About the Artist

Linda Henning is a nine-year resident of Alaska. She was raised in Pennsylvania and has lived in California, the Pacific Northwest, Florida, and Ontario, Canada. In her 20s, she attended a University of California art program, Mt. Hood Community College, and Portland Community College, and has continued art training by attending various professional workshops over 42 years. After working for 35 years in the printing and publishing industry, Linda gravitated back to her roots in fine art, graphic design, and photography.

While on a business trip to Sitka in 2001, Linda met her husband Charles Grisham. Three years later they moved to Alaska and lived in the wilderness of Pt. MacKenzie for a year. Linda and Charles now live in Knik, an area steeped in Native history, with their 4 dogs on a property bordered by a power easement.

The inspiration for The Linemen came from watching and photographing electrical crews while they work during power outages and upgrades along the line. The Linemen is from a growing series called "Men at Work," based on people doing dangerous jobs. The original is a 6" X 6" watercolor and gouache on illustration board.

As part of our ongoing effort to showcase the work of local artists throughout our service area, MEA is proud to present Linda's work as the cover of our 2013 Annual Report.
Dear MEA Member-Owners:

Once more it is my privilege as President to tell you about the progress our Association has made in the past year. 2012 saw MEA break ground on the new, 170 megawatt Eklutna Generation Station. This new dual-fuel power plant will provide safe, reliable, sustainable, and economical power for our members for years to come. I am pleased to tell you that this $265 million project is on schedule and on budget.

In 2012 we continued our program of improvements to infrastructure in order to meet current needs and provide for the demands of our growing population. We are actively working with the community to develop a plan for construction of new transmission and distribution lines to help us improve the reliability of our system and better deliver power to the core area of the Mat-Su Borough.

MEA has continued its active participation in ARCTEC, the Alaska Railbelt Cooperative Transmission and Electric Company. Our General Manager, Joe Griffith, has provided his expert leadership to this critical organization since its creation, helping to move several major projects forward. Currently, ARCTEC is working to support the funding of more than $163 million in critical Railbelt-wide infrastructure projects.

MEA is working hard to build a better future, and it is a privilege to be your Board President during these exciting times.

Most Sincerely and Humbly Yours,

Elsie E. “Lois” Lester
President, Board of Directors
Matanuska Electric Association, Inc.
“The future depends on what you do today.”
-Mahatma Gandhi

At Matanuska Electric Association, we are in the business of building the future. Whether for your homes or your businesses, a key to any successful future is the availability of safe, reliable, sustainable, and economical electricity. Without it the economic life of Alaska simply doesn’t work. That’s why we labor to keep costs as low as possible even while we prepare for the biggest change in MEA’s history.

As we speak, MEA is undergoing a major transformation. For most of our 72-year history, Matanuska Electric Association has been a distribution cooperative. This means that we have purchased power produced by someone else and then distributed it to our membership. Now, with the construction of the state-of-the-art Eklutna Generation Station we are preparing to take the next step in our growth by becoming a vertically-integrated utility. For the first time, MEA will be fully in control of its own destiny, owning and operating every part of our generation, transmission, and distribution system.

Few rural electrical cooperatives have made this leap, and we know that the eyes of the state are firmly fixed on our team as we bring this critical project to fruition. It’s a big challenge, but we’re up to the task. It’s the Alaskan way. We look out at the wilderness and instead of being deterred we are made resolute.

Years of careful study and planning have brought us to this moment. We know that the next twenty months, as we bring the Eklutna Generation Station from concept to reality, will be a challenge. Our future depends on what we do today, and for that we have assembled the best team possible and given that team the tools needed to be successful. It’s our responsibility to every member of this cooperative, and we take it seriously.

Together, we are building the future.
The Eklutna Generation Station (EGS)

In 2012, the Eklutna Generation Station (EGS) project continued on schedule and within budget. With MEA's power purchase contract with Chugach Electric expiring on December 31, 2014, the 170 megawatt natural gas generation plant achieved major milestones this past year.

After the historic November 2011 unanimous board vote to proceed, MEA began project development. In March 2012, the MEA Board of Directors ratified the award of a $100 million plus contract for engine/generator units. Wärtsilä, one of the world’s leading manufacturers of flexible and efficient power plants, was awarded the contract to supply the power house engineering and engine/generating equipment for a new power plant at Eklutna, Alaska.

In June of 2012, a Groundbreaking Ceremony was held to officially kick off construction on the project. The event was attended by approximately 85 dignitaries from around Alaska and around the world, including representatives from the offices of both our U.S. Senators and our Congressman. Other attendees included members of the Alaska State Senate and State House, various local officials, the Eklutna Corporation, and members of the engineering teams of all our major design and construction partners.

In February 2013, Roger Hickel Contracting began foundation work on the Power Block (the structure that will accommodate each of the 390 ton engines). Negotiations are currently underway with potential natural gas suppliers to secure a long-term fuel source for EGS.

While construction will continue through 2014, the next major milestone will occur in fall 2013, when the ten massive Wärtsilä dual-fuel engines are scheduled for delivery to Eklutna.

When EGS is completed at the end of 2014, MEA will join the ranks of a very small group of rural electric cooperatives who produce and distribute their own electrical power. Currently, only 65 of the 905 members of the National Rural Electric Cooperative Association produce and distribute their own power.


To follow the EGS project progress, visit our website at www.mea.coop, or follow Matanuska Electric Association on Facebook.
On June 26th, approximately 85 people marked the official launch of construction of the EGS 170 megawatt dual-fuel power plant.

“This is the biggest undertaking in MEA history,” noted Board President Lois Lester. “MEA now is striking out to take charge of its own destiny. With the construction of the Eklutna Generation Station, for the first time MEA will control its own power generation, transmission, and distribution system.”
Foundation Overview
In 2012, the Matanuska Electric Association Charitable Foundation (MEACF) awarded grants to the MEA service area of $121,000. These grants were awarded both to individuals in need and non-profit groups who serve our communities.

