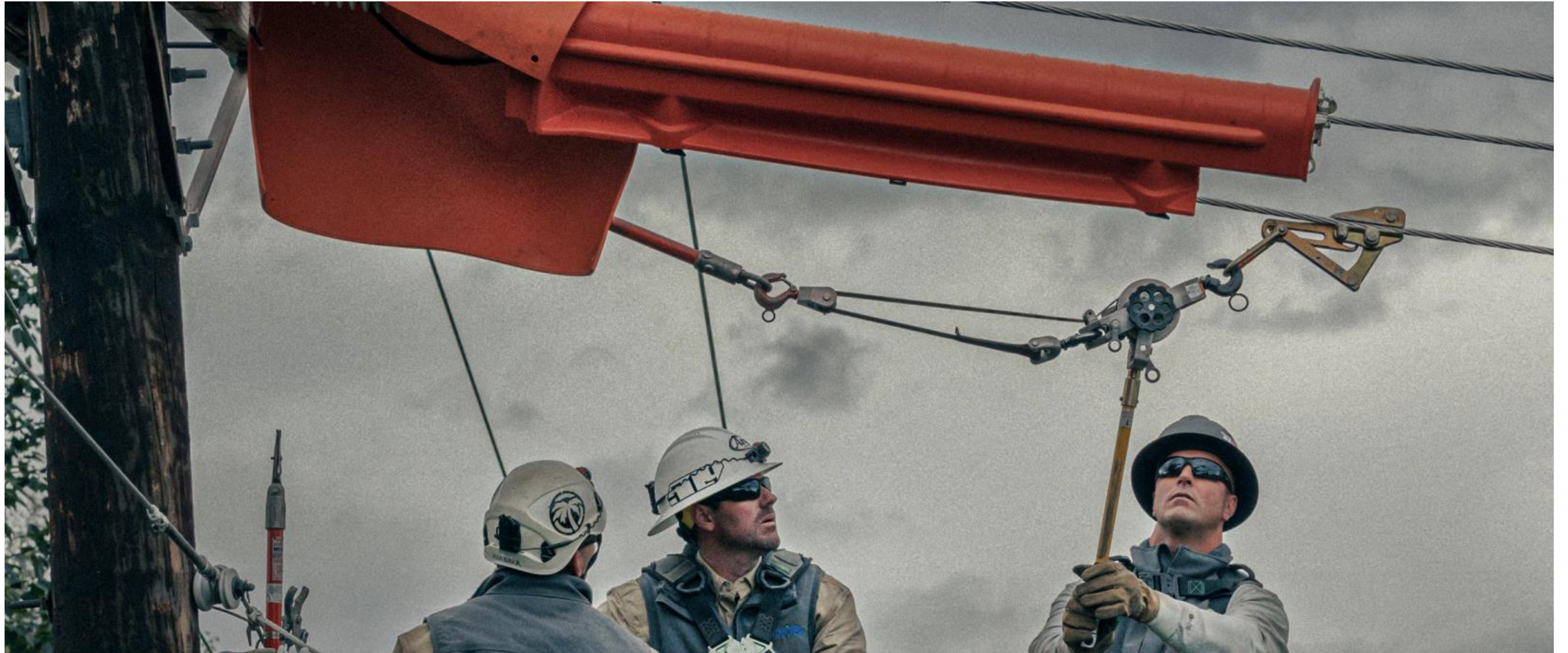
# Near Term Focus



- **Staffing**
  - **Onboard CEO**
  - **Recruit and onboard engineers and administrative staff**
- **Standards Development**
  - **Envisioning 3-4 working groups to develop standards in waves**
- **Integrated Resource Planning**
  - **Gather data, organize plan structure and begin planning process**







# Questions?

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

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

**September 27, 2023**

**ACTION REQUIRED**

**AGENDA ITEM NO. VIII.A.**

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

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**TOPIC**

Chugach Electric Association, Inc.'s (Association) Director meeting fees and expenses.

