



ALASKA RAILBELT COOPERATIVE TRANSMISSION & ELECTRIC COMPANY

c/o Matanuska Electric Association, Inc. Post Office Box 2929 Palmer, Alaska 99645 (907) 761-9212

## MINUTES OF THE BOARD OF DIRECTORS MEETING

May, 18 2012

Frontier Building, JAA Room

Anchorage, Alaska

**CALL TO ORDER** 10:02 a.m. (Chairman Reiser)

### ROLL CALL

#### MEMBERS PRESENT

Brian Newton (GVEA); Bradley Evans and Janet Reiser (Chugach); Joe Griffith and Janet Kincaid (MEA); Brad Janorschke and Dick Waisanen (Homer Electric)

#### TELEPHONICALLY PRESENT

Rick Schikora (GVEA)

#### OTHERS PRESENT

Mark Johnson (Counsel); Sara Fisher-Goad and Jim Strandberg (AEA); David Glines, Kevin Brown and Suzie Deuser (MEA); Brian Bjorkquist (Department of Law); Lee Thibert (Chugach); Steve Haagenson (ARCTEC Consultant)

#### SAFETY MOMENT

Mr. Griffith advised attendees the summer sun creates a safety hazard; therefore, wear sunglasses and clean windshield.

**ACCEPTANCE OF AGENDA** (Kincaid/Waisanen): motion to accept agenda. CARRIED.

**APPROVAL OF MINUTES – April 13, 2012** (Kincaid/Evans): motion to accept April 13, 2012, minutes. CARRIED.

## REPORTS

### A. Chairman's Report (Reiser)

- Committees are doing lots of work. To join a committee, please contact Ms. Reiser.
- Schedule to be prepared for a year.

### B. President's Activity Report (Griffith)

- Spent several hours with the Watana Technical Committee discussing legislative requests.
- Met with EPS regarding studies underway.
- Met with Mr. Strandberg regarding studies and projects in progress.

### C. Financial Update (Griffith)

- A financial report handout was provided.
- Total expenditures \$38,681 since conception.

- Principal expenses are consultant and office lease.

**D. Watana Technical Committee Update**

- (Reiser) Brad Evans will be the chair for the committee.
- (Griffith) Will draft a letter to FERC supporting Watana for Ms. Reiser's signature.
- Meeting will be scheduled to draft a Precedent Agreement to bring before the Board for review.
- (Evans) Precedent Agreement will not be finalized until cost, regulation constraints and unit size are determined.
- (Strandberg) Provided update on transmission planning.

**E. CEO Search Committee Update**

- (Evans) Distributed draft job description to review for future consideration.

**F. ARCTEC Business Committee Update**

- Schikora will chair committee.
- Draft Business Plan was distributed.
- Next Business Committee meeting at 10:00 a.m. Friday, May 25, in the JAA room.

**G. AEA Comments**

- (Fisher-Goad) AEA will ask for additional funds for the Watana project in the FY2014 budget.
- (Fisher-Goad) Goal is to provide as much good information on projects as possible.
- (Fisher-Goad) It makes sense for AEA to request the budget funds on assets AEA owns.

**H. Project Update**

- (Evans) Problems getting final permits because of established trails in the ROW.
- (Strandberg) Asks Mr. Evans to have Ed call and update AEA on challenges with permits.
- (Griffith) A report from Kirk Gibson to be discussed at next meeting.

**UNFINISHED BUSINESS**

**A. FY2014 Legislative Requests**

- (Griffith) FY 2014 requests are Battle Creek Diversion, LNG Storage and Terminal Preliminary Design/Preliminary Engineering, Conversion of the Alaska Intertie to 230kV, and to unconstrain Bradley Lake Hydroelectric project.
- (Evans) Suggests an expert study the proposed southern Intertie crossing from Point Possession to mainland.
- (Strandberg) Believes Dave Burlingame (EPS) is consulting with an expert on crossing Turnagain Arm at Point Possession.
- (Fisher-Goad) AEA wants any state grants to be awarded to the asset owner.
- (Schikora) ARCTEC has been designed to be the recipient of the grants. Requests AEA help ARCTEC to attain that goal.
- (Evans) The fuel solution might be as simple as expanding the storage unit or a bigger ship. ARCTEC is asking for a plan to be in place to mitigate a fuel shortage emergency.
- (Fisher-Goad) Last year ARCTEC served as an advocacy group. Until ARCTEC is the owner of the asset, ARCTEC can't be anything other than an advocacy group.
- (Evans) ARCTEC is a young organization and needs to be allowed time to mature.

**NEW BUSINESS**

**B. Precedent Agreement**

- Discussion - ARCTEC or individual utility as the signer of the precedent agreement.
- (Evans) Suggests it is in the interest of AEA to deal with one organization.
- (Strandberg) ARCTEC knowing the business structure is a key part of upgrading the transmission backbone.
- (Reiser) Place on the agenda in two months – reach agreement on ARCTEC or individual utilities signing the precedent agreement.

**DISCUSSION ITEMS**

- No discussion items were heard.

**NEXT MEETING:**

- Suggested meeting dates are second Friday of the month, and alternates are to be sent if member is unable to attend.

**ADJOURNMENT:** 11:33 a.m.