

ALASKA LEGISLATURE COMMITTEE FILES 1983 - 1984 8672

2579 HLC • HB 475

2579

MATANUSKA ELECTRIC ASSOCIATION, INC.

Palmer, Alaska

EMPLOYEE EDUCATIONAL/TRAVEL BUDGET - 1984
COMBINED

<u>DESCRIPTION</u>	<u>1984</u>
General Manager's Office	\$ 16,400
Electric Operations	9,500
Engineering Services	8,000
Administrative Services	<u>12,100</u>
TOTAL	\$ <u><u>46,000</u></u>

MATANUSKA ELECTRIC ASSOCIATION, INC.
Palmer, Alaska

EXPENSE BUDGET - 1983
GENERAL MANAGER

<u>DESCRIPTION</u>	<u>AMOUNT</u>
NRECA/CFC Annual Meetings - Las Vegas, Nevada	\$ 1,400
NRECA/CFC Region IX (District 9) Annual Meetings - Salt Lake City, Utah	1,100
ARECA Annual Meeting - Cordova	400
ARECA Interim Meeting - Juneau	600
REA Vists, Washington, D.C. (2 Trips)	4,000
Legislative Session - Juneau (1)	500
In-State Meetings (Other Than Above)	2,000
Miscellaneous Itemized Business Expenses	3,000
Contingency	<u>3,000</u>
TOTAL ESTIMATED EXPENDITURES	<u>\$ 16,000</u>

Note - Above Estimated Expenditures Exclude Labor

APPROVED:

Robert L. Husted, President
Matanuska Electric Association, Inc.

Date: _____

MATANUSKA ELECTRIC ASSOCIATION, INC.

Palmer, Alaska

BOARD OF DIRECTORS

1984 BUDGET

<u>DESCRIPTION</u>	<u>AMOUNT</u>
NRECA/CFC Annual Meeting San Francisco, Ca. (5 Directors)	\$ 11,250
NRECA/CFC Region IX Annual Meeting San Diego, Ca. (4 Directors)	7,000
ARECA Annual Meeting-Anchorage-(5 Directors)	2,200
ARECA Interim Meeting-Juneau-(4 Directors)	3,800
NWPPA Annual Meeting - (2 Directors)	2,800
NRECA/NWPPA Seminar/Conference-(3 Directors)	4,950
Regular Monthly Board of Directors Meetings, Including Mileage; 12 meetings - (7 Directors)	2,200
Special Board of Directors Meetings, Including Mileage; 8 Meetings - (7 Directors)	1,500
In-State Meetings (Other than above)	8,000
Miscellaneous Expenses	1,000
Contingency	2,000
TOTAL	\$ <u><u>46,700</u></u>

EXPENSE BUDGET - 1983
BOARD OF DIRECTORS

<u>DESCRIPTION</u>		<u>AMOUNT</u>	
NRECA/CFC Annual Meetings - Las Vegas, Nevada (3 Directors)	\$ 2166.00	\$ 6,500	Diff 766.66
NRECA/CFC Region IX (District 9) Annual Meetings Salt Lake City, Utah (3 Directors)	2833.00	8,500	1,173.00
ARECA Annual Meeting - Cordova (4 Directors)	950.00	3,800	550.00
ARECA Intern Meeting - Juneau (3 Directors)	666.00	3,200	666.00
NWPPA Annual Meeting - Kalispell, Montana (2 Directors)	1250.00	2,500	
NRECA/NWPPA Seminar/Conference (2 Directors)	2000.00	4,000	
Regular Monthly Board of Directors Meetings, Including Mileage; 12 Meetings (7 Directors)		2,200	
Special Board of Directors Meetings, Including Mileage; 8 Meetings (7 Directors)		1,500	
In-State Meetings (other than above)		4,000	
Miscellaneous Expenses		2,000	
Contingency		2,000	
TOTAL ESTIMATED EXPENDITURES		<u>\$40,200</u>	

APPROVED:

Robert L. Husted, President
Matanuska Electric Association, Inc.

Date: _____

MATANUSKA ELECTRIC ASSOCIATION, INC.

Palmer, Alaska

PROFESSIONAL SERVICES

1984 BUDGET

<u>DESCRIPTION</u>		<u>AMOUNT</u>
Wholesale & Retail Rate Consultants		
COS - W/HEA	\$ 15,000	
Additional	15,000	
Contingency	10,000	
	<hr/>	\$ 40,000
Certified Public Accountants		
Audit	20,000	
General	7,000	
	<hr/>	27,000
Engineering Consultants		
Power Supply Study W/HEA	20,000	
Subdivision/Extension Design	500,000	
System Improvements	40,000	
SCADA	170,000	
	<hr/>	730,000
General Counsel		
Wholesale Power Matters	20,000	
APUC Matters	8,000	
Labor Matters	15,000	
General	40,000	
	<hr/>	83,000
TOTAL		\$ <u><u>880,000</u></u>

MATANUSKA ELECTRIC ASSOCIATION, INC.
Palmer, Alaska

EXPENSE BUDGET - 1983
CONSULTANT SERVICES

<u>DESCRIPTION:</u>		<u>AMOUNT</u>
Rate and Administrative Consultants		
Rate -	\$30,000	
Administrative -	<u>15,000</u>	\$ 45,000
Legal Consultants		
Labor Matters	15,000	
General	<u>60,000</u>	75,000
Certified Public Accountants		
Audit	25,000	
Miscellaneous	<u>2,000</u>	<u>27,000</u>
TOTAL		<u>\$147,000</u>

MATANUSKA ELECTRIC ASSOCIATION, INC.
Palmer, Alaska

MEMBER AND PUBLIC RELATIONS ACTIVITIES
1984 BUDGET

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Publications	8,000
Advertising	5,000
Ruralite	48,960
Lamplighter/Bill Stuffers	24,920
Film and Photos	500
Equipment Rental	800
School Programs	4,000
Annual Meeting -	
Postage	\$ 6,800
Professional Fees	15,000
Publications and Ballots	12,000
Advertising	3,000
Film and Photos	100
Rentals	1,000
Other (Refreshments, Child Care, etc.)	<u>3,000</u>
	40,900
Member Advisory Committee -	
Consultant Fees	\$ 5,000
Mileage	500
Postage	1,000
Materials	<u>575</u>
	7,075
Miscellaneous	<u>5,000</u>
TOTAL	* <u>\$145,155</u>

<u>ACCOUNT</u>	<u>FIRST</u>	<u>SECOND</u>	<u>THIRD</u>	<u>FOURTH</u>	<u>TOTAL</u>
Customer Service & Info. Expense	\$ 25,288	\$ 25,289	\$ 25,289	\$ 25,289	\$101,155
Administrative & General Expense	<u>10,000</u>	<u>33,000</u>	<u>500</u>	<u>500</u>	<u>44,000</u>
TOTAL	<u>\$ 35,288</u>	<u>\$ 58,289</u>	<u>\$ 25,789</u>	<u>\$ 25,789</u>	<u>\$145,155</u>

* The Above Amounts do not Include Labor for MEA Staff.



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148

PALMER, ALASKA 99645

TELEPHONE
(907) 745-3231

MEMBER INFORMATION BULLETIN 84-3

February 15, 1984

TO: ALL MEMBER-CONSUMERS
FROM: MEMBER AND PUBLIC RELATIONS OFFICE
SUBJECT: APUC APPROVED RATES

SINGLE-PHASE SERVICE

Facilities Charge⁽¹⁾: \$15.00 per month
Energy Charge: First 1300 kWh at
7.505¢* per kWh
Over 1300 kWh at
5.804¢* per kWh

THREE-PHASE SERVICE

Facilities Charge \$40.00 per month
Demand Charge: \$3.61 per kW
Energy Charge: All kWh at
4.483¢* per kWh

SEASONAL SINGLE-PHASE SERVICE

Annual Facilities Charge: \$180.00
Energy Charge: As outlined under single-phase service

*Add to the stated rate a wholesale power cost rate adjustment of 0.917¢ (9.17 mills) per kWh approved by the Alaska Public Utilities Commission.

(1) FACILITIES CHARGE: The facilities charge is made by the Association to help cover costs to the Association which are not directly related to energy sales. These fixed costs include interest on debt, depreciation and cost of building equity. In 1980, the test year on which the facilities charge is based, these costs amounted to approximately \$5.4 million annually for single-phase service. When these costs are equally allocated to each single-phase account, they amount to approximately \$38 per month per account. The facilities charge recovers part of that \$38.

For more information contact one of these offices:

Palmer District Office
745-3231

Eagle River District Office
694-2161

Big Lake District Office
892-6021

Matanuska Electric Association, Inc.
P. O. Box 1148
Palmer, Alaska 99645



December 12, 1983

To: James F. Palin
General Manager

From: *John Parker*
John Parker
Manager of Administration

Subject: Tom Staudenmaier's Request for Rate Information

The following is a recap of single-phase rates in effect during 1983 and a brief description of why they changed.

1. Rates effective 1/1/83:


Facilities charge	\$20.00
1st 1300 kWh	5.325¢/kWh
over 1300 kWh	3.834¢/kWh
WPCRA	1.390¢/kWh

These rates reflect the interim increase received in U-82-60, MEA's rate case filed in September 1982.

- No change in regular rates. WPCRA increased to 1.43¢/kWh. This change was effective March 11. The rate changed because of the reconciliation of wholesale power for the fourth quarter of 1982.
- No change in regular rates. WPCRA changed to .033¢/kWh. This reflects the first quarter 1983 reconciled rate of 3.084¢/kWh for wholesale power and a change in the base rate from 1.6202¢/kWh to 3.051¢/kWh.
- Single-phase rates effective June 24, 1983:

Facilities Charge	\$15.00
1st 1300 kWh	7.393¢/kWh
over 1300 kWh	5.723¢/kWh
WPCRA	0.033¢/kWh (no change)

This change in the permanent rates reflects the increase allowed in Bench Order, U-82-60. This increase was granted subject to reconsideration of one or two items in the rate case.



MATANUSKA ELECTRIC ASSOCIATION, INC.
Palmer, Alaska

MEMBER AND PUBLIC RELATIONS ACTIVITIES
1983 BUDGET

Publications		\$ 1,200
Advertising		9,500
Ruralite		32,400
Lamplighter		11,000
Film and Photos		500
Equipment Rental		700
School Programs		2,000
Annual Meeting -		
Postage	\$ 5,300	
Professional Fees	5,000	
Publications and Ballots	6,000	
Advertising	3,000	
Film and Photos	100	
Rentals	1,000	
Other (Refreshments, Child Care, etc.)	<u>5,000</u>	25,400
Member Advisory Committee -		
Consultant Fees	\$ 5,000	
Mileage	750	
Postage	<u>100</u>	5,850
Miscellaneous		<u>2,800</u>
TOTAL		<u>\$ 91,350</u>

<u>Account</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>Total</u>
Customer Service & Informational Expense	\$14,950	\$14,950	\$14,950	\$14,950	\$59,800
Administrative & General	<u>14,238</u>	<u>14,238</u>	<u>1,537</u>	<u>1,537</u>	<u>31,550</u>
Total	<u>\$29,188</u>	<u>\$29,188</u>	<u>\$16,487</u>	<u>\$16,487</u>	<u>\$91,350</u>



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148

PALMER, ALASKA 99645

TELEPHONE
(907) 745-3231

March 13, 1984

Thomas G. Staudenmaier
Box 1603
River, Alaska 99577

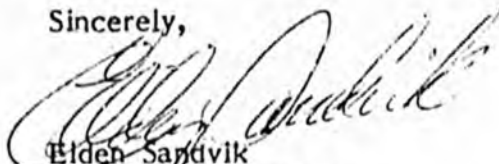
Dear Mr. Staudenmaier:

Subject: Recall Petition

In reference to the recall petition which you submitted to MEA on February 14, 1984, on behalf of the Staudenmaier Electric Merger Committee, please be advised that the Board has reviewed Attorney Roger Kempel's legal opinion dated March 1, 1984. A copy was provided to you with my letter of March 5. In addition, at its regular monthly meeting on March 13, 1984, the Board accepted Mr. Kempel's ruling that the recall petition does not contain valid charges, and rejected the petition for this reason, as well as for other reasons mentioned in the attorney's letter.

Should you desire to pursue or contest this decision, I suggest that you have your attorney contact Mr. Kempel so that the petitioners and the Association can seek judicial resolution of any disputes.

Sincerely,



Elden Sandvik
Secretary-Treasurer

JFP/cmb

cc: Board of Directors
Roger Kempel



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148

PALMER, ALASKA 99645

TELEPHONE
(907) 745-3231

CERTIFICATE

I, Elden Sandvik, do hereby certify that I am Secretary-Treasurer of Matanuska Electric Association, Inc., and that on the 14th day of February, 1984, the attached petition for removal of Matanuska Electric Association, Inc. Board members, Robert L. Husted, Barbara J. Miller, Elden Sandvik, Joy M. Foster, Wm. Harvey Bowers, Phil O'Neill and Robert C. Johnson, 115 pages, was personally delivered to me as Secretary of the cooperative by Tom Staudenmaier, MEA member.

3-1-84

ELDEN SANDVIK, SECRETARY-TREASURER
MATANUSKA ELECTRIC ASSOCIATION, INC.



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148

PALMER, ALASKA 99645

TELEPHONE:
(907) 745-3231

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

March 5, 1984

Mr. Thomas G. Staudenmaier
P. O. Box 408
Eagle River, Alaska 99577

Dear Mr. Staudenmaier:

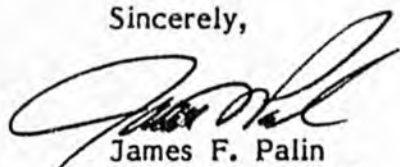
In reference to the recall petition which you submitted to MEA on February 14, 1984, on behalf of the Staudenmaier Electric Merger Committee, please be advised of the following:

1. We have verified that the petition contains an adequate number of member signatures, in accordance with MEA's Bylaws; and
2. At a special meeting of the Board of Directors of Matanuska Electric Association, Inc., held on February 23, 1984, the Board advised management to provide you a copy of MEA General Counsel Roger Kemppe's legal opinion as soon as it was available and, further, that the Board would officially accept Mr. Kemppe's legal opinion at the March 13, 1984 Board meeting.
3. A copy of Mr. Kemppe's opinion letter dated March 1, 1984 is enclosed. On page 11, Mr. Kemppe advised the Board that the recall petition does not contain valid charges and that the Board may consider rejecting this recall petition for this reason, as well as for other reasons mentioned in the letter. Based on Mr. Kemppe's letter, I believe that the Board will reject the recall petition.

You will note in the opinion letter that Mr. Kemppe suggests that you have your attorney contact him should you decide to contest the Board's action, so that the petitioners and the Association can seek judicial resolution of any disputes.

Please feel free to contact Mr. Kemppe or me if you have any questions.

Sincerely,



James F. Palin
General Manager

Enclosure

cc: MEA Board of Directors
Roger Kemppe, General Counsel

Law Offices of
Kemppel, Huffman & Ginder

255 E. Fireweed Lane, Suite 200
Anchorage, Alaska 99503

Roger R. Kemppel
Richard R. Huffman
Peter C. Ginder
Ronald L. Baird
Darrel J. Gardner

March 1, 1984

Telephone
(907) 277-1604
(907) 276-1605

Board of Directors
Matanuska Electric Association, Inc.
P.O. Box 1148
Palmer, Alaska 99645

Re: Recall Petition

Dear Board Member:

The Association received a recall petition from the Staudenmaier Electric Merger Committee on February 14, 1984, calling for the removal of the entire Board of Matanuska Electric Association, Inc. This petition purports to bring the following charges against the present Board of Directors of the Association:

"Charge 1: With failing to conduct the business of Matanuska Electric Cooperative, Inc. in a manner as to prevent an unreasonable increase in the electric bills and charges of the members and that you have entered into a course of action as to be unfamiliar with any alternative to the unreasonable burden placed upon the members, in particular senior citizens and parties of low fixed incomes.

"Charge 2: You have allowed the management of the corporation (MEA) to communicate incorrect and misleading information with the intent to subvert the election process (1983 Ballot for Directors). Marion Bowen Pippel officially withdrew in writing from running as a candidate for the Board of Directors of said Cooperative (MEA). Marion Bowen Pippel's name was deliberately placed on the 1983 MEA Ballot by management for the purpose of splitting the vote. Marion Bowen Pippel received 249 votes.

