

## Society Newscast 2004:10

This is the Society Newscast for Monday, January 31, 2005

### Bruce Power Local voting on five-year agreement

Society-represented employees at Bruce Power are voting on whether to ratify a five-year renewal collective agreement.

Agreement was reached Tuesday, January 11<sup>th</sup>, in two-party bargaining. The settlement, if approved, would mean the Bruce Power collective agreement will not end up in mediation-arbitration.

"In the end, we managed to get an agreement without an arbitrator," said Bruce Local Vice President **Rob Stanley**. "It's a made-at-the-Bruce solution for the Bruce Power collective agreement."

The agreement is for five years, unusually long for Society agreements, but it also has a employment guarantee. "It's a longer one than we set out to get," said Stanley, "but it's got some smart features you wouldn't see in a shorter one. We get more involvement in purchased services, and we'll be participating in more important decisions. It's a wise agreement for both parties, and it strengthens our bargaining relationship with Management."

The agreement is subject to ratification. Membership meetings to discuss the settlement were held last week, and the results of the vote are expected on February 15<sup>th</sup>.

Other highlights include:

- ◆ No forced layoffs for any Society-represented employee for the five-year period of the Agreement



*Last September, we reported (Newscast 2004:06) that OPG nuclear Unit Director Marlene Khalil had gone on maternity leave. We finally got a photo of Marlene and young Andrew.*





*January 24th: Bruce Power Local VP Rob Stanley explains the details of the settlement reached by the Bargaining Team in a membership meeting held in the Bruce Power auditorium.*

- ◆ Economic increases of 3.25 *per cent* in 2005, 3.25 *per cent* in 2006, and three *per cent* in each of the following three years (16.5 *per cent* over the life of the agreement)
- ◆ A cost of living adjustment (COLA) clause kicks in in 2007, protecting employees against inflation above three *per cent*
- ◆ The Parties have agreed that in 2007 a "time-based progression plan" will replace the current Performance Pay Plan, the details of which must be settled before December 31<sup>st</sup>, 2005
- ◆ Beginning in 2007, bonuses of from two to six *per cent* of base salaries will be paid when certain profit targets are met (in addition to the current gain-sharing plan), plus an additional one *per cent* if "stretch" targets are met
- ◆ Significant benefit enhancements
- ◆ The Parties will form a joint business improvement team, which will work on cost-savings initiatives; the Employer will "fund \$50,000 in each year ... for various improvement initiatives of the Bruce Local"

President **Andrew Müller** wrote employees at the Bruce on Friday, January 21<sup>st</sup> to congratulate the Local. He gave a great deal of credit to the Local's bargaining team, saying, "There were many points

during the bargaining process where it wasn't a given that agreement would be achieved ... but they created the breakthrough that made it possible."

The Society's bargaining team for the Bruce Power Local included Society Executive Vice President **Rod Sheppard**; Local Vice President **Rob Stanley**; unit directors **Lorne Howcroft**, **Keith Stiles**, and **Bob Wells**; and Society Staff Officer **Mary Donnelly**.

## **Kinectrics: two-party bargaining skids to a halt**

The bargaining team for the Kinectrics Local got a couple of extra days' shopping before Christmas, when two-party bargaining broke down at 12:30 a.m. on the morning of the 22<sup>nd</sup>.

"We've got major disagreement with Management's ongoing desire to reduce our compensation," said Acting Local Vice President **David Young**. "We've been patient while Kinectrics has struggled, but now we think they should recognize the crucial contributions of its employees."

Kinectrics, originally the research arm of Ontario Power Generation, was spun off into a separate company in 2000. Now a wholly owned subsidiary of U.K.-based AEA Technology, it employs 111 Society-represented scientists, providing technical support to North American utilities.

Perhaps not surprisingly, there has been a transition for Kinectrics from being a servant of one company to becoming an entrepreneurial enterprise. That it has been successful of late, says Young, is almost entirely due to the quality of its technical experts, the Society's members.

"Our agenda reflects our need for real support for career development," says Society VP Finance **Bill Jones**, a Kinectrics staffer. "We're scientists. If we're not at the top of our fields, Kinectrics won't be able to do business. Meanwhile, the Company wants to nickel and dime us right out of our effectiveness."

