

MINUTES
Alaska Energy Authority
Board of Directors
Thursday, February 14, 2008
Anchorage, Alaska

1. CALL TO ORDER

Chairman Kelsey called the meeting of the Alaska Energy Authority to order on February 14, 2008 at 3:05 p.m. A quorum was established.

2. BOARD OF DIRECTORS ROLL CALL

Directors present in Anchorage: Chair John Kelsey (Public Member); Deputy Commissioner Brian Andrews (Designee for Department of Revenue); and Commissioner Emil Notti (Department of Commerce, Community & Economic Development).

Directors joined meeting in progress by teleconference: Mr. John Winther (Vice Chair, Public Member) and Commissioner Leo von Scheben (Department of Transportation & Public Facilities).

3. PUBLIC ROLL CALL

Staff Present in Anchorage: Sara Fisher-Goad (Acting Executive Director); Chris Anderson (Deputy Director-Credit); James Hemsath (Deputy Director-Development); Valorie Walker (Deputy Director-Finance); Mark Schimscheimer (Project Manager); Jim Strandberg (Project Manager); Brenda Fuglestad (Administrative Manager); and Sherrie M. Siverson (Administrative Assistant).

Others Present: Brian Bjorkquist (Department of Law); and Christine Vecchio (MEA Ratepayers Alliance).

4. PUBLIC COMMENTS

VERBATIM

Christine Vecchio, MEA Ratepayers Alliance: My name is Christine Vecchio. I am with the MEA Ratepayers Alliance. I wanted to make some comments on a couple of things. I was at the meeting on the 25th of January and I am sorry I walked in late to the AIDEA portion but this has to do with the selection of your Executive Director for AEA and once again, I think you know that I am a big proponent of public input and public process to this particular authority. First of all, I did a lot of thinking about the situation that you are facing. Which is the possibility of looking at AIDEA and AEA and looking at AEA as possible Energy Authority for the State of Alaska and what that all entails. I don't know where you are in that process, but as a public, I would say consumer, interested citizen, since I have been getting myself more informed about the energy situation here in Alaska, I started out trying to find information on a variety of issues about energy in Alaska and I could not find, when I started out, one particular centralized place for information. As I am learning more about the Alaska Energy Authority and in particular, through the REGA Study, if as a citizen, I know that I can call up, say AEA, and say I need this particular information on what kind of projects are being done along the railbelt that address renewable energy, or geothermal energy, or coal plants, or what is the status now of energy being generated along the railbelt, what about distribution transmission, and know that I can get that information from an authority such as AEA.

That, I think, provides invaluable public service because I am finding out that the days of thinking that experts only, utility people, or only state agency people get to make decisions about where Alaska is going to get its energy, how its going to be distributed to the state are over.

Today, what is really necessary is to get the informed public involved because we have a lot of people out there who sometimes know more about energy in this particular case and some of the issues that we get concerned about living our daily lives than say people who might be in decision-making positions. I am very hopeful that the agency will, the authority will take a look and use as a model your REGA study because what that study has done from day one has provided a structure for the public to input as far as what they call stakeholders. Secondly, I can go to the AEA website, pull out any information I need as far as what proceedings happened here at your AEA Board meeting, what's going on with projects going on around the state from the Alaska Energy Authority and get information that can help me become an informed citizen to make decisions regarding, in this particular case, energy.

Also, I would like to commend the staff because I can call in and ask a question and if they don't have an answer they will refer me to someone who does, or shoot me to a document, or say this, or I will get something right away and I can share this then with people in my community who are concerned about energy but who may not have the good fortune that I have that I can adjust my working hours and come to these meetings and give you my input. I take it as a responsibility that I can go back, share what information I have, and perhaps have no call directly or I can say this is what we are concerned about.

