



**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

October 25, 2023

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: Using an AED (Freeman)
 - D. Electric Power Factoid: Cyber Security (McCarty)
- II. APPROVAL OF THE AGENDA* (4:15 p.m.)
- III. PERSONS TO BE HEARD (4:20 p.m.)
 - A. Member Comments
- IV. DIRECTOR REPORTS (4:35 p.m.)
 - A. Member Advisory Council (MAC) Report
 - B. Alaska Power Association (APA) Report
 - C. Board Committee Reports (Audit & Finance, Operations & Governance)
 - D. Other Meeting Reports
- V. CONSENT AGENDA* (5:15 p.m.)
 - A. Board Calendar
 1. Excused Absence – Director Nordlund – October 11, 2023, Operations Committee Meeting
 - B. Training and Conferences
 1. NRECA Winter School for Directors, December 8-12, 2023, Nashville, TN
 - C. Minutes
 1. September 27, 2023, Regular Board of Directors' Meeting (Slocum)

- D. Member Advisory Council (MAC) Charge*
- E. Board Policy 606: Policies and Procedures for Member Committees*
- F. Retail Capital Credit Retirement*
- G. Director Expenses*
- VI. CEO REPORTS AND CORRESPONDENCE (5:25p.m.)
 - A. August 2023 Financial Statements and Variance Report (Griffin/Highers) (5:25 p.m.)*
 - B. Online Access to Rate Case Information (Clarkson) (5:45 p.m.)*
 - C. Board Policy Scheduled Tasks/Reports (Board/Staff) (6:00 p.m.)*
- VII. UNFINISHED BUSINESS (*none*)
- VIII. NEW BUSINESS** (*scheduled*) (6:10 p.m.)
 - A. Board Policy 204: Director Meeting Fees and Expenses** (Board) (6:10 p.m.)*
- IX. EXECUTIVE SESSION (*none*)
- X. NEW BUSINESS (*none*)
- XI. DIRECTOR COMMENTS (6:30 p.m.)
- XII. ADJOURNMENT* (6:45 p.m.)

* *Denotes Action Items*

** *Denotes Possible Action Items*

USING AN AUTOMATED EXTERNAL DEFIBRILLATOR (AED)

Regular Board of Directors' Meeting
October 25, 2023



AED MYTHS PERPETUATED BY HOLLYWOOD

You cannot self administer an AED as James Bond did in Casino Royale.

An AED will not help a drowning victim (the Abyss) as they have been deprived of oxygen in their brain, which isn't something an AED can remedy.

Even ET gets defibrillated, after doctors suggest using it as a last resort.

AED KEY POINTS



An AED is used to help those experiencing **sudden cardiac arrest**.

Cardiac arrest is not the same as a heart attack. A heart attack happens when blood flow to the heart is blocked. A person having a heart attack is still talking and breathing. This person does not need CPR or an AED.

An AED is an easy-to-use medical device that can analyze the heart's rhythm and, if necessary, deliver an electrical shock, or defibrillation, to help the heart re-establish an effective rhythm.

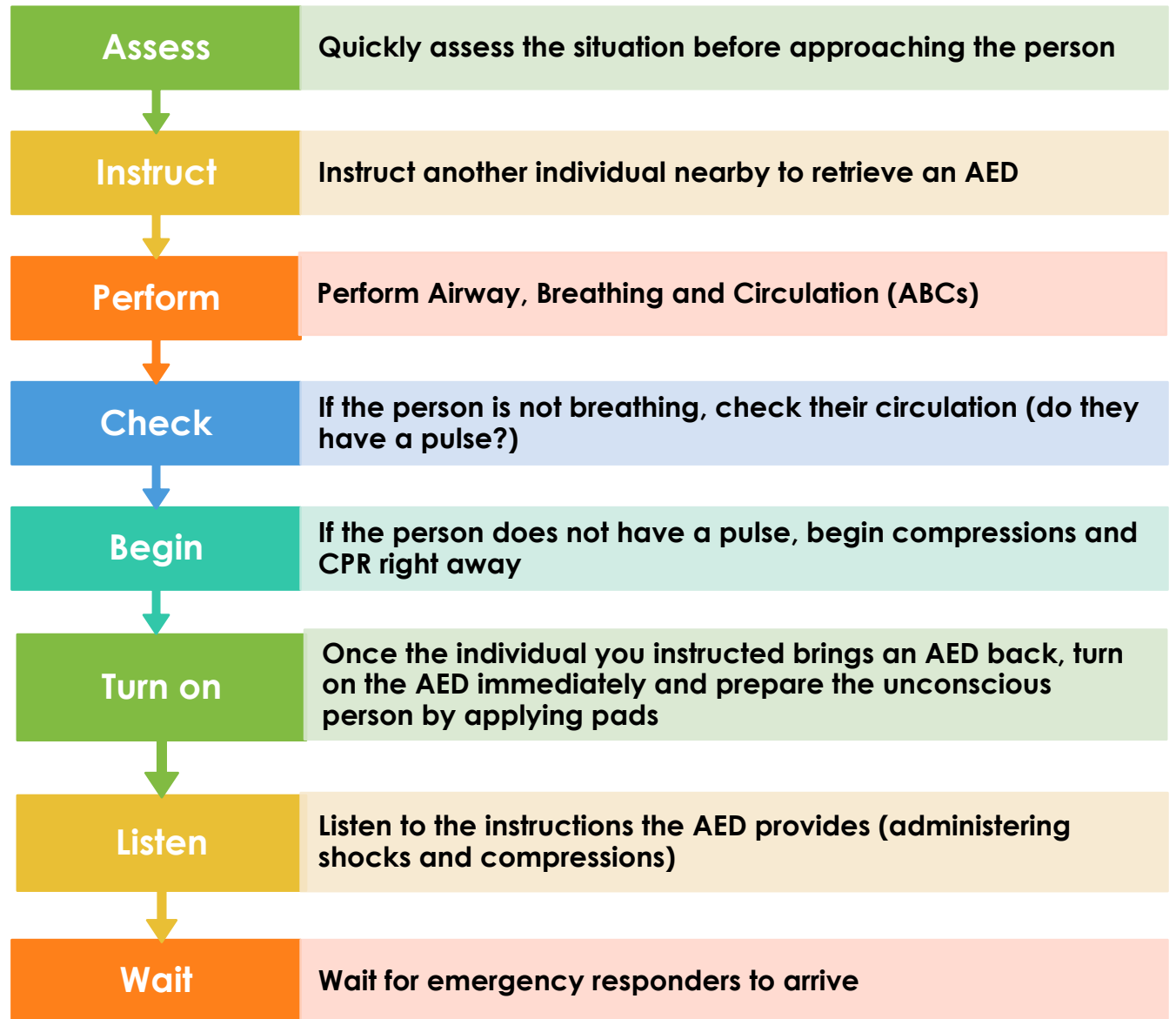
Minutes matter. Effective AED programs are designed to deliver a shock to a victim within three to five minutes after the person collapses.

45-65 percent of victims who received a shock from an AED from a bystander survived to hospital discharge.

Chest compressions alone can keep the heart pumping and maintain blood flow for a few minutes until emergency responders arrive.

In the US, CPR is under-employed, with bystander CPR rates below 25% in many communities.

WHAT TO DO



YTD SAFETY STATISTICS

Recordable Injuries			
Business Unit	2022	2022 Sep YTD	2023 Sep 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 Sep YTD	2023 Sep 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 Sep YTD	2023 Sep YTD
OSHA Rate	2.71	1.99	1.98
Lost Time Rate	.98	.33	.99
Lost Workdays	179	30	332

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.

INCIDENT REVIEW

Incident Description	Nonconformance with Safety Procedures or Work Practices	Incident Type	Opportunity for Intervention
Fell when Snow Shoeing	No	Normal Task	No
Strain while opening lock on drop box	No	Normal Task	No
Caught hand in lifting sling when guiding load	No	Normal Task	Yes
Sore shoulder after performing repair work on vehicle	No	Normal Task	No
Sore knee after extended kneeling during transformer replacement	No	Normal Task	No
Sore foot after standing on wrench to loosen tight bolt	Yes	Normal Task	Yes



CYBERSECURITY

REGULAR BOARD OF DIRECTORS MEETING
OCTOBER 25, 2023





October is Cybersecurity Awareness Month

Overall Campaign



Goal

- Take actionable steps to stay safe online

Tone

- Positive
- Approachable
- Simple
- Back to basics

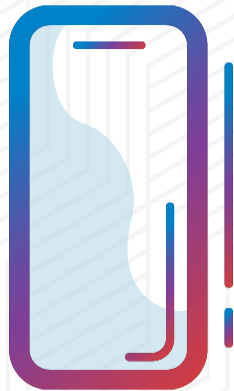
4 Easy Ways to Stay Safe Online

Use Strong Passwords and a Password Manager

Turn on Multifactor Authentication

Recognize and Report Phishing Attacks

Update Your Software



Use Strong Passwords

CREATE STRONG PASSWORDS:



- **Long**
 - At least 16 characters
- **Unique**
 - NEVER reuse passwords
- **Complex**
 - Upper- and lower-case letters
 - Numbers
 - Special characters
 - Spaces

Use a Password Manager

WHY USE A PASSWORD MANAGER?

- Stores your passwords
- Alerts you of duplicate passwords
- Generates strong new passwords
- Some automatically fill your login credentials into website to make sign-in easy

Encryption ensures that password managers never "know" what your passwords are, keeping them safe from cyber attacks



Turn on Multifactor Authentication

WHAT IS IT?

- A code sent to your phone or email
- An authenticator app
- A security key
- Biometrics
 - Fingerprint
 - Facial recognition



WHERE SHOULD YOU USE MFA?

- Email
- Accounts with financial information
 - Ex: Online store
- Accounts with personal information
 - Ex: Social media



Recognize and Report Phishing

PHISHING RED FLAGS:



- A tone that's urgent or makes you scared (*"Click this link immediately or your account will be closed"*)
- Bad spellings, bad grammar
- Requests to send personal info
- Sender email address doesn't match the company it's coming from (*Amazon.com vs. Amaz0n.com*)
- An email you weren't expecting

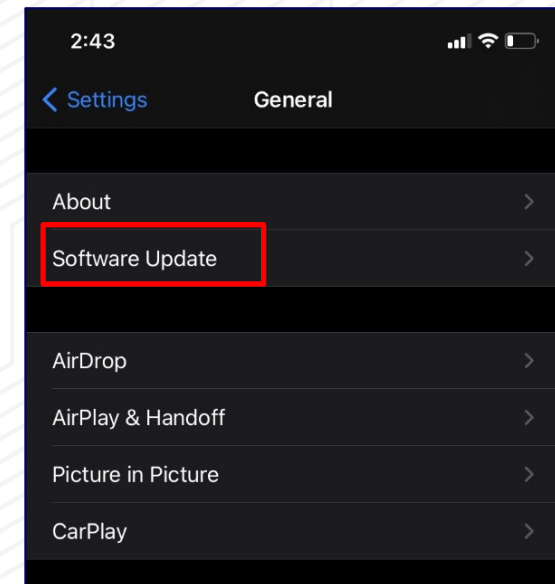
Update Your Software

WHY?