"Charge 3: You have allowed said Cooperative (MEA) General Manager James F. Palin a salary increase from \$73,800.00 to \$78,000.00 per year--a \$4,200.00 per year increase, at the April 12th, 1983 Board Meeting.

"Charge 4: You have lost the trust and confidence of Matanuska Electric Association Co-op owners."

Rec'd 3-5-84

March 1, 1984

action of the director to constitute "cause," that action must be wrongful or malfeasance in office. In a similar electric cooperative case, the Ohio court ruled that the above language in effect required that there be cause, and went on to define what actions on the part of a cooperative board of directors amounted to cause. In Neal Taylor, et al., Plaintiffs, vs. Buckeye Rural Electric Cooperative, et al., Defendants, 79-CL108 (Ohio 1979), the court found:

An examination of the instant charges, however, indicates a failure to direct any specific charge of malfeasance, misfeasance, or nonfeasance against any board member. All charges read the same against every board member, and, in effect, constitute disagreement with the policies of the trustees in operation of the business. But such disagreement with policy is the basic reason for the election of the trustees at regular annual meetings. The section entitled 'Removal' indicates a more radical and emergency type of procedure and not a method by 135 members to completely replace all of the trustees and officers of a multi-million dollar business. The resulting chaos can well be imagined.... Defendants claim all trustees, otherwise lawfully in office, can be replaced at a special meeting without any cause being stated. This section interpretation would make an annual meeting and election of trustees meaningless. Any faction constituting 10% of the company membership could, at any special meeting, replace the whole board of trustees of the company and therefore, the whole company management. This could go on indefinitely. The words 'removal' and 'charges' and 'present evidence' indicate that no such intention

But unless the officer has been guilty of some acts of misfeasance or nonfeasance he is not subject to removal, nor is a director subject to removal by reason of acts committed in another office.... Of course a director cannot be removed on the ground of incompetency where the facts show the contrary. 2 W. Fletcher, Cyclopaedia of the Law of Private Corporations, §356 (1982).

As the Buckeye case, supra, indicated, there is no power to remove a director if the basis of the charge is that the person bringing the charge disagrees with the policies of the director. Such disagreement does not rise to the level of cause. If shareholders were to attempt to remove a director merely because they disagree with policies which that director supports, then the special relationship that a director has with the corporation would cease to exist. That relationship has been described by courts as that of a trustee or fiduciary:

While the ordinary rules of law relating to an agent are applicable in considering the acts of a board of directors in behalf of a corporation when dealing with third persons, the individual directors making up the board are not mere employees but a part of an elected body of officers constituting the executive agents of the corporation. They hold such office charged with the duty to act for the corporation according to their best judgment, and in so doing they cannot be controlled in the reasonable exercise and performance of such duty. As a general rule, the stockholders cannot act in relation to the ordinary business of the corporation, nor can they control the directors in the exercise of the judgment

March 1, 1984

As long as the members of the board of directors use their best business judgment to make a decision for the benefit of a corporation as a whole, that action is not a breach of their fiduciary or trust responsibility to the membership, even though a significant number of members may have voted differently on a particular issue. Proper charges, as required by Article IV, Section 5, of the Association's Bylaws, require more than mere disagreement. As the court stated in the case of Fox v. Codey, 252 N.Y. Supp. 395:

Removal may not be based upon whim or caprice. Mistake or misunderstanding probably will not suffice. Substantial grounds showing breach of trust must be shown.

Clearly the law does not permit the stockholders to create a sterilized board of directors. Manson v. Curtis, 119 N.E. 559 (N.Y. 1918); Fells v. Katz, 175 N.E. 516, 517 (N.Y. 1931). Accordingly, a director cannot be removed merely because the majority of the association members who attend the meeting happen to disagree with a particular policy.

Turning to the charges presented by the above petition, it should be noted at the outset that identical charges are being brought against each and every member of the Board of Directors. This of itself is not dispositive (since it is at least possible that each member of the Board may have committed identical acts of malfeasance in office), but it does at least lead to the suggestion that these charges are more in the nature of a purge or takeover rather than bona fide charges of individual misconduct as required by law.

The first charge contained in the attached petition alleges that the directors failed to prevent an unreasonable increase in electric bills and charges. This charge does not allege any specific examples of mismanagement or other misconduct. The case law makes it clear that when the shareholders attempt to remove a director for cause, there must be service of

March 1, 1984

SECTION 8. Manager. The Board may appoint a manager who may be, but who shall not be required to be, a member of the Association. The manager shall perform such duties and shall exercise such authority as the Board may from time to time vest in him.

The setting of salaries is a policy decision which is reserved by statute and the Bylaws of the Association to the Board of Directors. Article VI, Section 10(a), of the Association's Bylaws provides:

SECTION 10. Compensation. (a) The powers, duties and compensation of officers, agents and employees shall be fixed by the Board subject to the provisions of these Bylaws with respect to compensation for a board member. [Emphasis added]

As noted earlier, only the Board of Directors has the power and the right to manage the business and affairs of the Association. The power to set and establish salaries is an essential part of this right to manage the business and affairs of the Association. Unless it is alleged that the setting of salaries is done fraudulently, the members of the Association may not review this type of decision by recall petition. Again, this charge merely represents a disagreement with the Board of Directors as to the proper level of the general manager's salary. Such a disagreement clearly does not constitute legal cause for removal of a Board member.

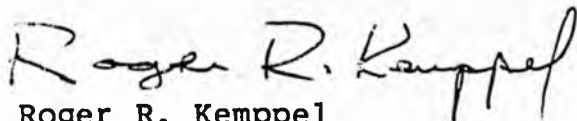
The fourth charge states that the Board has "lost the trust and confidence of Matanuska Electric Association Co-op owners." Once again, this charge is vague and so broad as to effectively deny the Directors charged the opportunity of meeting the accusation. Auer v. Dressel, supra; Campbell v. Loew's, Inc., supra. This charge in effect alleges a widespread "disagreement" with the presently-seated Board. Again, mere disagreement with the policies of the Board does not constitute

March 1, 1984

Should the Board resolve to reject the above petition as insufficient at law, I would suggest that you immediately arrange to provide Staudenmaier's petition committee with a copy of this opinion and request that that committee have its attorney contact me as soon as possible if it decides to contest the Board's action. It is important that the Staudenmaier Electric Merger Committee and the Association seek judicial resolution of any outstanding disagreement at the earliest possible time in order not to delay the Association's annual membership meeting scheduled to be held April 27, 1984, and in order to ensure the widest possible notice and membership participation at that meeting.

Sincerely,

KEMPEL, HUFFMAN & GINDER



Roger R. Kempel
Counsel for Matanuska Electric
Association, Inc.

RRK:la

Attachment: Copy of February 1984 Petition

cc: James F. Palin
General Manager, MEA

E



STAUDENMAIER'S

ELECTRIC MERGER COMMITTEE

P.O. BOX 1603 • EAGLE RIVER, AK 99577 • 694-2322

Help us cut your electric bill 67% to 80% per month

How?

Full Implementation of

STAUDENMAIER'S ELECTRIC MERGER PLAN

Sign

RECALL PETITION

Removal — Seven (7) Members of

Matanuska Electric Association

Board of Directors

The above sponsor is duly authorized to circulate the petition

the best and brightest ideas energizing in Alaska!



STAUDENMAIER'S
ELECTRIC MERGER COMMITTEE

P.O. BOX 1603 • EAGLE RIVER, AK 99577 • 694-2322

PETITION FOR REMOVAL—Seven (7) Members of Matanuska Electric Association Board of Directors

Authority Cited — MEA bylaws. ARTICLE IV Board Members. Section 5. removal of board member by members. (Alaska Statutes) Title 10 Chapter 25 Electric and Telephone Co-operative Act. Article 1. Sec. 10.25.140 (Board of Directors).

We, the undersigned members of Matanuska Electric Association, Inc. do hereby bring the following charges against the hereinafter listed Directors of Matanuska Electric Co-operative, Inc. (sometimes referred to as Officers or Trustees) and request the removal of such Directors by reason thereof. We hereby direct you, **Elden Sandvik**, Secretary-Treasurer to inform said Director, **Robert L. Husted**, President (MEA), **Barbara T. Miller**, **Phil O'Neill**, **Harvey Bowers**, **Joy Foster** and **Robert C. Johnson** in writing, of the charges hereinafter set out so that the President of MEA, Robert L. Husted shall call a special meeting of the members pursuant to **Article III Section 2 Special Meetings** of the By-Laws of Matanuska Electric Co-operative, Inc. affording said Directors an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect to the charges, granting us the undersigned the same opportunity.

After said meeting and pursuant to Section 2 of Article III of the By-Laws of said Co-operative, we, the undersigned members of said Co-operative (MEA) petition **Robert L. Husted**, President of said Corporation, to call a special meeting of the members and cause notice of such meeting to be given as provided in said By-Laws for the purpose of voting on the question of removal of said Directors pursuant to Section 3 of Article III aforesaid.

That the following Directors are charged by the undersigned members. . .

CHARGE 1: With failing to conduct the business of Matanuska Electric Co-operative, Inc. in a manner as to prevent an unreasonable increase in the electric bills and charges of the members and that you have entered into a course of action as to be unfamiliar with any alternative to the unreasonable burden placed upon the members, in particular, senior citizens and parties of low fixed incomes.

CHARGE 2: You have allowed the management of the corporation (MEA) to communicate incorrect and misleading information with the intent to subvert the election process (1983 Ballot for Directors.) Marion Bowen Pippel officially withdrew in writing from running as a candidate for the Board of Directors of said Co-operative (MEA) Marion Bowen Pippel's name was deliberately placed on the 1983 MEA Ballot by management for the purpose of splitting the vote. Marion Bowen Pippel received 249 votes.

CHARGE 3: You have allowed said Co-operative (MEA) GENERAL MANAGER **James F. Pallin** a salary increase from \$73,800.00 to \$78,000.00 per year — a \$4,200.00 per year increase, at the April 12th, 1983 Board Meeting.

CHARGE 4: You have lost the trust and confidence of Matanuska Electric Association Co-op owners.

That these charges are brought against the following Directors and the removal of all of the following named Directors, the same being all of the Directors, (sometimes referred to by the Company as Trustees or Officers) are hereby requested and petitioned to be removed to wit:

Robert L. Husted, P.O. Box 132, Talkeetna, Alaska 99676. **Barbara T. Miller**, P.O. Box 151, Wasilla, Alaska 99687. **Phil O'Neill**, P.O. Box 2229, Palmer, Alaska 99645. **Harvey Bowers**, P.O. Box 1960, Wasilla, Alaska 99687. **Joy Foster**, P.O. Box 274, Wasilla, Alaska 99687. **Robert C. Johnson**, P.O. Box 456, Eagle River, Alaska 99577. **Elden Sandvik**, P.O. Box 512, Palmer, Alaska 99645.

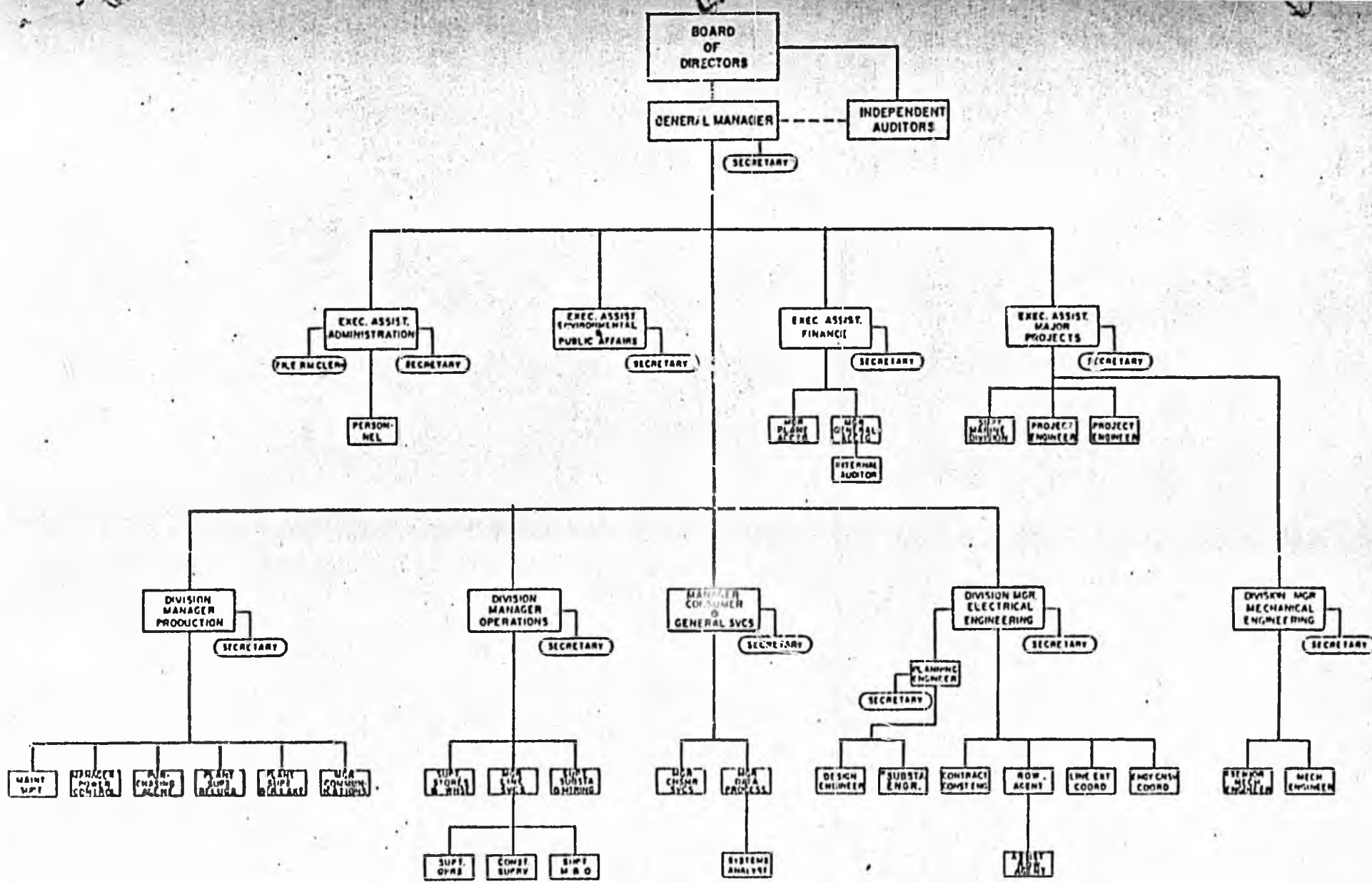
PLEASE PRINT! This Information Has To Be Verified. THANK YOU!

1.	Date	Print Full Name	Signature	Full Residence Address	Mailing Address	Phone Number
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

Petition must be Returned to: Staudenmaier's Electric Merger Committee, P.O. Box 1603, Eagle River, Alaska 99577 — Phone 694-2322

Don't you be a DEAD BEAT! Get involved. Help cut your electric bill 67% to 80% per month.

the best and brightest ideas energizing in Alaska!



ORGANIZATIONAL CHART

Chugach ELECTRIC ASSOCIATION, INC

OFFICERS

1. Report below the name, title, office address, and salary for the year of each general officer of the respondent. Report the information also for each other employee whose annual salary is \$25,000* or more. The information required by this schedule may be omitted for assistant general officers whose duties do not embrace important executive or policy functions, and whose salaries are less than \$25,000* per year. (*\$35,000, if respondent's annual operating revenues are \$50,000,000 or more.)

2. If any officer or other employee reported in this schedule received remuneration from respondent, directly or indirectly, other than the salary reported in column (a), such as commissions, bonuses, shares in profits, moneys paid, set aside or accrued pursuant to any pension, retirement, savings or similar plan (exclusive of plans qualified under Section 401 of the Internal Revenue Code of 1954) including premiums paid for retirement annuities, or life insurance where the respondent is not the beneficiary, or any other advantageous arrangement which constitutes a form of compensation, give the essentials of the plan, not previously reported, the basis of determining the ultimate benefits receivable, and the payments or provisions made during the year with respect to each person reported herein. If the word 'none' correctly states the facts with respect to the matters referred to in this instruction, so state N/A per #7.