**DISCUSSION**

Article IV, Section 9 of the Chugach Electric Association, Inc. (Association), Bylaws provided that "[b]y resolution of the board of directors, directors may be allowed a fixed fee and expenses of attendance, if any, for each day of attendance at each meeting of the board of directors, or a meeting of a committee thereof, or when a director is otherwise representing the Association in an official capacity and for each day of necessary travel in connection therewith."

The Board of Directors previously passed Board Policy 204 dictating specific Director fee and expense reimbursement guidelines pursuant to the Association's Bylaws. The Association reviewed Board Policy 204 utilizing information from the National Rural Electric Cooperative Association (NRECA) National Directors Survey, Peer Group 1 – Revenue (\$205M - \$580M) and the Bureau of Labor Statistics. Based on that review, the Board of Directors believe it is reasonable and appropriate to update Board Policy 204 to reflect standard industry expense reimbursement practices as well as current market director compensation data as proposed.

**MOTION**

Move that the Board of Directors approve the attached Resolution adopting a new schedule of director fees and other necessary revisions to Board Policy 204.





## **RESOLUTION**

### **Director Meeting Fees and Expenses**

WHEREAS, Article IV, Section 9 of the Chugach Electric Association, Inc. (Association), Bylaws provided that “[b]y resolution of the board of directors, directors may be allowed a fixed fee and expenses of attendance, if any, for each day of attendance at each meeting of the board of directors, or a meeting of a committee thereof, or when a director is otherwise representing the Association in an official capacity and for each day of necessary travel in connection therewith.”

WHEREAS, the Board of Directors previously passed Board Policy 204 dictating specific Director fee and expense reimbursement guidelines pursuant to the Association’s Bylaws;

WHEREAS, the Association reviewed Board Policy 204 utilizing information from the National Rural Electric Cooperative Association (NRECA) National Directors Survey, Peer Group 1 – Revenue (\$205M - \$580M) and the Bureau of Labor Statistics; and

WHEREAS, based on that review, the Board of Directors believe it is reasonable and appropriate to update Board Policy 204 to reflect standard industry expense reimbursement practices as well as current market director compensation data.

NOW THEREFORE BE IT RESOLVED, the Board of Directors approves the attached revised Board Policy 204 including Appendix A attached thereto; and

BE IT FURTHER RESOLVED, beginning October 1, 2023, the Board of Directors shall be compensated pursuant to Board Policy 204 as revised hereby.

## **CERTIFICATION**

I, Susanne Fleek-Green, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 27th day of September, 2023; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 27th day of September, 2023.

\_\_\_\_\_  
Secretary



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

### **BOARD POLICY: 204**

#### **DIRECTOR MEETING FEES AND EXPENSES**

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

To provide compensation and expense reimbursement for Directors serving on Chugach Electric Association, Inc.'s ("Association") Board of Directors.

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

- A. Board Meetings. Upon approval of the Board, a "Board Meeting Fee" in the amount identified in Appendix A shall be paid to Directors for each day of attendance, or fraction thereof, at regular and special meetings of the Board ("Board Meetings"). The Board Chair shall receive an additional "Board Chair Fee" in the amount identified in Appendix A for each day of each Board Meeting compensated under this Paragraph A if the Chair performs the duties of Chair at the Board Meeting.
- B. Committee Meetings. Upon approval of the Board, a "Committee Meeting Fee" in the amount identified in Appendix A shall be paid to Director committee members for each day of attendance, or fraction thereof, at Board Committee Meetings whether standing, special, or ad-hoc. The Committee Chair shall receive an additional "Committee Chair Fee" in the amount identified in Appendix A for each day of each Committee Meeting compensated under this Paragraph B if the Chair performs the duties of Chair at the Committee Meeting.
- C. Other Meetings and Events. Upon approval of the Board, an "Other Events Fee" in the amount identified in Appendix A shall be paid to Directors for each day of attendance, or fraction thereof, at: (1) Board committee meetings as a non-member, member committee meetings and meetings where a Director attends as an official Board liaison or representative ("Other Meetings"); and (2) company and community events where a Director is representing the Association in an official capacity ("Events"). Directors shall be paid a "Travel Fee (In-State)" in the amount identified in Appendix A for each day of travel to Other Meetings and Events within the state of Alaska and a "Travel Fee (Out-of-State)" in the amount identified in Appendix A for each day of travel to Other Meetings and Events outside of the state of Alaska. Travel Fees shall be limited to a maximum of two days before the first day of the Other Meeting or Event attended and one day following the end of the Other Meeting or Event.

