

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

**December 14, 2022**  
**Wednesday**  
**4:00 p.m.**

**REGULAR BOARD OF DIRECTORS' MEETING**

Recording Secretary: Sandra Cacy

**I. CALL TO ORDER**

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

*A. Pledge of Allegiance*

Chair Chastain led the Board in the Pledge of Allegiance.

*B. Roll Call*

*Board Members Present:*

Bettina Chastain, Chair  
Mark Wiggin, Vice Chair  
Harold Hollis, Treasurer  
Sam Cason, Secretary  
Erin Whitney, Director  
Rachel Morse, Director  
Sisi Cooper, Director

*Staff and Guests in Attendance:*

*Present:*

Arthur Miller	Sherri Highers	Kate Ayers
Matthew Clarkson	Jean Kornmuller	Dustin Higher
Eugene Ori	Todd McCarty	Crystal Enkvist, APA
Marty Freeman	Sean Skaling	Karen Griffin
Andrew Laughlin	Kyle Wooly	Brandy Richards
Dustin Highers	Bart Armfield,	Nathaniel Herz,
Bernie Smith, Member	Consultant	Northern Journal
Harry Crawford, Member	Scarlett Masten	David Caye
Shaina Kilcoyne,	Nathan Golab	Mark Henspeter
Member	Barry Piser	Julie Hasquet

*Via Teleconference:*

Arden Quezon	Rachel Christenson,	Aurora Roth,
Curtis Sims	Member	Non-member
Josh Travis	Matt Perkins,	Chis Rose, REAP
Teresa Kurka	Member	Sydney Bidwell,
Mitchell Roth, Member	Antony Scott, Member	Non-member

- C. *Safety Minute*  
Marty Freeman, Senior Manager, HSE, discussed “*Ice Safety*” and *November’s Safety Statistics*.
- D. *Electric Power Factoid: Balance Sheet*  
Karen Griffin, VP, Finance and Accounting, presented an overview on Balance Sheet and responded to questions from the Board.

## II. APPROVAL OF AGENDA

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

## III. PERSONS TO BE HEARD

### A. *Member Comments*

Bernie Smith, Chugach member and Member Advisory Council (MAC) member, addressed the Board about the MAC and how they bring value to Chugach. He also thanked Julie Hasquet, Sr. Manager Corporate Communications, for all her hard work, and Arthur Miller, Chief Executive Officer (CEO), for his attendance at the MAC meetings.

Shaina Kilcoyne, member, addressed the Board about the Hydrogen workshop in Girdwood she attended and included that Director Whitney, and Dustin Highers, VP, Corporate Programs were also in attendance.

Antony Scott, member, addressed the Board in regard to legislative matters being discussed in Executive Session.

Sydney Bidwell, a college student outside of Alaska, spoke to the Board about her desire to see more Alaskan utilities such as Chugach, moving forward with more renewables.

## IV. DIRECTOR REPORTS

### A. *Alaska Power Association (APA) Report*

Director Hollis introduced Crystal Enkvist, Executive Director, APA, who provided an update on APA activities and upcoming events. Ms. Enkvist congratulated Director Hollis on becoming the VP of the APA Board,

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

Director Whitney introduced Chris Rose, Executive Director, REAP, who reported on REAP activities and upcoming events and responded to questions from the Board.

Director Whitney also stated that Chugach submitted a nomination form for a seat in the REAP Board.

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

Director Hollis reported on the November 30, 2022 Audit & Finance Meeting and that the next meeting would be March 29, 2023.

Director Hollis reported on the December 7, 2022, Operations Committee meeting.

Director Cason reported on the December 5, 2022 Governance Committee meeting.

*D. Other Meeting Reports*

Director Whitney reported on the Hydrogen Workshop that she and Dustin Highers, VP, Corporate Programs attended. Mr. Highers also commented on the meeting and mentioned that it might be a good topic for an upcoming Operations Committee meeting.

