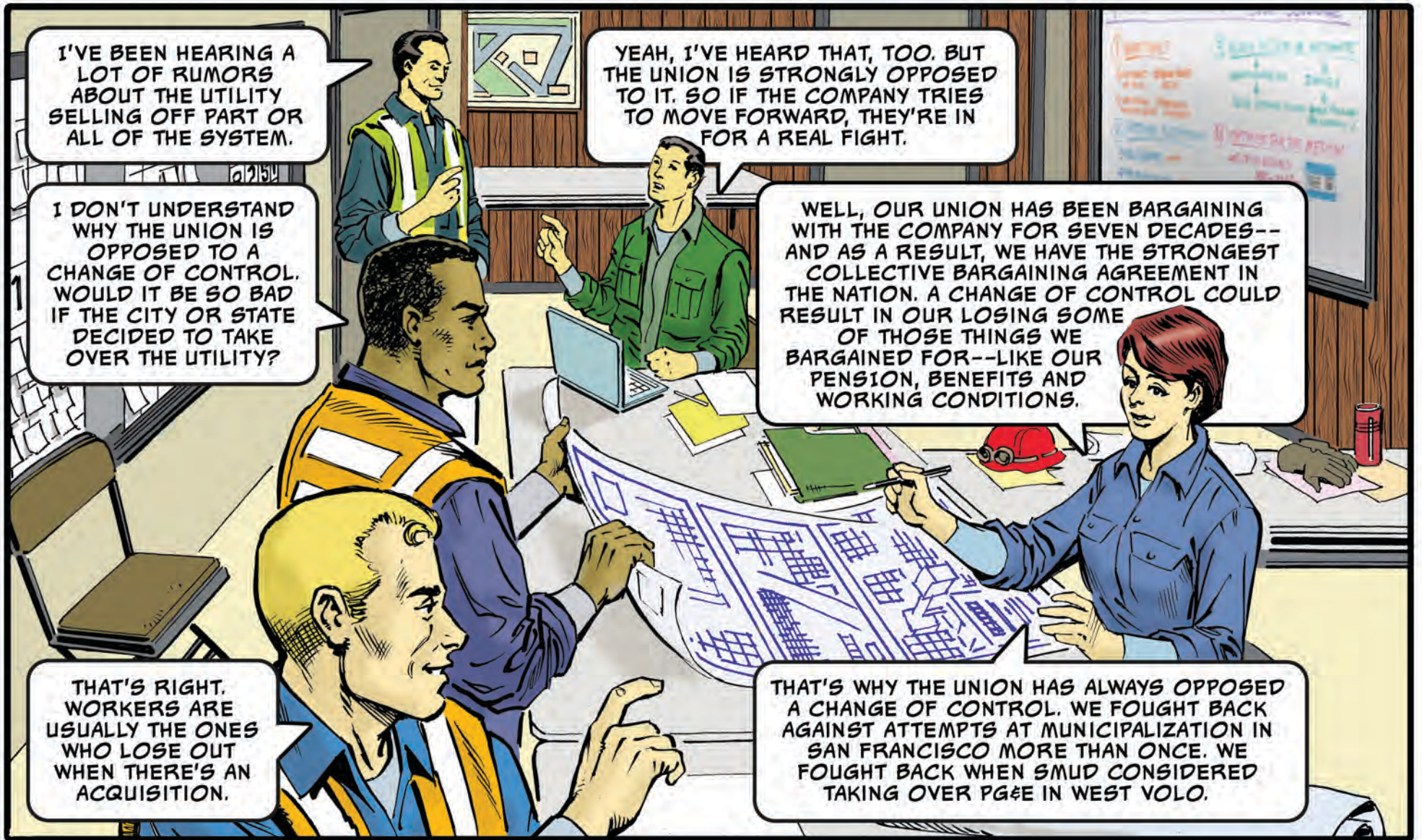


TAKEOVERS & ACQUISITIONS



I'VE BEEN HEARING A LOT OF RUMORS ABOUT THE UTILITY SELLING OFF PART OR ALL OF THE SYSTEM.

YEAH, I'VE HEARD THAT, TOO. BUT THE UNION IS STRONGLY OPPOSED TO IT. SO IF THE COMPANY TRIES TO MOVE FORWARD, THEY'RE IN FOR A REAL FIGHT.

I DON'T UNDERSTAND WHY THE UNION IS OPPOSED TO A CHANGE OF CONTROL. WOULD IT BE SO BAD IF THE CITY OR STATE DECIDED TO TAKE OVER THE UTILITY?

WELL, OUR UNION HAS BEEN BARGAINING WITH THE COMPANY FOR SEVEN DECADES-- AND AS A RESULT, WE HAVE THE STRONGEST COLLECTIVE BARGAINING AGREEMENT IN THE NATION. A CHANGE OF CONTROL COULD RESULT IN OUR LOSING SOME OF THOSE THINGS WE BARGAINED FOR--LIKE OUR PENSION, BENEFITS AND WORKING CONDITIONS.

THAT'S RIGHT. WORKERS ARE USUALLY THE ONES WHO LOSE OUT WHEN THERE'S AN ACQUISITION.

THAT'S WHY THE UNION HAS ALWAYS OPPOSED A CHANGE OF CONTROL. WE FOUGHT BACK AGAINST ATTEMPTS AT MUNICIPALIZATION IN SAN FRANCISCO MORE THAN ONCE. WE FOUGHT BACK WHEN SMUD CONSIDERED TAKING OVER PG&E IN WEST VOLO.



DOES THE UNION JUST LIKE PRIVATELY-OWNED UTILITIES BETTER?

NOT EXACTLY, WE OPPOSED PG&E WHEN THEY WERE CONSIDERING ACQUISITION OF SMUD IN THE 1980S, WHEN RANCHO SECO ALMOST RUINED SMUD. AND WE ALSO OPPOSED THE COMPANY'S PROPOSED ACQUISITION IN LODI DURING THE ENERGY CRISIS, WHEN LODI GAVE OVER ITS UTILITY TO ENRON.

SO YOU SEE, THE UNION DOESN'T FAVOR PRIVATE UTILITIES OVER PUBLIC, BECAUSE OUR UNION REPRESENTS BOTH. WHAT WE DO FAVOR IS CONTINUITY AND STABILITY FOR THE MEMBERS, AND ACQUISITIONS ARE PRETTY MUCH GUARANTEED TO DISRUPT AND DISTRACT FROM ALL THE EFFORTS WE PUT IN.

IBEW 1245 IS COMMITTED TO PROTECTING AND DEFENDING THE WAGES, BENEFITS, WORKING CONDITIONS AND RETIREMENT SECURITY THAT OUR MEMBERS HAVE FOUGHT FOR AND EARNED. TAKEOVERS AND ACQUISITIONS THREATEN TO WEAKEN OR EVEN ELIMINATE WHAT WE GAINED, AND WE WILL CONTINUE TO OPPOSE ANY ATTEMPT TO WEAKEN OR DETERIORATE OUR HARD-FOUGHT AGREEMENTS.