- D. Conferences and Education. Upon approval of the Board, a “Conference Fee (In-State)” in the amount identified in Appendix A shall be paid to Directors representing the Association in an official capacity for each day of attendance, or fraction thereof, at conferences and educational seminars within the state of Alaska or a “Conference Fee (Out-of-State)” in the amount identified in Appendix A for conferences and educational seminars outside of the state of Alaska (“Conferences”). Directors shall be paid a “Travel Fee (In-State)” in the amount identified in Appendix A for each day of travel to Conferences within the state of Alaska and a “Travel Fee (Out-of-State)” in the amount identified in Appendix A for each day of travel to Conferences outside of the state of Alaska. Travel Fees shall be limited to a maximum of two days before the first day of the Conference attended and one day following the end of the Conference.
- E. Compensation Limits. If more than one Board Meeting, Committee Meeting, Other Meeting, Conference, and/or Event described in sections A-D above (“Compensable Event”) is held and attended by a Director on the same day, only one day’s attendance fee will be paid, which shall be the highest of any applicable daily fees. If travel occurs on the same day as a Compensable Event the daily attendance fee will be paid but the travel fee will not be paid. Each day of a multi-day Compensable Event counts as a single meeting. A Director may not be compensated for more than two regular Board meetings per month and an additional 12 special Board meetings per year. Directors shall not be paid for more than 70 total days of attendance per year at Board Meetings, Committee Meetings, Other Meetings and Events; *except that*, the Board Chair may be compensated for up to 85 total days of attendance per year at Board Meetings, Committee Meetings, and Other Meetings and Events. Additionally, Directors (including the Board Chair) shall not be paid for more than 20 days of attendance per year at Conferences. For purposes of this policy the term “per year” shall mean the one-year period between the Association’s annual member meetings.
- F. Expense Reimbursement. Directors shall be reimbursed for all legitimate expenses for attendance at any Compensable Events upon submission of a business expense report with receipts attached. Expense reports shall be reviewed and approved by the Board. No expenses will be paid for spouses or other family members of Directors, or any other individuals accompanying Directors to meetings. Travel and related expenses shall be reimbursed on the following basis:
1. Air Transportation
    - a. Directors will only be reimbursed for reasonably priced airfare, taking into consideration preferred airports, preferred arrival and departure times, connection times, and other restrictions. First Class air travel shall not be approved for reimbursement; however, the Director may purchase first class airfare provided that the Director is only reimbursed for reasonable round-trip airfare as provided above.

b. Directors may personally retain frequent flyer awards that accrue from authorized Association travel.

c. The Board reserves the right to determine whether to reimburse individual Directors for penalties and other charges for flight cancellations or changes, taking the circumstances into account.

2. Other Transportation and Parking

a. Personal Vehicles. If a Director elects to use their personal vehicle for authorized Association travel purposes for travel distances more than 15 miles to and from their personal residence each way, the Association will reimburse Directors upon request at the mileage rate set by the Internal Revenue Service (IRS). Tolls and parking fees are also reimbursable. Parking tickets, vehicle repairs and maintenance, fines for moving violations, vehicle towing charges, or other expenses not necessary for Association travel purposes will not be reimbursed. Directors using a personal vehicle for Association travel purposes should ensure that their automobile insurance covers business travel.

b. Rental Vehicles. If use of a rental car is required for Association travel purposes, the Association will reimburse Directors for the reasonable cost of the rental car, gasoline, tolls, and parking fees. Directors must reserve an economy or standard-size vehicle. Upgrades to full-size vehicles are permissible only with advance approval by the Board Chair and if required due to the number of passengers. The Association's insurance will cover both the Director and the vehicle when a vehicle is rented for Association travel purposes. Accordingly, Directors should not purchase additional insurance coverage from the rental car company.

c. Other Ground Transportation. Directors will be reimbursed for ordinary and reasonably priced ground transportation, including buses, shuttles, taxis, and car services to and from airports or railroad stations and between the Director's hotel and other business-related locations.

