

News from the Society of Energy Professionals

**Society
to courts:
quash
coal plan till
assessment
done**



On December 16th, over 900 Society members and their loved ones converged on the Renaissance Parque banquet facility in Concord for a year-end party. Food was consumed, speeches were made, toasts were toasted, and the band played Abba covers while revellers danced.

The government's plan to close down Ontario's coal-fired electricity generators should not be allowed to go ahead without a full environmental assessment, says the Society.

The Society of Energy Professionals has applied for the courts to review the decision of environment minister Laurel Broten that an environmental assessment is not necessary. If the

judge hearing the case agrees, s/he could force the government to conduct one.

"The decision to close down the coal-fired stations was a political decision made in the heat of an election campaign to appeal to the desire of voters for cleaner air," said **Andrew Müller**, president of the Society. "We think a proper environmental assessment will show that if the government proceeds with the current plan it could actually do harm. We need a plan that protects the environment, and ensures energy security."

The Society has also asked the courts to order the environment minister to conduct a full environmental assessment of the Greenfield Energy Centre (GEC) project, in which the government of Ontario has contracted with Calpine (U.S.) and Mitsui (Japan) to build and own a 1,000 megawatt natural gas-fired generating station in the Sarnia area. The GEC will partly replace Lambton Generating Station, a coal-fired station.

"Sarnia already suffers from high levels of small-particulate pollution," said Müller. "Burning natural gas in Sarnia-Lambton will make the problem worse."

The GEC project's own environmental studies show that levels of very small particulates—smaller than 2.5 microns, microscopic particles that are dangerous to individuals with lung problems—will increase by 20 per cent if the plant goes into operation.

Two of the four generating units on the Lambton site are among the cleanest coal stations in North America, with controls that reduce emissions to near-natural gas levels.

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Calpine, in the meantime, has been described as on the brink of bankruptcy (see *NewsCast* 2005:05).

The Society wrote Minister Broten in July, 2005 asking that proper environmental assessments be conducted. A full assessment would, the Society said, allow for alternatives to be explored. In November, she wrote to deny the Society's requests.

Board highlights, January 10th and 17th

The Society's Executive Board met over two days in January, with the major agenda item being to conduct a review of a third-party audit undertaken in accordance with direction given by last October's Society Council (see *NewsCast* 2005:05).

Third-party audit: In accordance with an audit plan prepared by the Society's Audit Committee, and approved by the Board, the firm of Cristine and Associates, of Kincardine, Ontario, was selected to carry out an audit. The Cristine firm made inquiries into the effectiveness of the Society's governance structures and the Society's adherence to its Management Control Framework—the document which sets out the procedures for financial accountability that the Society must follow in spending money.

The confidential report of the Cristine findings was delivered to Board members shortly before the holidays.

In reviewing the report, a number of Board members expressed concern with the accuracy of the Cristine findings, and the recommendations that followed from them. In the Board's judgement, the flaws in the Cristine report were significant enough to justify a second audit. To that end, the Board asked IFPTE President

Gregory Junemann to approach the Canadian Labour Congress for its recommendations on accredited auditors who might be approached to undertake a second inquiry. Mr. Junemann accepted responsibility for selecting an auditor, and for overseeing the audit process itself.

The Board also voted to delay the meeting of Society Council that had been scheduled for February by last October's Council. Since a second audit clearly would not be completed by the end of February, the Board will schedule a Council meeting for March or April. That meeting will consider the Cristine audit, the Society Board's response to it, the second audit, and the Board's action plan to implement the desired changes.

The Executive Board also began the process of implementing a number of the Cristine recommendations that seemed not to be in dispute, setting February 7th as the day when the Board will consider them.

Lease: Upon the recommendation of the Society's external auditor, the Board considered an arrangement to reduce the costs involved in the President's accommodations when he stays in Toronto. Rather than pay for hotel rooms, the Society has signed a lease on a downtown condominium for his use.

The Executive Committee had originally approved the arrangement last August. However, the Society's external auditor flagged the transaction, saying it should have been submitted to the Board for approval in advance. The Board sought a legal opinion on the matter, which agreed with the auditor. The Board then reviewed the arrangement, and approved it retroactively.

