

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

March 4, 2009

Committee Members in Attendance: PJ Hill, Chair
Rebecca Logan
Jeff Lipscomb (*joined via teleconference at 4:02 pm.*)
Alex Gimarc

Other Director Present: Janet Reiser (*arrived at 4:20 p.m.*)
Jim Nordlund (*arrived at 4:03 p.m.*)

Guests in Attendance: Lorali Carter, (MEA)
Jim Posey, (ML&P)
Scott Miller, (KPMG)
Jim Patras, (HEA)
Louann Cutler, (K&L Gates)

Staff in Attendance:

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|-----------------|----------------------|-------------|
| Bradley Evans | Kathy Harris | Paul Risse |
| Tyler Andrews | Theresa Kurka | Dave Smith |
| Bill Bernier | Sherry McKay-Highers | Phil Steyer |
| Renee Curran | Arthur Miller | Lee Thibert |
| Mike Cunningham | Connie Owens | Jody Wolfe |
| Rick Freymiller | Theresa Quigley | |

Recording Secretary: DeAnna Scott, Executive Assistant

I. Convene Meeting

Chair Hill called the Finance Committee to order at 4:00 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Executive Session

None.

III. Approval of Agenda

Director Logan moved and Director Gimarc seconded the motion to approve the agenda. The motion passed unanimously.

IV. Approval of Minutes

- a. January 14, 2009

Director Gimarc moved and Director Logan seconded the motion to approve the minutes of January 14, 2009. The motion passed unanimously.

V. Customer Comments

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

VI. 2008 Year End Financial Statements

Jody Wolfe, Controller, gave a brief overview of the 2008 Year End Financial Statements and answered questions from the Committee.

VII. Fuel and Purchased Power Cost Recovery Presentation

Rick Freymiller, Director, Regulatory Affairs and Pricing, presented the Fuel and Purchased Power Cost Recovery Presentation and answered questions from the Committee.

VIII. Correspondence

- a. *Year End Financial Statements – Full Set (Wolfe)*
- b. *December Variance Report (McKay-Highers)*
- c. *Signature Authority Review Compliance (Smith)*

IX. Director Comments

Director Nordlund: “No comments.”

Director Gimarc: “No comments.”

Director Reiser: “No comments.”

Director Logan: “No comments.”

Chair Hill: “No comments.”

Director Lipscomb: “It seems that in my conscience may be an incorrect perception but we struggle to come in under budget in the G&A category; we always seem to run that and I’m looking at next year’s, I mean this year’s 2009 budget and it increases another one and one-half million dollars, up to \$20.4 million. If, for whatever reason, we can’t meet that budget we’re going to see \$21 million dollars worth of G&A expenses and how are we, how are we controlling that....are we putting forth the effort we need to, to try to control that G&A expense? So, just observation, we need to watch our costs. But thanks.” *Director Logan:* “*Is that directed at the Board...because I think the Board had a lot to do with that.*” *Director Lipscomb:* “*Yeah, whoever was part of the variances.*” *Director Logan:* “*Well, if you look at the narrative a lot of that had to do with the Board so, I hear you.*”

X. Executive Session – None.

XI. Adjourn

Director Gimarc moved and Director Logan seconded the motion to adjourn. The meeting adjourned at 4:32 p.m.