3. Hotels and Lodging. The Association will reimburse the Directors for the cost of standard lodging in a reasonably priced hotel for overnight stays during authorized Association travel to a Compensable Event. Directors shall be reimbursed for lodging expenses during the Compensable Event and, taking into consideration travel distances and Director schedules, up to a maximum of two additional nights prior to the Compensable Event and one additional night following the Compensable Event. Directors seeking reimbursement for lodging expenses must submit an itemized hotel receipt or statement which indicates that full payment has been made and contains: the name and location of the hotel or other lodging; the date or dates of the Director's stay; separately stated charges for lodging, meals, telephone, and other expenses.

4. Meals. The Association will reimburse Directors for the reasonable cost of their own meals while attending a Compensable Event. Directors must provide receipts or other appropriate substantiating documentation for each meal throughout the trip. Directors may include the expense of reasonable gratuities.
- G. Scheduling. Directors are encouraged to make travel arrangements, including transportation and lodging, through the Association's executive office. Directors attending Conferences are expected to: 1) comply with applicable registration deadlines; and 2) avoid cancellations exposing the Association to non-reimbursable charges.

### III. RESPONSIBILITIES

- A. It shall be the responsibility of the Board to interpret and ensure that the provisions of this Policy are carried out.
- B. A summary of the meeting attendance fees and other expenses of Directors shall be itemized and provided to members upon request.

Date Approved: September 27, 2023

Attested: \_\_\_\_\_  
Susanne Fleek-Green  
Secretary of the Board

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

**SCHEDULE OF DIRECTOR FEES**

Description	Fee
Board Meeting Fee	\$450
Board Chair Fee	\$75
Committee Meeting Fee	\$392
Committee Chair Fee	\$32
Other Events Fee	\$250
Conferences Fee (In-State)	\$250
Conferences Fee (Out-of-State)	\$350
Travel Fee (In-State)	\$250
Travel Fee (Out-of-State)	\$317

**Chugach Electric Association, Inc.  
Anchorage, Alaska**

**Board Compensation Alternatives**

**Current**

- Board meeting fees in accordance with Board of Directors 2022 1099's.

**Proposal 1: NRECA National Directors Survey Comparisons (August 2022) Peer Group 1: Revenue (\$205M - \$580M)**

- **Regular/Special Board Meetings:** Peer Group Average + Geographic Pay Differential (May 2022 Bureau of Labor Statistics) + Complexity Percentage (BRU Market Revenue as a % of 2022 Total Revenue), rounded.
- **Board Chair:** Current amount adjusted by percentage change in Regular / Special Board Meeting fee, rounded.
- **Board Committee Meetings:** 75% of Regular/Special Board Meetings, rounded.
- **Other Meetings/Events, Conferences, Educational Seminars and Travel Days:** Peer Group Minimum + Geographic Pay Differential + Complexity Percentage, rounded.

**Proposal 1 Phase-In:** Proposal 1 with three-year phase-in period.

**Proposal 2: Identical with Proposal 1, with the following exceptions:**

- **Board Committee Meetings:** 75% of Regular/Special Board Meetings, rounded. Only committee members are paid for attending committee meetings.
- **Board and Board Committee Chairs:** Both Board and Board Committee Chairs are paid additional amounts reflecting added responsibilities as chairs. Board Committee chairs are paid 75% of Board Chair amount.
- **Other Meetings/Events, Conferences, Educational Seminars and Travel Days:** Peer Group Minimum + Geographic Pay Differential + Complexity Percentage, rounded. No fee for committee and/or board meeting preparation with Chief Executive Officer.

**Proposal 2 Phase-In:** Proposal 2 with three-year phase-in period.

**Proposal 3: Governance Committee Recommendation - Identical with Proposal 1, with the following exceptions:**

- **Board and Board Committee Chairs:** Both Board and Board Committee Chairs are paid additional amounts reflecting added responsibilities as chairs. Board Committee chairs are paid 75% of Board Chair amount.
- **Other Meetings/Events, Conferences, Educational Seminars and Travel Days:** Peer Group Minimum + Geographic Pay Differential + Complexity Percentage, rounded. No fee for committee and/or board meeting preparation with Chief Executive Officer.