- Updates ensure your devices and apps are protected from the latest threats
- Don't click "remind me later", it could leave you vulnerable to cyber threats
- Automatic updates are the easiest way to stay secure

WHERE TO FIND AVAILABLE UPDATES

- Check for notifications to your phone or computer
- Look in your phone, browser or app settings
- Check the upper corner of your browser for any alerts



Raising Chugach Awareness

- **Increased Communication**
- **Posters around campus**
- **Additional training and games**
- **Added cybersecurity section to live wire**





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October 2023

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November 2023

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 1	2	3	4 5:30pm Member Advisory Council (MAC) Meeting (Board Room CR) - Ashton Doyle	5	6 4:00pm 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 11:00am Review Governance Packet (Board Room CR) - Sandra Cacy	14
15	16	17 4:00pm Governance Committee Meeting (Board Room CR) - Sandra Cacy	18	19	20 9:00am Review Board Packet (Board Room CR) - Sandra Cacy	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

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December 2023

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 29	30	31	Nov 1 10:00am 2023 Key Member Summit (Chugach Headquarters - Denali Conference Room)	2	3 9:30am Audit & Finance Packet Review (Sherri's Office) - Sandra Cacy	4
5	6	7 11:30am Special Board of Directors Meeting / Legislative Luncheon (Alaska Native Herigate)	8 8:30am Strategic Planning Packet Review (Board Room) 4:00pm Audit & Finance Committee (Budget)	9	10	11
12	13 Strategic Planning Session (11/13-11/14) (Th) 8:00am Regular Board of Directors	14 5:00pm	15	16	17	18
19	20 3:00pm Audit & Finance Packet Review (Sherri's Office) - Sandra Cacy	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

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January 2024

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Nov 26	27	28	29	30	Dec 1	2
3	4	5	6	7	8 NRECA Winter School for Directors (December 8-12, Nashville TN) 8:30am Board Packet Review (Board Room CR) - Sandra Cacy	9
10 NRECA Winter School for Directors (December 8-12, Nashville TN)	11	12	13 APA December Meeting Series 4:00pm Regular Board of Directors 5:00pm APA/AIE Holiday Open House (703 W.	14	15	16
17	18	19	20	21	22 Christmas Eve Holiday Observed	23
24	25 Christmas Day	26	27	28	29 New Years Eve Holiday Observed	30
31	Jan 1, 24	2	3	4	5	6

January 2024

January 2024

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February 2024

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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 Legisl.	Feb 1	2	3

February 2024

February 2024

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March 2024

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jan 28	29	30	31	Feb 1 2024 APA State Legi	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						April 2024							
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						31							

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 25	26	27	28	29	Mar 1 8:00am NRECA PowerXchange (March 1 - 6,	2
3	4	5	6 8:30am	7	8	9
NRECA PowerXchange (March 1 - 6, San Antonio TX)						
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

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May 2024

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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) -	6
7	8	9	10 4:00pm Operations Committee Meeting 6:00pm Governance Committee Meeting	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
NRECA 2024 Legislative Conference (April 21-24, Washington DC)						
28	29	30	May 1	2	3	4

May 2024

May 2024						June 2024							
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26	27	28	29	30	31		23	24	25	26	27	28	29
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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	18
NWPPA Annual Conference (May 12-15, Salt Lake City Utah)					9:00am Board Packet Review (Board Room) 3:00pm Member Appreciation Day 6:00pm Annual Membership	
19	20	21	4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy	23	9:00am Audit & Finance Packet Review (Sherri's Office) - Sandra Cacy	25
26	Memorial Day	28	4:00pm Audit & Finance Committee Meeting (Board Room CR) - Sandra Cacy	30	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
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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

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August 2024

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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

August 2024

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September 2024

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

September 2024

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October 2024

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SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Sep 1	2 Labor Day	3	4	5	6 9:00am Governance Packet Review (Board Room CR) - Sandra Cacy	7
8	9	APA & AIE Annual Meetings (Sept. 10 - 13, Fairbanks) - CCBOD			13	14
			11 4:00pm Governance Committee Meeting (Board Room CR) - Sandra Cacy			
15	16	17	18	19	20 9:00am Board Packet Review (Board Room CR) - Sandra Cacy	21
22	23	NRECA Region 7&9 Meeting (September 24-26, Sacramento CA)			27	28
			25 4:00pm Regular Board of Directors Meeting (Board Room CR) - Sandra Cacy			
29	30	Oct 1	2	3	4	5

Winter School for Directors

Nashville, TN | December 8 - 12, 2023

Schedule

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

FRI. 12/08

8:00am - 4:00pm	2600 Director Duties and Liabilities
8:00am - 4:00pm	918.1 Maximizing Your Grassroots Strategy
8:00am - 4:00pm	925.1 Co-op Bylaws: Guiding Principles & Current Issues
8:00am - 4:00pm	927.1 Cybersecurity: The Board's Oversight Role
8:00am - 4:00pm	950.1 Practical Communication Strategies for Directors
8:00am - 4:00pm	977.1 Equity Management and Boardroom Decision Making

SAT. 12/09

8:00am - 4:00pm	2620 Board Operations and Process
8:00am - 4:00pm	930.1 Ethics and Governance: Implementing the New Accountability
8:00am - 4:00pm	943.1 Conversation Skills Outside the Boardroom
8:00am - 4:00pm	951.1 Developing Effective Boardroom Decision-Making
8:00am - 4:00pm	965.1 Electric Vehicles: Strategy and Policy Consideration
8:00am - 4:00pm	975.1 Capital Credits Issues and Decisions

SUN. 12/10

8:00am - 4:00pm	2640 Financial Decision Making
8:00am - 4:00pm	952.1 Increasing Influence and Building Board Consensus

8:00am - 4:00pm	973.1 Moving the Fence: A Guide to Shared Services, System Mergers, and Territorial Acquisitions
8:00am - 4:00pm	984.1 The Road to Resilience: The Board's Responsibility
8:00am - 4:00pm	990.1 CCD Refresh

MON. 12/11

8:00am - 4:00pm	2610 Understanding the Electric Business
8:00am - 4:00pm	913.1 Cooperative Fundamentals, Legacy, and Economic Impact
8:00am - 4:00pm	921.1 Risk Oversight: The Board's Role in Risk Management
8:00am - 4:00pm	935.1 Appraising and Compensating the CEO
8:00am - 4:00pm	957.1 How to Evaluate and Improve Board Performance
8:00am - 4:00pm	959.1 Boardroom Challenges: Connecting Theory to Action

TUE. 12/12

8:00am - 4:00pm	953.1 Improving Board Decision Making Quality
8:00am - 4:00pm	955.1 Your Board's Culture: Its Impact on Effectiveness
8:00am - 4:00pm	958.1 Succession Planning: Developing the Purpose-Driven Organization
8:00am - 4:00pm	979.1 ESG and the Cooperative Difference
8:00am - 4:00pm	2630 Strategic Planning

Register Today!


December 8 - 12,
2023



In-Person
Nashville, TN

Register before
December 10, 2023

REGISTER

 [View My Co-op's Registrants](#)

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

September 27, 2023
Wednesday
4:00 p.m.

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Heather Slocum

I. CALL TO ORDER

Director Cason called the Regular Board of Directors' meeting to order at 4:05 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. *Pledge of Allegiance*

Director Cason led the Board in the Pledge of Allegiance.

B. *Roll Call*

Board Members Present:

Sam Cason, Chair

Sisi Cooper, Vice Chair

Rachel Morse, Treasurer – *via teleconference*

Susanne Fleek-Green, Secretary – *via teleconference and in person*

Mark Wiggin, Director

Bettina Chastain, Director

Jim Nordlund, Director – *via teleconference*

Staff and Guests in Attendance:

Present:

Arthur Miller

Sherri Highers

Matthew Clarkson

Andrew Laughlin

Dustin Highers

Randall Chicola

Julie Hasquet

Marty Freeman

Sandra Cacy

Karen Griffin

Trish Baker

Chantelle Lewis-Boutte

Sean Skaling

Jean Kornmuller

Sandy Rabinowitch,

Member

Emily Mueller

Todd McCarty

Quentin Bidwell

Kate Ayers

Mark Henspeter

David Caye

Michael Rovito, APA

Via Teleconference:

Ashton Doyle

Paul McLarnon, HDR

John Hettinger, Member

Rachel Christensen,
Member

Ky'yanna Hamilton

Nelli Williams, Trout

Unlimited

Debbie Gardino

Shaina Kilcoyne, Member

Mitchell Roth, Member

- C. *Safety Minute (Freeman)*
Marty Freeman, Senior Manager of Safety, and Security presented “Changing a Tire Safely”, the year-to-date safety information, and responded to questions from the Board.
- D. *Electric Power Factoid: Power Generation Models (Baker)*
Patricia “Trish” Baker, Manager, Government Affairs presented a detailed presentation on Power Generation Models and answered questions from the board.

II. APPROVAL OF AGENDA

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

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

Director Fleek-Green was not present at the time of the vote.

III. PERSONS TO BE HEARD

- A. *Member Comments*
John Hettinger, Chugach Member, made comments regarding geothermal, and seasonal storage.
Shaina Kilcoyne, Chugach Member, made comments on the Alaska Energy Security Task Force.

IV. DIRECTOR REPORTS

- A. *Alaska Power Association (APA) Report*
Michael Rovito, APA, 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 30, 2023 Audit & Finance Meeting.

Director Wiggin reported on the September 6, 2023, Operations Committee Meeting and Arthur Miller responded to questions from the Board.

In Director Fleek-Green’s absence, Director Cason recapped the September 13, 2023, Governance Committee Meeting.
- C. *Other Meeting Reports*
Director Morse gave reports on her attendance at the NWPPA quarterly meeting and the NRECA Region 9 meeting.

