

Dear Members of the Anchorage Chamber of Commerce:

Recently the Anchorage Chamber of Commerce Board of Directors announced its positions on key ballot initiatives facing the voters in the April 3 Municipal elections, to include:

1. Support of Ballot Proposition 10, the sale of ML&P to Chugach Electric Cooperative
2. Opposition to Ballot Proposition 1, the so-called bathroom bill
3. Support of all other school and municipal infrastructure bonds

The board, sub committees and in particular our Executive Committee spent significant time on reviewing information to come up with positions that best represent the needs of our member business. As we have addressed Prop 1 and the infrastructure ballots with separate announcements and press releases, I want spend some time and outline our support of Prop 10 and our commitment to follow it through the process in which the key, and critical, details of the sale will be worked out.

The support for selling ML&P was based on a consensus that Southcentral is over supplied with power, and also with electric utilities generating that power to the point of being clearly inefficient for our population base and the future.

Proposition 10 asks voters to authorize the Municipality of Anchorage (MOA) to negotiate the terms of a sale of Municipal Light & Power to Chugach Electric Association, the terms of which would ultimately need to be approved by the Assembly.

The board's support for the sale also was followed by a vote committing the Chamber to closely monitor the next steps in the sale process – if the measure passes the electorate -- in which the specific details of the sale will be worked out through the Anchorage Assembly, Chugach Electric and the Regulatory Commission of Alaska (RCA). The details will be important in protecting the taxpayer and ratepayer and addressing our goal of meaningful and measurable improvements in efficiency.

The Anchorage Chamber advocates for transparency during this process and assuming the passage of Prop 10, there will be many other opportunities to engage in the process as the final Asset Purchase Agreement is negotiated: through public meetings, Assembly meetings, review by the Chugach Electric Board of Directors, and ultimate approval by the Regulatory Commission of Alaska (RCA). This is a very detailed process and our Board of Directors has committed to stay abreast of the issues and stay informed along the way.

The Chamber Board recognizes the sale is an extremely important transaction involving one of Anchorage's largest public assets, and we look forward to staying engaged in our role of being the voice of the business community.

I do want to thank our Executive Committee for the many hours invested in this process and the thoughtful presentation of information to the board, as well as to the MOA and Chugach Electric

for providing us with prompt and thorough answers to our many questions. Their work encouraged an open process which in the end was extremely valuable.

Best Regards,

A handwritten signature in black ink that reads "Bruce Bustamante". The signature is written in a cursive style with a large, prominent initial "B".

Bruce Bustamante
President