

Pro-union candidates take seats

■ CHUGACH ELECTRIC:

Jeff Lipscomb, Jim Nordlund join board.

By MEGAN HOLLAND
Anchorage Daily News

Members elected two pro-union candidates to the Chugach Electric Association board of directors Thursday night after a contentious campaign.

Jeff Lipscomb and Jim Nordlund won seats on the board, Patti Bogan, Chugach spokeswoman, said late Thursday.

Six candidates vied for the two, three-year term seats.

Lipscomb was running for re-election. Another incumbent, Ray Kreig, who ran calling himself the consumer advocate, lost. In a phone interview late Thursday, he said, "We've done

CHUGACH: Board race

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everything we could to protect the consumer interest."

Kreig predicted that ratepayers will now see the effects of the election with higher bills.

David Ausman, Jim Henderson and Michael Koy also ran unsuccessfully.

Larry Bell, business manager of the International Brotherhood of Electrical Workers union, said, "The voters of Chugach Electric have spoken clearly tonight, and we at the IBEW are exceptionally pleased."

Chugach's IBEW contracts are up for re-negotiation. The

last time they were fully negotiated was in 1987 following a bitter labor dispute, Kreig said.

About 14,200 ballots, or 22 percent of the members, voted in the election, Bogan said.

Chugach is an electric cooperative formed in 1948. It serves most of Anchorage homes and businesses, particularly in East and South Anchorage. It also sells power to Mat-Su, Kenai Peninsula and Fairbanks electric companies. Customers become members of the co-op when they sign up for electricity service.

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April 28, 2006

IBEW UNION RECLAIMS CHUGACH ELECTRIC BOARD AFTER DISHONEST SMEAR CAMPAIGN

Voting Results: (* = incumbent)

Jeff LIPSCOMB* - IBEW - 7,842

Jim NORDLUND - IBEW - 7,797

Ray KREIG* - Chugach Consumers - 4,937

Dave AUSMAN - Chugach Consumers - 4,801

Michael KOY - 1,119

Jim HENDERSON - 1,095

Reinstate Term Limits (three terms maximum) - YES: 9,846 NO: 3,237

Jeff Lipscomb* appointed board chairman in a vote of the board after the annual meeting; Bruce Davison*, Vice Chairman; David Cottrell* Treasurer; Jim Nordlund, Secretary.

RAY KREIG CANDIDATE SPEECH AT CHUGACH ELECTRIC ANNUAL MEETING:

At this point 99% of the voting has already occurred. So I'll make a few comments about the campaign.

You have a right to be charged no more than absolutely necessary for the power you buy from Chugach. And it's clear the price you're paying now is higher than it should be.

Chugach labor is a good part of the reason why.

Most costs are beyond the control of the board in the short and medium term. Fuel is on long term contracts and is about 50% of your bill. Depreciation and debt service is 25%. That leaves only 25% in operations costs that could be controlled by the board. And labor is 65% of that.

I'll say that again. 65% of controllable costs are labor. That's why the IBEW Union labor costs are a major topic in this campaign. Their contracts expire in two months.

These contracts should be fairly negotiated between labor's representatives and a management that ACTIVELY represents the interests of Chugach customers.

However, those benefitting from the current situation want strong ratepayer advocacy removed from Chugach. They want a passive, weak board that will not disturb a comfortable status quo.

That means turning negotiations into a one-sided deal that means more money for them, higher rates for you.

Advancing that objective, my opponents have waged a massive campaign of personalized smear and misinformation to divert attention from the realities at Chugach: Years and years of excessive rates collected from captive customers.

I urge members not to lose interest in Chugach after this election. Watch the board very carefully as the labor contracts are dealt with.

Thank you for your support and vote. I look forward to continuing to serve you.