Director Nordlund joined online at 4:36 p.m.

V. CONSENT AGENDA

- 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

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

Director Fleek-Green was not present at the time of the vote.

VI. CEO REPORTS AND CORRESPONDENCE

- A. *July 2023 Financial Statements and Variance Report (Griffin)*
Karen Griffin, VP of Finance and Accounting, presented the July 2023 Financial Statements and Variance Report, and preliminary August results, and responded to questions from the Board.
- B. *BRU Capital Surcharge/Rebate (Chicola/Clarkson)*
Randall Chicola, Economic Analyst, and Matthew Clarkson, Chief Legal Officer, provided an update on the BRU Capital Surcharge/Rebate and responded to questions from the Board.
- C. *Rate Case Update (Clarkson)*
Matt Clarkson, Chief Legal Officer, provided an updated timeline for the 2023 General Rate Case Update, and responded to questions from the Board.
- D. *RRC Update (Baker)*
Trish Baker, Manager Government Affairs gave an update on the Railbelt Reliability Council and responded to questions from the Board.
- E. *Board Policy Scheduled Tasks/Reports (Board/Staff)*
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. *Director Meeting Fees & Expenses**(Miller/Board)*

Board members discussed Director Meeting Fees & Expenses. Mr. Miller made comments on the resolution and policy. Directors made comments and felt that a clear process be put in place for routine review in the resolution and policy. Mr. Miller felt that this was an intermediate step and would incorporate a schedule for routing updates, and stated modifications could be made to the policy. Director Cooper recommended that something should be put in place for increases so future boards will not have to do this again. Consensus was that the Board was not ready to vote on the topic, and to table the discussion until the October 17, 2023 Governance Committee Meeting.

Director Wiggin moved, and Director Fleek-Green seconded that the discussion be tabled until the October 17, 2023 Governance Committee Meeting. The motion passed unanimously.

Director Fleek-Green joined online at 5:53 p.m.
Director Fleek-Green joined in-person at 6:11 p.m.

IX. EXECUTIVE SESSION

A. *Strategic Planning (Miller)*

At 6:23 p.m., Director Cooper moved, and Director Wiggin 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 7:18 p.m.

X. NEW BUSINESS

None.

XI. DIRECTOR COMMENTS

Director comments were made at this time.

Director Nordlund left the meeting at 7:20 p.m.

XII. ADJOURNMENT

At 7:28 p.m., Director Wiggin moved, and Director Cooper seconded the motion to adjourn. The motion passed unanimously.

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

Susanne Fleek-Green, Secretary
Date Approved: October 25, 2023

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

October 25, 2023

ACTION REQUIRED

AGENDA ITEM NO. V.D.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

2024 Charge to the Member Advisory Council.

DISCUSSION

Following discussions between the Governance Committee and the 2023 Member Advisory Council, on October 17, 2023, the Chugach Electric Association, Inc. Governance Committee met, reviewed, and discussed the 2024 Charge to the Member Advisory Council.

During the meeting, the Governance Committee unanimously approved the following motion:

Move that the Governance Committee recommend the Board of Directors complete the draft charge to the Member Advisory Council as discussed.

MOTION

(Consent Agenda)

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

October 25, 2023

ACTION REQUIRED

AGENDA ITEM NO. V.E.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Chugach Electric Association, Inc.'s (Association) Member Committee Policies and Procedures.

DISCUSSION

Article XV of the Association's Bylaws provides that "[t]his Article XV shall apply to member committees which may from time to time be appointed by the board. Standing member committees include: the Election Committee, as provided for in Article III, Section 9; the Nominating Committee, as provided for in Article IV, Section 4; and the Bylaws Committee, as provided for in Article XIII, Section 2."

Consistent with the Association's Bylaws, industry standards, and applicable law, the Chief Executive Officer is authorized to and charged with preparing policies and procedures for the Member Committees described in and created under Article IV of the Association's Bylaws. The polices and procedures will provide the Member Committees with directions on how to perform their duties and fulfill their purposes as outlined in the Association's Bylaws.

MOTION

(Consent Agenda)



RESOLUTION

Member Committee Policies and Procedures

WHEREAS, Chugach Electric Association, Inc.'s ("Association") Bylaws delegate certain annual election responsibilities to certain member committees including the Nominating Committee, the Election Committee, and the Bylaws Committee ("Member Committees");

WHEREAS, the Association and its Board of Directors recognize that consistent, transparent, and credible elections are essential to maintaining member confidence in the Association's election process;

WHEREAS, the Board of Directors believes it necessary and appropriate to provide the Member Committee's with direction, consistent with the Association's Bylaws, industry standards, and applicable law, on how to perform their duties and fulfill their purposes in a consistent, transparent, and credible manner.

NOW THEREFORE BE IT RESOLVED, the Board of Directors authorizes and directs the Chief Executive Officer to prepare policies and procedures for the Member Committees providing them with directions on how to perform their duties and fulfill their purposes as outlined in the Association's Bylaws in a consistent, transparent, and credible manner.

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 25th day of October, 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 25th day of October, 2023.

Secretary

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 606

POLICIES AND PROCEDURES FOR MEMBER COMMITTEES

I. OBJECTIVE

To authorize and charge the Chief Executive Officer (CEO) to create policies and procedures for the Member Committees described in and created under Article XV of the Association's Bylaws, which provide the Member Committees with direction on how to perform their duties and fulfill their purposes in a consistent, transparent, and credible manner.

II. CONTENT

Consistent with the Association's Bylaws, industry standards, and applicable law, the CEO is authorized to and charged with preparing policies and procedures for the Member Committees described in and created under Article XV of the Association's bylaws. The policies and procedures will provide the Member Committees with directions on how to perform their duties and fulfill their purposes as outlined in the Association's Bylaws.

III. RESPONSIBILITY

The CEO shall be responsible for the administration of this Policy.

Date Approved: _____, 2023

Attested: _____
Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

October 25, 2023

ACTION REQUIRED

AGENDA ITEM NO. V.F.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

2023 Retail Capital Credit Retirement

DISCUSSION

On October 11, 2023, the Chugach Electric Association, Inc. (Chugach) Board of Directors' Operations Committee met, reviewed, and recommended for approval a proposed 2023 Retail Capital Credit Retirement.

The proposed retirement, in an amount not to exceed \$3,364,092, retires the balance of capital credits for the year 1991, has a 0.21% impact on Chugach's equity to total capitalization ratio and is expected to be distributed no later than December 31, 2023.

MOTION

(Consent Agenda)



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; and

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 \$4,061,868.

NOW THEREFORE BE IT RESOLVED, Chugach shall make a retail capital credit retirement of the remaining balance of 1991, which is \$3,689,092 less \$325,000 paid early to estates and inactive members who closed their memberships and received discounted capital credit payments, or a total amount not to exceed \$3,364,092. This amount will have a 0.21% 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, 2023.

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 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 25th day of October, 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 the 25th day of October, 2023.

Secretary

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

October 25, 2023

ACTION REQUIRED

AGENDA ITEM NO. V.G.

- Information Only
 - Motion
 - Resolution
 - Executive Session
 - Other
-

TOPIC

Director Expenses

DISCUSSION

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

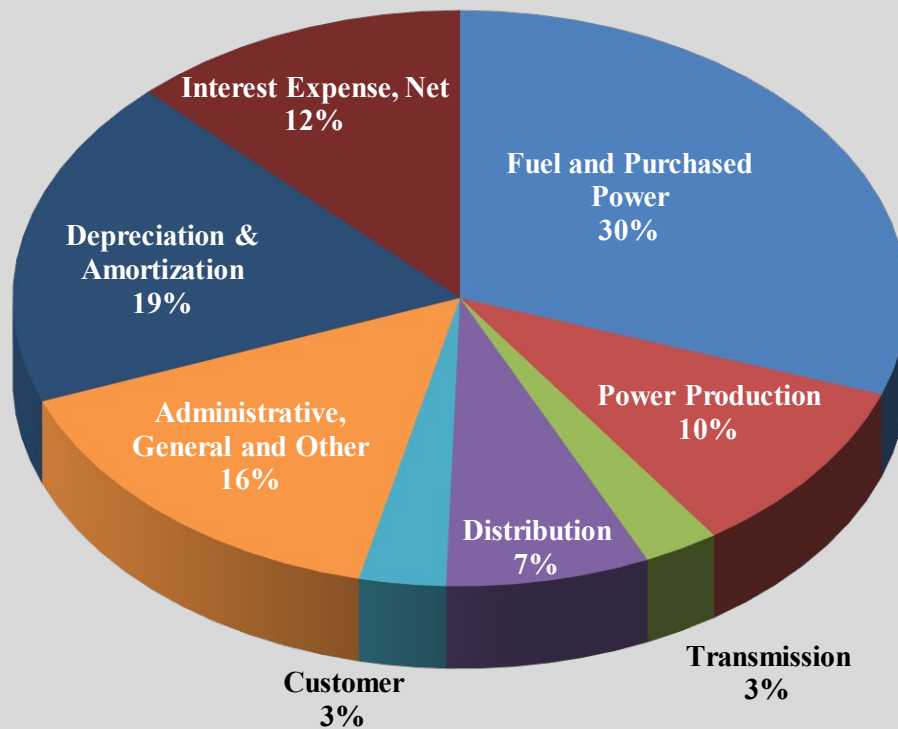
MOTION

(Consent Agenda)

COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2023 MTD ACTUAL TO BUDGET

CATEGORY	ACTUAL	BUDGET	VARIANCE
Operating Revenue & Patronage Capital	\$ 28,149,524	\$ 28,832,934	\$ (683,410)
Fuel and Purchased Power	8,525,115	7,968,182	556,933
Power Production	2,790,638	2,964,954	(174,316)
Transmission	763,972	998,292	(234,320)
Distribution	2,066,336	2,307,766	(241,430)
Customer	877,101	969,048	(91,947)
Administrative, General and Other	4,350,924	4,647,790	(296,866)
Depreciation & Amortization	5,198,024	5,741,580	(543,556)
Interest Expense, Net	3,441,571	3,456,253	(14,682)
Total Cost of Electric Service	\$ 28,013,681	\$ 29,053,865	\$ (1,040,184)
Patronage Capital & Operating Margins	\$ 135,843	\$ (220,931)	\$ 356,774
Non-Operating Margins - Interest	71,275	66,976	4,299
Allowance for Funds Used During Construction	26,795	12,500	14,295
Non-Operating Margins - Other	(200)	(10,850)	10,650
Patronage Capital or Margins	\$ 233,713	\$ (152,305)	\$ 386,018

