

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

August 19, 2019
Monday
4:00 PM

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Arden Quezon

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
Susan Reeves, Vice Chair
Stuart Parks, Secretary
Rachel Morse, Treasurer (*arrived at 4:05 p.m.*)
Jim Henderson, Director
Harry Crawford, Director
Harold Hollis, Director

Guests and Staff in Attendance:

Lee Thibert	Pete Smithson	Kate Ayers
Brian Hickey	Connie Owens	Marty Freeman
Matthew Clarkson	Josh Resnick	Kristen Collins, AK Center
Arthur Miller	Phil Steyer	Wes Cashman, RGP
Tyler Andrews	Jean Kornmuller	Aaron, Wiseman, Gonzalez
Paul Risse	Andrew Laughlin	Marketing
Mark Fouts	Sean Skaling	Don Edwards, Consultant

C. *Safety Minute*
Marty Freeman, Manager, Safety discussed "*Home Security*".

Director Morse arrived at 4:05 p.m.

II. APPROVAL OF THE AGENDA

Director Reeves moved and Director Crawford seconded the motion to approve the agenda. The motion passed unanimously.

III. PERSONS TO BE HEARD

- A. *Member Comments*
None

IV. CONSENT AGENDA

- A. *Board Calendar*
- B. *Training and Conferences*
 - 1. *APA Accounting and Finance Workshop, October 10-11, 2019, Anchorage, AK (Deadline for conference registration is September 6, 2019)*
 - 2. *Gettysburg Leadership Experience, October 29-31, 2019, Gettysburg, PA (Deadline for conference and hotel registration is September 17, 2019)*
- C. *Minutes*
 - 1. *July 30, 2019, Regular Board of Directors' Meeting (Portades)*
- D. *Director Expenses*

Director Parks moved and Director Reeves seconded the motion to approve the consent agenda. The motion passed unanimously.

V. CEO REPORTS AND CORRESPONDENCE

- A. *Solarize Anchorage Campaign at the Alaska Center (Collins)*
Deferred until after V.C. Member Appreciation Day and National Drive Electric Week – Planning Update.

Kristen Collins, Alaska Center, presented the Solarize Anchorage Campaign at the Alaska Center and responded to questions from the Board.

Arthur Miller, Executive VP, Regulatory & External Affairs responded to questions from the Board.

- B. *2019 State Legislative Briefing (Steyer)*
Phil Steyer, Director, Government Relations, discussed the 2019 State Legislative Briefing.
- C. *Member Appreciation Day and National Drive Electric Week – Planning Update (Kurka/Miller)*
Kate Ayers, Member and Energy Program Specialist, discussed the Member Appreciation Day and National Drive Electric Week and responded to questions from the Board.

VI. DIRECTOR REPORTS

- A. *Alaska Power Association (APA) Report*
Director Hollis stated that a report from Crystal Enkvist, APA is provided in the meeting packet and reported on APA's participation in a Connectivity Alaska meeting and that the next APA Board of Directors meeting will be on August 22, 2019 in Juneau.
- B. *Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report*
Director Crawford reported that there was no ARCTEC meeting to report.

C. *Renewable Energy Alaska Project (REAP) Report*
Director Morse reminded the Board that REAP's 15th Anniversary is on August 28, 2019 and reported on August 5, 2019, REAP Public Policy Committee meeting.

D. *Board Committee Reports (Audit and Finance, Operations & Governance)*
Director Morse reported on the August 7, 2019, Audit and Finance Committee meeting.

Director Parks stated that there was no Operations Committee meeting to report.

Vice Chair Reeves reported on the August 8, 2019, Governance Committee meeting.

E. *Other Meeting Reports*
None

VII. UNFINISHED BUSINESS

None

VIII. NEW BUSINESS

A. *Simplified Rate Filing – June 2019 Test Year* (Kornmuller/Miller)*
Jean Kornmuller, Manager, Regulatory Affairs discussed the Simplified Rate Filing – June 2019 Test Year and responded to questions from the Board. Lee Thibert, Chief Executive Officer (CEO) responded to questions and stated that further discussion will be added to Executive Session.

Motion has been deferred to New Business after Executive Session. No objections were made.

B. *NRECA Resolutions* (Board)*
Phil Steyer, Director, Government Relations stated that a memo summarizing the proposed NRECA resolution is provided in the meeting packet.

Mr. Steyer discussed the NRECA Resolutions and responded to questions from the Board.

Director Reeves encouraged the Board to review the materials provided and be prepared for further discussion at the next Board meeting. No objections were made.

IX. EXECUTIVE SESSION

- A. *Report to Board on 2019 Salary Table Market Revision*
- B. *IMO Update*
- C. *IMO Professional Service Contract Extension for RGP*
- D. *ML&P Acquisition RCA Filing Update*
- E. *Organizational Structure*

At 5:09 p.m., Director Reeves moved and Director Morse 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 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 7:45 p.m.

X. NEW BUSINESS

A. 2019 Salary Table Market Revision (Andrews)*

The 2019 Salary Table Market Revision has been deferred to September 17, 2019, Regular Board of Directors' meeting. No objections were made.

B. Simplified Rate Filing – June 2019 Test Year (Kornmuller/Miller)*

Deferred from New Business agenda item VIII.A.

Director Morse moved and Director Reeves seconded the motion that the Board of Directors approve the attached Resolution authorizing Chugach to file with the Commission, a June 2019 test year SRF requesting approval to increase the demand and energy rates by 3.9 percent to Chugach retail and increase the demand and energy rates by 1.5 percent to Seward and, if necessary, to supplement the filing based on the results of the Commission's final order on Chugach's proposed changes to its authorized TIER levels.

After discussion, Chair Chastain called for a vote. The motion passed unanimously.

C. IMO Professional Service Contract Extension for RGP (Fouts)*

Director Hollis moved and Director Henderson seconded the motion that the Board of Directors authorize the Chief Executive Officer to execute an extension of the IMO Professional Service Contract with RGP for consulting services to increase the funding by \$960,977 for the period through November 19, 2019, not-to-exceed the total contract amount of \$3,293,825. And, if the RCA approves the acquisition or extends the statutory timeline, authorize the Chief Executive Officer to execute an additional extension to increase the funding by \$543,794 for the period of November 20, 2019 through December 31, 2019, for a not-to-exceed total contract amount of \$3,837,619. The motion passed unanimously.

XI. DIRECTOR COMMENTS

Director comments were made at this time.

XII. ADJOURNMENT

At 7:57 p.m., Director Morse moved and Director Parks seconded the motion to adjourn. The motion passed unanimously.

/ss/

Stuart Parks, Secretary

Date Approved: September 17, 2019