

**ALASKA ENERGY AUTHORITY  
BOARD OF DIRECTORS  
October 16, 2006 @ 11:40 a.m.  
Anchorage and Juneau, Alaska  
Teleconference**

**1. CALL TO ORDER**

Chairman Barry called the meeting of the Alaska Energy Authority to order on October 16, 2006, at 11:40 a.m. A quorum was established.

**2. BOARD OF DIRECTORS ROLL CALL**

Directors present in Anchorage: Mr. Mike Barry (Chairman/Public Member), and Commissioner Bill Noll (Department of Commerce, Community & Economic Development).

Director present in Juneau: Deputy Commissioner Tom Boutin (Designee for Department of Revenue), Commissioner Mike Barton (Department of Transportation and Public Facilities), and Mr. John Winther (Public Member).

**3. PUBLIC ROLL CALL**

Staff present in Anchorage: Ronald W. Miller (Executive Director), Chris Anderson (Deputy Director-Credit & Business Development), Valorie Walker (Deputy Director-Finance), James Jensen (Assistant Project Manager), Martina Dabo (Project Manager), Peter Crimp (Project Manager), Sara Fisher-Goad (Financial Analyst), Mark Schimscheimer (Project Manager), Brenda J.M. Fuglestad (Admin Manager), and Jim Strandberg (Project Manager).

Others attending: Brian Bjorkquist and Mike Mitchell (Department of Law), Lee Thibert (Chugach Electric), and Kim Floyd (Matanuska Electric Association).

Others attending telephonically: Karl Reiche (AIDEA Project Development Manager).

**4. PUBLIC COMMENTS**

There were no public comments.

**5. PRIOR MINUTES – August 18, 2006**

The August 18, 2006 minutes were approved as presented.

**6. OLD BUSINESS**

There was no old business.

**7. NEW BUSINESS**

**7A. Resolution No. 2006-05, A Resolution of the Alaska Energy Authority Relating to the Adoption of New Regulation Relating to Bulk Fuel Revolving Loan Fund.**

Mr. Miller stated Resolution No. 2006-05 amends regulation 3 AAC 106.300 and 3 AAC 106.310. The regulations are amended to make them consistent with SLA 2006 Chapter 78 which relates to the maximum amount of loans from the Bulk Fuel Revolving Loan Fund that can be given to one borrower in a fiscal year.

Staff has complied with statutory requirements by providing appropriate public notice of this proposed action. The public comment period ended at 4:30 p.m. on Thursday, September 21, 2006. No comments were received.

Staff recommended approval of Resolution No. 2006-05.

Chairman Barry said the Board should advise staff on how this regulation change should be treated. He said there is an oil company owned by the Venezuelan Government that made available to native villages around the state of Alaska grants for fuel purchases. Some villages have not availed themselves of those grants because of the political nature of the dictator in Venezuela. He queried the Board as to their views of how someone who turned down the grant should be treated if they come in to borrow the money from AEA.

Mr. Winther said he has been involved with the villages that declined the grants, which is also the area the APICDA CDQ group is in. When they turned it down, APICDA offered to pay half and my company and two others offered to pay the other half. He said if the Board is thinking of some participation by AIDEA in that form, he would be in favor of it.

Mr. Bjorkquist said, under statutes he is not sure that whether a community participates or does not participate would be an appropriate basis for making a loan or a non-loan decision and suggested that part of this conversation be deferred to Assistant Attorney General Mike Mitchell who will look at the legal aspects as we follow up on this issue.

Chairman Barry said his concern is that the revolving loan fund has only a finite amount of dollars and he does not believe this is a frivolous introduction. He does not know the correct answer so the Board would appreciate Mr. Mitchell investigating the legal part of the issue and staff researching how many, if any, are truly affected by this. He also asked the Board members to think about what, if any, policy decision is appropriate for us to make and what that policy should be. It is an issue that deserves our concern.

Mr. Winther said options under the regulations we operate under should be laid out for the Board.

Mr. Bjorkquist said he wanted to make clear that his expression is based on not knowing what the answer is as opposed to implying anything.

Chairman Barry instructed staff come back to the Board with a list as to what the options are.

**MOTION: John Winther moved to approve Resolution No. 2006-05. Seconded by Commissioner Barton. There being no discussion, the question was called. A roll call vote was taken and the motion passed with Messrs. Barry, Barton, Boutin, Noll, and Winther voting yea.**

**7B. Resolution No. 2006-06, Resolution of the Alaska Energy Authority Relating to the Appointment of Various Officers of the Authority; and Related Matters**

Mr. Miller said Resolution No. 2006-06 appoints Sara Fisher-Goad as Deputy Director-Operations and Assistant Secretary.

Staff recommended approval of Resolution No. 2006-06.

**MOTION: Deputy Commissioner Boutin moved to approve Resolution No. 2006-06. Seconded by Commissioner Noll. There being no further discussion, the question was called. A roll call vote was taken and the motion passed with Messrs. Barry, Boutin, Barton, Noll, and Winther voting yea.**

**8A. Director's Status Report of AIDEA Programs and Projects**

Alaska Intertie Project

**Executive Session**

Mr. Bjorkquist stated that there is proprietary information, status and strategy, and financial matters related to the Alaska Intertie Project. Under the open meetings act a body, such as the AIDEA Board, can go into executive session for matters the immediate knowledge of which would clearly have an adverse affect on the finances of AIDEA. The appropriate procedure for doing that is to have a Board member make a motion to go into executive session for that purpose and to vote on that motion.

**MOTION: Mr. Winther moved to go into executive session to discuss proprietary information, status and strategy, and financial matters related to the Alaska Intertie Project. Seconded by Commissioner Barton. There being no discussion, the question was called. A roll call vote was taken and the motion passed with Messrs. Barry, Boutin, Winther, Barton, and Noll voting yea.**

**EXECUTIVE SESSION – 11:48 a.m.**

The Board reconvened its regular meeting at 11:58 a.m.

A quorum was established. Chairman Barry advised that the Board had not taken any formal action on the matters discussed while in Executive Session.

**8B. NEXT MEETING DATE**

The board will be polled for the next meeting date.

**9. BOARD COMMENTS**

There were no board member comments.

**10. ADJOURNMENT**

There being no objection and no further business of the Board, the meeting was adjourned at 11:59 a.m.

A handwritten signature in cursive script, appearing to read 'Ron Miller', written over a horizontal line.

Ron Miller, Secretary  
Alaska Energy Authority