

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

SPECIAL BOARD MEETING
AGENDA ITEM SUMMARY

April 27, 2006

ACTION REQUIRED

AGENDA ITEM NO. I

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC - Release information needed by the membership to evaluate and make informed judgment and comment on labor negotiation options.

DISCUSSION (by Director Kreig)

The three IBEW Union contracts expire on June 30, 2006. A comprehensive cost review report dated January 18, 2006 has been 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.

Several options and their costs and benefits are discussed in the report. This is a very important decision for Chugach Electric member-ratepayers. Therefore, input from our member-ratepayers should be solicited in good faith before the board makes a decision. For members to 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.

Furthermore, the confidentiality of this report may already have been compromised. Therefore, it is unfair to our member-ratepayers for the economics of the different labor contract options to remain secret. There is tremendous upside and little downside for our members to know the economics of the labor contract options.

For the same reasons the following should also be released: 1) Two communications regarding the April 2002 labor contract extension and 2) Financial presentation made to the board of directors in executive session by Director Kreig on 4/27/06.

RECOMMENDATION (by Director Kreig)

Motion 1: Move that under Board Policy 128.II.D3 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".

Items to be released:

ITEM 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

Only these items from the above report:

Executive Summary in front of the "Overview & Recommend." Tab – Page 1 and top half of page 2.

"Rollover" Tab – All 17 pages

"Selected Renegotiation" Tab – All 4 pages

"Major Overhaul" Tab – Pages 1 to 3 and the top paragraph of page 4.

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".

ITEMS 2 & 3:

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

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]

3/20/02 - 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

ITEM 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 & 2)

1) Immediately after vote and by posting of PDFs on CEA website.