

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

March 19, 2008

ACTION REQUIRED

AGENDA ITEM NO. X.B.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Release information needed by the membership to evaluate and make informed judgment regarding labor and possible merger options.

DISCUSSION

We have finalized all three of the IBEW Union contracts that expired in 2006. A comprehensive cost review report dated January 18, 2006 was presented to the board that identifies and evaluates substantial cost savings opportunities to Chugach Electric if the contracts are modernized and certain management rights restored.

Given that work on the contracts is complete, it is important for our membership to review how we did in negotiations on the contracts. The membership can then review the relevant analysis and give the board informed comments. We need to release portions of the above report and certain other background studies so they can understand the issues.

Additionally, we are currently engaged in a process that is exploring possible avenues of cooperation and / or combinations between Chugach and ML&P. Given that both utilities currently have contracts with the IBEW, it is important for this information to get into the hands of our membership so that they can make informed decisions on our future. This motion has been rolled forward from the September 19, 2007 meeting.

MOTION

Move that it is in the best interests of the Association to release the documents in the attached list in the manner specified. Those parts of Item 1 which are not specifically released "remain subject to the attorney-client privilege, the work product/legal strategy privilege, and any other privileges that might apply". Release will take place following legal review by Gordon Tans.

Items to be released:

1. OVERVIEW & RECOMMENDATIONS REGARDING CHUGACH ELECTRIC ASSOCIATION, INC. LABOR RELATIONS STRATEGY IN 2006 AND BEYOND. By WILLIAM F. MEDE & PARRY GROVER, Dated January 18, 2006 (so-called Black Book). Only these items from the above report:
 - i. Executive Summary in front of the "Overview & Recommend." Tab – Page 1 and top half of page 2.
 - ii. "Rollover" Tab – All 17 pages
 - iii. "Selected Renegotiation" Tab – All 4 pages
 - iv. "Major Overhaul" Tab – Pages 1 to 3 and the top paragraph of page 4.
 - v. Tab A "Bjornstad Report" – All 45 pages

Total 74 pages. All other parts of Item 1 which are not specifically released "remain subject to the attorney-client privilege, the work product/legal strategy privilege, and any other privileges that might apply".

2. 3/16/02 - Letter, Chugach Consumers (Ray Kreig and Ed Granger) to Board of Directors - RE: March 20, 2002 Agenda Item IX. B. Collective Bargaining Unit Contract Extensions [complete version WITHOUT REDACTIONS]
3. 3/20/02 - Presentation, Chugach Consumers (Ray Kreig) to Chugach Electric Board - March 20, 2002 COLLECTIVE BARGAINING UNIT CONTRACT EXTENSIONS [complete version WITHOUT REDACTIONS]

Total estimated 10 pages Two communications regarding the 2002 labor contract extension are already public with redactions. This would make the entire documents public.

4. Economics of Proposed Chugach Labor Contract Negotiation Alternatives [Memo from Ray Kreig to Chugach Board, April 16, 2006; presentation to the board on 4/27/06.]

Total 6 pages

Manner of release (Items 1 - 4)

Via posting of PDFs on CEA website now that "Inside" labor contract has been ratified by both parties.