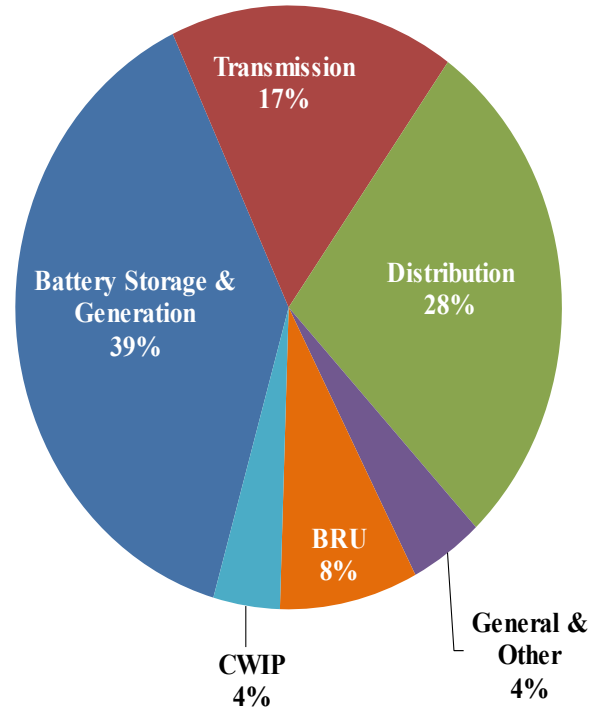
Total Cost of Electric Service (MTD Actual)



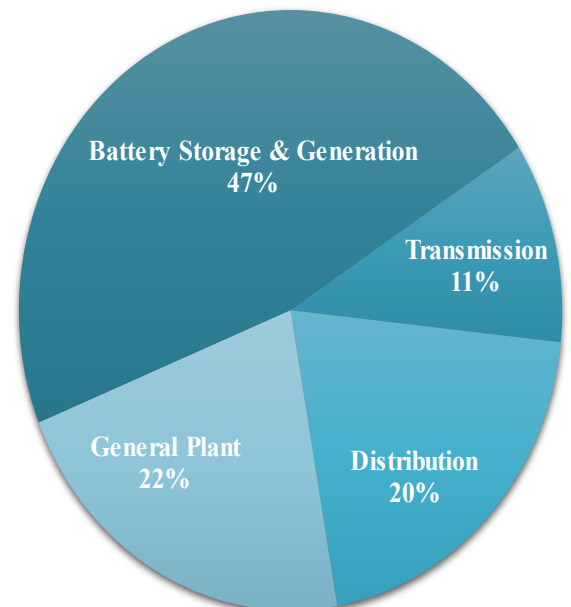
BALANCE SHEET

ASSETS & OTHER DEBITS	8/31/2023	12/31/2022
Electric Plant in Service	2,128,733,907	2,109,990,748
Construction Work in Progress	87,211,502	52,721,736
Total Utility Plant	\$ 2,215,945,409	\$ 2,162,712,484
Accum. Prov. for Depreciation/Amortization	(741,296,510)	(702,820,630)
Net Utility Plant	\$ 1,474,648,899	\$ 1,459,891,854
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	28,397,835	26,275,805
Restricted Cash Equivalents & Other	30,000	30,000
Long-term Prepayments	0	305,854
Total Other Property & Investments	\$ 38,939,407	\$ 37,730,824
Cash & Restricted Cash	12,572,425	15,854,739
Special Deposits	56,800	58,300
Accounts Receivable - Net	50,140,566	50,243,472
Materials and Supplies, Fuel Stock	66,902,896	68,199,774
Prepayments	7,059,271	6,239,353
Other Current & Accrued Assets	34,210,535	20,804,025
Total Current & Accrued Assets	\$ 170,942,493	\$ 161,399,663
Deferred Debits	106,339,876	108,557,249
Total Assets & Other Debits	\$ 1,790,870,675	\$ 1,767,579,590
LIABILITIES & OTHER CREDITS	8/31/2023	12/31/2022
Memberships	2,008,813	1,986,171
Pat. Capital, Margins & Equities	212,367,046	210,349,305
Total Margins & Equities	\$ 214,375,859	\$ 212,335,476
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	(5,886,313)	(5,960,113)
Operating Lease Liabilities	3,558,469	3,583,801
Finance Lease Liabilities	194,808	203,786
Total Long-Term Debt	\$ 1,108,446,293	\$ 1,145,301,470
Notes Payable	151,968,071	94,178,851
Accounts Payable	28,216,877	26,356,140
Consumer Deposits	4,359,772	4,874,798
Other Current & Accrued Liabilities	53,050,006	53,272,014
Total Current & Accrued Liabilities	\$ 237,594,726	\$ 178,681,803
Deferred Compensation	1,749,324	1,387,476
Other Liabilities, Non-Current	698,867	658,627
Deferred Liabilities	12,154,579	9,639,703
BRU Regulatory Liability	88,871,265	96,612,203
Cost of Removal Obligation	126,979,762	122,962,832
Total Liabilities & Other Credits	\$ 1,790,870,675	\$ 1,767,579,590

Total Utility Plant \$2,128,733,907



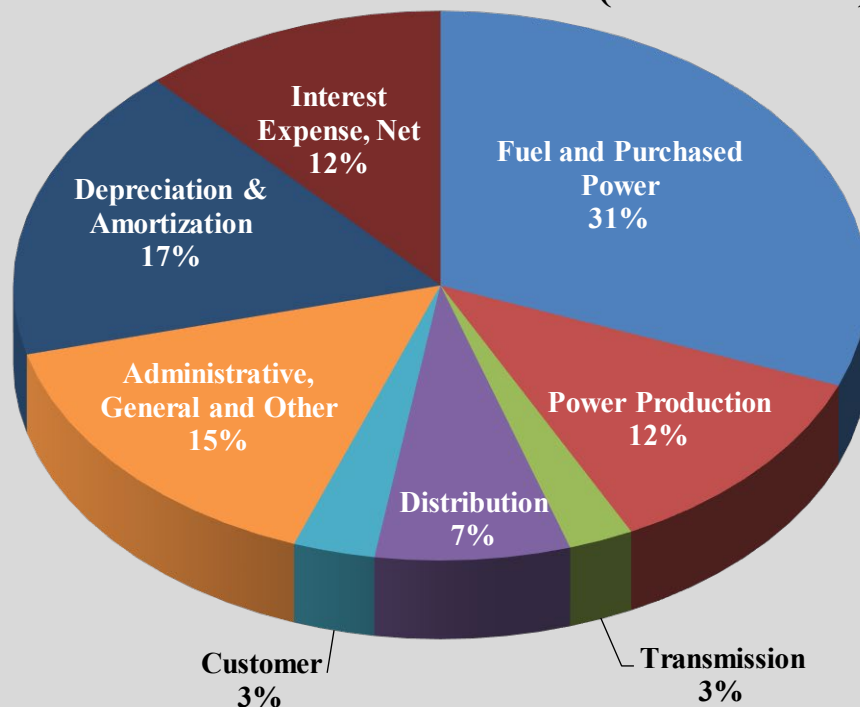
Construction Work in Progress \$87,211,502



COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS 2023 YTD ACTUAL TO BUDGET

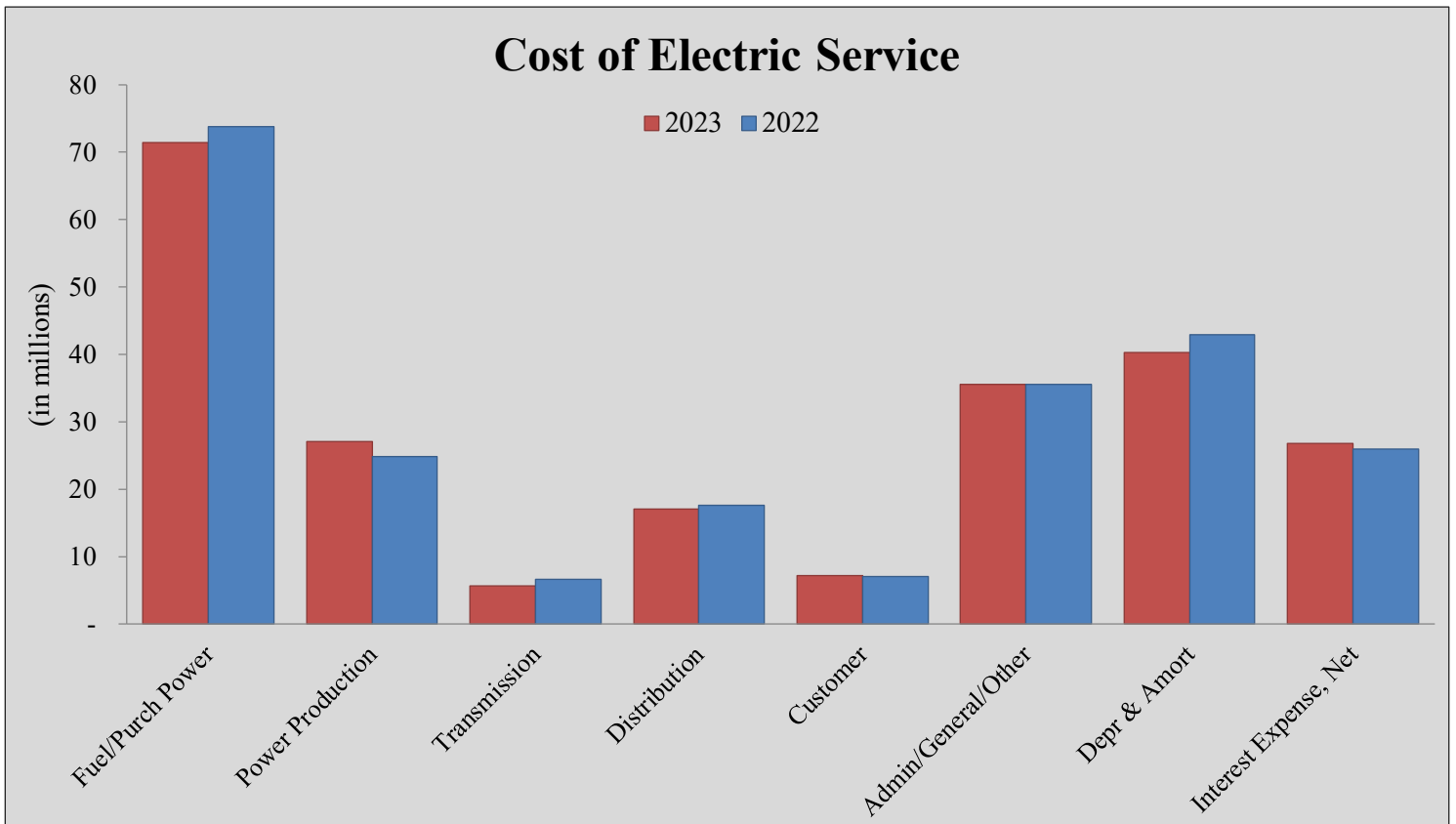
CATEGORY	ACTUAL	BUDGET	VARIANCE
Operating Revenue & Patronage Capital	\$ 232,371,951	\$ 227,696,486	\$ 4,675,465
Fuel and Purchased Power	71,473,221	64,684,984	6,788,237
Power Production	27,053,875	25,031,648	2,022,227
Transmission	5,674,777	7,915,046	(2,240,269)
Distribution	17,047,313	17,720,657	(673,344)
Customer	7,143,878	7,400,578	(256,700)
Administrative, General and Other	35,565,256	35,790,869	(225,613)
Depreciation & Amortization	40,334,119	43,340,136	(3,006,017)
Interest Expense, Net	26,776,606	26,164,563	612,043
Total Cost of Electric Service	\$ 231,069,045	\$ 228,048,481	\$ 3,020,564
Patronage Capital & Operating Margins	\$ 1,302,906	\$ (351,995)	\$ 1,654,901
Non-Operating Margins - Interest	729,677	607,771	121,906
Allowance for Funds Used During Construction	134,812	100,000	34,812
Non-Operating Margins - Other	(73,699)	(86,800)	13,101
Patronage Capital or Margins	\$ 2,093,696	\$ 268,976	\$ 1,824,720
MFI/I	1.07	1.01	
TIER	1.08	1.01	