Our Granting Goal
We would like to highlight the broad nature of the grants awarded in our community. Our goal as Board Members was to make grants to individuals and organizations for projects and needs for which there is no other identifiable source of grant funding available. Thus, the grants were made for things as diverse as roofing repairs, tires for vans, safety fences and shelving, historic document preservation, outdoor education, and service dogs, to name just a few. A complete list is included for you in the document entitled MEA Grant History on the MEA webpage.

Growth Steps & Financial Reports
While still in the early stages of our foundation’s life, in 2012 we took significant growth steps by hiring an independent auditor for the coming 2012 audit, retaining a bookkeeper, establishing checking and savings accounts, and processing checks. The Charitable Foundation Board believes this will result in considerable cost savings for auditing and bookkeeping, and in significantly faster grant payments to grantees.

Charitable Foundation Board
The spirit among the Board members for the mission with which you have charged us remains unwavering. Our Board meetings are enthusiastic, “can do, get'er done” events. In order to keep our Foundation expenses to absolute bare bones, each member takes on the day-to-day tasks of the Board, vetting grant requests, delivering grant checks, and doing other necessary tasks to help our grantees. We do this because we love this Foundation, and we do this in order to get as much grant money as possible out to our community through Operation RoundUp®.

Thank you for your faith and confidence in us to carry forth the Foundation’s mandate, and thank you for the privilege of letting us serve you and our community.

Your Charitable Foundation Board,

David Dahms, Chair; Tom McGregor, Vice Chair; Sue Smith, Treasurer
Karen Tucker, Secretary; Barb Gerard; Steve Lambert; Kelly Sidebottom
General Manager and Senior Staff

MEA General Manager Joe Griffith

Joe came to Alaska in 1982 to command the 21st Tactical Fighter Wing at Elmendorf Air Force Base. After retirement, he spent five years working in local government and then accepted a position at Chugach Electric Association as head of planning and Chief Financial Officer (CFO). Later, he assumed management of the generation arm in addition to his CFO duties. He became the Chief Executive Officer in 2002.

Joe is a past Chairman of the Anchorage Chamber of Commerce, Commonwealth North, United Way, Anchorage Opera and the Anchorage Museum Association. After leaving Chugach Electric Association, he worked as an energy consultant and commercial pilot in Alaska. He currently serves as General Manager of Matanuska Electric Association, a position he has held since July 2009. Joe is also the CEO of ARCTEC (Alaska Railbelt Cooperative Transmission and Electric Company), the Railbelt Generation and Transmission cooperative, to which he has provided executive leadership since January 2011.

MEA SENIOR STAFF

“I am immensely proud of my highly capable senior staff. They work tirelessly on behalf of every MEA member to ensure safe, reliable, sustainable, and affordable electric power. The leadership that they provide to our employees is irreplaceable.” - General Manager Joe Griffith
2012-2013 Board of Directors

Lois Lester
President
Director At-Large

Janet Kincaid
Vice President
Director At-Large

Peter Burchell,
Secretary/Treasurer
Director At-Large

Larry DeVilbiss
Matanuska District

Bob Doyle
Susitna District

David Glines
Eagle River District

Kit Jones
Director At-Large

Seated left to right - Board Secretary/Treasurer Peter Burchell, Board Vice President Janet Kincaid, Board President Elsie E. “Lois” Lester, and Board Member Catharine “Kit” Jones.
Standing left to right - Board Members Larry DeVilbiss, Bob Doyle, and David Glines
Matanuska Electric Association, Inc.

Balance Sheet As Of December 31, 2012

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Utility Plant</td>
<td>$263,416,355</td>
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<tr>
<td>Other Property and Investments</td>
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<tr>
<td>Current Assets</td>
<td>22,542,973</td>
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<tr>
<td>Deferred Charges</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$307,917,064</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Equities and Liabilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities and Margins</td>
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<tr>
<td>Long-Term Debt, Net</td>
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<tr>
<td>Current Liabilities</td>
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<td>Deferred Credits</td>
<td>8,911,273</td>
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<tr>
<td><strong>Total Equities and Liabilities</strong></td>
<td><strong>$307,917,064</strong></td>
</tr>
</tbody>
</table>

Statement of Revenue and Patronage Capital
Year Ended December 31, 2012

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>$106,481,965</td>
</tr>
<tr>
<td>Less: Purchased Power Costs</td>
<td>66,115,730</td>
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<tr>
<td>Other Operating Expenses</td>
<td>37,651,695</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>103,767,425</strong></td>
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<tr>
<td>Operating Margins</td>
<td>2,714,540</td>
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<tr>
<td>Patronage Capital from Others</td>
<td>1,130,076</td>
</tr>
<tr>
<td>Non-Operating Margins, Net</td>
<td>338,409</td>
</tr>
<tr>
<td>Assignable Margins</td>
<td>4,183,025</td>
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<tr>
<td>Beginning Patronage Capital</td>
<td>96,721,850</td>
</tr>
<tr>
<td>Patronage Capital Returned</td>
<td>(952,744)</td>
</tr>
<tr>
<td><strong>Ending Patronage Capital</strong></td>
<td><strong>$99,952,131</strong></td>
</tr>
</tbody>
</table>

MEA’s audited financial statements will be available after March 15, 2013. MEA members may request a complete copy of the audited financial statements by calling 761-9212.
There are seven seats on the MEA Board of Directors. Four seats are designated as “At-Large.” These directors are elected by the entire MEA service territory. The remaining three seats are called “District” seats and are elected from smaller geographic areas throughout the service territory. This year, there are three open “District” seats. There are also nine bylaw change proposals on this year’s ballot.

Here are a few pointers to consider before you cast your ballot.

