

THE SOUTHEAST ALASKA POWER AGENCY

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August 11, 2014

Delivery via Email to findir@wrangell.com & U.S. Mail

Jeff Jabusch, Borough Manager
City and Borough of Wrangell
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Wrangell, Alaska 99929

Delivery via Email to sgiesbrecht@petersburgak.gov & U.S. Mail

Stephen Giesbrecht, Borough Manager
Petersburg Borough
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Petersburg, Alaska 99833

Delivery via Email to larson5@gci.net & U.S. Mail

Robert Larson, President
Thomas Bay Power Authority
Post Office Box 1318
Wrangell, Alaska 99929

Notice and Approval of Closing Date of Assignment and Assumption Agreement

To All the Above-Listed Parties:

Pursuant to the Assignment and Assumption Agreement (the "Agreement") entered into between the Thomas Bay Power Authority ("TBPA"), Petersburg Borough ("Petersburg") and the City and Borough of Wrangell ("Wrangell"), and the Southeast Alaska Power Agency ("SEAPA"), this letter provides notice that SEAPA intends to close the transaction on Saturday, August 16, 2014 at 12:01 a.m. AKDT. Section 12 of the Agreement requires SEAPA to provide written notice to all of the parties to the Agreement.

SEAPA has completed negotiations with the International Brotherhood of Electrical Workers, Local 1547 ("IBEW").

SEAPA confirms that certain obligations between the parties continue past the closing date. These obligations include, but are not limited to, SEAPA's payment of the PERS Termination Liability (Lump Sum and Annual Payment), Insurance Rebate Premium receipt by SEAPA, and any further agreements and obligations required to be assigned to SEAPA from TBPA.

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If you have any questions, please do not hesitate to contact the undersigned at 907.228.2281 or 907.617.0323.

Signed,

THE SOUTHEAST ALASKA POWER AGENCY

By _____
Trey Acteson, Chief Executive Officer