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January 18, 2013

Representative Bob Lynn
Alaska State Capitol
Room 108
Juneau, AK 99801

Re: HB62 - Longer Terms for Cooperative Directors

Dear Representative Lynn:

Alaska Power Association (APA) is the statewide electric utility trade association that represents the majority of electric utilities that supply power to about a half-million Alaskans in communities from Barrow to Unalaska, though Southcentral and down to Southeast Alaska.

APA supports the adoption of HB62, "An act relating to the term of office of directors of telephone or electric cooperatives." The APA Board of Directors adopted a Resolution in Support of Amending AS10.25 to Allow Longer Director terms at its December, 2012, meeting. A copy of that Resolution is attached.

It is APA's position that amending the statute would provide greater flexibility to individual cooperatives. Cooperatives are governed by their bylaws and it makes sense that the cooperative membership be allowed to determine the specifics that work for them. If the members of a cooperative choose to allow longer terms, we believe that could increase continuity and stability in the Board of Directors. Longer terms would be helpful in this highly technical industry where there is a steep learning curve for new directors.

It is important to note that this change would not be mandatory for any cooperative. It would be up to the members to approve a change in their bylaws if they wish to adopt the amendment. However, they would not even be required to consider a change if it was of no interest to that cooperative.

In closing, we urge the Committee to approve the amended language as submitted and move the bill.

Sincerely,

Marilyn Leland
Executive Director

Enclosure: Resolution



ALASKA POWER ASSOCIATION R E S O L U T I O N

Resolution in Support of Amending AS 10.25 to Allow Longer Director Terms (13-6)

Currently, the Electric and Telephone Cooperative Act (AS 10.25) contains restrictive language on the election of directors. Alaska Power Association supports changing the statute to provide more flexibility to individual cooperatives, consistent with the wishes of their membership as reflected in a cooperative's bylaws. The proposed change would not require a cooperative to change its election procedures, but would provide alternatives from current practice if a co-op is interested in pursuing a bylaws change.

(Adopted Dec. 2012)

Association Members

Alaska Electric and Energy Co-op
Alaska Electric Light & Power
Alaska Power & Telephone
Alaska Railbelt Energy Authority JAA
Alaska Village Electric Cooperative
Anchorage Municipal Light & Power
Aurora Energy
Barrow Utilities & Electric Co-op
Chugach Electric Association
Copper Valley Electric Association
Copper Valley Telephone Co-op
Cordova Electric Cooperative
Doyon Utilities
Golden Valley Electric Association
Homer Electric Association
INN Electric Cooperative
Inside Passage Electric Co-op
Kodiak Electric Association
Kotzebue Electric Association
Kwaan Electric Transmission
Intertie Cooperative
Matanuska Electric Association
McGrath Light and Power
Metlakatla Power & Light
Middle Kuskokwim Electric Co-op
Naknek Electric Association
Nome Joint Utility System
North Slope Borough
Nushagak Cooperative
OTZ Telephone Cooperative
City of Seward
Southeast Alaska Power Agency
Tanalian Electric Cooperative
Tanana Power Company
TDX Power
Unalakleet Valley Electric Co-op
Yakutat Power

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