

**Eklutna Operating Committee
Meeting Minutes**

June 15, 2017

The meeting is to be called to order at 1001

1. Attendance

P	Ed Jenkin
P	Bruce Aspray
P	Dustin Highers
	Tol Fishburn
P	Charlene Chanonto

P	Ken Langford
	Jim Brooks
	Ken Langford
	Eugene Ori
	Dan Mattson

P: Present A: Absent

2. Minutes Approved

- Prior meeting minutes were accepted as amended

3. Projects Reports

- Adit Tunnel Repair, Chugach

Dustin provided an update on the construction project which is provided below.

1. Contractor is progressing with lining the Adit with sheet metal followed by pouring concrete in the interstitial space behind the sheet metal and rock lining. This will effectively encapsulate the existing steel sets and timber in place. Contactor has been focused on completing the first 20 feet of the Adit prior to building out the canopy in front of the Adit and continuing further into the Adit.
2. Contractor has relocated power feeding the MTA Conex to prevent any interference with the portal installation; no change order to be processed.
3. Contractor is working with ML&P to replace the disconnect located at the plant to allow them to use power for their onsite equipment.
4. The ecology blocks are in place; along the road and along the Adit access pad. The contractor is wondering if it would be preferable to leave these in place after they have left the site? Photos and a typical cut sheet for these ecology blocks was provided.

The committee determined that the "eco blocks" could be left in place as long as they are flagged for visibility for snow removal

- Microwave & Towers Communications Installation, ML&P

The permit has been denied due to insufficient road set-back. ML&P will provide a plot plan showing alternate locations. Chugach offered assistance to help with project management and permitting

The old MTA tower was not seen as a suitable substitution for the tower being constructed due to age and access

- Unit 1 Major Overhaul (2017), ML&P

The overhaul started on the 5th. The generator rotor is now out. The schedule for work to begin dewatering the penstock has now been shifted to July 17th. A revised schedule is expected out next week.

Date: 12/13/17 **Exh #** 150
Regulatory Commission of Alaska
4-16-094 **By:** APS 4-17-008
Northern Lights Realtime & Reporting, Inc.
(907) 337-2221

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- EGS to Plant 2A Fiber Optic Cable Installation

A RFP is expected out for the design/build of the project. The project schedule will be reviewed once the proposals have been received

4. Open Items/Assignments:

Note: Number assignments will be unchanged.

<i>EOC</i>	<i>Task</i>	<i>Person with Primary Responsibility</i>	<i>Start Date</i>	<i>Target Completi on Date</i>	<i>Status</i>
169	Inundation Map Update	Dustin Highers	11/15/12	TBD	No activity is planned until after the old dam is removed
172	Fossil Creek Substation Land Negotiation	Bruce Aspray / Eugene Ori	2/11/16	TBD	No update

**Next Task Number = 174*

5. Financial Overview and Budget

The committee approved unanimously the 1st quarter true-up

A capital charges versus budget sheet, as of 06/13/17, was provided by ML&P

Also provided was budget versus actuals data for operational and maintenance expenses

6. Plant Operations & Maintenance (ML&P)

- Operations Report
 - Water works: The lake level is at 824.84 feet on June 15, 2017
 - Water Usage Consumption Report thru June 14, 2017 is 88,822.7 ACFT

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- Unit #1 availability:
Presently off-line for maintenance
- Unit #2 availability:
Unit #2 was 100% available in May
- Permit Status (Chugach)
 - Water Rights Permit
The 660 flow limit is not seen as negotiable. An exception to this limit may be during emergency conditions.

The EOC is not in jeopardy of losing its water rights. Pressure does exist to determine the acceptable limit for total water rights. Complete historical water usage is being reviewed
Once the legal opinion has been fully furnished a recommendation will be distributed. The initial recommendation will be drafted by Chugach
- Planned Maintenance (ML&P)
Unit #1 major overhaul is underway
- Training, Certificates, and Safety
No Activity
- Environmental
No Activity
- Security
No Activity

7. Dam, Intake & Penstock Maintenance & Regulatory Issues (Chugach)

- Planned Activity
In July after penstock dewatering Chugach will be requesting that the intake gate be exercised
- Dam Safety
No Activity
- Training, Certificates, and Safety
No Activity
- Environmental
No Activity
- Security
Chugach will be resurrecting the project to provide fencing at the intake. The contractor agreed to honor last year's bid This was also approved by the EOC.

8. Substations and Transmission Lines Operations & Maintenance (MEA)

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- Substations
 - All in service
 - Planned Maintenance at Palmer Substation has been completed.
- Eklutna-Palmer Line
 - In service
 - Status of Clearing
Bids were received and MEA awarded the contract to the lowest responsive bidder, Beaver Wood Chipping
- Eklutna-Anchorage Line
 - In service

9. Business & Administrative Issues

- Energy Allocation/Usage and Wheeling/Metering
Ken distributed usage data through the end of the 2016/2017 budget year.
- The resolution 2017-01 was passed with the inclusion in the motion of language that stated that flows through BKR167/168out that exceed the CEA schedule will be treated as inadvertent.