Bruce Power equity: The Board received a presentation from Mr. Bo Mocherniak, CA, CBV, of Grant Thornton. He had, at the Board's direction, prepared an analysis of the ongoing Bruce A LP cash calls, in light of the Society's financial position and investment policies. He recommended against participation in the Bruce A refurbishment. To summarize:

- ◆ The BALP investments would be high risk; the Constitution requires the Society to stick to low risk investments
- ◆ To do so would require the Society to sink a great percentage of its investment dollars in the project, which would not be consistent with prudent investment diversification practices
- ◆ the need to oversee such a significant investment would distract the Society from its core purposes
- ◆ it would be too difficult to divest, due to the Society's minority position
- ◆ There are alternate ways to invest the money that will meet Constitutional, policy, and good-practice requirements

The Board decided not to meet any BALP cash calls, unless decided otherwise in the future.

Hirings: Staff Manager **Dan Kellar** reported on a number of staffing developments that had taken place since the previous Board meeting.

First, Mr. **Dmitry Barabanov** had been hired on permanently as the Senior Network Administrator. He was hired last summer as a temporary employee when Susan Sutherland, the previous SNA, had succumbed tragically to cancer. Mr. Barabanov applied for the permanent position when it was posted, and has been awarded it.

Two new Labour Relations Officer positions had been filled, one to replace Sharonna Freudmann, who left the Society last fall, and one new position provided for in the 2005-6 budget. **Sonia Pyllyshyn**, previously with the Professional Institute of the Public Service, was to begin work with the Society on January 25th; and Elizabeth Traicus, of the Ontario Nurses' Association, on the 30th.

Finally, it was reported that *****, who had been hired as the Society's receptionist, replacing **Lisa Van Camp** while Lisa is on maternity leave, would be leaving for a position in forecasting at the Ontario Energy Board; **Kathy Mott** (see page 7) was to take over the position as of January 23rd.

Five-year OPG settlement ratified: Agreements now combined

The 3,000-plus members of the Society's two OPG locals have ratified a deal that combines their agreement into one.

"It's a long-term agreement that provides our members with security and stability," said OPGN Local Vice President **Olaf Heilandt**. "It's long been the desire of many of our members to put OPG back together again, and we've done it."

Members ratified the agreement by 82 per cent in the OPG Nuclear local, and 86 per cent in the non-nuclear local. Voter turnout was just over half of the locals' members.

Local members' salaries will increase by three per cent in each of the five years of the agreement, which lasts until December 31st, 2010. Beginning in 2008, a Cost of Living Adjustment will come into effect, consisting of a non-pensionable bonus of 0.5 per cent if inflation reaches 3.5 per cent, and 1.0 per cent if inflation reaches 4 per cent.



OPG non-nuclear Local VP Lanny Totton (l) and nuclear Local VP Olaf Heilandt

The fence between nuclear and non-nuclear has been taken down.

The OPG mediation-arbitration agreement has been extended to 2016, and the notice requirement for terminating the agreement has been increased to one year from six months. OPG Society members will not be locked out or have to go out on strike for at least the next 10 years.

A key element is the implementation of a new compensation system. "Our pay has been modernized," said Heilandt. "It's now based on annual progressions, not on subjective management judgements." The Society had long criticized the old "performance pay" system, saying there was no relationship between performance and pay, and it was being used to depress salaries, among other things. The Local's bargaining team said:

... the past practice where some employees would work for 20 years and still not reach 100 per cent of their salary scale will be replaced with a system that will move employees from 80 per cent to 103 per cent in 8-13 years. This will have a dramatic effect on employees who are presently under 103%. Step sizes range from 1.1% near the top of some bands to 11% near the bottom. Therefore each year that the new system is in operation, employees from 80%-103% will receive a 3% economic increase plus anywhere from 1.1% - 11% increase in pay as a result of their step progression. Employees at or over 103% will continue to receive economic increases, and will receive a one-time payment of \$2000.

In return for these significant increases in pay, the Local agreed to increase pension contributions.

There were many other changes that will be of benefit to OPG professionals. For a full description, see "Society/OPG 2005 Memorandum of Agreement Highlights," available on the Society web-site.

While there are some "subsidiary" agreements that have yet to be negotiated, and that will apply to the different OPG business groups, non-nuclear Local Vice President **Lanny Totton** was very pleased with the progress that had been made. "The fence between nuclear and non-nuclear has been taken down."