Total Cost of Electric Service (YTD Actual)

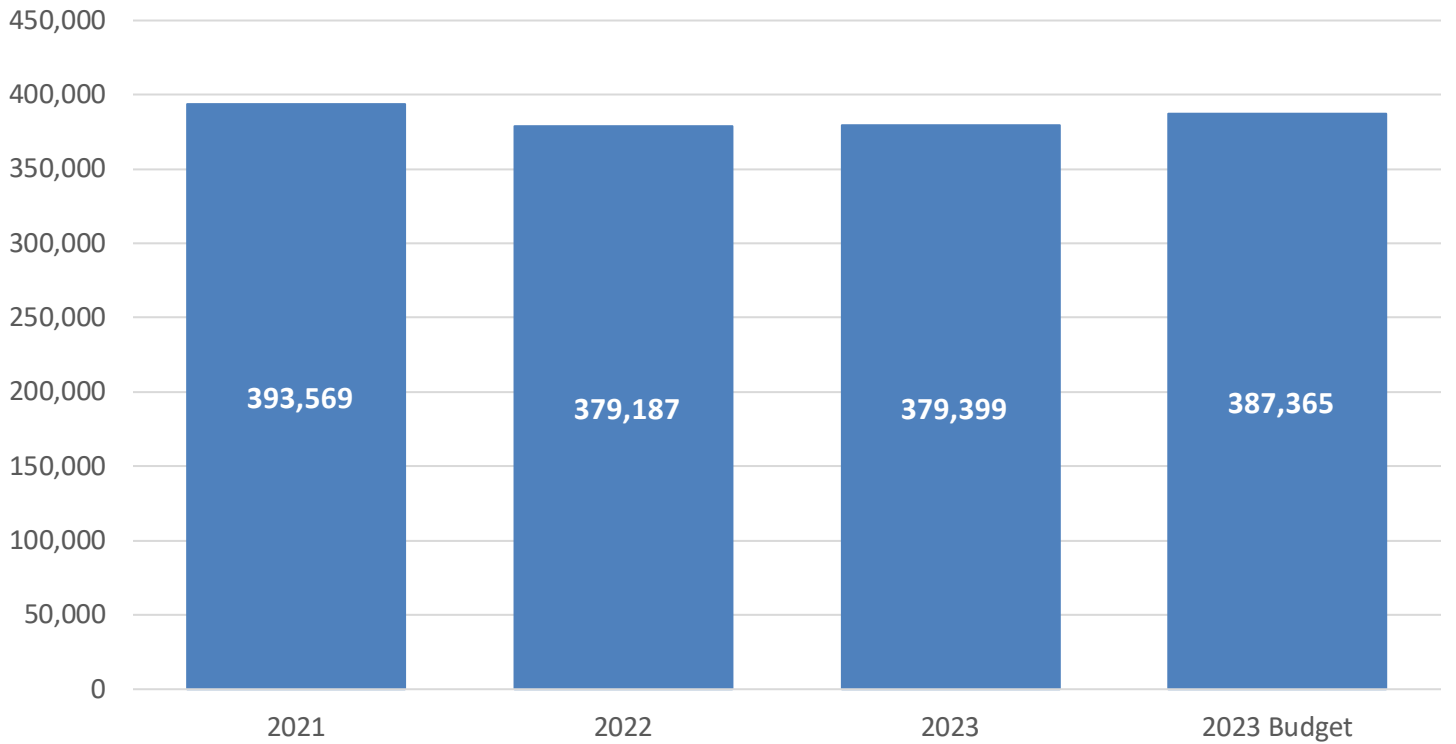


**COMPARATIVE FINANCIAL REPORT
STATEMENT OF OPERATIONS
CURRENT TO PRIOR YTD
ACTUAL TO ACTUAL**

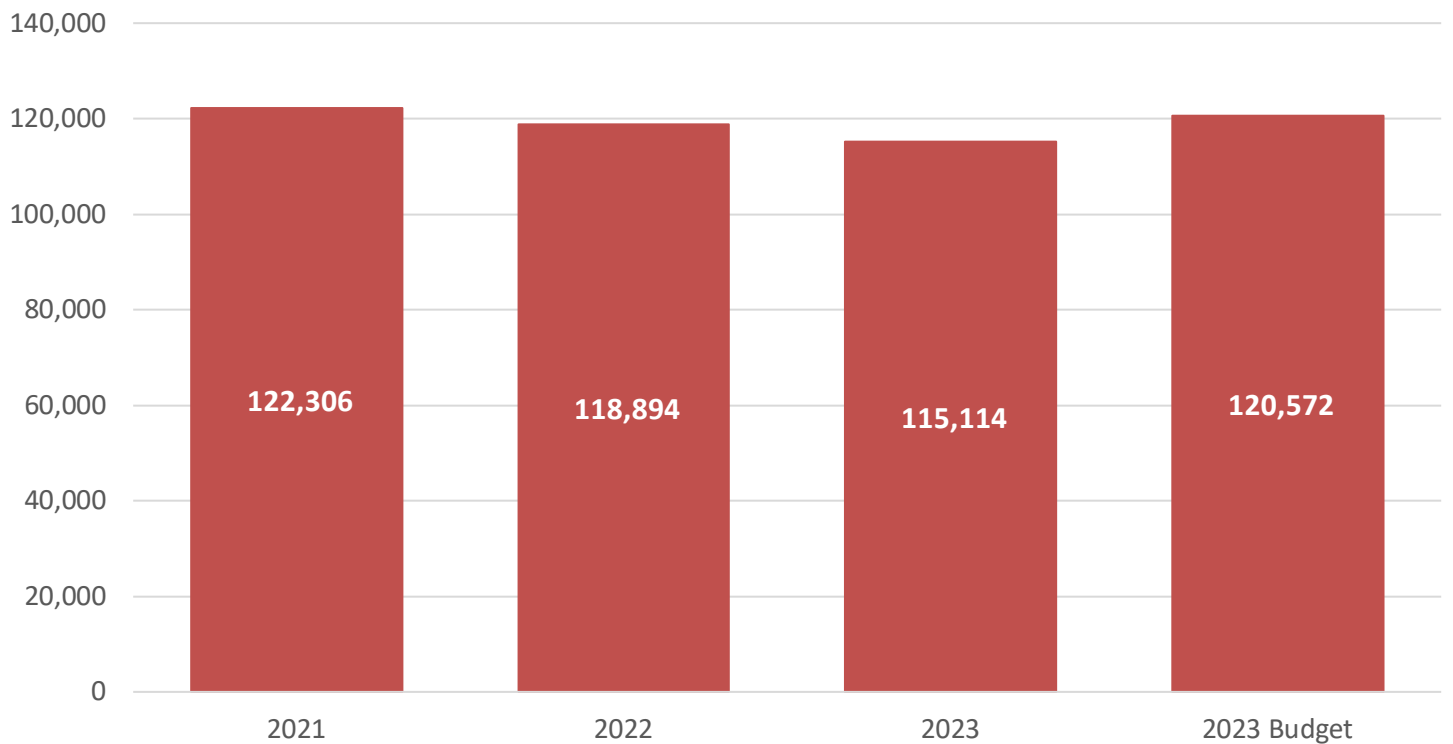
CATEGORY	2023	2022	VARIANCE
Operating Revenue & Patronage Capital	\$ 232,371,951	\$ 235,493,817	\$ (3,121,866)
Fuel and Purchased Power	71,473,221	73,784,823	(2,311,602)
Power Production	27,053,875	24,801,634	2,252,241
Transmission	5,674,777	6,562,088	(887,311)
Distribution	17,047,313	17,603,966	(556,653)
Customer	7,143,878	7,022,507	121,371
Administrative, General and Other	35,565,256	35,524,420	40,836
Depreciation & Amortization	40,334,119	42,920,040	(2,585,921)
Interest Expense, Net	26,776,606	25,910,573	866,033
Total Cost of Electric Service	\$ 231,069,045	\$ 234,130,051	(3,061,006)
Patronage Capital & Operating Margins	\$ 1,302,906	\$ 1,363,766	(60,860)
Non-Operating Margins - Interest	729,677	316,996	412,681
Allowance for Funds Used During Construction	134,812	56,127	78,685
Non-Operating Margins - Other	(73,699)	(47,814)	(25,885)
Patronage Capital or Margins	\$ 2,093,696	\$ 1,689,075	404,621
MFI/I	1.07	1.06	
TIER	1.08	1.06	