The Kinectrics Local's bargaining agenda includes, among other things:

- ◆ Clear and reasonable performance targets
- ◆ Incentive pay based on real, individual performance, not management discretion
- ◆ A new focus on training and development
- ◆ Wage increases reflecting Kinectrics's improving bottom line and the need to re-establish historical relativity levels

Meanwhile, Management's agenda focuses on:

- ◆ Changing to a defined-contribution pension plan
- ◆ Imposition of a new health benefit premium (\$400/family)
- ◆ Deletion of cost-of-living (COLA) provisions
- ◆ Wage increases lower than inflation, and below those of other Society locals

The Parties will proceed to mediation/arbitration on February 5<sup>th</sup>, with Arbitrator William Kaplan mediating.

## **Premier: Electricity changes hardly worth mentioning**

Despite the big changes his government is making to the electricity sector, Premier McGuinty appears to think they're not worth mentioning.

In his year-end e-message to Ontario Liberals, Premier McGuinty congratulated his MPPs and himself on their "accomplishments and . . . hard work." But despite this "very busy first year," Premier McGuinty doesn't think Bill 100 merits a mention.

A partial list of the government's accomplishments he *does* mention includes:

- ◆ Smaller class sizes and more teachers
- ◆ Gas taxes dedicated to public transit
- ◆ Tackling hospital wait times
- ◆ Requiring "clean burning ethanol" in gasoline
- ◆ Aid for the cattle industry

All of these are indeed accomplishments. But despite all the work Minister Duncan put into Bill 100 and other matters—consultations, policy work, committee hearings, debates, implementation, RFPs, etc.—he merits no mention in the Premier's year-ender.

The Society has a few disagreements with the Minister of Energy; however, there's no denying he's maintained a very high level of activity and accomplishment since he became Minister. We think the Premier has overlooked a loyal colleague.

## **Minister: OPG's hydroelectric well run; Society agrees**

The Society agrees with Minister of Energy Dwight Duncan about OPG's hydroelectric division: it's well-run.

Society President Andrew Müller has written to the Minister to thank him for an observation reported by *Toronto Star* reporter John Spears on Tuesday, January 25<sup>th</sup>. In "Energy minister touts water power," Minister Duncan was quoted as saying, "One of the untold stories about OPG, with all the challenges it's had, is that the hydroelectric division is extremely well run."

"The Minister's often got bad things to say about OPG," said Müller, "some of them deserved, but many of them not, so I thought it was important to acknowledge a compliment."

"OPG's record of accomplishments in hydroelectric power is second to none," he added. "The Society believes OPG should continue to be the owner of first resort for all generation in Ontario."

## **OPA head: Government should re-think resistance to coal, OPA temporary, maybe**

Ontario shouldn't rule out coal-fired generation, says the newly-appointed head of the Ontario Power Authority.

"I don't see that coal is necessarily ruled out providing it can be used in a more environmentally acceptable format than the present technology allows," Jan Carr, appointed to head the OPA in early January, said. He was speaking at the North America Power Markets Conference on January 25<sup>th</sup>.

Though Carr's statement may seem at odds with the Liberal Government's commitment to shut down all coal-fired stations in the province by 2007, it marks little change from his previous stance on the subject. As a member of the Electricity Conservation and Supply Task Force, appointed in 2003 by the government of Ernie Eves, he concurred with the Task Force's call not to shut them down.

The OPA has been set up to ensure Ontario's long-term supplies are adequate, and to contract with private-sector operators for new supply when necessary.

Mr. Carr was speaking on the need for central planning in "competitive electricity systems," and the role the OPA would fill in planning. True to his electricity liberalization credentials, he spoke of his hope that the OPA would be a temporary stop-gap on the way to building a "mature and liq-



*Jan Carr, Ontario Power Authority CEO*

uid" market, only providing contracts when investors for merchant generation (generation operating in the open market) were lacking.