The Society's OPG bargaining team, for both locals, consisted of Local VPs Heilandt and Totton; Nuclear unit directors **Michael Lohse**, **Peter Tien**, and **Marlene Khalil** (observer); OPG non-nuclear unit directors **Joseph Fierro** and **Pat Ramcharitar**; and OPG non-nuclear delegate **Tony Kokus**. The team was supported by Staff Officers **Blaine Donais**, **André Kolompar**, and **Joseph Lesperance**, with assistance on health and dental issues from **Cheri Funston**, and on financial issues from **Frank White**.

Bargaining on track at Inergi, NSS

Bargaining continues with managements at Inergi and Nuclear Safety Solutions.

Bargaining with Inergi began in earnest on January 23rd, and continued for the full week. With Inergi being a small part of Cap Gemini's global operation, the Society bargaining team is stressing job security and protection against off-shoring and contracting out as the Inergi members' key priorities.

The Society and Nuclear Safety Solutions, Inc. began bargaining on January 17th. Meetings over the last two weeks have been used to explore the parties' respective interests. This week the Society presented a comprehensive proposal to management. Management is schedule to respond shortly.

If no settlement is reached by Friday, February 3rd, mediation will commence on February 9th.



On January 26th, the Bruce Power local held its annual “Beef Fest.” At the head table were (l to r) Dan Kellar, Staff Manager; Andrew Müller, President; Bill Jones (hidden), EVP Finance; Rob Stanley, Bruce Power Local VP; Mary Donnelly, Society Staff Officer; and Lorne Howcroft and Bob Wells, Bruce Power unit directors.

Bruce Power revenues up \$300 million in 2005

Bruce Power generated \$300 million more in revenue from its operations in 2005 over 2004.

The company generates revenues from a combination of electricity sales, laundry services for Ontario Power Generation, and sales of Cobalt 60, which is used to sterilize medical equipment and eliminate harmful bacteria in food products. Revenues for the entire year were roughly \$1.9 billion.

In 2005, Bruce Power's six units had an overall capacity factor of 80 per cent, two per cent less than in 2004, reflecting planned inspections of four of the units and

two significant, unplanned outages in Unit 6. One Bruce unit was among the top performing reactors in the world, achieving a record of 99 per cent. The Company has set for itself a target of 93 per cent overall capacity in 2006.

Earlier today, Transcanada Corporation, one of the Bruce Partners, announced earnings from its Bruce Power holdings at \$195 million for the year. The Society, which held 1.2 per cent of Bruce Power, earned \$4.8 million.

Bruce Power also bettered its safety targets, achieving a record of 0.03 acute lost-time injuries for every 200,000 hours worked in 2005. In a statement, the company said it had bettered its safety record over the last six years by 92 per cent.

Bruce Power to hire 400 more

Completion of the project to refurbish Bruce "A" units 1 and 2 will mean 400 more employees will be needed to operate them.

According to the January 19th issue of *The Point*, Bruce Power's employee newsletter, hiring will need to begin soon, as training new nuclear operators takes a matter of years.

The Society expects that about 100 of the new hires will be in Society-represented positions.

Support for nuclear power growing in Ontario

In the period between February and November, 2005, a growing number of Ontarians became convinced of the need for more nuclear power.

In polling carried out by Ipsos-Reid on behalf of the Canadian Nuclear Association, Ontario stood out in its support for refurbishing existing plant, and even for building new nuclear generators. Fully 72 per cent of those polled said they support refurbishment, while 58 per cent support new construction, up four per cent and eight per cent from February, respectively.

Two thousand Canadians were interviewed on their views about nuclear power, including 1,000 Ontarians. Its Ontario results are considered to be within +/- 3.1 per cent, 19 times out of 20.

Ontario is the only province where a majority support nuclear power. Next closest is Alberta, where 41 per cent say they support it (though due to the lower number of respondents, the results are less reliable). Ontario also appears to be the only province where support for nuclear power is growing.

During the period between polls, Ontario Power Generation successfully refurbished Pickering A's Unit 1, and the Ontario Government announced its agreement with Bruce Power to refurbish a number of units in the Bruce Power "A" site. (Two of these units are currently shut down.)

Society and SPEA meet with federal minister

Federal natural resources minister John McCallum said he'd push for the Ontario government to use Canadian CANDU technology, should the province decide to pursue new building of nuclear generators.