3. State the annual benefits estimated to be payable to each of the three highest paid officers named herein in the event of

retirement at normal retirement date pursuant to any pension or retirement plan.

N/A per #7

4. Describe all transactions since the beginning of the year in which any person who was an officer of the respondent at any time during the year received remuneration, directly or indirectly, from the respondent in the form of securities, options, warrants, rights or other property, or through the exercise or disposition thereof. As to options, warrants or rights granted or extended, give the information under this caption on page 106. If the response "none" correctly states the facts with respect to the matters referred to in this instruction, so state N/A per #7.

5. State briefly any arrangement under which any officer is insured or indemnified against liability which he may incur in his capacity as an officer. If there are no such arrangements, so state N/A per #7.

6. If a change was made during the year in the incumbent of any position, show name and address and total remuneration of the previous incumbent and date change in incumbency was made.

7. Utilities which are not required to file copies of this report with the Securities and Exchange Commission may omit the data called for by instructions 3, 4, and 5. Omission of responses to such instructions for this reason should be stated.

Title (a)	Name of Officer (b)	Principal Business Address (City and State) (c)	Salary for Year * (d)
Employees:			
General Manager	LeRoy J. Schultz	P.O. Box 3518, Anch.99501	\$ 145,008.00
Asst. Assist. Admin.	Audrey E. Larson	Alaska	46,476.00
Asst. Assist. Environ-	Lawrence D. Markley		70,810.07
mental & Pub. Affa	Ted Wellman		82,236.00
r. Mr. Elect. Eng	Thomas S. Kolasinski		87,000.00
r. Mr. Production	Robert M. Braukus		64,922.00
r. Mr. Operations	John Polyansky		70,584.00
Asst. Assist. Major	Eric J. Haemer		32,608.80
Projects			
r. Mr. Mech. Eng.			
Continued	104.1 through 104.4		
* "Salary for year" as provided by individual represents compensation paid those individuals by Chugach during their period of employment at Chugach within calendar year 1981.			

I hereby certify that this is a true copy of an original document in the files of the Alaska Public Utilities Commission.

By: C. [Signature]

Date: 11/18/83

CHUGACH

son who performs similar policymaking functions. 2. If a change was made during the year in the incumbent of

Line No	Title	Name of Officer	Salary for Year
1	1. General Manager	Walter V. Truitt, Jr.	(1) \$56,230
2			
3	2. Division Manager - Production	Thomas S. Kolasinski	(2) \$109,449
4			
5	3. Executive Assistant - Administration	Audrey E. Larson	(3) \$35,013
6			
7	4. Executive Assistant - Major Projects	John Polyansky	(4) \$90,943
8			
9	5. Division Manager - Operations	Robert M. Braukus	(5) \$61,481
10			
11	6. Executive Assistant - Finance	James C. Anderson	(6) \$50,257
12			
13	7. Manager of System Planning	Eric J. Haemer	\$81,000
14			
15	8. Executive Assistant - Environment & Public Affairs	Lawrence D. Markley	\$70,440
16			
17	9. Manager of Transmission & Distribution	Fed Wellman	(7) \$90,456
18			
19	10. Executive Assistant to General Manager	John E. Smith, Jr.	(8) \$16,705
20			
21	(1) Employment Date - June 8, 1982. (Annual Salary \$99,500.)		
22	(2) Also, Acting-General Manager until June 8, 1982. (Annual Salary \$95,700.)		
23	(3) Terminated - July 2, 1982. (Annual Salary \$53,446.)		
24	(4) Terminated - October 1, 1982. (Annual Salary \$81,876.)		
25	(5) Terminated - September 15, 1982. (Annual Salary \$73,611.)		
26	(6) Employment Date - January 25, 1982. (Annual Salary \$53,666.)		
27	(7) Annual Salary \$79,092. During 1982 paid for leave not taken.		
28	(8) Employment Date - September 27, 1982. (Annual Salary \$63,000.)		
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I hereby certify that this is a true copy of an original document in the files of the Alaska Public Utilities Commission.

By: D. J. [Signature]
 Date: 11/18/83

Line No	Classification	Direct Payroll Distribution	Allocation of Payroll Charged for Clearing Accounts	Total
		(b)	(c)	(d)
1	Electric			
2	Operation			
3	Production	\$2,245,227		
4	Transmission	194,050		
5	Distribution	1,060,392		
6	Customer Accounts	1,574,406		
7	Customer Service and Informational	45,081		
8	Sales	-0-		
9	Administrative and General	640,276		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	5,759,362		
11	Maintenance			
12	Production	1,148,055		
13	Transmission	169,981		
14	Distribution	1,216,743		
15	Administrative and General	207,587		
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	2,741,366		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	3,393,282		
19	Transmission (Enter Total of lines 4 and 13)	363,131		
20	Distribution (Enter Total of lines 5 and 14)	2,276,845		
21	Customer Accounts (Transcribe from line 6)	1,574,406		
22	Customer Service and Informational (Transcribe from line 7)	45,081		
23	Sales (Transcribe from line 8)	-0-		
24	Administrative and General (Enter Total of lines 9 and 15)	847,963		
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	8,500,708	-0-	\$8,500,708
26	Gas			
27	Operation			
28	Production—Manufactured Gas	N/A		
29	Production—Natural Gas (Including Expl. and Dev.)	N/A		
30	Other Gas Supply	N/A		
31	Storage, LNG Terminaling and Processing	N/A		
32	Transmission	N/A		
33	Distribution	N/A		
34	Customer Accounts	N/A		
35	Customer Service and Informational	N/A		
36	Sales	N/A		
37	Administrative and General	N/A		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	N/A		
39	Maintenance			
40	Production—Manufactured Gas	N/A		
41	Production—Natural Gas	N/A		
42	Other Gas Supply	N/A		
43	Storage, LNG Terminaling and Processing	N/A		
44	Transmission	N/A		
45	Distribution	N/A		
46	Administrative and General	N/A		
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)	N/A		

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By: D. M. ...

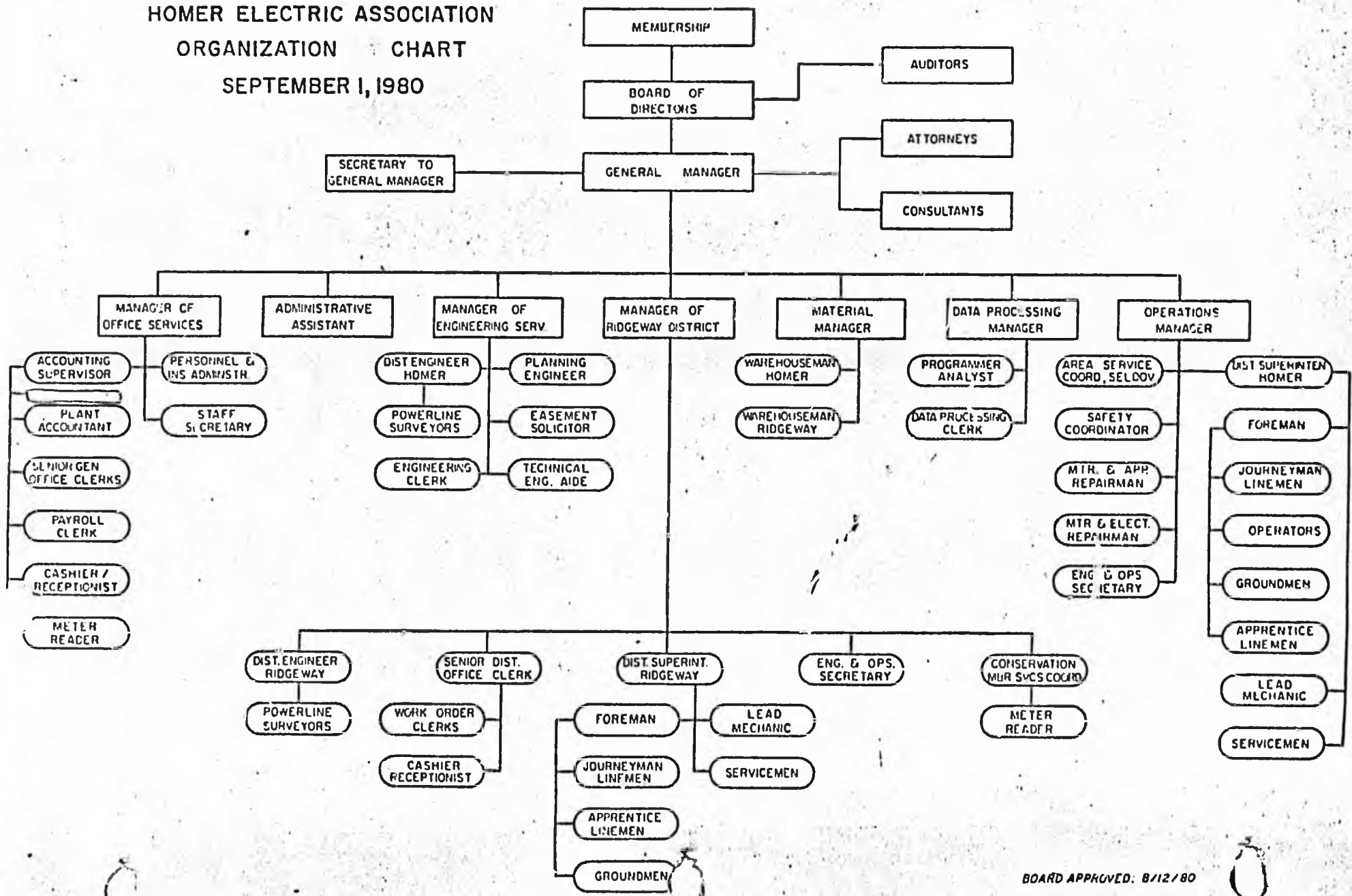
Date: 11/18/83

49	Production—Manufactured Gas (Enter Total of lines 28 and 40)	N/A		
50	Production—Natural Gas (Including Expl. and Dev.) (Total of lines 29 and 41)	N/A		
51	Other Gas Supply (Enter Total of lines 30 and 42)	N/A		
52	Storage, LNG Terminating and Processing (Total of lines 31 and 43)	N/A		
53	Transmission (Enter Total of lines 32 and 44)	N/A		
54	Distribution (Enter Total of lines 33 and 45)	N/A		
55	Customer Accounts (Transcribe from line 34)	N/A		
56	Customer Service and Informational (Transcribe from line 35)	N/A		
57	Sales (Transcribe from line 36)	N/A		
58	Administrative and General (Enter Total of lines 37 and 46)	N/A	N/A	N/A
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	N/A	N/A	N/A
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	\$8,500,708	-0-	\$8,500,708
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	2,731,968	-0-	2,731,968
66	Gas Plant	N/A	N/A	N/A
67	Other	N/A	N/A	N/A
68	TOTAL Construction (Enter Total of lines 65 thru 67)	2,731,968	-0-	2,731,968
69	Plant Removal (By Utility Department)			
70	Electric Plant	37,181	-0-	37,181
71	Gas Plant	N/A	N/A	N/A
72	Other	N/A	N/A	N/A
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)	37,181	-0-	37,181
74	Other Accounts (Specify):			
75	Annual Leave			1,047,460
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95	TOTAL Other Accounts	\$3,816,609	-0-	\$3,816,609
96	TOTAL SALARIES AND WAGES	\$12,317,315	-0-	\$12,317,315

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By: D. Mier
Date: 11/18/83

HOMER ELECTRIC ASSOCIATION
 ORGANIZATION CHART
 SEPTEMBER 1, 1980



BOARD APPROVED: 8/12/80

Homer

Line No	Title (a)	Name of Officer (b)	Salary for Year (c)
1	General Manager	B. Kent Wick	77,390
2	Administrative Assistant	Scot E. Land	54,984
3	Manager, Eng. Services	S.C. Matthews	67,304
4	Manager, Materials	Norman L. Story	50,627
5	Manager, Office Services	Thomas H. Keffer	59,163
6	Manager, Operations	Clifford G. Stewart	69,422
7	District Manager	Eugene R. Collins	65,916
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By: D. M. Smith

Date: 11/18/83

Line No	Classification	Distribution	Payroll charged for Clearing Accounts	Total
	(a)	(b)	(c)	(d)
1	Electric			
2	Operation			
3	Production 546-550	610.28		
4	Transmission 560-567	98.92		
5	Distribution 580-589	28,830.21		
6	Customer Accounts 901-905	33,426.94		
7	Customer Service and Informational 907-910	6,230.47		
8	Sales 911-916	.00		
9	Administrative and General 920-931	26,817.23		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	96,014.05		
11	Maintenance			
12	Production 551-557	.00		
13	Transmission 568-573	967.56		
14	Distribution 590-598	49,090.26		
15	Administrative and General 932	1,508.92		
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	51,566.74		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	610.28		
19	Transmission (Enter Total of lines 4 and 13)	1,066.48		
20	Distribution (Enter Total of lines 5 and 14)	77,920.47		
21	Customer Accounts (Transcribe from line 6)	33,426.94		
22	Customer Service and Informational (Transcribe from line 7)	6,230.47		
23	Sales (Transcribe from line 8)	.00		
24	Administrative and General (Enter Total of lines 9 and 15)	28,326.15		
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	147,580.79		
6	Gas			
7	Operation			
28	Production—Manufactured Gas	-		
29	Production—Natural Gas (Including Expl. and Dev.)	-		
30	Other Gas Supply	-		
31	Storage, LNG Terminating and Processing	-		
32	Transmission	-		
33	Distribution	-		
34	Customer Accounts	-		
35	Customer Service and Informational	-		
36	Sales	-		
37	Administrative and General	-		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	-		
39	Maintenance			
40	Production—Manufactured Gas	-		
41	Production—Natural Gas	-		
42	Other Gas Supply	-		
43	Storage, LNG Terminating and Processing	-		
44	Transmission	-		
45	Distribution	-		
46	Administrative and General	-		
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)	-		

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By: D. Nielsen

Date: 11/18/53

Production—Natural Gas (Including Expl. and Dev.) (Total of lines 29 and 41)	-		
Other Gas Supply (Enter Total of lines 30 and 42)	-		
Storage, LNG Terminating and Processing (Total of lines 31 and 43)	-		
Transmission (Enter Total of lines 32 and 44)	-		
Distribution (Enter Total of lines 33 and 45)	-		
Customer Accounts (Transcribe from line 34)	-		
Customer Service and Informational (Transcribe from line 35)	-		
Sales (Transcribe from line 36)	-		
Administrative and General (Enter Total of lines 37 and 46)	-		
TOTAL Operation and Maint. (Total of lines 49 thru 58)	-		
Other Utility Departments			
Operation and Maintenance			
TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	-		
Utility Plant			
Construction (By Utility Departments)			
Electric Plant	-		
Gas Plant	-		
Other	-		
TOTAL Construction (Enter Total of lines 65 thru 67)	-		
Plant Removal (By Utility Department)			
Electric Plant	-		
Gas Plant	-		
Other	-		
TOTAL Plant Removal (Enter Total of lines 70 thru 72)	-		
Other Accounts (Specify):			
TOTAL Other Accounts			
TOTAL SALARIES AND WAGES			

I hereby certify that this is a true copy of an original document in the files of the Alaska Public Utilities Commission.

By: D. Nielsen

Date: 11/15/83



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. _____

TOM STAHR
From: Mayor

Meeting Date:

Subject: Cost of Living Adjustment for Executive Pay Plan

AO 81-28, as further amended by AO 82-53, provides for annual adjustment to the pay plan for Executive Employees as defined under AMC 3.30.171B based on the U.S. Department of Labor's Anchorage Consumer Price Index for All Urban Consumers for the prior year. For the prior year that index increased 5.3%.

Applying the Cost of Living adjustment formula outlined in AO 82-53, the Municipal Pay Ranges for Executive Employees for 1984 are as follows:

E-I	\$32,000 - \$55,000
E-II	\$42,000 - \$67,000
E-III	\$52,000 - \$78,000

Tom Stahr

Prepared by:

72,737.00 Base Sal.