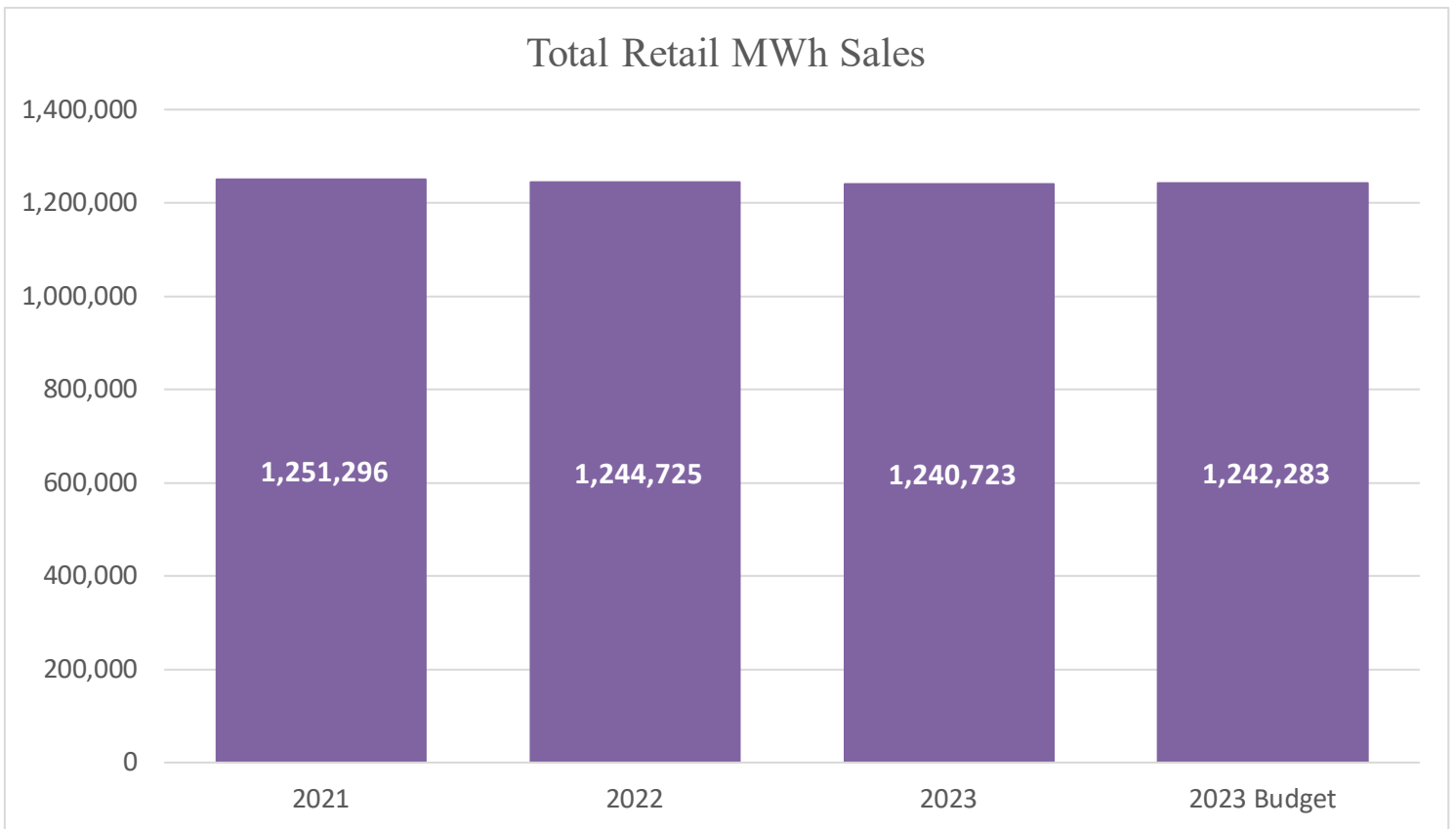
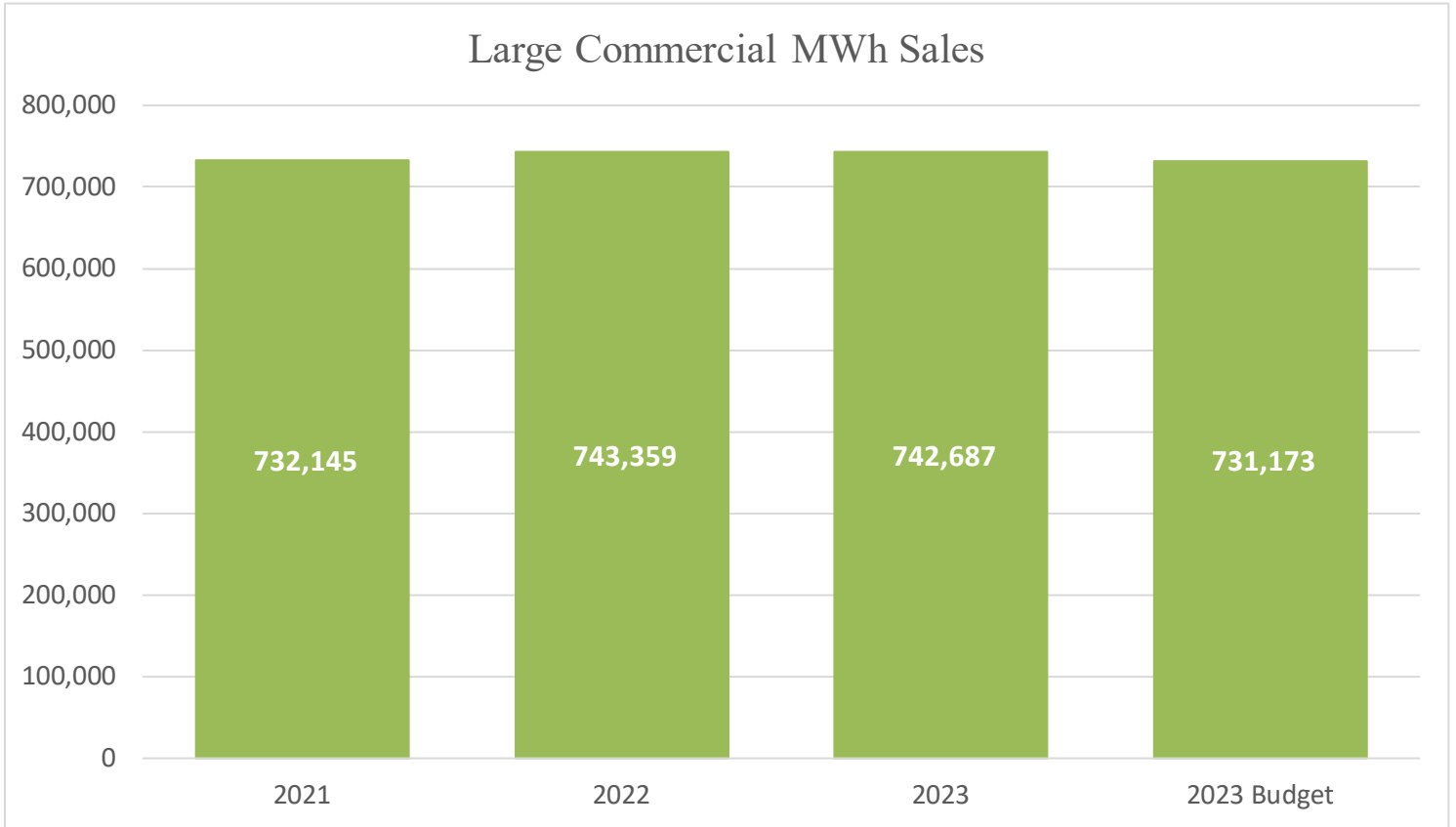