**If Voting By Mail**
- Please drop your ballot in the U.S. mail. - Ballots dropped off at MEA cannot be accepted.
- Remember to sign the return envelope. - Your ballot cannot be counted without your signature.
- Wives and husbands may not sign for one another. - The MEA election overseer will check for correct signatures during the signature verification process, and your ballot won’t be counted if the signature does not match the one on your member application.
- If you are voting for a business and are unsure of who is authorized to vote, please contact us prior to voting.
- The ballot you received in the mail cannot be used to vote the day of the annual meeting. - You will be issued a ballot to vote at the meeting if you have not voted by mail or electronically.

**If Voting Electronically**
- To Vote Electronically, you will need two pieces of information: your voter number and your password.
  1. Your Voter Number can be found on the back of the Ballot Return Envelope included in your MEA Annual Report and ballot mailer.
  2. Your Password was mailed to you in a separate postcard.
- In your computer or tablet’s web browser, visit the web address listed on the postcard and follow the on-screen instructions.

**Questions About How to Vote?**
- If you have any questions about how to vote by mail or electronically, call the Election Overseer’s Help Hotline at: 855-761-9111.

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**Member Advisory Committee Questions**
Each Candidate has been asked to answer the following questions and to provide a brief statement about why he or she is running for the MEA Board of Directors. The answers to these question have been provided on the following pages. *The answers are unedited and appear as originally submitted.*

1. Have you read MEA’s Bylaws, and do you meet the eligibility requirement of the Bylaws to serve as a Director?
2. What efforts have you taken to become informed about MEA’s future power supply plans?
3. How do you view the role of the Board of Directors?
4. Do you have any ties to organizations attempting to influence the outcomes of this election? If so, please describe?
5. In your opinion what are the most important issues facing MEA today?

---

Thank you for participating in your Association by voting!
Mailed ballots must either be VOTED ELECTRONICALLY or RECEIVED by the MEA Election Overseer by 5 p.m., Monday April 22, 2013.
David Glines (Incumbent - Nominating Committee)

WHY I WISH TO SERVE

In 2007, I was elected to the MEA Board without any personal or special interest agenda. Since then, I have often joked that I was “clueless” to specific contentious issues the Board was soon to face. In fact, after winning, a long-time MEA member, Chris Brooks, told me he didn’t know whether to congratulate me or offer his condolences. Without rehashing old business we, as a Board, worked through some thorny issues which are now simply a footnote of MEA history.

After almost 6 years on the MEA Board, I feel a strong obligation to complete the mission of transitioning from a utility that only distributes electricity to a fully integrated generation, transmission and distribution company where member-owners can experience a more secure power future, control costs, improve reliability of service while working toward a long-term strategy of greater employment and reliance on renewable fuel sources.

I have 30+ years of experience in leading small units to large organizations with training backed up by experience. My personal mission has simply been a desire to serve with integrity. I ask for your Vote of confidence to return to the MEA Board. I’m Trained, Experienced and READY TO SERVE.

**Membership**

<table>
<thead>
<tr>
<th>MEA Board</th>
<th>Length</th>
<th>Office Held</th>
<th>Dates From - To</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5 3/4 yrs</td>
<td>VP (3 yrs)/ Director</td>
<td>July 2007-Present</td>
</tr>
<tr>
<td>Assn of the US Army</td>
<td></td>
<td></td>
<td>1993-Present</td>
</tr>
<tr>
<td>National Infantry Assn</td>
<td></td>
<td></td>
<td>Lifetime Member</td>
</tr>
<tr>
<td>USAWC Alumni</td>
<td></td>
<td></td>
<td>1996-Present</td>
</tr>
<tr>
<td>AKNG Officer Assn.</td>
<td></td>
<td></td>
<td>Lifetime Member</td>
</tr>
</tbody>
</table>

**Background**

Advanced degree with more than thirty years of experience in leadership and management positions. Demonstrated liaison skills and executive leadership in small and large organizations with expertise gained in corporate and public relations, business development, strategy planning and implementation with project management skills.

**Answers to MAC Questions**

1. YES.

2. As an MEA Board member since 2007, I am imminently familiar with the genesis of our efforts to plan, develop and execute MEA’s strategy to deliver reliable and affordable electrical power for MEA members. On the MEA Board, I have fully supported the on-going strategy and efforts to develop the Eklutna Generation Station (EGS) for full operation to begin no later than January 1, 2015. I continue to support the private development of the South Fork Hydro project to produce electricity for MEA and I will remain prepared to support connection of it to the system when it is ready.

3. It is the role of the Board of Directors to direct the affairs of MEA by exercising all the powers conferred upon it by the member-owners through the bylaws, corporate charter and public law. The MEA Board hires the General Manager and partners with Management in developing organizational policies and approves strategic plans for the future with overall financial, operational and organizational decisions serving the best interests of MEA members. As Trustees, the Board has a fiduciary responsibility to protect MEA’s assets, employees and members while constantly monitoring the health and performance of the organization. It should always act as the “Buck Stops Here” body of Decisionmakers and must lead the organization by example the highest degree of ethical behavior in the conduct of all its activities.

4. NONE whatsoever.

5. 1) Focusing our energy and talents on completing the EGS Power Plant...on time, on budget and with guaranteed short-to-medium and long term gas supply contracts that all converge no later than 31 Dec 2014 insuring the most reliable, affordable and independently responsive energy for MEA’s members than currently exists from our “all requirements” supplier. (2) Industry and government efforts to increase the longevity of Cook Inlet natural gas supply. (3) Further cooperation and partnering with other “Railbelt” utilities to improve MEA’s continued access to, and receipt of, MEA’s apportionment to Bradley Lake Hydropower. This effort is referred to as “Unlocking Bradley Lake” and would provide additional clean hydropower to Anchorage, Mat-Su and Fairbanks. (4) Vigilance by the MEA Board and Management to insure the financial strength of MEA remains healthy and resilient. (5) Continuance of activities that enables MEA to be a responsible presence in the communities we SERVE.

