



# International Brotherhood of Electrical Workers



**Donald C. Siegel**, International Vice President  
500 CHERRINGTON PARKWAY, SUITE 325  
CORAPOLIS, PA 15108  
(412) 269-4963 • Fax (412) 269-4964

**Edwin D. Hill**, International President  
**Jon F. Walters**, International Secretary-Treasurer

New York

New Jersey

Pennsylvania

Delaware

December 4, 2007

Members of Local Union #459, IBEW  
408-412 Broad Street  
Johnstown, PA 15906

Dear Brothers and Sisters:

We believe the Pennsylvania electric utility companies and generating companies will be contacting you in the near future, asking you to contact your state legislators and urge them to oppose the extension of the rate caps. We want to take this opportunity to let you know the union's position on the rate caps and other energy issues that are being discussed in the state.

First and foremost, we do not want to see any adverse impact on our employers. We want them to thrive and continue to provide good paying jobs for the employees and reliable service to the consumers. The rate cap issue is only part of the picture that needs to be addressed. As you know, providing electricity is not as simple as making widgets or providing other goods and services; electricity is generated and used simultaneously, it cannot be stored on a shelf. It is capitol intensive both in infrastructure and human resources and there needs to be assurances that there is proper reinvestment to keep plant and equipment in proper working order.

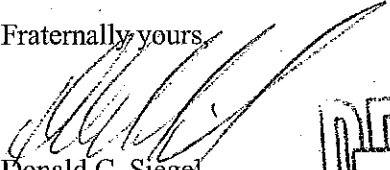
As we work through the rate caps and other energy issues in Harrisburg and throughout the United States, the union wants to gain assurances through the legislative process that safety and reliability issues are addressed. We want to make sure that consumers have safe guards to assure they are receiving their electricity and related services at "just and reasonable rates" and in a safe and timely fashion. We want to make sure that the human resource needs are being addressed adequately too, with proper staffing levels and all the necessary tools.

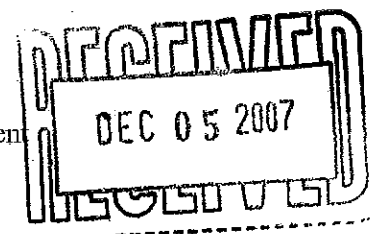
We agree with the utilities that the rate caps cannot be extended indefinitely but there may be the need for a phase-in period to get rates to market prices. Many consumers cannot afford the rate spikes that potentially exist as the rates move to market. There are also other ways to help reduce rates over the long term, which could include long term contracts or allowing regulated utilities to own generation with the ability to recover cost of service.

We are not telling the utility companies that we do not want to work with them but we are asking them what is in it for us and are you willing to work with us on our issues too.

If you have any questions or would like additional information, please contact your Local Union.

Fraternally yours,

  
Donald C. Siegel  
International Vice President



DCS:jm