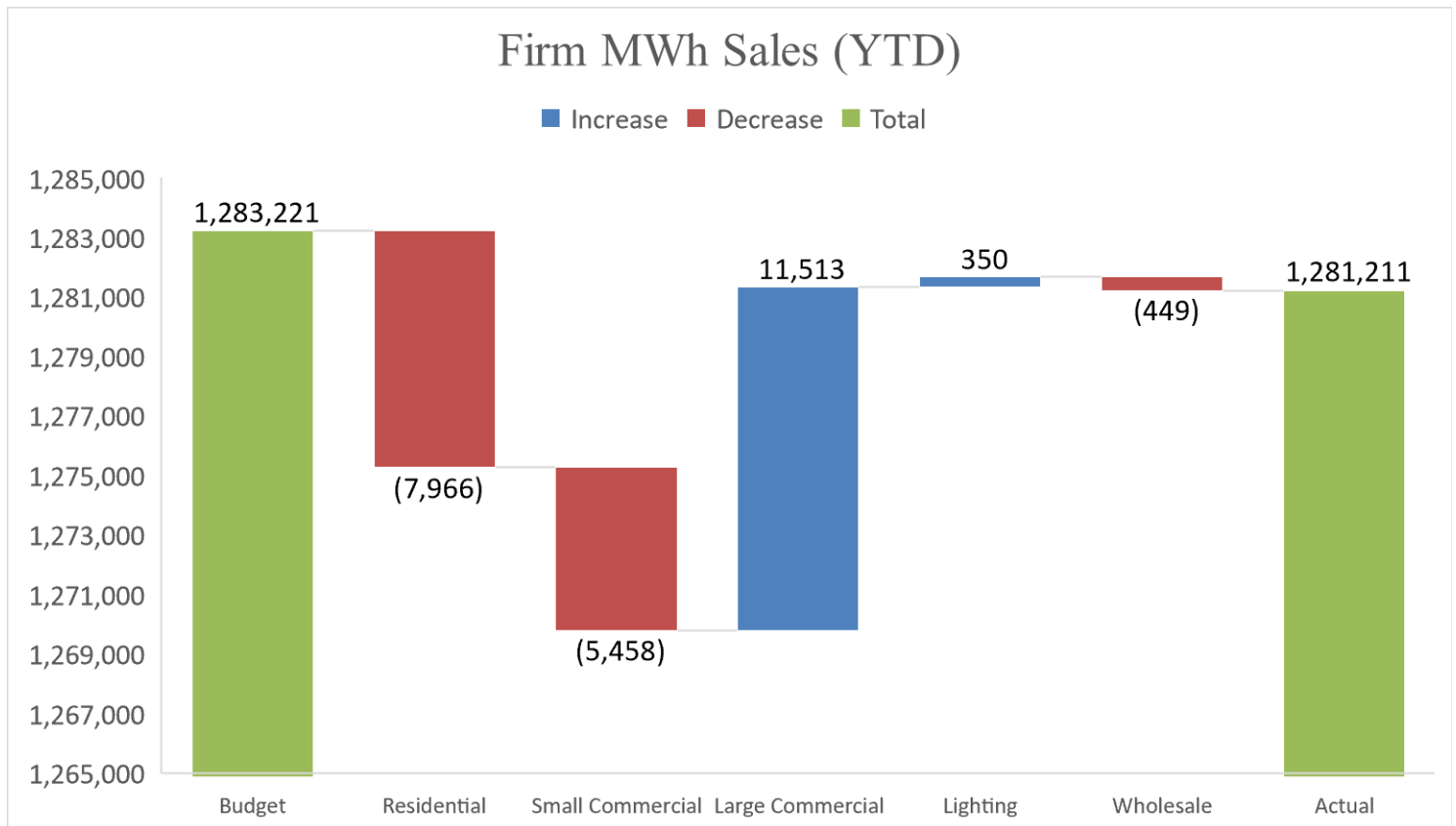
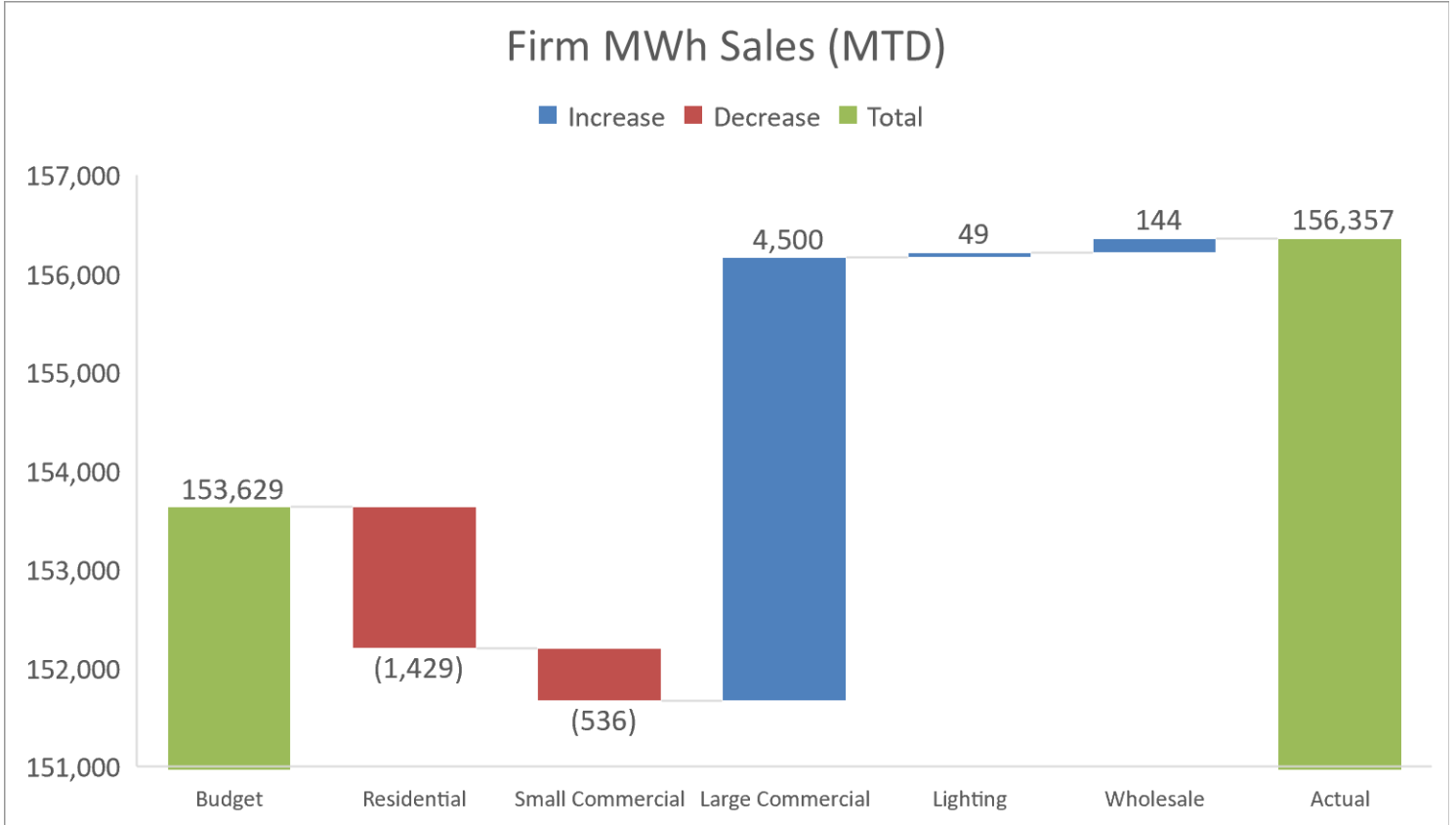
Residential MWh Sales



