

ALCOA GENERATING CORPORATION
P.O. BOX 10
NEWBURGH, INDIANA 47629-0010



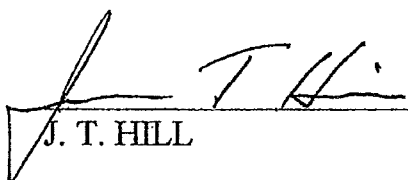
2002 May 14

Mr. Matt Hemenway
Business Representative
IBEW Local Union No. 702
106 North Monroe Street
West Frankfort, IL 62896

Dear Matt:

This letter will confirm that on or about March 8, 2001, Alcoa Power Generating Inc. recognized IBEW Local 702 as the bargaining agent for the bargaining unit employees. This was the beginning of our conversations concerning contract negotiations and employee issues.

Sincerely,


J. T. HILL


KEVIN RAYBURN

Local Union No. 702



106 NORTH MONROE STREET

West Frankfort, Illinois

62896

May 24, 2002

To IBEW Members employed at ALCOA

Dear Members:

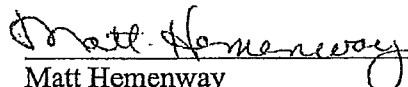
This letter is to clarify any misunderstanding you may have of when, and at what date, you were being represented by IBEW Local 702. On or about March 8, 2001, there was a conversation between myself and J. T. Hill of Alcoa. At that point Mr. Hill informed me that Local 702 would continue to represent the employees at the Warrick Power Plant. This was the beginning of our conversation over contract negotiations and other issues that the employees had at that time. To help resolve this issue, the Company has provided the enclosed letter to verify the date talks began.

The main reason for this explanation is the fact that there are still a few members who have made little or no effort to get caught up on past union dues. This is creating a back log of work at the Local and International level. This is a matter that has to be corrected as soon as possible. If you no longer have the previous notices that were sent, please call myself or the office and we will give you the total you owe.

If you feel there is a mistake in the amount, please notify the office or myself. We want to work with you in allowing time to catch up. Please contact me if you need additional time to pay the amount due. We ask that you make contact within thirty (30) days to resolve this issue.

Fraternally,

Local Union 702, IBEW


Matt Hemenway
Business Representative

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