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IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT AT ANCHORAGE

CHUGACH CONSUMERS and RAY KREIG

Plaintiffs,

vs.

CHUGACH ELECTRIC ASSN., INC.

Defendant.

Case No. 3AN-06- 13323 CI

TEMPORARY RESTRAINING ORDER

The motion of Chugach Consumers and Ray Kreig for an immediate restraining order is **GRANTED**. Chugach Electric Association is prohibited, restrained and enjoined from approving, ratifying or executing the proposed IBEW contract which is the subject of the Emergency Complaint for ten days from the date of this order, or until such time as this order may subsequently be extended by this Court.

In considering the propriety of this temporary restraining order, this Court considers:

- (1) the likelihood that the complainant will prevail on the merits,
- (2) irreparable injury to the complainant unless this motion is granted,
- (3) no substantial harm to other interested persons, and
- (4) no harm to the public interest.

E.g., Powell v. City of Anchorage, 536 P.2d 1228 (Alaska 1973); A.J. Industries v. Alaska Public Service Commission, 470 P.2d 537 (Alaska 1970).

As to Criterion #1, the complainants are asking for an RCA investigation and appropriate relief in a matter involving a regulated utility. This is exactly what the RCA is supposed to do. As set forth in the Emergency Complaint, incorporated into the affidavit of Ray Kreig, there are a number of problems which affect the proposed contract and the ratepayers, including, but not limited to, undue influence, lack of information being provided to minority board members and the members, and a grossly uneconomic contract being proposed for the utility and the members

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1 which is not in the interests of the members or the public. Whether or not complainants win on
2 all points is a minor matter here because (1) an investigation will be conducted by the RCA in
3 connection with this complaint, and (2) the other three criteria are the ones which are much more
4 important and control in this matter.

5 As to criterion (2), there is irreparable injury to the complainants, the utility and its
6 members, if the contract is ratified on December 6, 2006. The utility and its members may be
7 stuck with an unconcionable and uneconomic contract without having an opportunity for RCA
8 review. In addition, if the contract is deemed by the RCA to be improper, the RCA may not
9 allow it to be included within the rate base, which means that Chugach would have to pay the
10 contract out of other assets.

11 As to criterion (3), there is no substantial harm to other interested persons. The contract
12 can be executed, even with retroactive provisions, if it is approved by the RCA.

13 As to criterion (4), there is no harm to the public interest. The RCA will consider this
14 matter as it is mandated to do, and issue a decision in the public interest. This will protect the
15 public, Chugach and other utilities, and their members, in their rights to appropriate and
16 uninflated electric rates.

17 In accord, this temporary restraining order is appropriate for entry.

18 Dated this 6th day of December, 2006.

19
20 By Craig Stowers
21 Judge of the Superior Court
22 CRAIG F. STOWERS
23 Superior Court Judge

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24 A hearing on the TRO will be held
25 on December 15, 2006 at 6:30 a.m.
26 in Courtroom 602. At that time, the
27 court will address the issues
28 raised in Chugach Electric Ass'n's Opposition
including the matter of a cond. Plaintiff shall
file its reply brief in chambers on Dec. 11, 06. (5)