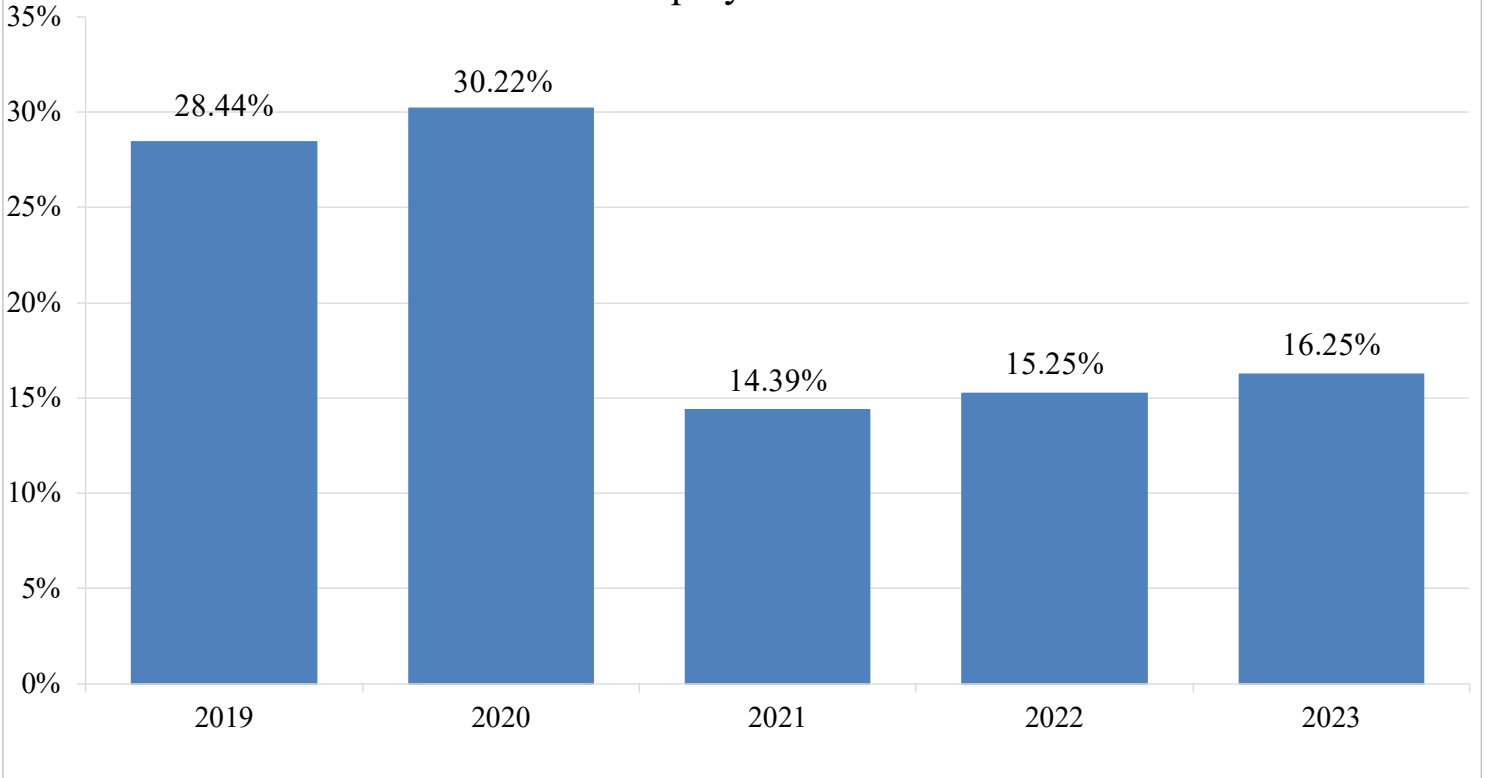
Small Commercial MWh Sales





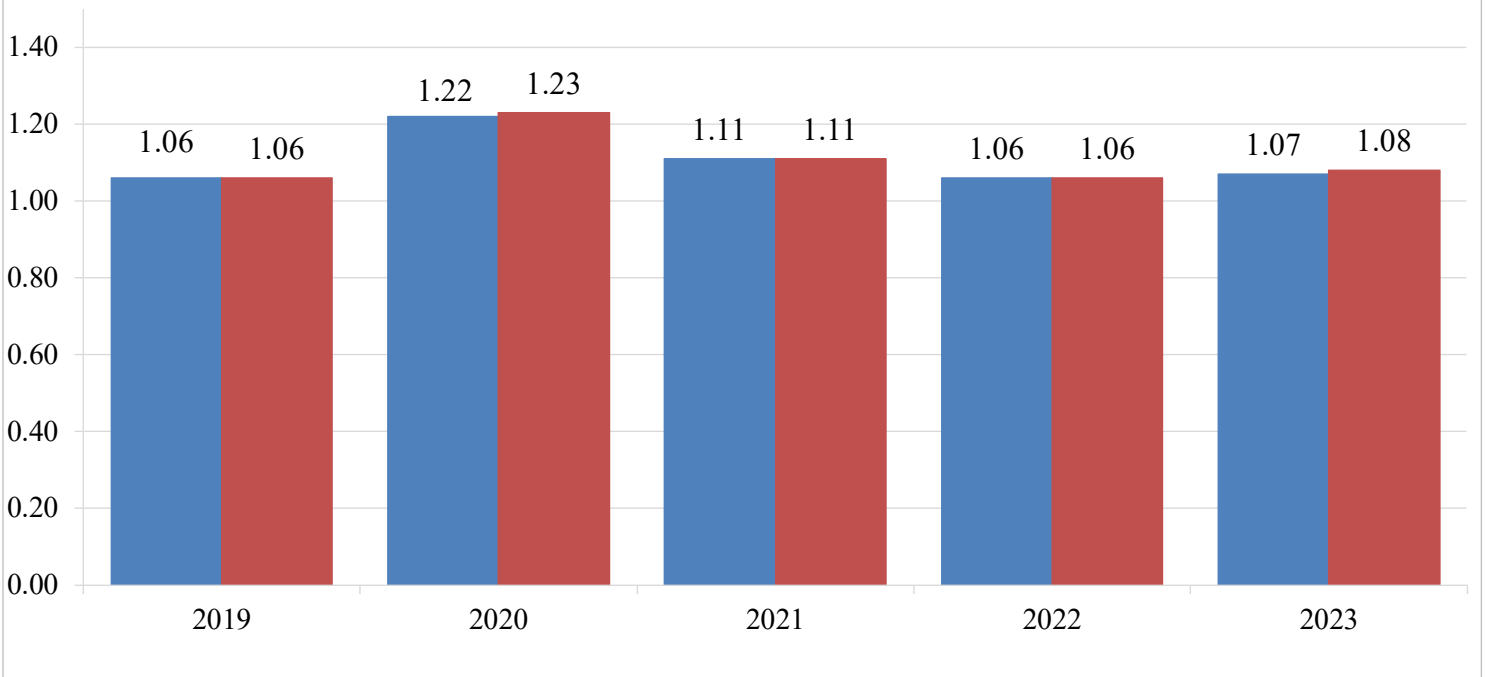


Equity Ratio



MFI/I and TIER

■ MFI/I ■ TIER



ENERGY SALES (kWh)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Energy Sales	1,240,723,217	1,242,283,459
Wholesale Energy Sales	<u>40,488,076</u>	<u>40,937,482</u>
Total Firm Energy Sales	1,281,211,293	1,283,220,941
Economy Energy/Capacity	114,806,000	77,868,355
Power Pool Sales	<u>98,665,000</u>	<u>105,000,000</u>
Total Energy Sales	1,494,682,293	1,466,089,296

Firm energy sales totaled 1,281,211,293 kWh, which was a 0.2% 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 47.4% due to higher than anticipated sales to GVEA, while power pool sales to MEA were under budget by 6.0%.

ENERGY REVENUE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Retail Revenue	\$ 216.4	\$ 218.1
Wholesale Revenue	<u>3.8</u>	<u>3.4</u>
Total Firm Revenue	220.2	221.5
Economy Energy/Capacity Revenue	6.6	1.4
Power Pool Revenue	1.4	1.1
Other Operating Revenue	<u>4.2</u>	<u>3.7</u>
Total Revenue	\$ 232.4	\$ 227.7

Revenue from firm sales was under budget at \$220.2 million compared to a budget of \$221.5 million. This unfavorable variance was due primarily to lower residential and small commercial sales, in addition to the delayed effective date of interim rates. The interim rate increase was budgeted to take effect on August 1st, however, it did not go into effect until September 1st, thus contributing to the unfavorable variance in revenue. This was somewhat offset by higher large commercial and wholesale revenue as a result of higher fuel and purchased power recovered in revenue. Economy energy and capacity revenue was over budget by 355.1%, 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 \$1.4 million compared to a budget of \$1.1 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 14.7%, due primarily to wheeling from GVEA.

FUEL AND PURCHASED POWER (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Fuel	\$ 49.4	\$ 46.7
Purchased Power	<u>22.1</u>	<u>18.0</u>
Total	\$ 71.5	\$ 64.7

Fuel expenses include fuel, storage, transportation, and BRU operating costs. Fuel expense was over budget at \$49.4 million compared to \$46.7 million in the budget.

Fuel purchased or withdrawn from inventory for production was 3,861,468 Mcf at an average effective price of \$8.85 per Mcf compared to 3,260,815 Mcf budgeted at an average effective price of \$9.04 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 \$22.1 million compared to \$18.0 million in the budget. This unfavorable variance was due primarily to higher purchases from MEA through power pooling.

Energy purchased was 292,348 MWh at an average effective price of 6.1 cents per kWh compared to 237,023 MWh budgeted at an average effective price of 6.0 cents per kWh.

POWER PRODUCTION (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Power Production	\$ 27.0	\$ 25.0

Power production expense was \$27.0 million compared to \$25.0 million in the budget. The unfavorable variance was due primarily to higher labor and material costs at the Sullivan plant, and higher labor at the Beluga plant.

TRANSMISSION OPERATIONS AND MAINTENANCE (in millions)

	<u>2023 Actual</u>	<u>2023 Budget</u>
Transmission	\$ 5.7	\$ 7.9

Transmission operations and maintenance expenses were \$5.7 million compared to \$7.9 million in the budget. This favorable variance was due primarily to less maintenance materials, 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	\$ 17.0	\$ 17.7

Distribution operations and maintenance expenses were \$17.0 million compared to \$17.7 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	\$ 7.1	\$ 7.4

Consumer accounts and customer information expense was \$7.1 million compared to \$7.4 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	\$ 35.6	\$ 35.8

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 expense.

Depreciation, interest, and interest during construction expense totaled \$67.1 million compared to \$69.5 million in the budget. The favorable variance was due primarily to lower than anticipated depreciation rates as approved in our new depreciation study, lower than anticipated capital spending and lower amortization as a result of timing related to new regulatory assets included in Chugach's rate case, 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 total cost of electric service of \$231.0 million compared to \$228.0 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 \$790.8 thousand compared to \$621.0 thousand in the budget due primarily to higher non-operating interest income.

The net result of revenue and expenses was margins of \$2.1 million compared to projected margins of \$0.3 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 16.25%. The current forecast projects year-end margins of \$8.3 million, an MFI/I of 1.19, and TIER of 1.21.

COMPARATIVE FINANCIAL REPORT

STATEMENT OF OPERATIONS 2023 YEAR-END FORECAST

CATEGORY	YTD ACTUAL	YTD BUDGET	REVISED BUDGET	YEAR-END FORECAST
Operating Revenue and Patronage Capital	\$ 232,371,951	\$ 227,696,486	\$ 355,033,525	\$ 354,253,050 ¹
Fuel and Purchased Power Expense	71,473,221	64,684,984	100,583,752	100,583,752
Power Production Expense	27,053,875	25,031,648	37,356,737	38,752,839 ¹
Transmission Expense	5,674,777	7,915,046	11,617,536	10,512,501 ¹
Distribution Expense	17,047,313	17,720,657	26,635,196	26,901,566 ¹
Customer Expense	7,143,878	7,400,578	11,055,459	11,055,459
Administrative, General & Other	35,565,256	35,790,869	53,359,769	53,391,856 ¹
Depreciation and Amortization Expense	40,334,119	43,340,136	66,472,501	63,873,262 ¹
Interest Expense, Net	26,776,606	26,164,563	40,305,418	41,694,707 ¹
Total Cost of Electric Service	\$ 231,069,044	\$ 228,048,481	\$ 347,386,368	\$ 346,765,942
Patronage Capital & Operating Margins	\$ 1,302,906	\$ (351,995)	\$ 7,647,157	\$ 7,487,108
Non-Operating Margins - Interest	729,677	607,771	770,763	770,763
Allowance for Funds Used During Construction	134,812	100,000	150,000	150,000
Non-Operating Margins - Other	(73,699)	(86,800)	(130,200)	(130,200)
Patronage Capital or Margins	\$ 2,093,696	\$ 268,976	\$ 8,437,720	\$ 8,277,671
MFI/I	1.07	1.01	1.20	1.19
TIER	1.08	1.01	1.22	1.21

¹ Forecast has been adjusted to reflect anticipated changes

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

October 25, 2023

ACTION REQUIRED

AGENDA ITEM NO. VIII.A.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

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

DISCUSSION

Article IV, Section 9 of the Association's, Bylaws provide "[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 identifying 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 National Directors Survey, Peer Group 1 – Revenue (\$205M - \$580M), a Beluga River Unit complexity percentage and a geographic pay differential from 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 and current market director compensation data as proposed.

MOTION

Move that the Board of Directors approve the attached Resolution and Board Policy 204, adopting a new schedule and structure 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 provide 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 identifying 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), a Beluga River Unit (BRU) complexity factor calculation and a geographic pay differential calculation; 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 and 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, outlining Board of Directors compensation beginning November 1, 2023, and further adjusted effective January 1, 2025, and January 1, 2026;

BE IT FURTHER RESOLVED, beginning January 1, 2027, and annually thereafter, Board Policy 204 shall be further revised as each NRECA National Directors Survey becomes available utilizing the same peer group, or equivalent, plus a BRU complexity percentage utilizing the previous fiscal years’ BRU market revenue as a percentage of the previous years’ total revenue plus a geographic pay differential based on the current available Bureau of Labor Statistics, all rounded to the nearest twenty five dollars; and

BE IT FURTHER RESOLVED, that the Board of Directors shall review and commit to the submittal of a proposed bylaw change for consideration in the 2024 annual election that reduces the maximum number of compensable regular and special board meetings and board committee meetings and/or a bylaw change that establishes a maximum annual amount a director can be compensated between the Association’s annual member meetings.

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 25th day of October, 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 25th day of October, 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 Directors 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 Meetings/Events Fee" in the amount identified in Appendix A shall be paid to Directors for each day of attendance, or fraction thereof, at: (1) 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: October 25, 2023

Attested: _____
Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

SCHEDULE OF DIRECTOR FEES

Description	Effective November 1, 2023	Effective January 1, 2025	Effective January 1, 2026
Regular & Special Board Meeting Fee	\$450	\$600	\$750
Board Chair Fee	\$75	\$100	\$125
Board Committee Meeting Fee	\$392	\$483	\$575
Board Committee Chair Fee	\$32	\$63	\$95
Other Meetings/Events Fee	\$250	\$300	\$350
Conferences/Education Fee (In-State)	\$250	\$300	\$350
Conferences/Education Fee (Out-of-State)	\$350	\$350	\$350
Travel Fee (In-State)	\$250	\$300	\$350
Travel Fee (Out-of-State)	\$317	\$333	\$350

Beginning January 1, 2027, and annually thereafter:

Survey – NRECA National Directors Survey (current available) Peer Group 1 – Revenue (\$205M - \$580M), or equivalent, Average + Complexity Percentage (previous fiscal year BRU market revenue as a % of previous fiscal year total revenue) + Geographic Pay Differential (Bureau of Labor Statistics, current available), rounded.