25,094.00 Bonus

Frank Austin

97,831.00

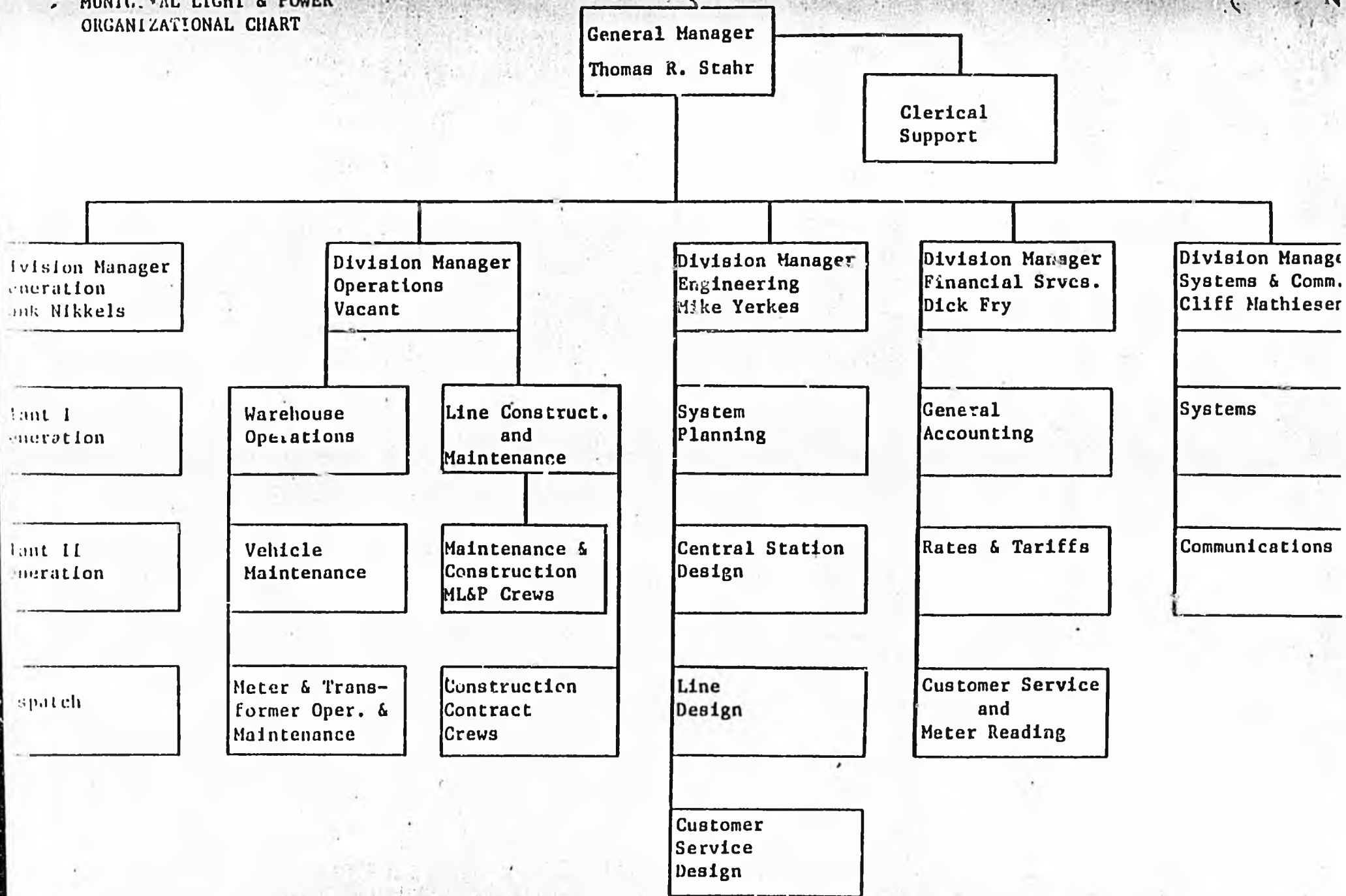
Director, Human Resources Department

Respectfully submitted:

34.5%

Tony Knowles
Mayor

MUNICIPAL LIGHT & POWER
ORGANIZATIONAL CHART



2. If a change was made during the year in the incumbent or

Line No	Title <i>(a)</i>	Name of Officer <i>(b)</i>	Salary for Year <i>(c)</i>
1	General Manager	James F. Palin	\$ 73,800
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By: D. Mierman

Date: 11/18/83

Line No.	Classification	Direct Payroll	Allocation of	Total
		Distribution	Payroll Charged for Clearing Accounts	
	(a)	(b)	(c)	(d)
1	Electric			
2	Operation			
3	Production	48,332		
4	Transmission	1,345		
5	Distribution	364,731		
6	Customer Accounts	592,343		
7	Customer Service and Informational	-		
8	Sales	-		
9	Administrative and General	557,860		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	1,564,611		
11	Maintenance			
12	Production	-		
13	Transmission	61		
14	Distribution	414,535		
15	Administrative and General	9,716		
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	424,312		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	48,332		
19	Transmission (Enter Total of lines 4 and 13)	1,406		
20	Distribution (Enter Total of lines 5 and 14)	779,266		
21	Customer Accounts (Transcribe from line 6)	592,343		
22	Customer Service and Informational (Transcribe from line 7)	-		
23	Sales (Transcribe from line 8)	-		
24	Administrative and General (Enter Total of lines 9 and 15)	567,576		
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	1,988,923	-	1,988,923
26	Gas			
27	Operation			
28	Production--Manufactured Gas	-		
29	Production--Natural Gas (Including Expl. and Dev.)	-		
30	Other Gas Supply	-		
31	Storage, LNG Terminating and Processing	-		
32	Transmission	-		
33	Distribution	-		
34	Customer Accounts	-		
35	Customer Service and Informational	-		
36	Sales	-		
37	Administrative and General	-		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	-		
39	Maintenance			
40	Production--Manufactured Gas	-		
41	Production--Natural Gas	-		
42	Other Gas Supply	-		
43	Storage, LNG Terminating and Processing	-		
44	Transmission	-		
45	Distribution	-		
46	Administrative and General	-		
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)	-		

I hereby certify that this is a true copy of an original document in the files of the Alaska Public Utilities Commission.

By: D. Minton

Date: 11/13/83

50	Production—Natural Gas (Including Expl. and Dev.) (Total of lines 29 and 41)	-		
51	Other Gas Supply (Enter Total of lines 30 and 42)	-		
52	Storage, LNG Terminating and Processing (Total of lines 31 and 43)	-		
53	Transmission (Enter Total of lines 32 and 44)	-		
54	Distribution (Enter Total of lines 33 and 45)	-		
55	Customer Accounts (Transcribe from line 34)	-		
56	Customer Service and Informational (Transcribe from line 35)	-		
57	Sales (Transcribe from line 36)	-		
58	Administrative and General (Enter Total of lines 37 and 46)	-		
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	-		
60	Other Utility Departments			
61	Operation and Maintenance	-	-	-
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	-	-	-
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	1,514,183	-	-
66	Gas Plant	-	-	-
67	Other	-	-	-
68	TOTAL Construction (Enter Total of lines 65 thru 67)	1,514,183	-	1,514,183
69	Plant Removal (By Utility Department)			
70	Electric Plant	22,293	-	-
71	Gas Plant	-	-	-
72	Other	-	-	-
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)	22,293	-	22,293
74	Other Accounts (Specify):			
75	Other Property & Investment			
76	Current & Accrued Assets			421,752
77	Deferred Debits			307,102
78	Annual Leave			410,441
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95	TOTAL Other Accounts			1,139,295
96	TOTAL SALARIES AND WAGES			4,664,694

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By: D. M. [Signature]
 Date: 11/18/83

2. If a change was made during the year in the incumbent of

Line No	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Utility Div. Mgr. II	Bowen, George	60,653.00
2	Utility Div. Mgr. II	Massin, Michael E.	65,478.00
3	Utility Div. Mgr. I	Mathiesen, Clifford	52,000.00
4	Utility Div. Mgr. II	Nikkels, Hank	64,272.00
5	General Manager	Stahr, Thomas R.	67,974.00
6	Utility Div. Mgr. I	Tisher, William M.	53,019.00
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By: D. Trickett
 Date: 11/18/83

No.	Classification	Distribution	Capital Charges for Clearing Accounts	Total
	(a)	(b)	(c)	(d)
1	Electric			
2	Operation			
3	Production	1,489,092		
4	Transmission	27,867		
5	Distribution	1,284,263		
6	Customer Accounts	353,541		
7	Customer Service and Informational	77,194		
8	Sales			
9	Administrative and General	1,034,811		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	4,266,768		
11	Maintenance			
12	Production	439,544		
13	Transmission	1,623		
14	Distribution	740,276		
15	Administrative and General			
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	1,181,443		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	1,928,636		
19	Transmission (Enter Total of lines 4 and 13)	29,490		
20	Distribution (Enter Total of lines 5 and 14)	2,024,539		
21	Customer Accounts (Transcribe from line 6)	353,541		
22	Customer Service and Informational (Transcribe from line 7)	77,194		
23	Sales (Transcribe from line 8)	-0-		
24	Administrative and General (Enter Total of lines 9 and 15)	1,034,811		
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	5,448,211	374,735	5,862,946
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Natural Gas (Including Expl. and Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminating and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation (Enter Total of lines 28 thru 37)			
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminating and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)			

I hereby certify that this is a true copy of an original document in the files of the Alaska Public Utilities Commission.

By: B. Miettinen

Date: 11/18/83

50	Production—Natural Gas (including Expl. and Dev.) (Total of lines 29 and 41)			
51	Other Gas Supply (Enter Total of lines 30 and 42)			
52	Storage, LNG Terminaling and Processing (Total of lines 31 and 43)			
53	Transmission (Enter Total of lines 32 and 44)			
54	Distribution (Enter Total of lines 33 and 45)			
55	Customer Accounts (Transcribe from line 34)			
56	Customer Service and Informational (Transcribe from line 35)			
57	Sales (Transcribe from line 36)			
58	Administrative and General (Enter Total of lines 37 and 46)			
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)			
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)			
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	1,560,014		
66	Gas Plant			
67	Other			
68	TOTAL Construction (Enter Total of lines 65 thru 67)			
69	Plant Removal (By Utility Department)			
70	Electric Plant			
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)			
74	Other Accounts (Specify):			
75				
76				
77				
78				
79				
80				
81				
82				
83				
84				
85				
86				
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88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts			
96	TOTAL SALARIES AND WAGES			

I hereby certify that this is a true copy of an original document in the files of the Alaska Public Utilities Commission.

By: E. J. [Signature]

Date: 11/18/83

The future

How long will electricity remain a 'bargain'?

Electricity from gas-fired generators cheap

Continued from Page A-1

But in parts of Alaska where electricity from gas or hydropower is not available, the cost of keeping the lights on was considerably higher, in many cases. In Fairbanks 1000 kwh cost \$121; in Kodiak, \$160; and in Port Lions, a small fishing community near Kodiak, \$612.63. Port Lions has the distinction of having the most expensive juice in the state.

Chugach Electric Association is the largest utility in the state. It distributes electricity to 50,000 users in the Anchorage bowl and sells

Gas burned at Bernice Lake, International and Knik Arm power stations is not the bargain Beluga River methane is. It is purchased from Enstar and it costs \$1.12 per thousand cubic feet.

According to an initial draft study of available Cook Inlet gas reserves done for the state by Battelle Pacific Northwest Laboratories, the weighted average price of all the gas used by Chugach is 42 cents per thousand cubic feet. Over the next 13 years, the study predicts, that average cost will increase to \$1.32.

It could go higher, however, if the price of

Spokesman disputes claim power outage could have been avoided

"This problem," he said about Monday's outage. "It's not something that won't happen again."

In contrast, Kolasinski said the fuel-delivery gremlin that caused complete shutdown of the Chugach main power plant at Beluga was "a one-time affair."

"We suspect that the main gas regulator station had wa-

main gas regulator said.

"In our preliminary investigation we found officials will meet with ML&P to be normal, and Chugach administrators Monitoring department to discuss a plan to improve communications between the utilities and the public in emergencies."

Under the proposal, Both Chevron Knowles said the municipal are investigating Emergency Operations Center the plant shutdown will try to deal with public

could snap of 1983 had Anchorage residents reaching for their thermostats.

ML&P and Chugach officials said a record amount of power was used Monday, breaking marks set only a few days before. Chugach spokeswoman Lynn Marlin said demand surged to 370 megawatts at about 6 p.m. Monday, up from a previous

forecast was for more same throughout the week

The low temperature Anchorage International Monday was minus substantially warmer than record for Jan. 10 of month set in 1972. But at 7: wind chill pegged the five temperature at mi-

In Palmer, winds to 40 mph dropped to

Power restored, but blackout still makes its mark

By LARRY CAMPBELL
Daily News reporter

The vast power outage that struck southcentral Alaska on Sunday continued to raise havoc on Monday, only after power had been restored.

Hindered by another outage Monday, though of much less duration and area, some shivering residents were thwarted in attempts to get heat

into their homes through frozen water pipes. Others fought water back as pipes burst from freezing water inside, spewing a sopping, icy mess.

Police and fire officials reported numerous incidents related to the outage and resulting vulnerability to the cold. Anchorage police responded to about 30 minor auto accidents Monday while firefighters answered

over 35 weather related calls, including burst water pipes and minor fires.

A house fire at 1021 Boston St. about midnight Sunday began when a candle fell on a bed. Damage in that fire was estimated at \$3,000. Another fire at the Northern Lights Inn, caused by a heating duct, resulted in only \$100 damage.

Diners at Nikko Gardens in the

Denali Tower rushed from the restaurant just after noon Monday when a fire sprinkler line burst and showered water through the ceiling tile and down the walls.

"We heard this pop, then the water started coming through the tile and down onto the aisle," said Stephan

See Back Page, BLACKOUT

Utilities argue fault

By JIM ERICKSON
Daily News reporter

A Chugach Electric Association spokesman Monday denied reports that a massive weekend power failure could have been avoided if the utility had not cut loose from Municipal Light and Power electrical supplies shortly after the Chugach system began to falter.

JAN 11 1982

Chugach sues over

By DON HUNTER
Daily News reporter

Chugach Electric Association chose Pearl Harbor Day to launch a new legal offensive in its decade-old territorial war with Municipal Light and Power and the Alaska Public Utilities Commission.

At the crux of the suit filed Tuesday in Superior Court is the commission's interpretation of a 1979 Alaska Supreme Court ruling and a subsequent order from a Su-

perior Court judge.

Both the earlier case and the current suit focus on a 1973 APUC order that established boundaries for Chugach and city-owned ML&P. Both utilities provide electrical service to Anchorage residents, and in the 1973 order the APUC defined which parts of town each utility would serve.

Since the utilities had, in some cases, built distribution lines and transmission facili-

ties in the same areas, the territorial exchange required the exchange of some customers and equipment.

The order first was challenged by Chugach in 1974. The Supreme Court's 1979 opinion directed a Superior Court judge to remand the issue to the APUC for further consideration of "the retirement and transfer of Chugach's facilities to ML&P."

Chugach officials contend the Supreme Court opinion

Anchorage Daily News Thursday, December 9, 1982

ML&P territory dispute

also allows the APUC to consider changing the boundary lines that were drawn in 1973, but, because of the association's lawsuit, never enforced.