The 2015 through 2017 wheeling invoices are under review

10. Correspondence

None

11. E.O.C Formal Actions on 06/15/2017

Approval of 1Q true-up.
Approval of Resolution 2017-01 as amended.

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12. 2017 Formal Approvals

	Meeting Date	Action Taken
1	2017 03 09	Approval of fourth quarter true up
2	2017 06 15	Approved 1Q True-up
3	2017 06 15	Approved Resolution 2017-01
4		
5		
6		
7		

NEXT EOC MEETING

July 18, 2017; 10:00 A.M. at Eklutna Hydro.

The meeting adjourned at 1115.

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Attendance
Legend:

Present:	✓
Present by Phone:	☎
Not Present	

Eklutna Phone/Fax Numbers: (907) 263-9623 (Rings in Plant) (907) 263-5865 (fax)

<i>Present</i>	<i>Co.</i>	<i>Name</i>	<i>Office Phone</i>	<i>Alternate Contact #</i>	<i>Email Address</i>
✓	CEA	Dustin Highers	(907) 762-4775	Cell: 632-2901	dustin_highers@chugachelectric.com
✓	MEA	Tony Zellers	(907) 761-9385	Cell: 355-8174	tony.zellers@mea.coop
✓	ML&P	Bruce Aspray	(907) 793-3942	Cell: 862-2286	AsprayBD@muni.org
✓	ML&P	John Rivera	(907) 263-5856	Cell: 240-1078	RiveraJC@muni.org
✓	ML&P	Charlene Chanonto	(907) 263-5296		ChanontoCM@muni.org
✓	MEA	Ed Jenkin	(907) 761-9346	Cell: 707-6385	edward.jenkin@mea.coop
	ML&P	Eugene Ori	(907) 263-5339	Cell: 317-7225	orlea@muni.org
	CEA	Dan Mattson	(907) 762-7716	Cell: 632-3877	Dan_mattson@chugachelectric.com
	CEA	Burke Wick	(907) 762-4779	Cell: 242-1419	burke_wick@chugachelectric.com
✓	ML&P	Ken Langford			
✓	MEA	Jim Brooks			

APPROVAL OF MINUTES: _____
Edward Jenkin, EOC Chairperson 2017

8-22-17
Date

EKLUTNA OPERATING COMMITTEE

RESOLUTION: 2017-01

RESOLUTION APPROVING NEW WHEELING CALCULATION METHODOLOGY FOR THE EKLUTNA HYDROELECTRIC PROJECT

WHEREAS, the Municipality of Anchorage, doing business as Municipal Light and Power (ML&P); Chugach Electric Association, Inc. (Chugach); and Matanuska Electric Association, Inc. (MEA) (hereinafter also collectively referred to as "the Eklutna Purchasers"), acknowledge their respective proportionate shares of the Eklutna Hydroelectric Project ("Project" or "Eklutna Project") capacity, energy, and undivided interest in its assets to be 16/30 to (53.33%); 9/30 to CEA (30%); 5/30 to MEA (16.67%); and

WHEREAS, prior to its acquisition by the Eklutna Purchasers, the Project was owned by the United States and administered by the Alaska Power Administration ("APA") in the Department of Energy; and

WHEREAS, in 1989, the Federal Government and the Eklutna Purchasers entered into the Eklutna Purchase Agreement, which provided a framework for the eventual transfer of the Project to the Eklutna Purchasers; and

WHEREAS, in 1995, prior to the eventual transfer of Project ownership, the Eklutna Purchasers and APA entered into a Contract for Electric Service ("APA Power Purchase Contract") setting forth the terms and conditions under which the Eklutna Purchasers purchased electric service from APA; and

WHEREAS, Exhibit B to the APA Power Purchase Contract includes computations for annual energy and wheeling payments over the Project transmission system; and

WHEREAS, Schedule A-W3 to Exhibit D to the APA Power Purchase Contract is a schedule of rates for wholesale wheeling service that applies to "all non-Federal power transmitted over Eklutna Project transmission facilities for the benefit of Project customers" and establishes a rate of .3 mills per kWh for "[a]ll energy wheeled for others;" and

WHEREAS, as contemplated by the Eklutna Purchase Agreement, Congress enacted the Alaska Power Administration Asset Sale and Termination Act ("APAASTA") (Pub. L. No. 104-58; 109 Stat. 557) in 1995, which authorized and directed the Secretary of Energy to sell the Project to the Eklutna Purchasers in accordance with Act and the Eklutna Purchase Agreement;