

# Collective Bargaining Agreements

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GENERATION, OUTSIDE PLANT, AND OFFICE AND ENGINEERING  
BARGAINING UNIT AGREEMENTS  
ENDING: JUNE 30, 2025



# Board Approval Process

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- Board Policy 404 Approval of Collective Bargaining Agreements requires:
  - Written cost benefit analysis detailing anticipated costs
  - Posting of the agreements and the anticipated costs for 28 days, prior to board approval

# Benefits to Chugach

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- Transfer ML&P employees to Chugach Bargaining Units
- Meet requirements of Term Sheet and Asset Purchase Agreement with MOA
- Gain Employee cooperation and support through transition into an Expanded Chugach
- Resolve significant mandatory bargaining subjects prior to combining utility operations
- Stability in total labor costs consistent with financial forecasts and goals
- Labor costs and work rules that support achieving the synergies associated with the acquisition of Municipal & Light and Power

# Significant Terms

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- Contingent on closure of the sale
- “No-Layoff” due to the acquisition provision
- Attrition Cap (10% year one, 5% thereafter)
- Total labor costs consistent with financial forecast
  - Wage increases fixed or limited by CPI
  - Health Insurance maintaining consistent employee participation in premiums
  - Pension Contribution Rates/Annuity improvements
- Duration through June 30, 2025

# Total Labor Cost Comparison

Total Labor Cost	Low	FMP	High
2019	\$59,107,615	\$59,432,451	\$59,107,615
2020	\$62,416,735	\$61,645,631	\$62,416,735
2021	\$63,993,686	\$63,435,157	\$63,993,686
2022	\$65,611,204	\$65,275,202	\$65,946,946
2023	\$67,270,763	\$67,167,580	\$67,958,943
2024	\$68,973,896	\$69,114,177	\$70,225,449
<b>Total Cost Increase</b>	<b>Low</b>	<b>FMP</b>	<b>High</b>
	\$9,866,280	\$9,681,726	\$11,117,834
<b>New Agreement</b>	<b>Low</b>	<b>FMP</b>	<b>High</b>
<b>Annualized Cost Increase</b>	<b>\$1,973,256</b>	<b>\$1,936,345</b>	<b>\$2,223,567</b>

The estimates assume no workforce attrition over the life of the agreement.