When the APUC held public hearings this fall on the "retirement and transfer" issue, Chugach attempted to introduce testimony and evidence in support of its contention that the 1973 boundaries are unfair. But APUC Chairwoman Carolyn Guess denied the request, saying the Su-

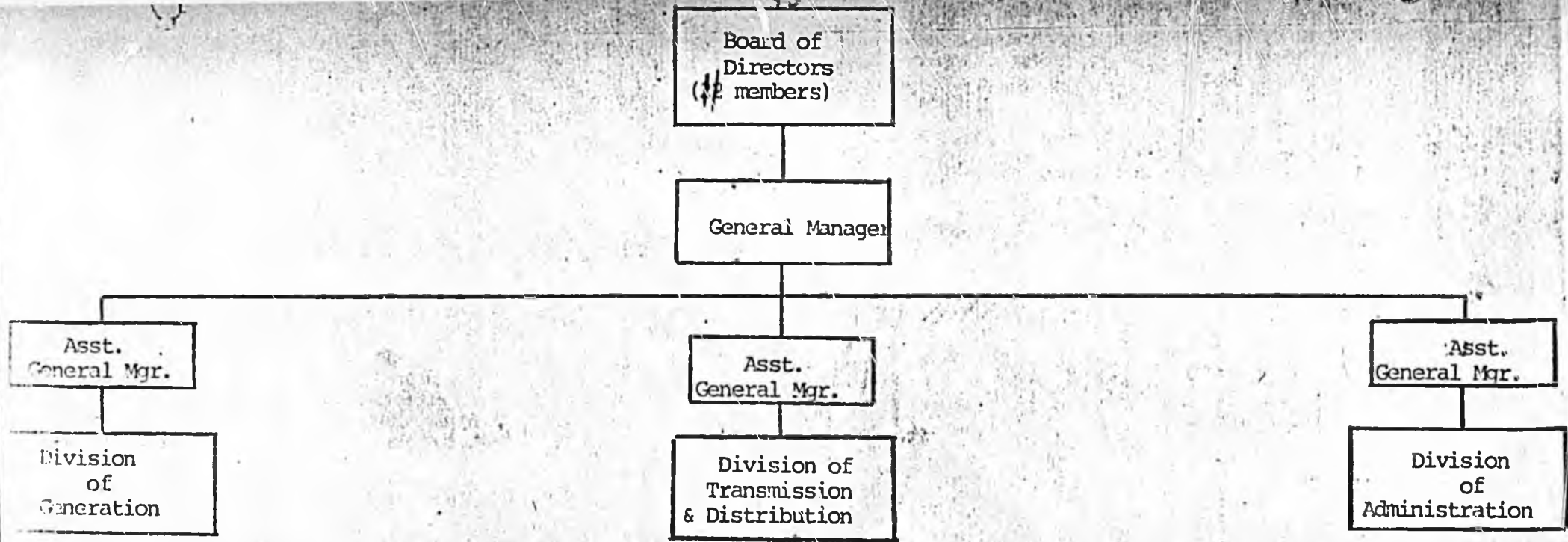
preme Court's opinion restricts the commission from changing the boundaries.

The commission is expected to take rebuttal testimony from its staff next month. Attorney William Moran, representing Chugach, has requested expedited handling of the lawsuit.

"As far as Chugach is concerned, the purpose (of the suit) is to facilitate" the commission's handling of the territorial case, "not to delay

it," Moran said.

Chugach contends enactment of the 1973 boundaries would require it to give up about 10,000 customers, while ML&P would lose only about 1,000. Chugach general manager Walter Truitt has said such a transfer deficit would cause an unwarranted financial drain on the association, which already is reeling from mounting debts incurred to pay for new generation equipment.



ALASKA SOUTHCENTRAL ELECTRIC CO-OP



STAUDENMAIER'S

ELECTRIC MERGER COMMITTEE

P.O. BOX 1603 • EAGLE RIVER, AK 99577 • 694-4982, 694-2322

IMMEDIATE NEWS RELEASE

9/21/82

COST STUDY OF RATE REDUCTIONS BY MERGING
CHUGACH ELECTRIC, MATANUSKA ELECTRIC, HOMER ELECTRIC, MUNICIPAL L & P
BASED ON 1981 ACTUALS AND 1982 PROJECTIONS WHERE POSSIBLE

POSSIBLE SAVINGS

	<u>EXPENSES</u>	<u>INTEREST</u>	<u>DEBT RETIREMENT</u>	<u>TOTALS</u>	<u>OPERATING REVENUES</u>	<u>TOTAL DEETS</u>
CHUGACH ELECTRIC		28,423,103	3,624,965	32,048,068	42,020,067	360,266,522
MATANUSKA ELECTRIC	5,633,281	3,528,798	8,188,401	17,350,480	17,499,967	69,050,666
HOMER ELECTRIC	2,531,861	1,922,752	1,247,640	5,702,253	13,125,519	46,199,304
MUNICIPAL LIGHT AND POWER	<u>2,862,400</u>	<u>4,733,180</u>	<u>4,361,000</u>	<u>11,956,580</u>	<u>27,418,730</u>	<u>101,683,472</u>
	11,027,542	38,607,933	17,422,000	67,057,381	100,064,283	577,199,964

ALL LIGHT BILLS COULD BE CUT 67%. SINCE THE RATES ARE UNEVEN AND THE OBJECT IS
TO EVEN UP ALL RATES, I WOULD SUGGEST CUTTING CHUGACH RATES BY APPROXIMATELY
8% AND THE OTHERS BY VARYING AMOUNTS UP TO 80% ON THE INITIAL SURVEY.

RENE FOMBY
TAX CONSULTANT


TOM STAUDENMAIER
DIRECTOR OF THE BOARD
MATANUSKA ELECTRIC ASSOCIATION

the best and brightest ideas energizing in Alaska!



STAUDENMAIER'S

ELECTRIC MERGER COMMITTEE

P.O. BOX 1603 • EAGLE RIVER, AK 99577 • 694-4982, 694-2322

Complete Payoff according to document filed with the Alaska Public Utility Commission.

ANNUAL REPORT YEAR ENDED DECEMBER 31, 1981

Chugach Electric Association, Inc.	\$309,178,050
Matanuska Electric Association, Inc.	67,851,604
Homer Electric Association, Inc.	49,117,072
Municipal Light and Power	73,000,000
Golden Valley	120,616,040
Kodiak Electric Association, Inc.	25,788,843
Barrow Utilities and Electric Cooperative, Inc.	4,976,193
Alaska Village Electric Coopertive, Inc.	25,182,921
Copper Valley Electric, Inc.	80,028,851
Nushagak Electric Cooperative, Inc.	4,196,550
Kotzebue Electric Association	4,263,777
Tlingit-Haida REA	4,757,169
TOTAL PAYOFF FROM THE GENERAL FUND	768,957,070

the best and brightest ideas energizing in Alaska!

GOV.
SHEFFIELD
82

October 15, 1982

TOM STAUDENMAIER
DIRECTOR OF THE BOARD
MATANUSKA ELECTRIC ASSOCIATION
P. O. Box 1603
EAGLE RIVER, AK 99577

Dear Mr. Staudenmaier:

Thank you for your correspondence of September 10, 1982. Needless to say, your letter contains a number of provocative and compelling proposals that deserve complete examination.

You raise a number of points which deserve active consideration and research. They include:

- a) a commitment to a plan to reduce the cost of electric power throughout Southcentral Alaska;
- b) administrative and clerical overhead costs at managerial levels are rising "explosively";
- c) after the November election, the next governor will undoubtedly face a declining commitment at the Federal level from the Rural Electrification Administration. The State of Alaska will inevitably reassess its financial relationship with the REA and devise alternative schemes of financing utility expansion and improvement;
- d) retiring the indebtedness with the REA is certainly one viable alternative that warrants active consideration; and

continued on page two --

Tom Staudenmaier
October 15, 1982
Page Two

e) finally, I wholeheartedly agree that electric bills are atrociously high throughout this State, and any plans to reduce monthly electric bills will be more than welcome, both by my campaign and by my administration.

Tom, I think you would be the first to agree with me that any plan that could potentially involve a State commitment of a billion dollars requires serious consideration, active deliberation, a full study of opportunity costs, a reassessment of our revenue projections, a full-scale legislative commitment, and an articulated, comprehensive statement of policy. These will be my duties as Governor, and I will never take them lightly. I will support any plan that can survive this tough screening process.

Thanks again for providing me with the input. I anxiously await the day when Alaska can witness a reduction in power rates instead of the chain of increases that we have had for so many years.

Best regards.

Yours very truly,

Bill Sheffield

BILL SHEFFIELD

jes

Alaska State Legislature



Speaker of the House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3720

Official Business

October 19, 1982

Mr. Tom Staudenmaier
Director of the Board
Matanuska Electric Association
P. O. Box 1603
Eagle River, Alaska 99577

Dear Tom:

Thank you for the material on your proposal to merge the four Southcentral Alaska Electric Power Distributors. The concept is certainly an interesting one, and the potential benefits as you've outlined them exciting. It most definitely merits investigation.

My immediate reaction to the fiscal implications include the very substantial commitment of state funds, and the various uncertainties which attend that concern. Quite obviously, state revenue projections come in for serious examination. They are uncertain at best, and many experts see them declining below present levels. At the same time, there seems little likelihood of a decline in the demands being made upon them; quite in fact we must anticipate continuing increases in demand.

Two principal and major probabilities of such commitment are the Susitna and other hydroelectric projects and the potential capital move. Major activity in either of those spheres could derail a plan to retire the utilities' REA debts by quite some time; in fact, assistance even to maintenance of those debts could be difficult.

On the other hand, should the capital move fail, another scenario would come into view. Given the likelihood of declining REA assistance to Alaskan hydro projects, that would leave those as a very major demand on available revenues.

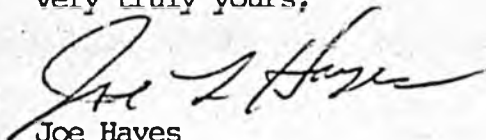
All these things are speculative, quite obviously. I think none of them should discourage efforts to develop your plan. At the same time, I feel you should pursue aggressively the development of as firm as possible figures concerning savings through the merger alone, even without the debt retirement. With that as a first step, the debt retirement might become a much more publicly attractive idea. I can

fully appreciate the virtue of using the debt retirement scheme as a way to share a major portion of the state's oil wealth with a high percentage of the population, and to establish some equity with the subsidy the state is presently providing for electric power in remote communities. .

You most assuredly may count on my active support after the merger with respect to investigating the viability and financibility of the plan. If the public can be persuaded to accept it in exchange for some of its other wants and needs, or if our revenue picture brightens dramatically in the future, I certainly would support the plan itself.

I appreciate you sharing your idea with me and hope you will keep me apprised in timely fashion of developments respecting the merger and of figures you develop in both areas.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Joe Hayes".

Joe Hayes
Speaker



7931 Old Seward Highway, Suite 2, Anchorage, Alaska 99502 (907) 349-6506

September 28th, 1982

Tom Staudenmaier
Electric Merger Committee
P.O. Box 1603
Eagle River, AK 99577

Dear Tom,

Your idea to merge the electric utilities of South Central Alaska appears to be a good one. I would certainly support paying off the outstanding loans from the Rural Electric Association if I am convinced that the utilities will be run properly and efficiently and further debt would not be incurred.

Thank-you for the information and I wish you success in the "merger."

Sincerely,

Jan Faiks



STAUDENMAIER'S

ELECTRIC MERGER COMMITTEE

P.O. BOX 1603 • EAGLE RIVER, AK 99577 • 694-4982, 694-2322

September 13, 1982

Dear Mr. Martin:

I speak for a group of Matanuska Electric Association, Chugach Electric Association, and Homer Electric Association members seeking your commitment to a plan to reduce the cost of electric power throughout South Central Alaska. Our plan is highly advantageous to us economically. We believe it politically advantageous to you.

I was elected to the Board of Directors of the Matanuska Electric Association this past April on a write in vote. The reason, to cut the cost of high electric bills. The next step in our strategy is to promote a merger vote on behalf of Matanuska Electric Association (MEA), Homer Electric Association (HEA), Chugach Electric Association (CEA), and Municipal Light and Power (MLP). The new name of the four merged organizations will be Alaska South Central Electric Co-op. The new Board of Directors could be apportioned using the State of Alaska 1982 Reapportionment and Redistributing Plan. Upon voter approval the Board could be make up of 11 members using the senate plan or 22 members using the house plan.

The proposed merger would reduce our administrative and clerical overhead costs, which are now rising explosively. Incidentally, we were driven to action not by union costs of power production and distribution but by exorbitant increases in management costs, high salaries, mismanagement and duplicity in their work. We have no quarrel with Labor.

When you are in the Legislature after the November election, and the merger vote is successful, will you assist us in legislation to payoff with a State Grant all outstanding loans from the Rural Electric Association throughout the State. What better way could we use some of the excess oil revenue. We ask your active support after the merger. Now we want your commitment to the idea.

We believe this plan will pull the vote of every homeowner and businessmen from Talkeetna to Homer. The production and distribution of electric power at reasonable rates is an Alaska necessity. Ours is a plan that should please everyone.

The end result of this merger plan would be a streamline debt free utility in South Central Alaska, thereby reducing the average electric bill between 50-85% per month.

Can we count on your active support after the merger?

YES NO

Sincerely,

Tom
Tom Staudenmaier
Director of the Board
Matanuska Electric Association

Very interesting concept. Needs to be pursued to get maximum benefits to the consumer.

the best and brightest ideas energizing in Alaska!

Larry Martin

Chugach ELECTRIC ASSOCIATION, INC.
GAMBELL AT EIGHTH • P.O. BOX 3518 • Anchorage, Alaska 99501 • PHONE: 907 276-3500

April 11, 1984

TELEX: Chugach AHG
(090) 25 265

Mr. Tom Staudenmaier
P. O. Box 8-8110
Anchorage, Alaska 99503

Dear Mr. Staudenmaier:

Listed below is the information you requested:

1. The total long-term indebtedness of Chugach as of December 31, 1983 is \$301,591,812.
2. The monthly bill for an average home using 750 KWH is \$50.72.

Note: This amount includes a Fuel Cost Rate Adjustment (FCRA) of \$.00457/KWH.

3. The average cost to generate a KWH at all power plants was approximately 1.574¢ in 1981, 1.748¢ in 1982, and 1.894¢ in 1983.

If you require additional information, please contact me.

Very truly yours,

T.S. Kolasinski

Thomas S. Kolasinski
General Manager

TSK/smm

Chugach ELECTRIC ASSOCIATION, INC.

GAMBELL AT EIGHTH

P.O. BOX 351B

Anchorage, Alaska

99501

PHONE: 907 276-10

April 6, 1982

TELEX: Chugach AMG
(090) 25 265

Mr. Tom Staudermaier
P. O. Box 8-8110
Anchorage, Alaska 99503

Dear Mr. Staudermaier:

The Beluga Gas Sales Agreement is in effect until
January 1, 1998.

Chugach is currently paying \$.2015/MCF and for every
MCF approximately \$.06 is added for taxes to the State.
The last increase was in 1982 and will increase \$.01
for each two-year period thereafter.

Very truly yours,

T. S. Kolasinski
Thomas S. Kolasinski
Acting General Manager

TSK/smm



United States
Department
of Agriculture

Rural
Electrification
Administration

Washington
D.C.
20250

AUG 06 1982

Mr. Robert C. Johnson, President
Matanuska Electric Association, Inc
P. O. Box 1108
Palmer, Alaska 99645

Dear Mr. Johnson:

A loan in the amount of \$1,134,000 from the Rural Electrification and Telephone Revolving Fund at an interest rate of 5 percent per annum has been approved for your organization on the condition that a satisfactory concurrent loan in the amount of \$512,000 will be obtained by your organization from the National Rural Utilities Cooperative Finance Corporation. 13%

This loan is to finance the balance of the cooperative's construction program included in the "AK6" loan application.

The loan agreement and other documents will be forwarded in the near future for execution. This loan is approved with the understanding that the loan agreement will be authorized and executed by your organization and returned to us by the date which will be set forth in the letter transmitting the loan agreement.

Sincerely,

Harold V. Hunter
Administrator
cc:
CFC

Original retained in General Manager's Office (master file)

Copies to: Board of Directors
Attorney Roger Kempel
General Manager
Manager of Administration
Manager of Member & Public Relations



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148

PALMER, ALASKA 99645

TELEPHONE
(907) 745-3231

October 18, 1982

Mr. Thomas G. Staudenmaier
P. O. Box 408
Eagle River, Alaska 99577

Dear Tom:

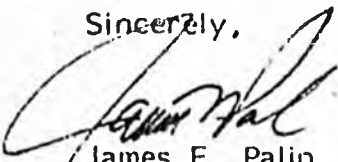
Reference: Your telephone question to staff concerning the retirement of REA loans.

Please understand that each year the Association makes the required payments on all outstanding loans. In that effort, principal and interest payments are made on each loan; none have priority or must be paid ahead of any other, except as provided by due dates during the calendar year.

When making extra principal payments, however, the earlier loans must receive those payments or be paid off first, unless a special waiver was approved by REA. In other words, extra principal payments sent to REA would be applied to earlier, lower interest loans until they were eliminated. If loans were to be paid off, a 1950 loan would be paid off before a 1960 loan.

We hope this answers your question.

Sincerely,


James F. Palin
General Manager

BG/mb



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148

PALMER, ALASKA 99645

TELEPHONE
(907) 745-3231

May 19, 1982

Mr. Thomas G. Staudenmaier
P. O. Box 408
Eagle River, Alaska 99577

Dear Tom:

In my letter of May 13, I advised you that we would be sending you some information separately. Enclosed are copies of the invoices and MEA checks for payments made to Kempel, Huffman & Ginder for the following years:

<u>YEAR</u>	<u>AMOUNT</u>
1978	1,632.64
1979	5,761.68
1980	17,444.65
1981	40,845.82
1982 (paid through 4/82)	14,836.99
	<i>67,392.00</i>

Please note that there are a total of 181 copies.