//
Robert (Bob) Doyle (Incumbent - Nominating Committee)

WHY I WISH TO SERVE

I am seeking re-election to the MEA Board of Directors to finish what we started – the Eklutna Generation Station. EGS enables us to become independent as a vertically integrated utility providing safe and reliable power at a reasonable cost. My training as a Credentialed Cooperative Director allows me to focus on keeping rates low, reducing expenses for Board members, and providing a smooth transition as we bring EGS into full operation. A Cost of Service Study allows future rates to be fair to both residential and commercial accounts. I advocate for the use of technology to improve communications with members. MEA can improve community relations when planning for future transmission lines and substations. The need for electricity is growing and we must be ready to meet the future demand for power. It is imperative that we obtain a long term contract that supplies natural gas to EGS. I want to work on our Equity Management Plan to increase the retirement of capital credits for our members. I have enjoyed the opportunity serving MEA for the past three years, and ask for your vote for three more years.

Membership

<table>
<thead>
<tr>
<th>Membership</th>
<th>Length</th>
<th>Office Held</th>
<th>Dates From - To</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEA Board</td>
<td>3 years</td>
<td>Board Member</td>
<td>2011-Present</td>
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<tr>
<td>Food Pantry Wasilla</td>
<td>6 years</td>
<td>Board Member</td>
<td>2007-2012</td>
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<tr>
<td>United Way Mat Su</td>
<td>3 years</td>
<td>Board Member</td>
<td>2006-2007</td>
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<tr>
<td>Mat Su Schools Foundation</td>
<td>3 years</td>
<td>Board Member</td>
<td>2008-2010</td>
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<tr>
<td>Wasilla Sunrise Rotary</td>
<td>3 years</td>
<td>Member</td>
<td>2010-Present</td>
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</table>

Work Experience

<table>
<thead>
<tr>
<th>Mat-Su Borough School District</th>
<th>Dates</th>
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</thead>
<tbody>
<tr>
<td>Superintendent</td>
<td>2003-2007</td>
</tr>
<tr>
<td>Assistant Superintendent</td>
<td>1993-2003</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>1988-1993</td>
</tr>
<tr>
<td>Director of Community Services</td>
<td>1982-1988</td>
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<table>
<thead>
<tr>
<th>Sitka School District</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Community Education</td>
<td>1980-1982</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Municipality of Anchorage</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community School Coordinator</td>
<td>1976-1980</td>
</tr>
</tbody>
</table>

Education

- University of Alaska, Anchorage - Masters of Public Education
- University of Oregon - Bachelor's Degree in Science, Health, Physical Education, and Recreation

Answers to MAC Questions

1. Yes, I have read our cooperative's Bylaws. I attended meetings of the Bylaw committee this year as they worked on possible revisions. Yes, I meet the eligibility requirements of the Bylaws. I have lived in Wasilla and been a member of MEA in good standing since 1982.

2. For the past three years, I have attended all MEA Board meetings, work sessions, and many committee meetings including Audit, Finance, and By-laws. I supported construction of the Eklutna Generating Station so that MEA can become truly independent from Chugach Electric as a vertically integrated utility rather than only a distribution utility.

3. The Board of Directors must follow MEAs Bylaws and policies. This includes duties such as: hiring and evaluating our general manager, reviewing and questioning proposed rate increases, approving administrative and legal filings, reviewing and questioning budget expenditures, approving the annual audit, and setting annual goals. Members of the Board must effectively represent all of our cooperative's members by asking pertinent questions, becoming informed on upcoming agenda items, insisting on transparency and accountability, and participating in needed training to fully understand electrical cooperatives. I believe that I fulfilled these duties during the past three years and will continue to do so if re-elected.

4. No

5. The first and foremost issue must be to secure a long term natural gas supply for our new Eklutna Generating Station (EGS). Second, we must finish EGS on schedule and on budget. Third, we must complete a comprehensive Cost of Service study to ensure future rates are fair to our members both residential and commercial. Fourth, we must focus on lowering administrative overhead costs especially Board expenses and work harder to keep rates low for our members.
Jamey Duhamel (Nominating Committee)

WHY I WISH TO SERVE

The future of energy generation in the Mat-Su Borough is at a critical stage. The decisions we make today will have long term consequences on families and businesses for generations to come. I was raised in the Mat-Su Borough and am raising four sons that I hope will choose to live here and raise their own families. I tend to involve myself in community issues and projects that I feel help create a more livable future for my children and grandchildren. As such, I would like a seat at the table as we move forward into the development of a natural gas plant and other future decisions that can provide affordable electricity to residents of the Mat-Su. In addition, I believe very strongly that any public board should have a balance of ideas and perspectives. It should span the range from family minded to business minded, older generation to younger generation, common sense practicality to educated long range visions. I believe I can provide such a balance and am ready and willing to serve my community in this manner.

Membership

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<th>LINKS Board of Directors</th>
<th>Length</th>
<th>Office Held</th>
<th>Dates From - To</th>
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<tr>
<td></td>
<td>5 yrs</td>
<td>President</td>
<td>2007-2011</td>
</tr>
<tr>
<td>SEAC</td>
<td>3 yrs</td>
<td>Chair</td>
<td>2006-2008</td>
</tr>
</tbody>
</table>

Work Experience

- Program Director - Castle Mountain Coalition: Present
- Outreach Coordinator - Friends of Mat-Su: 2011-2012
- Clinical Associate II - Assets, Inc.: 2000-2004

Education

- University of Phoenix - Bachelor's of Science, Psychology

Answers to MAC Questions

1. Yes.

2. I have closely followed MEA’s plans for the Eklutna gas fired power plant which should be able to be well supported by the large amount of Cook Inlet gas that is in the process of being explored and developed. I have also publicly supported development of an All-Alaska gasline to Valdez with a spur to Palmer, which would benefit MEA. MEA could also benefit from future potential developments in geothermal resources, tidal, hydropower and wind.

3. The boards I have served held fiduciary responsibility, approved the budget and its management, and worked to ensure the prosperous future of the organization. A good board provides clear direction and works cooperatively with the CEO to ensure good management, employee relations and worker health and safety. Since this board serves a co-op utility, their duties would also include making decisions that are accountable to Association owner-members and their best interests.

