

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

AUDIT COMMITTEE MEETING MINUTES

August 8, 2008

Committee Members in Attendance: Elizabeth Vazquez, Acting Chair
Jeff Lipscomb (arrived at 3:45 p.m.)
Alex Gimarc
Rebecca Logan

Committee Members Absent: PJ Hill, Chair

Other Directors Present: Janet Reiser

Guests in Attendance: Scott Miller (KPMG)
Charles Kozak (KPMG)

Staff in Attendance:

Brad Evans	Lee Thibert	Mike Cunningham	Ed Jenkin
Connie Owens	Carol Johnson	Dave Smith	Kathy Harris
Teresa Kurka	Bill Bernier	Dora Gropp	Sherri McKay – Highers

Recording Secretary: Jennifer McDonald, Legal Secretary

I. Convene Meeting

Acting Chair Vazquez called the Audit Committee to order at 3:35 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Executive Session

None.

III. Approval of Agenda

Director Gimarc moved and Director Logan seconded the motion to approve the agenda. The motion passed unanimously. Director Lipscomb was not present to vote.

IV. Approval of Minutes

a. April 30, 2008

Director Gimarc moved and Director Logan seconded the motion to approve the April 30, 2008 minutes. The motion passed unanimously. Director Lipscomb was not present to vote.

V. Customer Comments

- a. Wholesale Customer Comments – None.*
- b. Retail Customer Comments – None*

VI. 2nd Quarter Limited Review

Scott Miller, Partner with KPMG, gave a presentation on the 2nd Quarter Limited Review and answered questions from the Committee.

Director Lipscomb arrived at 3:45 p.m.

VII. 2008-2009 Audit Committee Goals

Acting Chair Vazquez stated that this needs to be reviewed by the Audit Committee Chair before it is finalized and voted on and stated that a Special Audit Committee meeting will be scheduled before the next Finance Committee meeting in September for approval of this Agenda Item.

VIII. Correspondence

a. SEC Staff Comment Letter and Response

IX. Director Comments

Director Lipscomb: “No comments.”

Director Reiser: “No comments.”

Director Logan: None.

Director Gimarc: “No comments.”

Acting Chair Vazquez: None.

X. Executive Session

Director Logan moved and Director Gimarc seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) the Audit Committee go into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The matter to be discussed is: 2nd Quarter SEC Form 10Q Review. The motion passed unanimously.

The Audit Committee went into executive session at 3:50 p.m. and resumed in open session at 3:59 p.m.

XI. 2nd Quarter SEC Form 10Q Filing

Director Logan moved and Director Gimarc seconded the motion that the Audit Committee recommend that Management file the 2nd Quarter SEC Form 10Q by the due date and incorporate any amendment to the document which would be received, reviewed and approved by KPMG. Mr. Cunningham will inform the Board in writing of any material and significant changes of the 10Q. The motion passed unanimously.

XII. Adjourn

Director Gimarc moved and Director Logan seconded the motion to adjourn. The meeting adjourned at 4:00 p.m.