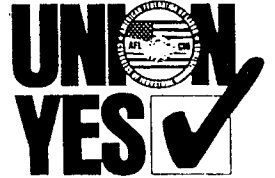


CURTIS V. GATES, BUSINESS MANAGER

601 N. Larch • Lansing, MI 48912 • Phone (517) 482-3131 • Fax (517) 482-9562



March 18, 2003

Commissioners
Lansing Board of Water & Light

Dear Commissioners:

I am writing this letter to give you an update of the last few months.

I would first like to thank all the commissioners for their continued support. We are so pleased that you take time from your busy schedules to call or stop by to see how things are going.

We are happy to report that Mr. Elashkar has brought focus and direction to the LBWL, and is making his way in efforts to address the many problems that employees have had. Mr. Elashkar has met and talked with employees and is open to meet with anyone on a one on one basis. He has offered himself to talk about any issue. It is our hope and expectation that we continue to build the trust that is necessary for the LBWL and its employees to once again shine in this great city of ours.

The LBWL and IBEW LU 352 continue to meet on the Customer Choice issue and I am happy to report that most of the work is complete. Inspectors have been selected and trained. Only a few more items are left to finalize: The prevailing wage issue; inspecting on the CSO projects; and the cross over contamination inspections mandated by the State of Michigan. We have had good meaningful conversations about all of the issues and our goal is to have all items worked out before construction season.

IBEW LU 352



Commissioners

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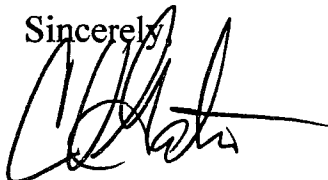
Inspecting of LBWL utility infrastructure when being constructed is very critical. It was just brought to my attention that maintenance crews have been working since January to remove stones and rock from the tubes within the new chillers at the Ottawa Station. Once again the stones and rock enter during the construction phase of the project.

The inspection process is very important to the LBWL, its employees, and its customers. It will help guarantee product reliability to our customers and workmanship to the LBWL.

IBEW LU 352 would like to propose that the CFO for the LBWL, Mr. Dana Tousley have the fund managers for any pension monies to report on investments in companies operating in terrorist-sponsoring nations. The goal would be to see if any of these companies may unwittingly support terrorist activity. Some companies are providing advanced equipment, technology or financing for governments that assist terrorist groups. Some examples of terrorist sponsoring nations include Iraq, Iran, North Korea, and Syria. One of many methods used to help identify these funds is through a company called Conflict Securities Advisory Group. Congress and the administration may also put out information identifying these companies.

I think that it is important that we do all that we can to make sure our own money is not spent to kill any innocent target that the terrorists may seek, most of all, our fellow Americans.

Sincerely,

A handwritten signature in black ink, appearing to read 'Curtis V. Gates', with a stylized flourish at the end.

Curtis V. Gates
Business Manager