For me, I don't know where you are in the selection process for your Executive Director, but for me your Executive Director will set a certain tone for the Authority and if he or she can be a person that is knowledgeable, that does have experience and most of all, will keep the Authority working in an open, transparent process where public can share their concerns, can give their opinions and you as decision-makers are doing things openly, I think we have something. We'll have something going where we can come up with intelligent decisions because today I know there are so many differing opinions about sources of fuel, how do we distribute, do we keep all these separate utilities going or not, you know, and I have my own opinions. For me what is most important is I know that there is a place that I can come to, that other people can come to, that we know that decision making will be made taking into account a variety of different views. Also for me, what is most important is to, I would say, focus on quality of life issues. Because it is easy to go ahead and generate electricity, or get our energy as cheaply bottom line in dollars and cents as we can, but I think what is facing us today, not just here in Alaska, but in the world, is what are we using our energy for? What is it that our life is about or lives are about that gets reflected in how we produce, generate and get our energy to live our lives and what kind of quality of life do we live?

I am hoping that in your search for an Executive Director that you will very strongly consider someone who will emphasize openness, transparency and keep with the public input and I'll even go so far as to say as you might even consider on the AEA Board, or part of the AEA structure, a continuous input from perhaps an advisory board, getting input from different aspects of the community and having that advisory board be part of the decision-making process and making recommendations to it. So thank you very much. I know the decisions you have to make and essentially how you are going to structure AEA and AIDEA is something you have, that will have, I think, important and meaningful consequences. But I would like to stress somewhere where the focus can be on intelligent, on finding intelligent energy solutions for the State of Alaska. Thank you very much.

END VERBATIM

Ms. Fisher-Goad noted for the record that Commissioner von Scheben and Mr. Winther have joined the meeting.

5. PRIOR MINUTES

The January 25, 2008 minutes were approved as presented.

6. OLD BUSINESS

There was no old business.

7. NEW BUSINESS

7A. Executive Director Search

Brian Bjorkquist suggested that at the end of this session, the Board should entertain a motion to recess and reconvene Monday, February 18, 2008, at 10:15am to pursue the Executive Director Search and conduct interviews.

8. DIRECTOR COMMENTS

Ms. Fisher-Goad stated that current information on AEA-owned projects, studies, and rural energy projects was emailed to Board Members and in the future it will be included in the packets. FY07 Power Cost Equalization (PCE) Statistical Reports were distributed today. AEA receives numerous requests from Legislators with respect to the cost of power in the small rural utilities that are able to take advantage of PCE. This report provides that information. The report also reflects the high cost of power in rural Alaska.

9. BOARD COMMENTS

Chairman Kelsey and Deputy Commissioner Andrews confirmed that the Governor and her Administration is looking to this Board to come up with an Energy Plan in the near future.

Commissioner von Scheben queried Ms. Fisher-Goad about the status of an employee survey.

Ms. Fisher-Goad stated that she would email board members information from the Procurement Manager on potential vendors who could perform the employee survey.

MOTION: Commissioner Notti moved to go into Executive Session to discuss Alaska Intertie Negotiations. Seconded by Deputy Commission Brian Andrews. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.

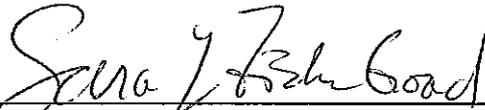
EXECUTIVE SESSION: 3:21pm

The AEA Board reconvened its regular meeting at 3:52 p.m.

A quorum was established. Chairman Kelsey advised that the Board had not taken any formal action on the matters discussed.

10. ADJOURNMENT

MOTION: Commissioner von Scheben moved to recess the AEA Board Meeting at 4:59 p.m. on Thursday, February 14, 2008 and reconvene on at 10:15 a.m. on Monday, February 18, 2008. Seconded by Commissioner Notti. There being no discussion, the question was called. A roll call vote was taken and the motion passed unanimously.



Sara Fisher Goad, Acting Executive Director/Secretary
Alaska Energy Authority