

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**OPERATIONS COMMITTEE**  
**MEETING MINUTES**

**November 12, 2008**

Committee Members in Attendance: Jim Nordlund, Chair  
Alex Gimarc  
Janet Reiser  
Rebecca Logan (*joined the meeting at 6:39 p.m.*)  
Elizabeth Vazquez

Other Directors Present: Jeff Lipscomb  
PJ Hill

Guest and Staff in Attendance:

Bradley Evans	Suzanne Gibson	David Smith
Patti Bogan	Dustin Highers	Phil Steyer
Lorali Carter, MEA	Ed Jenkin	Lee Thibert
Mike Cunningham	Connie Owens	

Recording Secretary: DeAnna Scott, Executive Assistant

**I. CONVENE MEETING**

Chair Nordlund convened the Operations Committee meeting at 6:25 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. EXECUTIVE SESSION**

None.

**III. APPROVAL OF AGENDA**

Director Reiser moved and Director Vazquez seconded the motion to approve the Agenda. The motion passed unanimously.

**IV. APPROVAL OF MINUTES - None**

**V. CUSTOMER COMMENTS**

*a. Wholesale Customer Comments – None.*

*b. Retail Customer Comments - None.*

**VI. Proposed New Board Policy – Authority of the Association – Appointed Representative to Jointly Operated Assets**

Director Reiser moved and Director Gimarc seconded the motion that the Operations Committee recommend to the Board of Directors to approve the attached policy on the Authority of the Association-appointed Representative Regarding Jointly Operated Assets.

After a lengthy discussion, Director Gimarc proposed replacing the two paragraphs under III. Responsibility, Page 2, The Board of Directors will review the appointees with all jointly owned assets. The CEO is hereby delegated authority to appoint representatives while keeping the Board informed of his selections.

*Director Logan joined the meeting.*

The motion, as amended, passed unanimously.

**VII. Executive Session Recording**

For discussion purposes, Director Reiser moved and Director Nordlund seconded the motion that the Operations Committee recommend to the Board of Directors that the recording of executive sessions of regular and special Board meetings and Board committee meetings cease immediately and all existing executive session recordings of regular and special Board meetings and Board committee meetings, except those in which there was discussion concerning an issue that is subject to a litigation hold, be destroyed. After a lengthy discussion the vote on the motion was called with Chair Nordlund and Director Reiser voting yes; Directors Logan, Gimarc and Vazquez voting no. Motion failed.

**VIII. Railbelt Utility Resolution – Joint Vision for All Railbelt Utilities**

Director Logan moved and Director Gimarc seconded the motion to postpone action on this agenda item until the next Operations Committee meeting. The motion passed unanimously.

**IX. Appointments to the Bylaws Committee**

Director Reiser moved and Director Nordlund seconded the motion recommend the Board of Directors to appoint Eric Meyers and Jim Henderson to “B” terms on the Bylaws Committee. After discussion of the committee, the vote was called with Chair Nordlund and Director Reiser voting yes; Directors Logan, Gimarc and Vazquez voting no. Motion failed.

Director Gimarc moved and Director Logan seconded the motion that the Operations Committee recommend to the Board of Directors appoint Robert Gastrock and Steve Strait to the Bylaws Committee for 2009. Directors Vazquez and Gimarc voting yes; Directors Nordlund and Reiser voting no. Director Logan abstained. Motion failed.

Director Gimarc moved and Director Logan seconded the motion to postpone nominations to the Bylaws Committee until the December 10<sup>th</sup> Operations Committee meeting; open applications from now until 2 December. Chair Nordlund, Directors Gimarc, Vazquez and Logan voting yes; Director Reiser voting no.

**X. Appointments to the Election Committee**

Director Gimarc moved and Director Logan seconded the motion to postpone nominations to the Elections Committee until the December 10<sup>th</sup> Operations Committee meeting; open applications from now until 2 December. The motion passed unanimously.

**XI. Appointments to the Nominating Committee**

Director Gimarc moved and Director Reiser seconded the motion to postpone nominations to the Nominating Committee until the December 10<sup>th</sup> Operations Committee meeting; open applications from now until 2 December. Motion passed unanimously.

**XII. Resolution – State Constraints on Nuclear Power**

Director Gimarc moved and Director Logan seconded the motion that the Operations Committee recommend to the Board of Directors to support the development of nuclear energy in Alaska with the following resolution. Director Gimarc stated he could read the whole thing but would only read the last two paragraphs:

NOW, THEREFORE IT BE RESOLVED that Chugach Electric Association, Inc. supports the continued evaluation of all potential electric generation techniques so that we can eliminate our dependence on Cook Inlet natural gas by the year 2020;

BE IT FURTHER RESOLVED that the Chugach Board of Directors support the immediate repeal of relevant portions of Alaska Statutes that currently prohibit nuclear energy development in Alaska.

After a lengthy discussion, Director Gimarc stated that the he would modify the resolution and the motion to encompass all that was discussed so that all is considered on an equal playing field. The new motion and resolution will be submitted to the full board at the November 20, 2008, meeting for consideration.

Based on this statement, Chair Nordlund called for the vote and motion passed unanimously, as amended.

**XIII. Resolution – Coal to Liquids**

Director Gimarc moved and Director Vazquez seconded the motion to strike from the agenda as it has been bundled with what was discussed in Agenda Item XII. – State Constraints on Nuclear Power. *No official vote was taken.*

**XIV. Correspondence – None**

**XV. Director Comments**

**Director Hill:** “No comment”

**Director Lipscomb:** “No comments.”

**Director Reiser:** “No comments.”

**Director Gimarc:** “Thank you for the input on the motion we will re-craft it.”

**Director Logan:** “I would like to make a comment on a procedural issue on an earlier issue when I called the question we did not have a second we did not take a vote and so that was incorrect so we should do what we are suppose to do.”

**Chair Nordlund:** “That comment was well taken. Director Logan, I’ll try to be better in terms of my process.” *Director Logan:* “*I didn’t know it required a two-thirds vote either so when you called the question, it needs a second it is not debatable it can’t be amended and it needs a two-thirds vote.*”

**XVI. Executive Session**

At 8:20 p.m., Director Gimarc moved and Director Vazquez seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1) the Operations Committee go into executive session 1) to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The matters to be discussed are (1) Discussion of the 2009 Legislative Agenda, (2) Update on Utility Restructuring; (3) Update on Gas Negotiations – Enstar Ruling; (4) Update on Replacement Generation Purchase Agreement Gas Turbine Equipment Contact. The motion passed unanimously.

*Director Reiser left the meeting at 8:22 p.m.*

**XVII. Adjourn**

Director Gimarc moved and Director Vazquez seconded the motion to adjourn. The meeting adjourned at 9:47 p.m.