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INTERNATIONAL PRESIDENT

2007-0455
JON S. WALTERS
INTERNATIONAL SECRETARY

International Brotherhood of Electrical Workers



GARY D. OSBORNE
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I.B.E.W. LOCAL 1701

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June 3, 2008

Ms. Stephanie Stumbo, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED
JUN 5 2008
PUBLIC SERVICE
COMMISSION

RE: Big River Electric Corp. "Unwind"

Dear Ms. Stumbo:

Enclosed please find a letter that I am sending to Big Rivers Electric in advance of the closing of the unwind deal between Big Rivers Electric Corporation and Western Kentucky Energy (WKE). A copy of this letter is also being distributed to the Attorney General's Office to update the parties on the deteriorating Labor/Management relationship between IBEW Local 1701 and Western Kentucky Energy.

It was my hope and intent to have all outstanding labor relations issues resolved with Western Kentucky Energy prior to closing. Unfortunately, these issues have multiplied as opposed to being resolved which in turn has created dissention in the WKE workforce.

This information is being forwarded only for your information, and any encouragement you may pass to either party for early resolution would be greatly appreciated.

Sincerely,

Gary D. Osborne
Business Manager

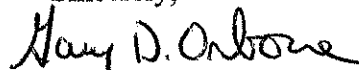
Copy: Honorable Dennis Howard, Assistant Attorney General

which involve discipline of current employees in which these Managers were also involved, I can assure you they will not be coming to the table with an open mind. You cannot represent two masters. Therefore, I respectfully request that these individuals not be involved as these matters are discussed and solutions are sought.

I am very open to resolving these issues prior to the start of formal contract negotiations. Given that the moral of the bargaining unit employees at WKE is at an all time low I firmly believe it in each party's best interest to resolve these issues before we begin negotiations with Big Rivers Electric. With the current situation it makes both of our tasks nearly impossible as we attempt to reach an agreement with a hostile workforce. The last employee terminated was a 24 year employee who had a good work record, one who was well liked by all of his co-workers, and was even by members of management admittedly a good worker! In past similar circumstances employees have been issued warnings and given suspensions, not terminated. WKE even attempted to pit one employee against another by offering such a settlement whereby I, as their union representative, had to agree to sacrifice one employee in order to save the other employee's job. In other words I was pressured to give up my duty of fair representation, under the National Labor Relations Act, of one union member to save another member's job. Something I resolutely refused to do!

As I am sure you are aware there are many issues currently playing on the minds of the bargaining unit employees at WKE. Issues such as future health care coverage, work schedules, starting into a different pension plan--in many cases for the third time, and possible job cutbacks, just to name a few. All of these play a toll on the moral of the workforce. Mixing all of this with a hostile Labor/Management relationship and you can easily see why the moral of the workforce is at rock bottom. I am certain you can appreciate that the issues involving discipline take on a sense of urgency. I would therefore respectfully request that representatives of the Union and representatives of Big Rivers Electric meet at our earliest convenience in an attempt to resolve the issues. I look forward to your immediate response.

Sincerely,



Gary D. Osborne

Business Manager, IBEW Local 1701

Copy: Tim West, Unit Chairman