

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

December 15, 2021
Wednesday
4:00 p.m.

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Ashton Doyle

I. CALL TO ORDER

Chair Morse 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 Morse led the Board in the Pledge of Allegiance.

B. Roll Call
Board Members Present:
Rachel Morse, Chair
Bettina Chastain, Vice Chair
James Henderson, Secretary (*via teleconference*)
Harold Hollis, Treasurer
Sam Cason, Director
Mark Wiggin, Director (*via teleconference*)
Erin Whitney, Director

Guests and Staff Attendance
Present:

Lee Thibert	Sherri Highers	Andrew Laughlin
Brian Hickey	Mark Fouts	Vincent Perez
Matthew Clarkson	Julie Hasquet	Sean Skaling
Arthur Miller		

Via Teleconference:

Connie Owens	Jonas Banta,	Rachel Christensen,
Pete Smithson	Alaska Center	Alaska Center
Crystal Enkvist, APA	Kyla Kosednar,	Marc Hellenthal, Hellenthal
Arden Quezon	Alaska Center	& Associates
Shelly Schmitt	Patrick Flynn	Jenny-Marie Stryker,
		Alaska Center

C. Safety Minute
Vincent Perez, Manager of Safety, discussed "*Winter Safety.*"

Director Cason arrived at 4:07 p.m.

Director Wiggin joined via teleconference at 4:07 p.m.

II. APPROVAL OF AGENDA

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

Directors Cason and Whitney were designated to sign for Directors Wiggin and Henderson's expense reports.

III. PERSONS TO BE HEARD

None.

IV. DIRECTOR REPORTS

A. Alaska Power Association (APA) Report

Director Hollis introduced Crystal Enkvist, Executive Director, APA and she provided an update on APA activities, upcoming events and responded to questions from the Board.

B. Renewable Energy Alaska Project (REAP) Report

Director Whitney stated there were no meetings to report.

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

Director Hollis reported on the December 6, 2021, Audit and Finance Committee meeting and stated that the next meeting is scheduled for March 30, 2022.

Director Chastain reported on the December 8, 2021, Operations Committee meeting and stated that the next meeting is scheduled for January 17, 2022.

Director Cason reported on the December 1, 2021, Governance Committee meeting and stated that the Member Advisory Council will meet on January 20, 2022.

D. Other Meeting Reports

None.

V. CONSENT AGENDA

A. Board Calendar

B. Training and Conferences

1. NRECA PowerXchange, March 4-9, 2022, Nashville, TN

C. Minutes

1. November 19, 2021, Special Board of Directors' Meeting (Quezon)

2. November 22, 2021, Regular Board of Directors' Meeting (Quezon)

3. December 3, 2021, Special Board of Directors' Meeting (Quezon)

4. December 6, 2021, Special Board of Directors' Meeting (Doyle)

D. Director Expenses & Timesheets

- E. Appointments to 2022 Member Advisory Council (MAC) (Governance Committee)*
- F. Appointments to 2022 Bylaws Committee (Governance Committee)*
- G. Appointments to 2022 Election Committee (Governance Committee)*
- H. Appointments to 2022 Nominating Committee (Governance Committee)*
- I. NRUCFC Line of Credit (Audit & Finance Committee)*

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

VI. CEO REPORTS AND CORRESPONDENCE

- A. Member Attitude Survey (Hasquet)*
Julie Hasquet, Sr. Manager, Corporate Communications and Marc Hellenthal, Hellenthal and Associates reported on the Member Attitude Survey and responded to questions from the Board.
- B. 4th Quarter 2021 Bill Comparison (Skaling/Miller)*
Lee Thibert reported on the 4th Quarter Railbelt Bill Comparison and responded to questions from the Board.
- C. Board Policy Scheduled Tasks/Reports (Board/Staff)*
The Board Policy Scheduled Tasks/Reports were provided in the meeting packet.

VII. UNFINISHED

None.

VIII. NEW BUSINESS

None.

IX. EXECUTIVE SESSION

- A. 2022 Operating and Capital Budget (Highers)*
- B. Battery Energy Storage System Project (Hickey)*
- C. Electric Vehicles Charging Rates Presentation (Skaling/Miller)*
- D. Roundtable Discussion (Board)*

At 4:46 p.m., Director Cason moved and Director Hollis 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) to discuss legal matters with its attorneys, 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 7:07 p.m.

X. NEW BUSINESS

- A. Approve 2022 Operating and Capital Budget* (Highers)*

Director Hollis moved and Director Cason seconded the motion that the Board of Directors approve the 2022 Operating and Capital Budget which is expected to produce margins of \$8.2 million, MFI/I ratio of 1.20, TIER ratio of 1.20 and Equity to Total Capitalization ratio of 15.4%. These results are based on a Total Cost of Service of \$346.2 million, Total Revenue of \$353.8 million, Non-Operating Margins of \$0.6 million, and a capital expenditure cash requirement of \$105.7 million. The motion passed unanimously.

B. Update Bank Signature Cards (Highers)*

Director Cason moved and Director Wiggin seconded the motion that the Board of Directors approve to update the approved check signers based on the current and upcoming changes in personnel. The motion passed unanimously.

*C. Project Authorization – Battery Energy Storage System** (Hickey)*

Director Wiggin moved and Director Henderson seconded the motion that the Board of Directors authorize the Chief Executive Officer to proceed with the Battery Energy Storage System project at an estimated total cost of \$58,500,000 with an estimated final completion date of December 2023 and as discussed in Executive Session. The motion passed unanimously.

D. Approve 2022-2026 Strategic Plan (Miller)*

Director Hollis moved and Director Whitney seconded the motion that the Board of Directors approve the 2022 – 2026 Strategic Plan as discussed in executive sessions. The motion passed unanimously.

E. Electric Vehicles Charging Rates (Skaling/Miller)*

Director Whitney moved and Director Cason seconded the motion that the Board of Directors authorize the Chief Executive Officer to file inception rates for DC fast chargers with the Regulatory Commission of Alaska such that the energy charge is fixed at the residential rate for North District customer load factors of 41 percent and 39 percent for secondary and primary service, and for South District customer load factors of 34 percent and 36 percent for secondary and primary service. The motion passed unanimously.

XI. DIRECTOR COMMENTS

Director comments were made at this time.

XII. ADJOURNMENT

At 7:27 p.m., Director Cason moved and Director Wiggin seconded the motion to adjourn. The motion passed unanimously.

/s/
James Henderson, Secretary
Date Approved: January 19, 2022