**V. CONSENT AGENDA**

*A. Board Calendar*

- 1. Excused Absence for Director Cooper – November 28, 2022, Regular Board of Directors' Meeting*

*B. Training and Conferences*

- 1. NRECA PowerXchange, March 3-8, 2023, Nashville, TN*

*C. Minutes*

- 1. November 28, 2022, Regular Board of Directors' Meeting (Doyle)*

*D. Director Expenses*

*E. Pre-Approval for FY2022 Audit Services*

*F. Appointments to 2023 Member Advisory Council (MAC)*

*G. Appointments to 2023 Bylaws Committee*

*H. Appointments to 2023 Election Committee*

*I. Appointments to 2023 Nominating Committee*

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

**VI. CEO REPORTS AND CORRESPONDENCE**

*A. Enterprise Resource Planning (ERP) Project Update (Travis/McCarty)*

Arthur Miller, CEO, and Todd McCarty, VP, Information Services, provided an update on the Enterprise Resources Planning project and responded to questions from the Board.

*B. 4<sup>th</sup> Quarter 2022 Railbelt Bill Comparison (Richards)*

Brandy Richards, Economy and Finance Regulatory Analyst, reported on the 4<sup>th</sup> Quarter Railbelt Bill comparison and responded to questions from the Board.

*C. Board Policies Scheduled Tasks (Staff/Board)*

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

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

**VII. UNFINISHED BUSINESS**

None.

## VIII. NEW BUSINESS

- A. *Decarbonization Program Update (D. Highers)*  
Dustin Highers, VP, Corporate Programs, updated the board on the Decarbonization Program and responded to questions from the Board.
- B. *Community Solar Project Update (Skaling)*  
Sean Skaling, Sr. Manager, Business and Sustainable Programs and Development, updated the board on the Community Solar Project and responded to questions from the Board.

## IX. EXECUTIVE SESSION

- A. *Legislative Matters on Renewable and Clean Energy (Ayers/Skaling)*
- B. *2023-2027 Strategic Plan (Ayers/Skaling/Richards)*
- C. *Chugach – Hilcorp Alaska, LLC Shared Services Agreement (Armfield)*
- D. *Railbelt Reliability Council – status and Project Impacts (Clarkson)*
- E. *2023 Operating and Capital Budget Review (S. Highers)*

At 5:44 p.m., Director Hollis moved and Director Morse seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1) and (4) the Board of Directors go into executive session to: 1) discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) discuss with its attorneys legal 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 7:52 p.m.*

## X. NEW BUSINESS

- A. *Approve One Campus Plan (Resnick/S. Highers)*  
Director Cooper moved, and Director Wiggin seconded the motion that the Board of Directors approve the attached resolution authorizing the Chief Executive Officer to move forward with the One Campus Plan. The motion passed unanimously.
- B. *Approve 2023 Operating and Capital Budget (S. Highers)*  
Director Hollis moved, and Director Cason seconded the motion that the Board of Directors approve the 2023 Operating and Capital Budget which is expected to produce margins of \$8.4 million, MFI/I ratio of 1.20, TIER ratio of 1.22 and Equity to Total Capitalization ratio of 16.3%. These results are based on a Total Cost of Service of \$347.4 million, Total revenue of \$355.0 million, Non-Operating Margins of \$0.8 million, and a capital expenditure cash requirement of \$154.5 million. The motion passed unanimously.
- C. *Approve 2023-2027 Strategic Plan (Ayers/Skaling/Richards)*  
Director Wiggin moved and Director Morse seconded the motion that the Board of Directors approve the 2023 – 2027 Strategic Plan as discussed in executive Session.

Director Whitney requested a friendly amendment to the 2023 – 2027 Strategic Plan on page 13 to state, "greater than or equal to 40% by 2030" and "greater than or equal to

50% by 2035” consistent with information provided. The motion failed with a 5 to 2 votes.

Director Whitney – yes  
Director Cason – yes  
Director Chastain – no  
Director Wiggin – no  
Director Morse – no  
Director Hollis – no  
Director Cooper – no

Chair Chastain called for a vote to approve the 2023 – 2027 Strategic Plan as discussed in Executive Session and the motion passed with a 5 to 2 votes.

Director Whitney – no  
Director Cason – no  
Director Chastain – yes  
Director Wiggin – yes  
Director Morse – yes  
Director Hollis – yes  
Director Cooper – yes

**XI. DIRECTOR COMMENTS**

Director comments were made at this time.

**XII. ADJOURNMENT**

At 8:07 p.m., Director Wiggin moved and Director Cason seconded the motion to adjourn. The motion passed unanimously.



Samuel Cason, Secretary

Date Approved: January 25, 2023