4. I am contracted by Castle Mountain Coalition whose mission statement is to protect the ecological integrity and economic viability of the Matanuska watershed. As such, my job with them is to advocate against the development of coal mining in that region. Since coal investment and generation is not on MEA’s agenda, I see no conflict of interest with this connection.

5. It is critical that the gas generation plant be completed at Eklutna by 2015. It will make a critical contribution to stable power for the MEA service area as well as provide another stable source of power for the rail belt grid. With new impetus on a large diameter gasline to Valdez, we need to facilitate a spur line to Palmer. Should geothermal power prove up we need to be able to integrate it into MEA’s base load, as well as facilitate other possible opportunities with wind, tidal and energy efficiency programs that save energy and provide local jobs. All of these need to be part of a ready response to our continuing rapid growth.

The most important issues are making sure we have ample affordable electricity to keep costs down for families while providing enough supply to one of the fastest growing communities in Alaska.
Marvin L. Yoder (Petition)

WHY I WISH TO SERVE

MEA is transitioning from an Electric distribution utility to a distribution and generation utility. This will result in many challenges to the organization.

Construction of the Eklutna plant is beginning. However, MEA does not have a fuel supply secured. The most important issue facing MEA is to secure a long-term contract for Natural Gas at a price that will not raise electrical rates. A secondary issue is to complete the power plant, including the intertie, within the proposed budget.

Regular maintenance including removing vegetation around the power lines is necessary to insure reliable power to all sections of the service area.

As a utility manager for 20 years, 10 years with an electric utility, I worked on plans for new generation, set new rates for electricity when fuel prices changed and handled consumer complaints and concerns. I am ready and able to add my expertise the MEA Board.

MEA must continue to work with the region and the State when dealing with energy issues. I served on the Board of the Alaska Power Association and have good relations with the Association and State officials.

Membership

<table>
<thead>
<tr>
<th>Membership</th>
<th>Length</th>
<th>Office Held</th>
<th>Dates From - To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska ABC Board</td>
<td>2 yrs</td>
<td>Board Member</td>
<td>Feb. 2011-Present</td>
</tr>
<tr>
<td>Borough RSA South Colony</td>
<td>2 yrs</td>
<td>Board Member</td>
<td>Present</td>
</tr>
<tr>
<td>Alaska Power Association</td>
<td>8 yrs</td>
<td>Board Member</td>
<td>1998-2006</td>
</tr>
<tr>
<td>Alaska Coastal Policy Council</td>
<td>3 yrs</td>
<td>Alt Board Member</td>
<td>1978-2001</td>
</tr>
<tr>
<td>Alaska Commission on Local Gov</td>
<td>2 yrs</td>
<td>Commission Member</td>
<td>2005-2006</td>
</tr>
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</table>

Work Experience

<table>
<thead>
<tr>
<th>Work Experience</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy Administrator - Wasilla, AK</td>
<td>02/08 to present</td>
</tr>
<tr>
<td>Interim City Manager - Seward, AK</td>
<td>12/06 to 05/2007</td>
</tr>
<tr>
<td>Manager - Craig, AK</td>
<td>1975 to 1978</td>
</tr>
<tr>
<td>Manager - Ketchikan Gateway Borough, AK</td>
<td>1978 to 1983</td>
</tr>
<tr>
<td>Manager - Klawock, AK</td>
<td>1990 to 1996</td>
</tr>
<tr>
<td>Manager - Galena, AK</td>
<td>1996 to 2006</td>
</tr>
<tr>
<td>Fish Processing Plant Manager - Craig, AK</td>
<td></td>
</tr>
<tr>
<td>Fish Processing Plant Manager - Unalakleet, AK</td>
<td></td>
</tr>
<tr>
<td>RV Resort, Sales and Marketing - Southern California</td>
<td></td>
</tr>
</tbody>
</table>

Education

<table>
<thead>
<tr>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School - Western Mennonite School - Salem, OR</td>
</tr>
<tr>
<td>Oregon State University - Two years Non-Graduating - Various courses in General Management and Certified Public Manager</td>
</tr>
</tbody>
</table>

Answers to MAC Questions

1. I have read and reviewed the bylaws. I served on the bylaws committee to review and revise the bylaws. I meet the requirements to serve as a Board Member.

2. I have read the reports, attended presentations by MEA on the status of the power supply plans. Also, reviewed the manufacturer’s website to learn about the generation system that is being built.

3. The Board of Directors are the representatives of the Consumers and members. The roll of the Board is to set policy; not to “manage” the day to day operations.

4. No.

5. The most important issue facing MEA is to secure a long-term contract for Natural Gas at a price that will not raise electrical rates. A secondary issue is to complete the power plant, including the grid extensions, within the proposed budget.
Proposition 1: Electronic Voting Amendments
These changes allow MEA to send the Annual Report and Annual Meeting Notice electronically at a member's request, providing greater convenience to the member and a potential cost savings to the co-op through lower printing and mailing costs.

ARTICLE III, SECTION 3 – Notice of Members’ Meetings
(a) Written notice Notice stating the time and place of the annual meeting of the members shall be given to each member, either personally, or by mail, or electronically, not less than 15 days or more than 45 days before the date of the meeting. Notice of a special meeting of the members, together with notice of the purpose for which the meeting is called, shall be given to each member, either personally, or by mail, or electronically, not less than 90 days or more than 120 days before the date of the meeting. If mailed, notice is considered given when it is deposited in the United States mail with postage prepaid addressed to the member at the address of the member as it appears on the records of the Association. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

Proposition 2: Natural Persons & Membership Types Amendments
Joint residential memberships are held for a variety of reasons and can be held by people who are not husband and wife. Business types are varied and not fully represented by the list in the current language. This bylaw change strikes the existing language defining business types and establishes the term “two natural persons” as a more complete and accurate way to refer to who may enter into a joint membership.