He made this undertaking at a meeting in Markham with Society representatives and representatives of the Society of Professional Engineers and Associates (SPEA), of Atomic Energy of Canada, Ltd. Unfortunately, though McCallum trounced his opponents in his Markham riding in the recent federal election, his government was consigned to history, and the two unions will likely have to pursue the matter with a new government.

In a letter to SPEA members, Society President **Andrew Müller** and SPEA president **Paul Hnatiuk** said the meeting with McCallum was "very positive and we were pleased to learn that we shared a common vision for the future of the nuclear industry in Canada. We look forward to working with him, should he be re-elected."

Both were surprised to learn that the minister had no idea that labour relations at AECL had been spotty. SPEA has had to go on strike several times in the last decade in order to settle renewal collective agreements.

The Society is assisting SPEA to bargain a new renewal agreement, under a servicing agreement signed last year. Several Society members were involved in obtaining the meeting with McCallum, including **Peter Tien** of OPG;



Abby Catherine Regliszyn, born 9 lbs, 4 oz on October 3, 2005. Mom Lisa Van Camp will return from maternity leave by September to her post as Society receptionist.

and Sin Hsiang (Geoffrey) Liu, Tu Phung, Mark Artymko, John Wright, and Emeka Okongwu, all of Hydro One.

Gupta takes another run for PEO Council

Society retiree Santosh Gupta is running for the position of regional councillor in Professional Engineers Ontario.

He is seeking support from the Society's engineer members.

Mr. Gupta retired from Hydro One in 2000. He served as one of PEO's two Eastern Regional Councillors from 2003 to 2005, but then lost an effort to be re-elected. He is currently running to replace Ms. Daniela Iliescu, PEng, of

Colt Engineering, who is not seeking re-election. He is running against Mark Brys, of M. Brys Engineering in Barrie, and Thomas Chong, of Ontario's Ministry of Health and Long-Term Care.

More information about Mr. Gupta's candidacy can be found at his campaign web-site, and about the other candidates at the PEO site.

Ballots for PEO elections are sent directly to PEO members; they must be returned by February 28th, 2006.

Hydro One management: still at it

The strike at Hydro One was settled with an arbitrator's decision, but Company managers are taking every opportunity to keep the fires of battle well-stoked.

In December, Management re-rated more than 40 classifications (up to 150 positions) outside Society jurisdiction, and are aggressively pursuing Society members to apply for them. (The employees are, in effect, being asked to apply for their own jobs, only without the protection of the contract.) Individuals who elect not to apply are being told they will be assigned temporary work.

Though this is a very significant re-jigging of the workforce, no Joint Redeployment Planning Team (JRPT) will be set up. Indeed, CEO Tom Parkinson announced in meetings with employees in early December that no JRPT would be implemented until he had what he wanted in the Society's collective agreement. In the meantime, the company not be approving overtime or paid travel time, and very few if any vacancies will be advertised and filled in the Society unit.

The Society has challenged each of the re-ratings through the grievance procedure.

While Hydro One was prevented by an arbitrator from firing Society representatives during the strike, the fact that



Kathy Mott will be the Society receptionist until September.

members are entitled to representation clearly still rankles. Although a management grievance involving Society Local VP **Keith Rattai's** release time has been resolved, Hydro One is requiring elected unit directors on release time to document their activities to their supervisors, a new policy being applied since the return to work after the strike was settled. The Society is pursuing the issue through the grievance process.

The Society is also pursuing a policy grievance over work that was done by power workers during the strike that has never come back to the Society unit.

Meet Kathy Mott

One of the first faces visitors to the Society office see these days is that of **Kathy Mott**.

Kathy is filling in for **Lisa Van Camp**, the Society's receptionist, who is on maternity leave. Kathy began work on January 23rd.

Kathy was an office administrator for 20 years for a small market research firm in North York, when she was bitten by the computer bug. Four years later, in 2004, she graduated from Durham College with a diploma in computer programming, and is now planning to take courses in what she describes as her "real love," database management.

She's lived in Oshawa all her life, and has two sons, 18 and 20. The younger is a student at the University of Ontario Institute of Technology, and the other is a labourer in construction. Once a week, Kathy goes out to crash bowling balls into bowling pins, five at a time.

Welcome aboard, Kathy!

Society Newscast No. 2005:07

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