There appears to be some questions as to your intentions concerning your \$20.00 director fee for regular and special board meetings. It was my understanding that you do not wish to be reimbursed for mileage when you use your personal vehicle for Board authorized purposes and for attending Board meetings. It is also my understanding that you do not desire to receive any \$20.00 director fees, even though it is allowed by the Bylaws of MEA. If we do not hear from you, we will assume that the above clarifies your intentions and our Accounting Services Section will be so advised. If my understanding is incorrect, please advise and we will make the appropriate changes. Also, if we are to issue any payments to you as a director, we will need your social security number for Internal Revenue Service purposes.

Also, during your visit to this office on May 14, you requested the monthly kWh consumption history for Bob Husted. May I suggest that you submit a written request for this information in accordance with

Law Offices of
Kempel, Huffman & Ginder

255 E. Fireweed Lane, Suite 200
Anchorage, Alaska 99503

Telephone
(907) 277-1604
(907) 276-1605

Roger R. Kempel
Richard R. Huffman
Peter C. Ginder
Ronald L. Baird

March 8, 1982

Matanuska Electric Association
Post Office Box 1148
Palmer, Alaska 99645

Subject: Notification of Increase in Billing Rates

Attn: James Palin, General Manager

This letter is to notify you that effective April 1, 1982, an increase in our hourly rates for attorney's time will be implemented as follows:

- Partnership Rates \$100 - \$115/hour
- Associate Rates 75 - 90/hour
- Paralegal/Law Clerk Rates 30 - 50/hour

We regret the need for increases in professional fees, but as in all other aspects of the economy, we have also realized significant increased costs for which we must account. We will continue to implement time-saving procedures which we hope may result in off-setting increased hourly fees. The fees quoted above have been broken into different categories depending upon the degree of involvement, experience, skill, and specialization involved in your representation.

We will continue in our efforts to itemize fees and costs as closely as possible and to accord you the best possible professional service in as inexpensive a manner as we can. If you have questions, please feel free to contact us.

Sincerely,

KEMPEL, HUFFMAN & GINDER

Roger R. Kempel
Roger R. Kempel

RRK/jw

*Original to General Mgr.
Copy to Accounting
3/11/82*

K
O
O
af

1982 CONSULTANTS-FORM 7A

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>AMOUNT</u>
Kempe! Huffman and Ginder 255 East Fireweed Lane Anchorage, Alaska 99503	Legal Consultant	\$ 67,396
John R. Snodgrass P.O. Box 600 Palmer, Alaska 99645	Legal Consultant	\$ 772
Dryden and LaRue P.O. Box 10-1008 Anchorage, Alaska 99511	Engineering Consultant	\$ 16,254
James R. Hendershot Box 3-3828 Anchorage, Alaska 99501	Rate Consultant	\$ 4,900
Theodore Barry and Associates 1520 Wilshire Boulevard Los Angeles, California 90017	Management Consultant	\$109,813
Touche Ross and Associates 510 L Street Suite 600 Anchorage, Alaska 99501	Certified Public Accountants	\$ 19,434
Burns and McDonnell P.O. Box 27-102 Kansas City, Missouri 64180	Engineering Consultant	\$ 9,974
		<u>228,543.00</u>

Utility officials lash out

by Cary Virtue
Times Writer

A group that would coordinate electric power planning in South-central would be a "monster" that would haunt the utility world, critics said Thursday.

In short, neither city officials nor representatives from the Matanuska and Homer electric associations support creating such a board, which was proposed by the Chugach Electric Association early this fall.

Specific makeup and duties of the joint planning board have not been determined, but Chugach

officials hope the board has some muscle to enforce its decisions on members. But uncertainty over the board's role has created fears that Chugach may try to dominate the board, a charge Chugach officials deny.

"The organization they (Chugach) have proposed is neither necessary nor desirable," Tom Stahr, Municipal Light and Power general manager, told about 100 people attending a breakfast meeting of the Resource Development Council. "It could well become a monster that would destroy rational

power planning."

Stahr, who said he was expressing personal opinions, said there already are several organizations involved in power planning, and another one is not needed. Such a board could have too much power, and it could become expensive for consumers to support, he said.

But Joyce Murphy, president of the Chugach board of directors, said Chugach proposed the concept for a joint panel to promote communication between the different electrical utilities. For too long, she said, the util-

Friday, October 14, 1983, The Anchorage Times B-5

at joint electric board

ties have argued, bickered and battled over turf.

"We need joint planning," she said. "We want to cooperate with our sister co-ops."

At stake is the future role of Chugach, the largest cooperative in the state with 58,000 retail customers. It also sells power to both Matanuska and Homer electric associations.

City utility officials are urging Chugach to merge with ML&P, though financial implications of such a merger have not been discussed. A joined utility would not include Homer and Matanuska

electric associations.

Meanwhile, both Matanuska and Homer electric associations are urging Chugach not to merge.

Jim Pann, MEA general manager, reiterated Thursday that Chugach should transfer ownership and control of its five power plants to a new authority that would be responsible for producing power for the three cooperatives. This proposal — known as the generation and transmission proposal — would not include the city's electric utility.

The G&T proposal, however,

would give Homer and Matanuska co-ops more say in decisions on how much power to produce and what rates to charge. They also say it would help Chugach save money by reducing interest payments it would have to make to pay off a \$292 million deficit.

So far, the Chugach board of directors has said it does not want to merge with the city or form a separate G&T authority. However, Murphy said that if the joint planning board agreed to one of those options Chugach would be willing to consider it.



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148

PALMER, ALASKA 99645

TELEPHONE
(907) 745-3231

November 11, 1982

NEWS FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION CONTACT:

Budd Goodyear *BG*
Manager, Member and Public Relations

The Matanuska Electric Association, Inc. (MEA) has received approval from the Alaska Public Utilities Commission (APUC) to increase the wholesale power cost component of consumers' bills by .713¢ per kilowatt hour to 1.39¢ per kilowatt hour on bills rendered after November 9, 1982.

This adjustment is necessary because of the third quarter 1982 reconciliation of generation and transmission costs to Chugach Electric Association, Inc., (CEA) MEA's energy supplier, and because of MEA's share of interest and depreciation expense of CEA's Beluga 8 generating unit which was brought on line September 30. The wholesale power cost rate adjustment (WPCRA) is added to the existing interim rate approved by the APUC on October 10 when computing energy bills.

The new WPCRA (flow-through) will affect sample bills as listed below.

SINGLE PHASE SERVICE

<u>kWh</u>	<u>Before Increase</u>	<u>After Increase</u>	<u>% Change</u>
100	\$ 26.01	\$ 26.72	2.7
500	50.02	53.58	7.1
1,000	80.03	87.15	8.9



<u>kWh</u>	<u>Before Increase</u>	<u>After Increase</u>	<u>% Change</u>
2,000	\$129.63	\$143.47	11.0
4,000	219.87	248.35	13.0
THREE PHASE SERVICE (Estimated Demand)			
10,000	\$ 495.50	\$ 566.70	14.4
20,000	951.01	1,093.41	15.0
50,000	2,317.52	2,673.52	15.4

END



ANCHORAGE
SCHOOL DISTRICT

4600 DeBarr Avenue
Pouch 6-614
Anchorage, Alaska 99502
[907] 333-9561

SCHOOL BOARD

PRESIDENT
Jean Buchanan

VICE-PRESIDENT
Brent Wadsworth

CLERK
Vi Schellenberg

CLERK PRO TEM
Bettye Davis

TREASURER
Alyce Hanley

ASST. TREASURER
Jim Robinson

PARLIAMENTARIAN
& PAST PRESIDENT
Lee Gorsuch

SUPERINTENDENT
E (Gene) Davis, Ed.D.

February 16, 1984

Mr. Thomas G. Staudenmaier
Box 1603
Eagle River, Alaska 99577

Dear Mr. Staudenmaier:

As you requested, the following information as to the Anchorage School District's budgeted electricity costs for 1983-84 has been summarized for your use. If you need any additional information please contact me or Melvin J. Greaves Jr., Budget Director at 269-2351.

Budgeted Electricity Costs
1983-84

Administrative and Support Units	\$ 175,450
Elementary Schools	1,119,300
Special Education/Special Services Units	37,800
Secondary Schools	1,594,000
Reserve for Rate Increases	95,000
	<u>\$ 3,021,550</u>

The following summarizes the budgeted electricity by source.

Chugach Electric	\$ 980,900
Municipal Light and Power	1,458,750
Matanuska Electric	394,400
U.S. Government (On-Base Schools)	92,500
	<u>2,926,550</u>
Reserve for Rate Increases	95,000
	<u>\$ 3,021,550</u>

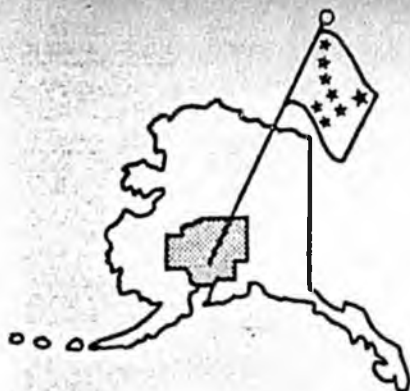
Sincerely,

E.E. (Gene) Davis, Ed.D.
SUPERINTENDENT

EED/MJG/pa

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

BOX AB • PALMER, ALASKA 99645 1646 • PHONE 745-4892



KENNETH J. KRAMER
SUPERINTENDENT OF SCHOOLS

December 17, 1982

Thomas G. Staudenmaier
Box 1603
Eagle River, Alaska 99577

Dear Mr. Staudenmaier,

This is to advise you, as per your request, that the Matanuska-Susitna Borough School District has budgeted \$489,643.00 for electricity for the fiscal year July 1, 1982 to June 30, 1983. This figure includes budgeted amounts for all schools and buildings under the School District's operation, excluding Skwentna, which is powered by a generator.

Thank you for your interest.

Sincerely,


Gary E. Epperson
Business Manager

GEE/mk

FRANK H. MURKOWSKI
ALASKA

COMMITTEE ON ENERGY AND
NATURAL RESOURCES

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS

COMMITTEE ON VETERANS'
AFFAIRS

United States Senate

WASHINGTON, D.C. 20510

January 10, 1983

WASHINGTON OFFICE:
(202) 224-6665

ANCHORAGE OFFICE:
701 C STREET, BOX 1
(907) 271-3735

JUNEAU OFFICE:
FEDERAL BUILDING, BOX 1647
(907) 586-7463

FAIRBANKS OFFICE:
101 12TH AVENUE, BOX 7
(907) 452-6227

Mr. Tom Staudenmaier
Director
Board of the Matanuska Electric Association
P.O. Box 1603
Eagle River, Alaska 99577


Dear Mr. Staudenmaier:

Thank you for your letter requesting Senator Murkowski's intervention in securing a General Accounting Office (GAO) audit into the activities of Chugach Electric Association.

Senator Murkowski is presently in Alaska, and I will bring your letter to his attention as soon as possible. In the meantime, I will continue to discuss this issue with you, and will attempt to have a complete response at the earliest possible date.

I appreciate your taking the time to contact Senator Murkowski about this issue.

Sincerely,



David Garman
Legislative Assistant
Senator Murkowski

MEMORANDUM



MATANUSKA ELECTRIC ASSOCIATION, INC.

P.O. BOX 1148
PALMER, ALASKA 99645

PHONE (907) 745-3231

TO: Joyce

DATE: April 23, 1982

FROM: *Jeannine*
Jeannine

SUBJECT: NRECA Director coverage and ID cards

At the May 4 meeting the new Director's need only pencil in the information underlined in red. The date of hire should be the date they are sworn in. A sample of beneficiary wording is attached to each form to assist them in their choice. I will type the official form and have it ready for signature at their regular 5/11/82 meeting. Each Director is covered by \$25,000 24 hours accident coverage and \$100,000 Business Travel insurance. Our Manager's, Officer's & Director's Liability Insurance (MODL) coverage is \$10,000,000. Fiduciary Liability Insurance coverage is \$1,000,000. After enrollment I will be sending each Director (new) a participation card from NRECA indicating their 24 hour and Business Travel coverage.

Please return the completed ID card information to me with an indication of where I may reach each new Director to make arrangements for the issuance of the ID card.

Please provide me with a formal copy of the proposition that expanded our Board to 7 members. I will need to send this to NRECA with enrollments so they can expand our MODL insurance coverage.

Tom, for your information/jg

THE FOLLOWING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

COMPARATIVE BALANCE SHEET
LIABILITIES & OTHER CREDITS

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued	\$ -	\$ -
Preferred Stock Issued	-	-
Capital Stock Subscribed	-	-
Stock Liability for Conversion	-	-
Premium on Capital Stock	-	-
XXXXXX Memberships	192,925	215,480
Installments Received on Capital Stock	-	-
Discount on Capital Stock	-	-
Capital Stock Expense	-	-
XXXXXX Patronage Capital and other equities	9,285,340	8,733,965
Unappropriated Undistributed Subsidiary Earnings	-	-
Reacquired Capital Stock	-	-
Total Proprietary Capital	\$ 9,478,265	\$ 8,949,445
<u>Long Term Debt</u>		
Bonds	\$ -	\$ -
Advances from Associated Companies	-	-
Other Long Term Debt	214,343,610	259,041,646
Unamortized Premium on Long Term Debt	-	-
Unamortized Discount on Long Term Debt - Dr.	-	-
Total Long Term Debt	\$ 214,343,610	\$ 259,041,646
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ 23,900,000	\$ 29,000,000
Accounts Payable	5,282,290	6,003,530
Payables to Associated Companies	-	-
Customer Deposits	1,349,075	1,637,595
Taxes Accrued	533,785	535,624
Interest Accrued	-	-
Dividends Declared	-	-
Matured Long Term Debt	-	-
Matured Interest	-	-
Tax Collections Payable	-	-
Miscellaneous Current & Accrued Liabilities	981,950	1,063,007
Total Current & Accrued Liabilities	\$ 32,047,100	\$ 38,239,756
<u>Deferred Credits</u>		
Customer Advances for Construction	\$ 2,063,554	\$ 2,632,102
Accumulated Deferred Investment Tax Credits	-	-
Deferred Gains from Disposition of Utility Plant	-	-
Other Deferred Credits	358,826	287,286
Unamortized Gain on Reacquired Debt	-	-
Accumulated Deferred Income Taxes	-	-
Total Deferred Credits	\$ 2,422,380	\$ 2,919,388
<u>Operating Reserves</u>		
Property Insurance Reserve	\$ -	\$ -
Injuries & Damages Reserve	-	-
Pensions & Benefits Reserve	-	-
Miscellaneous Operating Reserves	29,661	27,815
Total Operating Reserves	\$ 29,661	\$ 27,815
Total Liabilities & Other Credits	\$258,321,016	\$309,178,050

COMPARATIVE BALANCE SHEET
LIABILITIES & OTHER CREDITS

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued	\$ 4,266,733	\$ 5,167,806
Preferred Stock Issued	61,390	66,970
Capital Stock Subscribed		
Stock Liability for Conversion		
Premium on Capital Stock		
Other Paid-in Capital	3,766	4,619
Installments Received on Capital Stock		
Discount on Capital Stock		
Capital Stock Expense		
Retained Earnings		
Unappropriated Undistributed Subsidiary Earnings		
Reacquired Capital Stock		
Total Proprietary Capital	\$ 4,331,889	\$ 5,239,395
<u>Long Term Debt</u>		
Bonds	\$	\$
Advances from Associated Companies		
Other Long Term Debt	48,880,706	56,033,509
Unamortized Premium on Long Term Debt		
Unamortized Discount on Long Term Debt- Dr.		
Total Long Term Debt	\$ 48,880,706	\$ 56,033,509
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ 1,318,880	\$ -
Accounts Payable	2,621,480	3,449,132
Payables to Associated Companies	-	-
Customer Deposits	431,829	443,215
Taxes Accrued	131,796	137,800
Interest Accrued		
Dividends Declared		
Matured Long Term Debt		
Matured Interest		
Tax Collections Payable	272	-
Miscellaneous Current & Accrued Liabilities	462,547	489,224
Total Current & Accrued Liabilities	\$ 4,966,804	\$ 4,519,371
<u>Deferred Credits</u>		
Customer Advances for Construction	\$	\$
Accumulated Deferred Investment Tax Credits		
Deferred Gains from Disposition of Utility Plant		
Other Deferred Credits	1,216,461	1,679,750
Unamortized Gain on Reacquired Debt		
Accumulated Deferred Income Taxes		
Total Deferred Credits	\$ 1,216,461	\$ 1,679,750
<u>Operating Reserves</u>		
Property Insurance Reserve	\$	\$
Injuries & Damages Reserve		
Pensions & Benefits Reserve	275,181	379,579
Miscellaneous Operating Reserves		
Total Operating Reserves	\$ 275,181	\$ 379,579
Total Liabilities & Other Credits	\$ 59,671,041	\$ 67,851,604