ARTICLE 1, SECTION 1 – Requirements for Membership
(Final Paragraph)
No member may hold more than one membership in the Association, whether held individually, jointly by husband and wife two natural persons, or as a business that is not a separate entity from the member. For purposes of this Section, corporations, limited liability companies, partnerships, joint ventures, unincorporated associations, and trusts are considered separate entities from their shareholders, members, partners, joint ventures, and beneficiaries, but a sole proprietorship is not a separate entity from the owner. No membership in the Association shall be transferable except as provided by these Bylaws. Members with more than one service location shall designate one as their primary membership.

ARTICLE 1, SECTION 3 – Joint Membership
A husband and wife Two natural persons may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term “member”
as used in these Bylaws shall be deemed to include a husband and wife two natural persons holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

ARTICLE 1, SECTION 4 – Conversion of Membership
(a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse any other natural person to comply with the Articles of Incorporation, Bylaws, and Rules and Regulations adopted by the Board.

(b) Upon the death of either spouse member who is a party to the joint membership, such membership shall be held solely by the survivor. However, the estate of the deceased shall not be released from any debts due the Association.

Proposition 3: Duties of the Election Overseer
In 2010, the Membership voted to discontinue the use of an inner ballot envelope inside an outer signature return envelope, resulting in a cost savings to the co-op. This amendment removes a remaining reference to this former practice.

ARTICLE III, SECTION 5, subsection c, part 4 – Voting
4. The Overseer shall supervise:
   • The securing of all ballots;
   • The verification of signatures, at which point the signature will be separated from the sealed envelope;
   • There shall be a posting of a list of all disqualified ballots on MEA’s website and in MEA’s offices’ reception areas by the close of business no less than each Thursday prior to the election and at the Meeting;
   • The counting of the ballots at the Meeting;

Proposition 4: Election and Tenure of Board Members, Establishing a Fourth District Director
Alaska Statute 10.25 defines the maximum length of the term of office for members of a utility Board of Directors, and has recently been modified to allow for four-year terms. These bylaw changes allow the MEA Board of Directors to adopt this modified term length at some point in the future, at its discretion and without further vote by the Association’s membership. These bylaw changes also modify the existing make-up of the board to establish a fourth District Director and eliminate one At-Large Director position.

ARTICLE IV, SECTION 2 – Election and Tenure of Office
Directors shall be elected by ballot as set out below, by the members at the annual meeting of the members, for terms of three years not to exceed terms specified by AS 10.25 or until their successors are elected and qualified, subject to the provisions of the Bylaws with respect to the removal of directors. No member shall serve more than three full consecutive terms. The terms of the directors shall be staggered in three-year cycles, so that two District Directors shall be elected one year, two District Directors the next year, and three At-large Directors the third year. If an election of board members shall not be held on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing board members within a reasonable time thereafter. Board members shall be elected by a plurality vote of the members.
If after a recount, two or more candidates tie in the number of votes for the same directorship seat, the President of the Board shall notify the candidates of a reasonably suitable time and place to determine the successful candidate by lot. After the determination has been made, the Board shall so certify.

The area served by the Association shall be divided into **three four** districts for the purpose of electing one director from each district, who shall be referred to as “District Directors,” and who shall be elected every third year for three-year terms, beginning in 2001: **The Board shall define districts and equalize to the degree possible, membership in the districts.**

The following districts are created:

a. The Eagle River District, which shall consist of that portion of MEA’s service territory located within the Municipality of Anchorage;

b. The Susitna District, which shall consist of that portion of MEA’s service territory located west of the Seward Meridian; and

c. The Matanuska District, which shall consist of the remaining portion of MEA’s service territory, located East of the Seward Meridian.

The Board shall revise the boundaries of each district in 2011 and every tenth (10th) year thereafter to reflect changes in membership within MEA’s service territory.

To be eligible for election as a District Director, a candidate must be a bona fide resident in the District from which election is sought as of January 1 of the year in which the board election is conducted. Only members with a primary membership in a district may vote for a candidate in that particular district. The remaining **four three** members of the Board of Directors shall be referred to as “At-large Directors.” All members shall be eligible to vote for At-large Directors.

**Proposition 5: Clarifies Board Member Qualifications & Strikes Hair Sample Testing as a Qualification**

These bylaw changes clarify the financial conflict-of-interest standards for Board Members, and remove the requirement for a drug test as a condition of Board service.

**ARTICLE IV, SECTION 3 – Qualifications**

To be eligible to become a Director, a person:

a. must be a member of the Association, and a person whose primary residence is in the area served by the Association;

b. must not be in any way employed by or have a financial interest in (i) any other electric utility regulated under AS 42.05, or (ii) a vendor of electricity, electrical supplies or electrical services provided to the Association during the Director’s term, with a value greater than $250,000 in a single calendar year; **must not have a spouse or domestic partner employed by a contractor, vendor or supplier to the Association, or with any financial interest in the Association;**

c. must not be an employee of the Association, nor an employee, officer, or director of any union currently acting as a bargaining agent for the Association employees;

d. must not currently be a complainant in an administrative proceeding or a plaintiff in any litigation filed in a state or federal trial court in which either the Association, one or more of its employees, or one or more of the members of the Board of Directors of the Association are an adverse party, and where the subject matter of the litigation arises out of or otherwise concerns the affairs of the Association; or lives in the same household with any such person; and
must provide, prior to the first board meeting held after the person’s election or appointment to the board, a hair sample to be tested for illicit drugs, which sample must test negative for illicit drugs. The term “illicit drug” means a substance listed in AS 11.71.140 through .190 for which the person does not have a valid prescription from a licensed physician.

Proposition 6: Eliminating the Nominating Committee, Establishing the Election Committee, and Establishing Duties Thereof

These bylaw changes eliminate the Nominating Committee, establish an Election Committee, and assign a variety of duties thereto, eliminate the nomination of candidates to the Board of Directors by petition or from the floor at the Annual Membership Meeting and establish new guidelines for Board election material content and distribution.