**Proposal 3 Phase-In:** Proposal 3 with three-year phase-in period.

**Chugach Electric Association, Inc.**  
Anchorage, Alaska

**Board Compensation Alternatives**

**Proposal 1**

Description	Current		Proposal 1: No Phase-In		Proposal 1 with 3-Year Phase In					
	Rate	Total Cost	Rate	Total Cost	Year 1		Year 2		Year 3	
					Rate	Total Cost	Rate	Total Cost	Rate	Total Cost
Regular & Special Board Meetings	\$300	\$51,600	\$750	\$129,000	\$450	\$77,400	\$600	\$103,200	\$750	\$129,000
Board Chair	\$50	\$1,250	\$125	\$3,125	\$75	\$1,875	\$100	\$2,500	\$125	\$3,125
Board Committee Meetings	\$300	\$28,400	\$575	\$55,075	\$392	\$37,324	\$483	\$46,151	\$575	\$55,075
Board Committee Chair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Meetings/Events	\$200	\$31,200	\$350	\$54,600	\$250	\$39,000	\$300	\$46,800	\$350	\$54,600
Conferences/Education (In-State)	\$200	\$6,600	\$350	\$11,550	\$250	\$8,250	\$300	\$9,900	\$350	\$11,550
Conferences/Education (Out-of-State)	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250
Travel (In-State)	\$200	\$400	\$350	\$700	\$250	\$500	\$300	\$600	\$350	\$700
Travel (Out-of-State)	\$300	\$3,600	\$350	\$4,200	\$317	\$3,804	\$333	\$3,996	\$350	\$4,200
<b>Total</b>		<b>\$135,300</b>		<b>\$270,500</b>		<b>\$180,403</b>		<b>\$225,397</b>		<b>\$270,500</b>
<b>Difference from Current</b>				<b>\$135,200</b>		<b>\$45,103</b>		<b>\$90,097</b>		<b>\$135,200</b>
<b>% Change from Current</b>		<b>----</b>		<b>99.9%</b>		<b>33.3%</b>		<b>66.6%</b>		<b>99.9%</b>



**Chugach Electric Association, Inc.**  
Anchorage, Alaska

**Board Compensation Alternatives**

**Proposal 2**

Description	Current		Proposal 2: No Phase-In		Proposal 2 with 3-Year Phase In					
	Rate	Total Cost	Rate	Total Cost	Year 1		Year 2		Year 3	
					Rate	Total Cost	Rate	Total Cost	Rate	Total Cost
Regular & Special Board Meetings	\$300	\$51,600	\$750	\$129,000	\$450	\$77,400	\$600	\$103,200	\$750	\$129,000
Board Chair	\$50	\$1,250	\$125	\$3,125	\$75	\$1,875	\$100	\$2,500	\$125	\$3,125
Board Committee Meetings	\$300	\$28,400	\$575	\$40,700	\$392	\$27,524	\$484	\$34,148	\$575	\$40,700
Board Committee Chair	\$0	\$0	\$95	\$1,500	\$32	\$500	\$63	\$1,000	\$95	\$1,500
Other Meetings/Events	\$200	\$31,200	\$350	\$50,400	\$250	\$36,000	\$300	\$43,200	\$350	\$50,400
Conferences/Education (In-State)	\$200	\$6,600	\$350	\$11,550	\$250	\$8,250	\$300	\$9,900	\$350	\$11,550
Conferences/Education (Out-of-State)	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250
Travel (In-State)	\$200	\$400	\$350	\$700	\$250	\$500	\$300	\$600	\$350	\$700
Travel (Out-of-State)	\$300	\$3,600	\$350	\$4,200	\$317	\$3,804	\$333	\$3,996	\$350	\$4,200
<b>Total</b>		<b>\$135,300</b>		<b>\$253,425</b>		<b>\$168,103</b>		<b>\$210,794</b>		<b>\$253,425</b>
<b>Difference from Current</b>				<b>\$118,125</b>		<b>\$32,803</b>		<b>\$75,494</b>		<b>\$118,125</b>
<b>% Change from Current</b>		<b>----</b>		<b>87.3%</b>		<b>24.2%</b>		<b>55.8%</b>		<b>87.3%</b>
<b>Difference from Proposal 1</b>				<b>(\$17,075)</b>		<b>(\$12,300)</b>		<b>(\$14,603)</b>		<b>(\$17,075)</b>

