



BOARD MEETING MINUTES
Wednesday, May 27, 2015
Anchorage, Alaska

1. CALL TO ORDER

Chair Dick called the meeting of the Alaska Energy Authority to order on May 27, 2015 at 12:29 pm. A quorum was established.

2. ROLL CALL: BOARD MEMBERS

Members present: Chair Russel Dick (Public Member); Vice-Chair Dana Pruhs (Public Member); Jerry Burnett (Deputy Commissioner, Department of Revenue); Fred Parady (Deputy Commissioner, Department of Commerce, Community and Economic Development (DCCED)); Wilson Hughes (Public Member); Crystal Nygard (Public Member); and Gary Wilken (Public Member).

3. ROLL CALL: STAFF, PUBLIC

Staff present: Sara Fisher-Goad (AEA Executive Director), Gene Therriault, Tom Erickson, Emily Ford, Jennifer Haldane, Michael Lamb, Neil McMahon, Sandra Moller, Devany Plentovich, Teri Webster, (AEA); and Brian Bjorkquist (Department of Law).

Others present: Miranda Studstill (Accu-Type Depositions).

4. AGENDA APPROVAL

The agenda was approved.

5. PRIOR MINUTES - April 30, 2015

MOTION: A motion was made by Vice-Chair Pruhs to adopt the minutes of April 30, 2015. Motion seconded by Mr. Wilken. Motion passed.

6. PUBLIC COMMENTS

None.

7. NEW BUSINESS

7A. AEA Strategic initiative for FY16

Ms. Fisher-Goad gave a PowerPoint presentation regarding the internal strategic planning for FY16. She discussed the importance of strategic planning and described the past setting of June

2014. Ms. Fisher-Goad explained how the reorganization helps better serve communities. The three Strategic Initiatives AEA worked on during the year included the Alaska Affordable Energy Strategy (AkaAES), Energy Data Implementation, and Communications. The milestones are reviewed quarterly. Ms. Fisher-Goad noted the staff team dedicated to the Energy Data Implementation is also dedicated to the Renewable Energy Fund (REF) evaluations. The staff team dedicated to Communications is also involved during the legislative session.

Ms. Fisher-Goad informed AkaAES has completed all of their goals shown in the 12/31/14 quarter. The work on the goals for the 3/31/15 quarter is ongoing.

Ms. Fisher-Goad reported the Energy Data Implementation uses the Energy Data Gateway to store much of the REF information. The gateway is managed by the Institute of Social and Economic Research (ISER). Ms. Fisher-Goad commented it is important to memorialize the relationship with the different agencies who manage data, as changes in the budget situation occur. There is an ongoing effort to create a good balance between collecting data and utilizing that data in a useful way. AEA is supportive of the Gateway database, in order to store and retrieve information when needed.

Ms. Fisher-Goad invited Ms. Ford to discuss the Strategic Initiative of Communications. This initiative covers both internal and external communications. The demand has grown for technical experts to provide presentations to groups across the state. A consistent PowerPoint template has been developed for use with all AEA presentations.

Ms. Ford informed a standard AEA toolkit of information is being developed to take to events and includes a flyer template that can be updated per specific event. The flyer template can be printed inhouse. The communications plan will be available for management review in two weeks. The next step is to determine the intended audience, and continue strategic outreach efforts targeted to those audiences. After the communications plan is approved, expectations of staff and implementation will transpire in the final quarter. Ms. Fisher-Goad expressed appreciation to Ms. Ford for her work in assuring AEA staff has consistent information to provide to communities. She believes this is an important asset to AEA.

Ms. Fisher-Goad discussed the FY16 strategic planning topics. They include, 1) training for operators, utility clerks, and utility management, 2) O&M of rural infrastructure, 3) infrastructure cost, 4) power cost equalization, 5) internal: conversion to a World Doxs file management system, and 6) AEA owned infrastructure and project management.

Chair Dick inquired as to the Board's input from a strategic planning perspective. Ms. Fisher-Goad commented this is the first time staff has presented strategic planning topics to the Board. She asked how the Board would like to proceed with the process. Chair Dick noted it is important to get guidance from the Board and also feedback from the Department of Law on the strategic planning topics and initiatives. This could occur at the June meeting and staff will provide the Board with additional detailed information in writing about the series of Railbelt projects, including the Alaska intertie.

Deputy Commissioner Parady requested an explanation of the use of World Docs. He commented SharePoint is standardized for state government public records. Ms. Fisher-Goad informed SharePoint is utilized and has been very useful for Susitna-Watana. She believes World Docs addresses different issues which are not provided through SharePoint and can interface with each other.

Deputy Commissioner Parady believes the AkaES 3-year goal to deliver a plan to the Legislature by January 1, 2017 is too slow and perhaps will miss opportunities. He noted Administrative Order 272 directs commerce and the highest levels of administration to work together on affordable consumer energy. Deputy Commissioner Parady commented AEA's 2014 Railbelt Transmission Study identifies substantial savings and specific projects, but he does not see any of those projects moving forward. Deputy Commissioner Parady asked Ms. Fisher-Goad what the next steps are within the 3-year planning window regarding the clearly identified savings in the study.

Ms. Fisher-Goad explained the Alaska Affordable Energy Strategy is comprised of two separate planning efforts. The transmission plan identifies benefits and costs of the transmission upgrades needed in the Railbelt. The other effort is from a section of Senate Bill 138 which directed AEA to review projects that would reduce the cost of energy in parts of the state that are not going to get direct access to the gas pipeline.

Mr. Wilken asked Ms. Fisher-Goad how the FY15 Strategic Initiatives presented may be affected by the decrease or prospective elimination of budget funding. Ms. Fisher-Goad stated AkaES stands on its own as a planning document for the potential future revenue stream from the gas pipeline and is not affected by reduced budget funding. Ms. Fisher-Goad added AEA is a capital intensive agency and less funding means fewer projects.

Mr. Wilken commented the next meeting in Fairbanks has a full agenda. He suggested postponing discussion of the strategic planning topics, rather than being pushed to a deadline. These issues are cerebral and time is needed for proper review and discussion. Ms. Fisher-Goad agreed and noted she will work with the Board to schedule those discussions.

8. DIRECTOR COMMENTS

8A. Next regularly scheduled meeting Thursday, June 25, 2015 in Fairbanks in Rm 401 of the International Arctic Research Center (IARC) on the UAF Campus.

Ms. Fisher-Goad advised there is the potential for a Board action item soon regarding analysis of long-term finance of SVC repairs for the Bradley Project. Ms. Fisher-Goad will inform the Board of the progress after the Bradley Lake Project Management Committee (BLMC) meeting this week.

Ms. Fisher-Goad reported communications with Tuluksak have improved and are progressing. Tuluksak is working to get their books in order to ensure they can segregate fuel cost for the utility and fuel cost for the rest of the community. AEA has offered to provide technical assistance to install a new generator into the utility. The appropriate approach to that technical

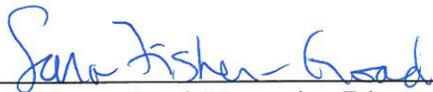
assistance has not been established. Conversations have occurred with Deputy Commissioner Parady and the Division of Community and Regional Affairs (DCRA) staff with respect to the fuel loans. Ms. Fisher-Goad will provide further information at the June meeting.

9. BOARD COMMENTS

None.

10. ADJOURNMENT

There being no further business of the Board, the AEA meeting adjourned at 1:09 pm.



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