ARTICLE IV, SECTION 4 – Nominations

a The Board of Directors shall appoint seven (7) individuals to be members of the Nominating Committee, which shall have perpetual existence. Each member shall serve for a term of three (3) years commencing upon appointment. New members to replace those whose term has expired shall be appointed by November 1 of each year. The terms of the Committee members shall be staggered in three-year cycles, so that two shall be appointed one year, two the next year, and three in the third year. The members of the Committee shall be selected from different sections of the service area of the Association so as to ensure equitable representation. In the event a member is unable to complete his/her appointed term, the Board shall appoint a new member to serve the remaining term of the vacated position. No person may serve on the committee who is a member of the Board, an employee, or spouse of an employee or Board member of the Association, or is not a member of the Association or a bona fide resident in the area served by the Association.

b The Nominating Committee shall gather the names of potential candidates for nominations. At least fifty-two (52) days before the annual membership meeting the Committee shall provide to the Secretary a list of nominations for Board members.

b The Election Committee, or in the event the Election Committee is not available, the Election Overseer shall:

1. Ensure a “call for candidates” is posted not less than four months before the Annual meeting date.
2. Review ballot items, including:
   (i) Review Board member candidate applications to ensure:
       • The applications meets the posted qualifications for candidacy
       • Candidates autobiographical statements do not exceed word limits
   (ii) Review ballot initiatives and questions to:
       • Ensure that equal opportunity is offered for pro and con statements for each ballot question
       • Review proposed ballots prior to printing and final printed ballots for bias in wording
3. Audit mailed ballots to ensure number and addressing will provide one ballot for each member.
4. Accompany ballots from printing/addressing facility to USPS facility.
5. Accompany returned ballots from USPS facility to signature auditing facility.
6. Observe signature audit procedures including opening of signature envelopes and:
   (i) Referee any questioned signature ballots
   (ii) Ensure questioned signature ballots are either confirmed or not counted
• If any ballots are denied counting because the signature is questioned, monitor and/or assist in making a fair and reasonable effort to contact the member concerning their vote.

7. Accompany ballots to secure storage.
8. Accompany ballots from secure storage to counting location.
9. Observe ballot counting ensuring:
   (i) All ballots delivered are counted and any ballot that may be damaged are counted correctly.
10. Report the ballot count results to the Board at the annual meeting.
11. Meet three (3) weeks following the annual meeting to review past year election performance. Make suggestions for improvements. Chair shall make a presentation to the Board at the first meeting following the annual meeting detailing activities and suggestions.

c Any fifty (50) or more members acting together may make nominations by petition. Nominations made by petition, if any, received at least fifty-two (52) days before the annual membership meeting shall be included on the official ballot. Nominations made by petition received less than fifty-two (52) days before the meeting shall be treated as nominations from the floor.
d At the annual membership meeting the chairman shall call for additional nominations from the floor. No member may nominate more than one candidate from the floor.
e Only candidates in compliance with the minimum qualifications for membership on the Board set forth in Article IV, Section 3, of the Association's Bylaws may be nominated as candidates for the Board of Directors. The Nominating Election Committee shall determine whether candidates are in compliance with the minimum qualifications.
f Candidates nominated either by the Nominating Election Committee or by petition who wish to withdraw and who do not wish to have their names appear on the official ballot must deliver to the Association in writing their wish to withdraw at least forty-seven (47) days before the annual membership meeting.
g Within three business days following the deadline for filing nominations by petition, the Secretary shall prepare and post at the principal office of the Association and on the website a list of candidates nominated by the Nominating Committee or by petition. The names of candidates who timely request their names be withdrawn from the ballot shall also be removed from the names posted.

The Secretary shall be responsible for mailing to the members with the notice of the annual membership meeting, or separately, but at least fifteen (15) days before the date of the meeting at least three Thursdays before the date of the annual meeting, all election materials, a statement of the number of board members to be elected and the candidates’ names and the cities or areas and the district in which they reside.

Proposition 7: Setting the requirement for a Board of Directors Code of Ethics
This bylaw change establishes the requirement that the Board of Directors adopt and adhere to a Code of Ethics.

ARTICLE IV, SECTION 10
(repealed April 2, 2006) The Board of Directors shall adopt a code of ethics that each Director shall sign and adhere to.
Proposition 8: Eliminating Campaign Disclosures and Group Registration

These bylaw changes would eliminate all candidate and group campaign financial disclosures, and eliminate the requirement for groups wishing to influence the outcome of any MEA election to register with the Association. At this time, financial disclosures cannot be verified for accuracy and the requirement of groups wishing to influence the election cannot be enforced.

ARTICLE IV, SECTION 11. Campaign Disclosure.

The following provisions of this bylaw apply to Board candidates, individuals, or groups attempting to influence the outcome of any Board campaign, bylaw amendment vote, advisory vote, or any other matter placed before the Association’s members for decision. The Board shall adopt policies and regulations and prescribe such forms for the implementation of this section as the Board shall deem necessary:

a. No candidate, individual, or group that is attempting to influence the outcome of any Association election may receive a contribution in excess of $500 in an election cycle from any one person or group. No candidate is restricted from spending his or her own funds.

b. An election cycle related to the Association’s regular annual meeting in March or April shall run from July 1 of the year preceding the annual meeting to June 30 of the year during which the annual meeting occurs. The Association as necessary shall define the beginning and ending dates of election cycles related to elections occurring at other times of the calendar year. No candidate, individual, or group is permitted to raise or spend funds to influence the outcome of any Board election or other matter placed before the Association’s members for a vote, unless that candidate, individual, or group has first registered with the Association on a form provided by the Association.

c. Each candidate, individual, or group shall make periodic disclosure reports upon a form prescribed by the Association, listing the date and amount of all expenditures, both actual and accrued, made by the candidate, individual, or group; the total amount of all contributions, including all funds contributed to any campaign; and for all contributions, the name, address, principal occupation, and employer of the contributor or groups and the date and amount of each contribution. All disclosure reports filed by candidates, individuals, or groups, including those reports filed in compliance with Article IV, Section 11(e), shall within 24 hours of receipt be posted on the Association’s website and shall be available for inspection at all MEA customer service offices.