COMPARATIVE BALANCE SHEET
LIABILITIES & OTHER CREDITS

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued	\$ 3,128,482	\$ 3,729,101
Preferred Stock Issued		
Capital Stock Subscribed		
Stock Liability for Conversion		
Premium on Capital Stock		
Other Paid-in Capital	5,258	9,169
Installments Received on Capital Stock		
Discount on Capital Stock		
Capital Stock Expense		
Retained Earnings		
Unappropriated Undistributed Subsidiary Earnings		
Reacquired Capital-Stock		
Total Proprietary Capital	\$ 3,133,740	\$ 3,738,270
<u>Long Term Debt</u>		
Bonds	\$ 563,000	\$ 510,000
Advances from Associated Companies		
Other Long Term Debt	35,253,158	40,809,883
Unamortized Premium on Long Term Debt		
Unamortized Discount on Long Term Debt- Dr.		
Total Long Term Debt	\$ 35,816,158	\$ 41,319,883
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ 3,500,000	\$ 1,150,327
Accounts Payable	1,478,426	1,351,117
Payables to Associated Companies		
Customer Deposits	452,534	585,970
Taxes Accrued	224,069	233,297
Interest Accrued	8,877	9,240
Dividends Declared		
Matured Long Term Debt		
Matured Interest		
Tax Collections Payable	32,295	33,636
Miscellaneous Current & Accrued Liabilities	406,573	434,871
Total Current & Accrued Liabilities	\$ 6,102,774	\$ 3,798,451
<u>Deferred Credits</u>		
Customer Advances for Construction	\$	\$
Accumulated Deferred Investment Tax Credits		
Deferred Gains from Disposition of Utility Plant		
Other Deferred Credits		
Unamortized Gain on Reacquired Debt	212,498	211,511
Accumulated Deferred Income Taxes		
Total Deferred Credits	\$ 212,498	\$ 211,511
<u>Operating Reserves</u>		
Property Insurance Reserve	\$	\$
Injuries & Damages Reserve		
Pensions & Benefits Reserve		
Miscellaneous Operating Reserves	56,845	48,957
Total Operating Reserves	\$ 56,845	\$ 48,957
Total Liabilities & Other Credits	\$ 45,322,015	\$ 49,117,072

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

	Beginning of Year Balance	End of Year Balance
<u>Utility Plant</u>		
Utility Plant	\$ 122,326,336	\$ 125,736,805
Construction Work in Progress	938,918	816,479
Total Utility Plant	\$ 123,265,254	\$ 126,553,284
Less: Accum. Provision for Depreciation, Amor- tization, and Depletion	20,369,816	23,520,484
Net Utility Plant	\$ 102,895,438	\$ 103,032,800
Utility Plant Adjustments	\$	\$
<u>Other Property & Investments</u>		
Non-utility Property (Net)	\$ 124,330	\$ 124,330
Investment in Associated Companies	1,993,976	2,248,399
Investment in Subsidiary Companies		
Other Investments	1,000	1,000
Special Funds	316,443	417,646
Total Other Property & Investments	\$ 2,435,749	\$ 2,791,375
<u>Current & Accrued Assets</u>		
Cash	\$ 1,852,955	\$ 4,810,551
Special Deposits	4,655	
Working Funds	5,200	5,250
Temporary Cash Investments	799,997	
Notes & Accounts Receivable (Net)	5,378,612	5,682,155
Receivables from Associated Companies		
Materials & Supplies	3,529,011	3,778,263
Prepayments	164,510	73,146
Interest & Dividends Receivable		
Rents Receivable		
Accrued Utility Revenues	109,729	96,590
Miscellaneous Current & Accrued Assets		
Total Current & Accrued Assets	\$ 11,844,669	\$ 14,445,955
<u>Deferred Debits</u>		
Unamortized Debt Expense	\$	\$
Extraordinary Property Losses		
Preliminary Survey & Investigation Charges	A/C 183 431,590	201,794
Clearing Accounts	184 1,015	(9,245)
Temporary Facilities	186 210,115	153,361
Miscellaneous Deferred Debits		
Deferred Losses from Disposition of Utility Plant		
Research & Development Expenditures		
Unamortized Loss on Reacquired Debt		
Accumulated Deferred Income Taxes		
Total Deferred Debits	\$ 642,720	\$ 345,910
 Total Assets & Other Debits	 \$ 117,818,576	 [REDACTED]

KODIAK ELECTRIC ASSOCIATION, INC.

Annual Report of Year Ended 12/31/82

COMPARATIVE BALANCE SHEET LIABILITIES & OTHER CREDITS

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued	\$ 2,214,714	\$ 2,199,938
Preferred Stock Issued		
Capital Stock Subscribed		
Stock Liability for Conversion		
Premium on Capital Stock		
Other Paid-in Capital	47,026	48,421
Installments Received on Capital Stock		
Discount on Capital Stock		
Capital Stock Expense		
Retained Earnings		
Unappropriated Undistributed Subsidiary Earnings		
Reacquired Capital Stock		
Total Proprietary Capital	\$ 2,261,740	\$ 2,248,359
<u>Long Term Debt</u>		
Bonds	\$	\$
Advances from Associated Companies		
Other Long Term Debt	17,434,840	15,013,722
Unamortized Premium on Long Term Debt		
Unamortized Discount on Long Term Debt - Dr.		
Total Long Term Debt	\$ 17,434,840	\$ 15,013,722
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ 550,000	\$ 2,949,566
Accounts Payable	781,228	739,583
Payables to Associated Companies		
Customer Deposits	72,505	97,705
Taxes Accrued	64,796	70,284
Interest Accrued	9,729	
Dividends Declared		
Matured Long Term Debt		
Matured Interest		
Tax Collections Payable	177	20,637
Miscellaneous Current & Accrued Liabilities	192,615	225,507
Total Current & Accrued Liabilities	\$ 1,671,050	\$ 4,103,282
<u>Deferred Credits</u>		
Customer Advances for Construction	\$ 15,587	\$ 4,154,180
Accumulated Deferred Investment Tax Credits		
Deferred Gains from Disposition of Utility Plant		
Other Deferred Credits	85,419	96,314
Unamortized Gain on Reacquired Debt		
Accumulated Deferred Income Taxes		
Total Deferred Credits	\$ 101,006	\$ 4,250,494
<u>Operating Reserves</u>		
Property Insurance Reserve	\$	\$
Injuries & Damages Reserve		
Pensions & Benefits Reserve		
Miscellaneous Operating Reserves	62,689	172,986
Total Operating Reserves	\$ 62,689	\$ 172,986
Total Liabilities & Other Credits	\$ 21,531,325	\$ 25,788,843

DEC 31 1981

COMPARATIVE BALANCE SHEET
LIABILITIES & OTHER CREDITS

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued	\$ 23,275	\$ 25,850
Preferred Stock Issued	0	0
Other Paid-in Capital	969,076	2,989,371
Installments Received on Capital Stock	0	0
Discount on Capital Stock	0	0
Capital Stock Expense	0	0
Retained Earnings	667,186	1,324,359
Unappropriated Undistributed Subsidiary Earnings	0	0
Reacquired Capital Stock	0	0
Noncorporate Proprietorship	0	0
Total Proprietary Capital	\$ 1,659,537	\$ 4,339,580
<u>Long Term Debt</u>		
Bonds	\$	\$
Advances from Associated Companies		
Other Long Term Debt		
Unamortized Premium on Long Term Debt		
Unamortized Discount on Long Term Debt- Dr.		
Total Long Term Debt	\$ 0	\$ 0
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ 0	\$ 0
Accounts Payable	69,189	447,875
Payables to Associated Companies	0	0
Customer Deposits	21,863	30,988
Taxes Accrued	29,834	37,776
Interest Accrued	0	0
Other Current & Accrued Liabilities	29,620	76,582
Total Current & Accrued Liabilities	\$ 150,506	\$ 593,221
<u>Deferred Credits</u>		
Customer Advances for Construction	\$ 112,373	\$ 43,392
Accumulated Deferred Investment Tax Credits	0	0
Deferred Gains from Disposition of Utility Plant	0	0
Other Deferred Credits	240,859	0
Unamortized Gain on Reacquired Debt	0	0
Accumulated Deferred Income Taxes	0	0
Total Deferred Credits	\$ 353,232	\$ 43,392
<u>Operating Reserves</u>		
Property Insurance Reserve	\$	\$
Injuries & Damages Reserve		
Pensions & Benefits		
Miscellaneous Operating Reserves		
Total Operating Reserves	\$ 0	\$ 0
Total Liabilities & Other Credits	\$ 2,163,275	\$ 4,976,193

**COMPARATIVE BALANCE SHEET
 LIABILITIES & OTHER CREDITS**

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued - Memberships	\$ 17,475.	\$ 15,845.
Preferred Stock Issued - Pat. Cap. & Cur. Year Marg.	1,480,868.	1,398,035.
Capital Stock Subscribed - Operating Margins	(82,832.)	782,310.
Stock Liability for Conversion		
Premium on Capital Stock		
Other Paid-in Capital	5,466,040.	5,466,040.
Installments Received on Capital Stock		
Discount on Capital Stock		
Capital Stock Expense		
Retained Earnings		
Unappropriated Undistributed Subsidiary Earnings		
Reacquired Capital-Stock		
Total Proprietary Capital	\$ 6,881,551.	\$ 7,662,230.
<u>Long Term Debt</u>		
Bonds	\$	\$
Advances from Associated Companies		
Other Long Term Debt	16,235,945.	16,861,165.
Unamortized Premium on Long Term Debt		
Unamortized Discount on Long Term Debt- Dr.		
Total Long Term Debt	\$ 16,235,945.	\$ 16,861,165.
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ -0-	\$ -0-
Accounts Payable	185,169.	469,990.
Payables to Associated Companies	-0-	-0-
Customer Deposits	410.	450.
Taxes Accrued	10,867.	194,332.
Interest Accrued		
Dividends Declared		
Matured Long Term Debt		
Matured Interest		
Tax Collections Payable	618.	-0-
Miscellaneous Current & Accrued Liabilities	186,431.	-0-
Total Current & Accrued Liabilities	\$ 383,495.	\$ 664,772.
<u>Deferred Credits</u>		
Customer Advances for Construction	\$ 456.	\$ 456.
Accumulated Deferred Investment Tax Credits	-0-	-0-
Deferred Gains from Disposition of Utility Plant	-0-	-0-
Other Deferred Credits		(5,702.)
Unamortized Gain on Reacquired Debt		
Accumulated Deferred Income Taxes		
Total Deferred Credits	\$ 456.	\$ (5,246.)
<u>Operating Reserves</u>		
Property Insurance Reserve	\$	\$
Injuries & Damages Reserve		
Pensions & Benefits Reserve		
Miscellaneous Operating Reserves		
Total Operating Reserves	\$	\$
Total Liabilities & Other Credits	\$23,501,447.	\$25,182,921.

COMPARATIVE BALANCE SHEET
LIABILITIES & OTHER CREDITS

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued	\$ 9,490	\$ 9,775
Preferred Stock Issued	-0-	-0-
Capital Stock Subscribed	-0-	-0-
Stock Liability for Conversion	-0-	-0-
Premium on Capital Stock	-0-	-0-
Other Paid-in Capital	2,608	2,643
Installments Received on Capital Stock	-0-	-0-
Discount on Capital Stock	-0-	-0-
Capital Stock Expense	-0-	-0-
Retained Earnings	776,860	435,404
Unappropriated Undistributed Subsidiary Earnings	-0-	-0-
Reacquired Capital Stock	-0-	-0-
Total Proprietary Capital	\$ 788,958	\$ 447,822
<u>Long Term Debt</u>		
Bonds	\$ -0-	\$ -0-
Advances from Associated Companies	-0-	-0-
Other Long Term Debt	39,738,863	75,632,664
Unamortized Premium on Long Term Debt	-0-	-0-
Unamortized Discount on Long Term Debt - Dr.	-0-	-0-
Total Long Term Debt	\$ 39,738,863	\$ 75,632,664
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ -0-	\$ -0-
Accounts Payable	20,601,559	3,577,201
Payables to Associated Companies	-0-	-0-
Customer Deposits	182,620	183,875
Taxes Accrued	114,685	-0-
Interest Accrued	-0-	-0-
Dividends Declared	-0-	-0-
Matured Long Term Debt	-0-	-0-
Matured Interest	-0-	-0-
Tax Collections Payable	-0-	-0-
Miscellaneous Current & Accrued Liabilities	-0-	136,939
Total Current & Accrued Liabilities	\$ 20,398,864	\$ 3,898,015
<u>Deferred Credits</u>		
Customer Advances for Construction	\$ -0-	\$ -0-
Accumulated Deferred Investment Tax Credits	-0-	-0-
Deferred Gains from Disposition of Utility Plant	-0-	-0-
Other Deferred Credits	20,270	50,350
Unamortized Gain on Reacquired Debt	-0-	-0-
Accumulated Deferred Income Taxes	-0-	-0-
Total Deferred Credits	\$ 20,270	\$ 50,350
<u>Operating Reserves</u>		
Property Insurance Reserve	\$ -0-	\$ -0-
Injuries & Damages Reserve	-0-	-0-
Pensions & Benefits Reserve	-0-	-0-
Miscellaneous Operating Reserves	-0-	-0-
Total Operating Reserves	\$ -0-	\$ -0-
Total Liabilities & Other Credits	\$ 61,446,955	\$ 80,028,851

STATEMENT OF INCOME FOR THE YEAR

	Amount for Year	Increase or (Decrease) From Preceding Year
<u>Operating Revenues</u>	\$ 1,573,665	\$ 304,322
<u>Operating Expenses</u>		
Operation & Maintenance Expense (List Detail Below)	\$ 1,297,525	\$ 233,261
Depr. & Amort. Expense	143,093	37,833
Taxes Other Than Income Taxes	3,935	167
Income Taxes - Federal	-0-	-0-
Income Taxes - State <u>INCOME DEDUCTIONS</u>	1,255	1,205
(Gain) or Loss on Disposition of Utility Plant	-0-	-0-
Total Utility Operating Expense	\$ 1,445,808	\$ 272,466
Net Utility Operating Income	\$ 127,857	\$ 31,856
<u>Other Income</u>		
Non-utility Income (Scheduled)	\$ 2,481	\$ 1,306
<u>Other Income Deductions</u>		
Misc. Non-utility Deductions (Scheduled)	\$ 2,790	\$ 790
<u>Interest Charges</u>		
Interest on Long Term Debt	\$ 64,887	\$ 17,231
Other Interest Expense	(5,267)	191
Total Interest Charges	\$ 59,620	\$ 17,422
<u>Extraordinary Items</u>		
Extraordinary Income or (Deductions)	\$	\$
NET INCOME	\$ 67,928	\$ 12,950

ELECTRIC OPERATING & MAINTENANCE EXPENSES

<u>Production Expense</u>		
Supervision & Labor	\$ 246,473	\$ 56,982
Fuel	764,288	158,554
Supplies & Expenses	51,743	12,824
Repairs of Other Power Production Plant		
Purchased Power		
Other Expenses	21,128	(1,371)
Total Production Expenses	\$ 1,083,632	\$ 226,989
<u>Transmission & Distribution Expenses</u>		
Supervision & Labor	\$ 35,866	(\$ 3,084)
Supplies & Expenses	8,141	(985)
Transportation Expenses (Included as Payroll Overhead)		
Total Transmission & Distribution Expenses	\$ 44,007	(\$ 4,069)
<u>General Expenses</u>		
Administrative & General Salaries	\$ 113,855	\$ 24,579
Office Supplies & Expenses	7,240	18
Outside Services Employed	12,165	(1,142)
Insurance Expense	3,234	(902)
Employee Pension & Benefits		
Regulatory Commission Expenses	1,095	(7,510)
Miscellaneous General Expenses	31,328	1,813
Uncollectable Accounts	969	(6,515)
Total General Expenses	\$ 169,886	\$ 10,341
TOTAL OPERATION & MAINTENANCE EXPENSES	\$ 1,257,925	\$ 233,261

Title 10. AK.

