
**ALASKA ENERGY AUTHORITY
BOARD OF DIRECTORS MEETING
May 11, 2006 – 10:30 a.m.
Anchorage, Juneau, and Talkeetna, Alaska**

1. CALL TO ORDER

Chairman Barry called the meeting of the Alaska Energy Authority to order on May 11, 2006, at 10:30 a.m. A quorum was established.

2. BOARD OF DIRECTORS ROLL CALL

Director present in Anchorage: Mr. Mike Barry (Chairman/Public Member).

Directors present in Juneau: Deputy Commissioner Tom Boutin (Designee for the Department of Revenue) and Commissioner Mike Barton (Department of Transportation and Public Facilities).

Directors present in Talkeetna: Commissioner Bill Noll (Department of Commerce, Community and Economic Development) and Mr. John Winther (Public Member).

3. PUBLIC ROLL CALL

Staff present in Anchorage: Ron Miller (Executive Director), James A. McMillan (Deputy Director-Credit & Business Development), Chris Anderson (Deputy Director-Credit & Business Development), Valorie Walker (Deputy Director-Finance), Karl Reiche (Project Development Manager), Mark Schimscheimer (Project Manager), Mike Harper (Deputy Director-Rural Energy), Sara Fisher-Goad (Financial Analyst), Becky Gay (Project Manager), Brenda Fuglestad (Administrative Manager) and Jeff Williams (Administrative Assistant).

Others attending in Anchorage: Brian Bjorkquist and Mike Mitchell (Department of Law).

Others attending telephonically: Cindy Cartledge (Wohlforth Johnson Brecht Cartledge & Brooking).

4. PUBLIC COMMENTS

There were no public comments.

5. PRIOR MINUTES

The February 24, 2006 minutes were approved as presented.

6. OLD BUSINESS

There was no old business.

7. NEW BUSINESS

7A. Resolution No. 2006-01, A Resolution of the Alaska Energy Authority Relating to the Adoption of New Regulation Relating to Power Cost Equalization (PCE)

Mr. Miller reviewed Resolution No. 2006-01 stating it revises the Alaska Administrative Code Title 3 by adding Section 107.225, outlining the method the Alaska Energy Authority (AEA) will use to allocate supplemental appropriations to the Power Cost Equalization program made after earlier pro rata reductions.

Notice was published in the Anchorage Daily News; mailed to all communities and utilities that receive PCE and the Legislature, including the Administrative Regulation Review Committee and the Legislative Council. The notice was also posted on AEA's website and the state of Alaska's Online Public Notice System. AEA received three written comments in response to the public comment period, which ended May 9, 2006: two were from utilities in support of the changes and one from the City of Unalaska who was against the changes. Staff has proposed no revisions to the regulation amendment in response to these comments.

Staff recommended approval of Resolution No. 2006-01.

In response to Board member questions, Ms. Fisher-Goad stated that the change to the regulations will make the administration of the program run smoother and will enable more timely payments to be made to recipients. Staff contacted Ms. Hazen, City of Unalaska, to discuss her concerns. Her concerns were alleviated when it was made clear that with these changes to the regulations, AEA will have the ability to better assist the utilities with regard to retroactive payments.

MOTION: Commissioner Boutin moved to approve Resolution No. 2006-01. Seconded by Commissioner Barton. There being no discussion, the question was called. A roll call vote was taken and the motion passed with Messrs. Boutin, Barry, and Barton voting yea. (Commissioner Noll and John Winther absent)

8. DIRECTOR'S COMMENTS

8A. Status Report

There were no director's comments.

8B. NEXT MEETING DATES

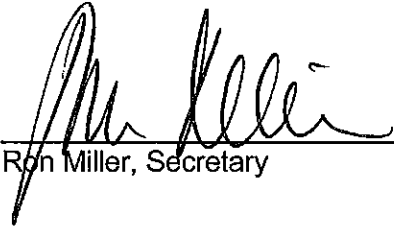
Chairman Barry stated that the next AEA meeting will be scheduled pending the next AIDEA board meeting.

9. BOARD COMMENTS

There were no board comments.

10. ADJOURNMENT

Chairman Barry adjourned the meeting at 10:43 a.m.

A handwritten signature in cursive script, appearing to read "Ron Miller", is written above a horizontal line.

Ron Miller, Secretary