d. The periodic disclosure reports shall be filed 45, 30, and 15 days before the election, two days after the election, and a final report on June 15. Except as otherwise provided in these bylaws, each report shall cover the period ending two days before the due date of the report and beginning on the day after the last day covered by the most recent previous report. If the report is a first report, it shall cover the period from the date the registration form is filed to the date two days before the due date of the report.

e. Each contribution to a candidate, individual, or group that exceeds $250 and that is made within nine days of the election shall be reported by the candidate, individual, or group to the Association by date, amount, and contributor within 24 hours of receipt by the candidate, individual or group.

f. All paid communications by a candidate, individual, or group that are intended to influence the outcome of an Association election shall be clearly identified by the words “paid for by” followed by the name and address of the candidate, individual, or group paying for the communication, and in the case of a group, the name of a responsible official of the group.

g. Any candidate, individual or group that fails to comply with any of the provisions of (a), (b), (c), (d), (e) or (f) above, or any associated policies and regulations adopted by the Board, shall be subject to sanctions by the Board. The sanctions that may be imposed by the Board include, but are not necessarily limited to, a written notice of violations and request for corrective action by a time certain; formal reprimand; expulsion from the Association in accordance with provisions of Article I, Section 7(a); disqualification of a candidate from being seated on the Board, or removal of a seated director from the Board, provided that such disqualification or removal is for cause and receives the affirmative
vote of a majority of the seated directors.
(This section deleted on April 23, 2013)

ARTICLE IV, SECTION 12. Registration of Individuals or Groups.
Registration of individuals or groups seeking to influence the outcome of an Association election shall be in the manner set forth below. The Board shall adopt policies and prescribe such forms for the implementation of this section as the Board shall deem necessary.

a Every individual, person, or group that contributes $750 either in-kind or cash or more, to influence the outcome of an Association election shall register with the Association prior to raising funds or making any expenditures or contributions.

b Every individual, person, or group, including political action committees, or any combination of two or more persons or individuals acting jointly who take action the major purpose of which is to influence the outcome of an Association election, shall comply with all campaign disclosure requirements as described in Article IV, Sections 11 and 12.

c The Association shall publish a list of individuals, persons, and groups who have registered under (a) above, which shall include the name, address and telephone number of the official filling out the registration statement.

d The Association shall take appropriate actions to inform the membership of any individual, person or group that is acting to influence the outcome of an Association election and that fails to register with the Association or otherwise fails to comply with the provisions of Article IV, Sections 11 and 12.

(This section deleted on April 23, 2013)

Proposition 9: Eliminating the Member Advisory Committee and Its Duties
These bylaw changes eliminate the Member Advisory Committee, which has been inactive in recent years, and eliminate the requirement for that committee to prepare the Member Advisory Committee Questions for Candidates to the Board of Directors.

Election materials shall be provided in accordance with such policies adopted by the Board and on forms prescribed by the Board for the implementation of the procedures as set forth in sections (a)-(e) below.

a As soon as all candidates nominated by the Nominating Committee or by petition are known, the Association will cause to be published in newspapers, the names of the candidates and the district in which they reside.

b The Association shall publish an election pamphlet with a picture of the candidate, autobiographical information, and the candidate's statement of 200 words or less.

c The Member Advisory Committee shall, at least 90 days before the election, provide the Board with three to five questions that shall be given to all candidates to answer. The Board may put the questions in an acceptable format. The purpose of these questions is to provide information about the candidates to the members. The Association shall publish the candidates' answers in the election pamphlet and/or within one or more newspapers of general circulation within the Association's service area.

d Candidates shall be given the list of the questions and shall provide their answers, if any, to the Association at least fifty-two (52) days prior to the election. The answer to each of the questions shall be limited to a maximum of 200 words.

e The Association will not disseminate any profanity, vulgarity, inappropriate language, defamatory material, or material that opposes or supports another candidate. Any statements made in the candidate's statement shall be the responsibility of the candidate and do not necessarily represent the
views of the Association.

ARTICLE XI, SECTION 8. Member Advisory Committee
Member Advisory Committee shall be established by the Board of Directors consistent with the following conditions:

a. **Purpose:** to assist the Board of Directors by reviewing issues of concern to the members of Matanuska Electric Association, Inc. and making recommendations to the Board on those issues.

b. **Qualifications:** a member of the Member Advisory Committee must be a member of and currently receiving electric energy from Matanuska Electric Association, Inc.

c. **Meetings:** The Member Advisory Committee may set its own meeting times, dates and places.

d. **Attendance:** Committee members missing three or more Committee meetings may be removed from the Committee by an affirmative vote of the majority of the Committee members.

This Committee shall not be dissolved without an affirmative vote of the membership.

(This section deleted April 23, 2013)
About the Artist

Linda Henning is a nine-year resident of Alaska. She was raised in Pennsylvania and has lived in California, the Pacific Northwest, Florida, and Ontario, Canada. In her 20s, she attended a University of California art program, Mt. Hood Community College, and Portland Community College, and has continued art training by attending various professional workshops over 42 years. After working for 35 years in the printing and publishing industry, Linda gravitated back to her roots in fine art, graphic design, and photography.

While on a business trip to Sitka in 2001, Linda met her husband Charles Grisham. Three years later they moved to Alaska and lived in the wilderness of Pt. MacKenzie for a year. Linda and Charles now live in Knik, an area steeped in Native history, with their 4 dogs on a property bordered by a power easement.

The inspiration for *The Linemen* came from watching and photographing electrical crews while they work during power outages and upgrades along the line. *The Linemen* is from a growing series called “Men at Work”, based on people doing dangerous jobs. The original is a 6” X 6” watercolor and gouache on illustration board.

As part of our ongoing effort to showcase the work of local artists throughout our service area, MEA is proud to present Linda’s work as the cover of our 2013 Annual Report.