Chapter 25. Electric and Telephone Cooperative Act.

Article

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Article I. Substantive Provisions.

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30. Powers of telephone cooperative	160. Staggered terms of office for directors
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Sec. 10.25.010. Powers of electric or telephone cooperative. An electric or telephone cooperative may

- (1) use and be used in its corporate name;
- (2) have perpetual existence;
- (3) adopt a corporate seal and alter it;
- (4) construct, buy, lease, or otherwise acquire, and equip, maintain, and operate, and sell, assign, convey, lease, mortgage, pledge, or otherwise dispose of, or encumber lands, buildings, structures, electric or telephone lines or stations, dams, plants and equipment, and any other real or personal property, tangible or intangible, where is necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized;
- (5) buy, lease, or otherwise acquire, and use, and exercise and sell, assign, convey, mortgage, pledge or otherwise dispose of or encumber franchises, rights, privileges, licenses and easements;
- (6) borrow money and otherwise contract indebtedness, and issue evidences of indebtedness, and secure the payment of the indebtedness by mortgage, pledge, or deed of trust of or any other encumbrances upon real or personal property, assets, franchises, or easements;
- (7) construct, maintain, and operate electric transmission and distribution lines, or telephone lines along, upon, under and across publicly owned lands and public thoroughfares, including, without limitation, all roads, highways, streets, alleys, bridges and causeways;
- (8) exercise the power of eminent domain;

COMPARATIVE BALANCE SHEET
LIABILITIES & OTHER CREDITS

	Beginning of Year Balance	End of Year Balance
<u>Proprietary Capital</u>		
Common Stock Issued	\$	\$
Preferred Stock Issued		
Capital Stock Subscribed		
Stock Liability for Conversion		
Premium on Capital Stock		
Other Paid-in Capital	4,336	4,336
Installments Received on Capital Stock		
Discount on Capital Stock		
Capital Stock Expense		
Retained Earnings	[1,681,714]	[1,599,141]
Unappropriated Undistributed Subsidiary Earnings		
Reacquired Capital Stock		
Total Proprietary Capital	\$ [1,677,378]	\$ 1,594,805]
<u>Long Term Debt</u>		
Bonds	\$	\$
Advances from Associated Companies		
Other Long Term Debt	6,096,324	6,010,439
Unamortized Premium on Long Term Debt		
Unamortized Discount on Long Term Debt- Dr.		
Total Long Term Debt	\$ 6,096,324	\$ 6,010,439
<u>Current & Accrued Liabilities</u>		
Notes Payable	\$ 5,060	\$ 5,061
Accounts Payable	72,561	240,975
Payables to Associated Companies	-0-	-0-
Customer Deposits	6,560	9,430
Taxes Accrued	24,620	-0-
Interest Accrued	-0-	-0-
Dividends Declared		
Matured Long Term Debt		
Matured Interest		
Tax Collections Payable		
Miscellaneous Current & Accrued Liabilities	114,393	59,010
Total Current & Accrued Liabilities	\$ 223,194	\$ 314,476
<u>Deferred Credits</u>		
Customer Advances for Construction	\$	\$
Accumulated Deferred Investment Tax Credits		
Deferred Gains from Disposition of Utility Plant		
Other Deferred Credits	32,382	27,059
Unamortized Gain on Reacquired Debt		
Accumulated Deferred Income Taxes		
Total Deferred Credits	\$ 32,382	\$ 27,059
<u>Operating Reserves</u>		
Property Insurance Reserve	\$	\$
Injuries & Damages Reserve		
Pensions & Benefits Reserve		
Miscellaneous Operating Reserves		
Total Operating Reserves	\$ -0-	\$ -0-
Total Liabilities & Other Credits	\$ 4,674,522	\$ 4,757,169

(9) become a member of other cooperatives or corporations or own stock in them;

(10) conduct its business and exercise its powers inside or outside the state;

(11) adopt, amend and repeal bylaws;

(12) make all contracts necessary, convenient or appropriate for the full exercise of its powers;

(13) do and perform any other act and thing, and have and exercise any other power which may be necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized. (§ 4(1) ch 93 SLA 1959)

Sec. 10.25.020. Powers of electric cooperative. An electric cooperative may

(1) generate, manufacture, purchase, acquire, accumulate and transmit electric energy, and distribute, sell, supply and dispose of electric energy to its members, to governmental agencies and political subdivisions, and to other persons not exceeding 10 per cent of the number of its members; however, a cooperative which acquires existing electric facilities may continue service to persons, not in excess of 40 per cent of the number of its members, who are already receiving service from these facilities without requiring them to become members, and these persons may become members upon the terms as may be prescribed in the bylaws;

(2) assist persons to whom electric energy is or will be supplied by the cooperative in wiring their premises and in acquiring and installing electrical and plumbing appliances, equipment, fixtures and apparatus by financing them, and in connection with these services wire or have wired the premises, and buy, acquire, lease, sell, distribute, install and repair electric and plumbing appliances, equipment, fixtures and apparatus;

(3) assist persons to whom electric energy is or will be supplied by the cooperative in constructing, equipping, maintaining and operating electric cold storage or processing plants by financing them or otherwise. (§ 4(2) ch 93 SLA 1959)

Sec. 10.25.030. Powers of telephone cooperative. A telephone cooperative may

(1) furnish, improve and expand telephone service to its members, and to other user not in excess of 10 per cent of the number of its members; however, telephone service may be made available by a cooperative through interconnection of facilities to any number of subscribers of other telephone systems, and through pay stations to any number of users, and a cooperative which acquires existing telephone facilities may continue service to persons, not exceeding 40 per cent of the number of its members, who are already receiving service from the facilities without requiring

them to become members, and these persons may become members upon terms as may be prescribed in the bylaws;

(2) connect and interconnect its telephone lines, facilities or systems with other telephone lines, facilities or systems;

(3) make its facilities available to persons furnishing telephone service inside or outside the state. (§ 4(3) ch 93 SLA 1959)

Sec. 10.25.040. Name. The name of a cooperative shall include the words "electric" or "telephone," as appropriate to its purpose, and "cooperative," and the abbreviation "inc." The name of a cooperative shall be distinct from the name of other cooperatives or corporations organized under the laws of or authorized to do business in this state. This section does not apply to a corporation which becomes subject to this chapter by compliance with §§ 290 and 300 or 600 of this chapter and which elects to retain a corporate name which does not comply with this section. (§ 5 ch 93 SLA 1959)

Sec. 10.25.050. Incorporators. Five or more persons, including cooperatives, may organize a cooperative. (§ 6 ch.93 SLA 1959)

Sec. 10.25.060. Articles of incorporation. (a) The articles of incorporation of a cooperative shall recite that they are executed under this chapter and shall state

- (1) the name of the cooperative;
- (2) the address of its principal office;
- (3) the names and the addresses of the incorporators;
- (4) the names and addresses of its directors.

(b) The articles may contain any provisions not inconsistent with this chapter which are considered necessary or advisable for the conduct of its business. The articles shall be signed by each incorporator and acknowledged by at least two of the incorporators, or on their behalf, if they are cooperatives. It is not necessary to recite in the articles the purpose for which the cooperative is organized or any of its corporate powers. (§ 7 ch 93 SLA 1959)

Sec. 10.25.070. Bylaws. The board of directors shall adopt the first bylaws of a cooperative to be adopted following an incorporation, conversion, merger or consolidation. Thereafter the members shall adopt, amend or repeal the bylaws by the affirmative vote of a majority of those members voting on the adoption, amendment or repeal at a meeting of the members. The bylaws shall set forth the rights and duties of members and directors and may contain other provisions for the regulation and management of the affairs of the cooperative not inconsistent with this chapter or with its articles of incorporation. (§ 8 ch 93 SLA 1959)

Sec. 10.25.080. Members. Each incorporator of a cooperative shall be a member of the cooperative. No other person may become

a member unless he agrees to use electric energy, or telephone service, or other services furnished by the cooperative when they are made available through its facilities. Membership in a cooperative is not transferable, except as provided in the bylaws. The bylaws may prescribe additional qualifications and limitations on membership. (§ 9 ch 93 SLA 1959)

Sec. 10.25.090. Meetings of members. (a) An annual meeting of the members of a cooperative shall be held at the time and place provided in the bylaws.

~~(b) Special meetings of the members may be called by a majority of the board of directors or by not less than 10 per cent of all members. (§ 10(1) (2) ch 93 SLA 1959)~~

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Sec. 10.25.100. Notice of meetings. Except as otherwise provided in this chapter, written notice stating the time and place of each meeting of the members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each member, either personally or by mail, not less than 20 days nor more than 40 days before the date of the meeting. If mailed, notice is considered given when it is deposited in the United States mail with postage prepaid addressed to the member at his address as it appears on the records of the cooperative. (§ 10(3) ch 93 SLA 1959)

Sec. 10.25.110. Quorum requirements. Unless the bylaws prescribe the presence of a greater percentage or number of the members for a quorum, a quorum for the transaction of business at all meetings of the members of a cooperative having not more than 1,000 members is 5 per cent of all members, present in person, and a quorum for the transaction of business of the members of a cooperative having more than 1,000 members is 50 members, present in person. If less than a quorum is present at a meeting, a majority of those present in person may adjourn the meeting from time to time without further notice. (§ 10(4) ch 93 SLA 1959)

Sec. 10.25.120. Voting. Each member is entitled to one vote on each matter submitted to a vote at a meeting of the members. Voting shall be in person, but, if the bylaws so provide, may also be by mail. (§ 10(5) ch 93 SLA 1959)

Sec. 10.25.130. Waiver of notice. A person entitled to notice of a meeting may waive notice in writing either before or after the meeting. Attendance at a meeting is a waiver of notice of the meeting, unless the person attends solely to object to the transaction of business because the meeting has not been legally called or convened. (§ 11 ch 93 SLA 1959)

Sec. 10.25.140. Board of directors. The business of a cooperative shall be managed by a board of not less than five directors, each of whom shall be a member of the cooperative or of another cooperative which is a member of it. The bylaws shall prescribe the number of directors, their qualifications other than those prescribed in this chapter, and the manner of holding meetings of the board of directors and of electing successors to directors who resign, die, or are otherwise incapable of acting. The bylaws may provide for the removal of directors from office and for the election of their successors. Directors shall not receive salaries for the services as directors and, except in emergencies, shall not receive salaries for their services in any other capacity without the approval of the members. The bylaws may, however, prescribe a fixed fee for attendance at each meeting of the board of directors and may provide for reimbursement of actual expenses of attendance. (§ 12(1) ch 93 SLA 1959)

Sec. 10.25.150. Term of office of directors. The directors of a cooperative named in articles of incorporation, consolidation, merger or conversion hold office until the next annual meeting of the members and until their successors are elected and qualify. At each annual meeting, or in case of failure to hold the annual meeting as specified in the bylaws, at a special meeting called for that purpose, the members shall elect directors to hold office until the next annual meeting of the members, except as otherwise provided in this chapter. Each director holds office for the term for which he is elected and until his successor is elected and qualifies. (§ 12(2) ch 93 SLA 1959)

Sec. 10.25.160. Staggered terms of office for directors. Instead of electing all directors annually, the bylaws may provide that directors shall be elected for terms not to exceed three years, or until their successors are elected and qualify, and that the terms of directors shall be staggered so that one-third of the directors, or a number as close to one-third as possible, shall be elected at each annual meeting. (§ 12(3) ch 93 SLA 1959)

Sec. 10.25.170. Quorum of board. A majority of the board of directors constitutes a quorum. (§ 12(4) ch 93 SLA 1959)

Sec. 10.25.180. General powers of board. The board of directors may exercise all of the powers of a cooperative not conferred upon the members by this chapter, its articles of incorporation or its bylaws. (§ 12(5) ch 93 SLA 1959)

Sec. 10.25.190. Districts. The bylaws may provide for the division of the territory served or to be served by a cooperative into two or more districts for any purpose, including, without limitation, the nomination and election of directors and the election and

functioning of district delegates. These delegates, who shall be members, may nominate and elect directors. The bylaws shall prescribe the boundaries of the districts, or the manner of establishing the boundaries, and the manner of changing the boundaries, and the manner in which the districts function. No member at any district meeting and no district delegate at any meeting may vote by proxy or by mail. (§ 13 ch 93 SLA 1959)

Sec. 10.25.200. Officers. The officers of a cooperative are a president, a vice president, a secretary and a treasurer. The officers shall be elected annually by the board of directors from among its members. When a person holding an office ceases to be a director, he ceases to hold office. The offices of secretary and of treasurer may be held by the same person. The board of directors may elect or appoint such other officers, agents, or employees as it considers necessary or advisable and shall prescribe their powers and duties. An officer may be removed from office and his successor elected in the manner prescribed in the bylaws. (§ 14 ch 93 SLA 1959)

Sec. 10.25.210. Amendment of articles of incorporation. A cooperative may amend its articles of incorporation as follows, except that it may change the location of its principal office in the manner set forth in § 230 of this chapter.

(1) The proposed amendment shall be presented to a meeting of the members, and the notice of the meeting shall set forth or have attached to it the proposed amendment.

(2) If the proposed amendment, with any changes, is approved by the affirmative vote of not less than two-thirds of those members voting on it, the president or vice president shall execute and acknowledge articles of amendment on behalf of the cooperative and the secretary shall affix and attest to the seal of the cooperative. (§ 15 ch 93 SLA 1959)

Sec. 10.25.220. Contents of articles of amendment. (a) The articles of amendment shall recite that they are executed under this chapter and shall state

- (1) the name of the cooperative;
- (2) the address of its principal office;
- (3) the amendment to its articles of incorporation.

(b) The president or vice president executing the articles of amendment shall make and annex to them an affidavit stating that the provisions of this section regarding the amendment were complied with. (§ 15 ch 93 SLA 1959)

Sec. 10.25.230. Change of location of principal office. A cooperative may, upon authorization of its board of directors or its members, change the location of its principal office by filing a certificate reciting the change of principal office, executed and attested

knowledge by its president or vice president under its seal, attested by its secretary, in the office of the commissioner. (§ 16 ch 93 SLA 1959)

Article 2. Merger and Consolidation.

Section	Section
240. Merger	280. Effect of consolidation or merger
250. Contents of articles of merger	290. Conversion of existing corporation
260. Consolidation	300. Contents of articles of conversion
270. Contents of articles of consolidation	

Sec. 10.25.240. Merger. One or more cooperatives, each hereinafter designated "merging cooperative," may merge into another cooperative, hereinafter designated "surviving cooperative," by complying with the following requirements.

(1) The proposition for the merger of the merging cooperatives into the surviving cooperative and proposed articles of merger shall be submitted to a meeting of the members of each merging cooperative and of the surviving cooperative. The notice of the meeting shall have attached to it a copy of the proposed articles of merger.

(2) If the proposed merger and the proposed articles of merger, with any amendments, are approved by the affirmative vote of not less than two-thirds of these members of each cooperative voting on them at the meeting, articles of merger in the form approved shall be executed and acknowledged on behalf of each cooperative by its president or vice president and its seal shall be affixed by its secretary. (§ 18(1) (2) ch 93 SLA 1959)

Sec. 10.25.250. Contents of articles of merger. (a) The articles of merger shall recite that they are executed under this chapter and shall state

- (1) the name of each merging cooperative and the address of its principal office;
- (2) the name of the surviving cooperative and the address of its principal office;
- (3) a statement that each merging cooperative and the surviving cooperative agree to the merger;
- (4) the names and addresses of the directors of the surviving cooperative;
- (5) the terms and conditions of the merger and the manner of carrying it into effect, including the manner in which members of the merging cooperatives may or shall become members of the surviving cooperative.

(b) The articles of merger may contain provisions not inconsistent with this chapter which are considered necessary or advisable for the conduct of the business of the surviving cooperative.