

Dishonest or Misleading Tactics Have No Place On The Chugach Board

If you've seen or heard the deceptive ads of the IBEW Union-backed candidates, Izzo, Wiggin, and Reiser, you may have questions for our candidates. Let them set the record straight:

- *Rebecca, is it true that the board fired two CEOs in the past three years?*

"Yes, and quite appropriately. The board hires only one employee, and that is the CEO. It is his job to manage the co-op under the board's leadership and guidance. Our pro-consumer board majority is changing the way Chugach does business to bring better value to our customers. If a CEO doesn't share that vision, how can he lead the co-op where it needs to go? In June 2005, Joe Griffith left "to attend to health and family matters." Griffith now claims he was fired. Interestingly he is a founder of the Reliability Group that is helping IBEW backed candidates and is complaining in ads about the CEO firings, one of which is his own. Griffith seems to have a personal ax to grind. The following year, an IBEW Union-backed majority took over the board and made William R. Stewart CEO and gave him a contract with a golden parachute. In 2007, a pro-consumer majority was again elected and after much consideration we dismissed him for cause. **Millions of dollars of savings will be achieved through better management which can only come with having the right manager in charge of your cooperative.**"

- *Liz, is it true that Chugach booked an airline ticket for your mother?*

"Yes, it is. Chugach booked a ticket for my mother while booking mine for company business. Of course it was clearly understood that I would pay for mom's ticket and I did. My mother has dementia and for 3 months she was my constant companion so I could take care of her. I took her everywhere. Chugach staff offered to book both tickets at the same time so that we would be seated together and I appreciate their kindness in so doing. However, the deceptive Reliability Group ad doesn't tell the whole story: that **Chugach actually owed me money, not the other way around.** My expense report plainly shows that the cost of mom's ticket was offset against director fees that Chugach owed me, which exceeded the cost of the ticket. At the time, doing it this way made sense. I was naïve in not anticipating the kind of political hay the IBEW would make of it. I note that neither of the two IBEW-backed board members who are behind these defamatory ads took objection to it at the time; both approved my expense report."

- *Uwe, is it true that you oppose renewable energy and the use of wind power?*

"Absolutely not! The quotes you hear on TV ads and mailers are my words taken out of context. I was referring to a specific proposal that was simply not economic for our ratepayers. The opposition doesn't want you to know that at the very next board meeting, **I made the motion that the Board of Directors continue to support appropriate and prudent investigation of wind power at Fire Island as well as other renewables with promise.** The motion passed unanimously. I have been a long-time proponent of renewable energy and would like to see Chugach explore any and all economically viable options for wind, hydro, thermal, and other energy alternatives."

Please vote for honest, independent, non-IBEW, pro-consumer candidates
UWE KALENKA, REBECCA LOGAN, & LIZ VAZQUEZ
for Chugach Electric Board of Directors

*Safe, Reliable, **LOW COST** Power for South Central Alaska!*



New, Independent CHUGACH Board of Directors Accomplishments

- Replaced ineffective CEO
- Established cooperative attitude toward other Railbelt utilities
- Held first open news conference in 20 years
- Appointed independent Blue Ribbon Panel to take a hard look at Chugach - - found high reliability but high rates
- “Benchmarked” Chugach against comparable national utilities - - found Chugach has been charging ratepayers \$20-25 million more annually than similarly-sized utilities
- Teamed with Mayor Begich and ML&P to explore consolidated operations with Chugach - - found potential savings of over \$200 million dollars
- Announced plans to join with Homer Electric Association and ML&P to share new, more efficient power generating facilities in Anchorage - - potential savings of up to \$86 million over 12 years
- Announced efforts to join with all Railbelt utilities in a Unified Power Producer project for the Railbelt electric grid - - potential savings estimated in the hundreds of millions

WE'RE MAKING GREAT PROGRESS!

FOR LOWER UTILITY RATES

Please re-elect INDEPENDENT, non-IBEW, pro-consumer Chugach Board members.



UWE KALENKA Board Vice Chair

REBECCA LOGAN Board Member

LIZ VAZQUEZ Board Chair

