

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OF DIRECTORS' FINANCE COMMITTEE
MEETING MINUTES

April 8, 2009

Committee Members in Attendance: PJ Hill, Chair
Elizabeth Vazquez (arrived at 4:20 p.m.)
Rebecca Logan
Jeff Lipscomb
Alex Gimarc

Other Director Present: Janet Reiser
Jim Nordlund (arrived at 4:11 p.m.)

Guests in Attendance: Eric Yould
Steve Gilbert
Jim Posey (ML&P)
Loral Carter (MEA)

Staff in Attendance:

Brad Evans	Mike Cunningham	Ed Jenkin	Paul Risse
Tyler Andrews	Dave Smith	Lee Thibert	Mark Johnson
Connie Owens	Jody Wolfe	Theresa Quigley	Ron Vecera
Felix Melendez	Arthur Miller	Suzanne Gibson	Sherri McKay – Highers
Bill Bernier	Kathy Harris	Teresa Kurka	Burke Wick
Rick Freymiller	Phil Steyer	Dan Knecht	Dora Gropp

Recording Secretary: Jennifer McDonald, Legal Secretary

I. Convene Meeting

Chair Hill called the Finance Committee to order at 4:01 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. March 4, 2009

Director Lipscomb moved and Director Logan seconded the motion to approve the minutes of March 4, 2009. The motion passed unanimously.

V. Customer Comments

a. Wholesale Customer Comments

None.

b. Retail Customer Comments

None.

VI. February Financial Statements

Jody Wolfe, Controller, gave a presentation on the February Financial Statements and answered questions from the Committee.

VII. 2nd Quarter Commercial Paper Issue Authorization

Mike Cunningham, Sr. Vice President Finance and Chief Financial Officer gave an overview of the 2nd Quarter Commercial Paper Issue Authorization and he and staff answered questions from the Committee.

Director Logan moved and Director Lipscomb seconded the motion that the Finance Committee recommend the Board of Directors authorize the issuance of an additional \$25 million of commercial paper as necessary to cover capital expansion, new generation requirements, and operational needs in lieu of using higher priced line of credit sources to a maximum total of \$75 million outstanding at the end of second quarter 2009. The motion passed unanimously.

VIII. Retherford to University Transmission Project Authorization

Ed Jenkin, Vice President, Power Delivery, gave an overview of the Retherford to University Transmission Project and answered questions from the Committee.

Director Lipscomb moved and Director Logan seconded the motion that the Finance Committee recommend to the Board of Directors to authorize project expenditures to complete the South Anchorage Transmission Loop from the Retherford Station to Elmore Road with an estimated total cost of \$11,300,000, and an estimated completion date of June 2010. The motion passed unanimously.

IX. Correspondence

a. January and February Variance Reports

b. 4th Quarter Deferred Debits by Division

c. 4th Quarter Capital Tracking Report

Per Director Lipscomb's request, Paul Risse, Senior Vice President, Power Supply, gave an overview and answered questions from the Committee regarding the Beluga Unit 8 Overhaul.

d. *4th Quarter Budget Status Report*

e. *1st Quarter Railbelt Comparison*

Per Director Lipscomb's request, Rick Freymiller, Director, Regulatory Affairs & Pricing, gave an overview of the 1st Quarter Railbelt Comparison and answered questions from the Committee.

X. Director Comments

Director Logan: None.

Director Lipscomb: "I made mine – good job on the base rates – good job. I look forward to the completion of the South Anchorage Loop. I've noticed since the installation of the Retherford Substation and work that we've done on that transmission line already, it's had an impact at least up on the Hillside with better reliability. So, I'm really looking forward to the completion of the Loop. That will be good news."

Director Reiser: None.

Director Vazquez: None.

Director Gimarc: None.

Director Nordlund: None.

Chair Hill: None.

XI. Executive Session

None.

XII. Adjourn

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