However, he also admitted that "Generators are unlikely to take full market risk when there is a method (that is, OPA contracts) where support payments are provided." In so saying, he agreed fully with a primary point of the research study commissioned by the Society in the summer of 2004 and produced by Stephen Thomas, of the University of Greenwich. In that study, Mr. Thomas said:

*[I]t seems likely that potential investors would not build merchant plants and would take the much less risky option of waiting for the Ontario Power Authority to identify plant need and competing in the contests set up by the Ontario Power Authority. Ultimately, this would mean that the system was dominated by plant built under commission from the Ontario Power Authority (and nuclear plants).*

## **Toronto Hydro repeats environmental award win**

Toronto Hydro has won the Electricity Distributors Association's "Environmental Award of Excellence" for the second year in a row.

In 2003, Toronto Hydro won the award for their biodiesel program. This year's award is for installing Toronto's largest solar power generating system. The solar array is part of Toronto Hydro's effort to promote clean energy technology and reduce smog.

Toronto Hydro has won two solar power awards in the last year. In September, 2004 the Canadian Solar Industries Association presented Toronto Hydro with its first ever "Photovoltaic Project of the Year" award.

## **Society retiree wants second PEO term**

Society retiree Santosh Gupta says he deserves a second term as a member of the Board of Professional Engineers Ontario.

Formerly of Ontario Hydro and Hydro One, Mr. Gupta was first elected to the PEO Board in 2003 (see *Newscast* 2002:15). He has been nominated by PEO's East Central Region Nominating Committee for a 2005-2007 term. He is opposed by Jeff Mark, of Mark Engineering, Markham, Ontario, also nominated by the Nominating Committee.

Gupta's goals, should he be elected, include:

- ♦ improved PEO transparency
- ♦ development of more categories of the P.Eng. licence, as the current "one size fits all is inadequate"
- ♦ due credit for engineering experience during Student Membership and EIT programs
- ♦ more government recognition of the need to involve engineers in public infrastructure projects from the beginning

Mr. Mark stresses the need for better PEO communication in all areas.

Ballots were to be sent to PEO members on January 28<sup>th</sup>, to be returned by February 28<sup>th</sup>.

The candidates' statements can be found on the PEO web-site.

## **UofT Prof: Our shirts may re-charge our cellphones**

A University of Toronto professor in nanotechnology has invented a tiny solar cell that can be sprayed in groups onto other surfaces.

As reported by Canadian Press, in the CBC's "Quirks and Quarks," and in *National Geographic*, the cells will have the ability to be painted onto the outside of a hydrogen-powered car, charging its battery continually. Professor Ted Sargent, the inventor of the cell and currently a visiting scholar at Massachusetts Institute of Technology, says if 0.01 *per cent* of the earth's surface were covered with his cells embedded in plastic material, "We could in principle replace all of our energy habits with a source of power which is clean and renewable."

He notes that humans only consume one ten-thousandth of the sunlight that hits the earth.

The cells work by harnessing the energy in infrared light—the invisible half of the light spectrum. Since a great deal of infrared light is present under cloudy skies, and even at night, the cells can work continuously. Professor Sargent envisions houses covered with cell-implanted material that could provide all the power its occupants need.

Josh Wolfe, managing partner at Lux Capital, a venture capital outfit based in New York, says a shirt that can continuously re-charge a cellphone may only be five years away.

## Canada's unemployment rate lowest since May, 2001

*(based on an article in Lancaster Weekly Report, January 10, 2005)*

Canada's general unemployment rate is at 7.0 *per cent*, the lowest rate since May, 2001.

The figure is contained in Statistics Canada's Labour Force survey for December, 2004.

Employment growth in 2004 was led by the strength of construction employment (a 6.3 *per cent* increase); professional, scientific, and technical services (+6.0 *per cent*); finance, insurance, real estate, and leasing (+5.9 *per cent*); and natural resources (+3.9 *per cent*).

Jobs in the manufacturing sector declined by 1.2 *per cent*.

U.S. employment numbers were reported on the same day, January 7<sup>th</sup>, revealing that the unemployment rate remained unchanged at 5.4 *per cent* in December, 2004.

*And that is the Society Newscast for Monday, January 31, 2005.*

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