**Chugach Electric Association, Inc.**  
Anchorage, Alaska

**Board Compensation Alternatives**

**Proposal 3: Governance Committee Recommendation on September 9, 2023.**

Description	Current		Proposal 3: No Phase-In		Proposal 3 with 3-Year Phase In					
	Rate	Total Cost	Rate	Total Cost	Year 1		Year 2		Year 3	
	Rate	Total Cost	Rate	Total Cost	Rate	Total Cost	Rate	Total Cost	Rate	Total Cost
Regular & Special Board Meetings	\$300	\$51,600	\$750	\$129,000	\$450	\$77,400	\$600	\$103,200	\$750	\$129,000
Board Chair	\$50	\$1,250	\$125	\$3,125	\$75	\$1,875	\$100	\$2,500	\$125	\$3,125
Board Committee Meetings	\$300	\$28,400	\$575	\$55,075	\$392	\$37,324	\$483	\$46,183	\$575	\$55,075
Board Committee Chair	\$0	\$0	\$95	\$1,500	\$32	\$500	\$63	\$1,000	\$95	\$1,500
Other Meetings/Events	\$200	\$31,200	\$350	\$50,400	\$250	\$36,000	\$300	\$44,000	\$350	\$50,400
Conferences/Education (In-State)	\$200	\$6,600	\$350	\$11,550	\$250	\$8,250	\$300	\$9,900	\$350	\$11,550
Conferences/Education (Out-of-State)	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250	\$350	\$12,250
Travel (In-State)	\$200	\$400	\$350	\$700	\$250	\$500	\$300	\$600	\$350	\$700
Travel (Out-of-State)	\$300	\$3,600	\$350	\$4,200	\$317	\$3,804	\$333	\$4,000	\$350	\$4,200
<b>Total</b>		<b>\$135,300</b>		<b>\$267,800</b>		<b>\$177,903</b>		<b>\$223,633</b>		<b>\$267,800</b>
<b>Difference from Current</b>				<b>\$132,500</b>		<b>\$42,603</b>		<b>\$88,333</b>		<b>\$132,500</b>
<b>% Change from Current</b>		<b>----</b>		<b>97.9%</b>		<b>31.5%</b>		<b>65.3%</b>		<b>97.9%</b>
<b>Difference from Proposal 1</b>				<b>(\$2,700)</b>		<b>(\$2,500)</b>		<b>(\$1,764)</b>		<b>(\$2,700)</b>

**Chugach Electric Association, Inc.  
Anchorage, Alaska**

**Board and Committee Meeting Count: 2018 - 2023 (YTD September)**

Year	Total Meetings	Board Meetings			Committee Meetings			
		Total	Regular	Special	Total	Audit/Finance	Governance	Operations
2023 (Jan-Sept)	31	15	10	5	16	3	5	8
2022	44	26	13	13	18	4	5	9
2021	39	16	13	3	23	7	5	11
2020	43	24	13	11	19	5	2	12
2019	38	21	13	8	17	6	3	8
2018	36	22	16	6	14	6	1	7

Note: Average number of NRECA Peer Group 1 (revenue of \$205 million to \$580 million) board meetings is 12, with a minimum of 9 and a maximum of 14. *Source: NRECA Total Compensation Solutions; 2021/2022 Board of Directors Compensation Report; January 2022 .*

Chugach Electric Association, Inc.  
Anchorage, Alaska

Summary of Executive Session Topics for  
Regular Board of Directors' Meeting on September 27, 2023  
Agenda Item IX.

Discussion of confidential and sensitive information concerning Strategic Planning for Chugach, 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))