

**Nuclear
Safety
Solutions
Local
reaches
settlement**

News from the Society of Energy Professionals



Photo: Jeannette Cepin

Lynn Andrews, Hydro One delegate, with her certificate of recognition from the Toronto & York Region Labour Council. Lynn was nominated for the 2006 Women of Labour award. See story, page 6.

A two-party agreement has been reached with Nuclear Safety Solutions.

The settlement puts in place a renewal agreement for the period of April 1st, 2006 to March 31st, 2009.

NSS Local Vice President **Bojan Popovic** was "very satisfied" that the two parties had managed to reach an agreement in

face-to-face bargaining. "Our primary objective was to reach a fair agreement, and I believe we did."

"I hope this will be the start of a very productive relationship between the Society and the NSS."

Here are some highlights of the settlement:

- ♦ Wages: three per cent increases in each year; minimum performance payouts of 1.75 per cent per year; lump-sum, cost-of-living adjustment goes in effect if inflation exceeds three per cent by more than 0.5 per cent, but payout limited to one per cent; on-call and shift allowances also increased by three per cent per year.
- ♦ Extended health benefits: improvements to chiropractic services, orthodontic services, orthotics, and vision care, and hearing aid batteries now covered to a cap of \$100 per year
- ♦ Benefits: Professional Fees clause becomes a Professional Development Fund clause; each member can spend up to \$250.00 per year on any of a number of development items
- ♦ Fitness: an allowance of up to \$156 per year towards a fitness club membership
- ♦ Pension: Society-rep'd employees get pension holiday if either NSS or PWU do; employee pension contribution goes to 6.5 per cent (from 4.5 per cent) up to YMPE (yearly maximum pensionable earnings), or about one per cent overall
- ♦ Vacations: Employees with fewer than 16 days of yearly vacation entitlement can use one week of banked overtime to supplement their vacations

A ratification vote was held, and votes were counted on March 2nd. The settlement was approved with 93 per cent in

favour, with 67 per cent of the bargaining unit casting ballots.

The NSS Local's bargaining team consisted of Popovic, delegate **Jeremy McEachern**, and **Nima Safaian**. Society Staff Officer **Terry Fitzpatrick** provided support for the team.

Board highlights, February 7th, 2006

The Society's Executive Board met on Tuesday, February 7th. The focal point of the meeting was follow-up from the January meetings concerning the governance and financial audits.

Audits: The Executive Committee has prepared a number of documents in response to the Coristine audit (see *Newscast 2005:07*). Those documents were circulated to the Board.

IFPTE President Gregory Junemann announced that through his contacts he'd retained the firm of Fazzari and Partners, who had assigned Mr. Jack Massarelli and Ms. Rose Femia to conduct the audit. Fazzari has done auditing work for unions, including sheet-metal workers, printers, drywallers, carpenters, bricklayers, and boilermakers. Mr. Junemann had given the new auditor all the documents inspected by Mr. Coristine, and reported that he expected the new audit will cost around \$25,000.

Society Council: The Board set April 22nd as the tentative date for the Society Council meeting mandated by last October's Society Council meeting. Prior to the April meeting, all relevant audit documents will be distributed to Council representatives.

Release time: The Board discussed the untenable situation at Hydro One, where management is harassing unit directors over their release time. Executive Vice President



Nuclear Safety Solutions Local VP Bojan Popovic

Bill Jones noted that the matter has been grieved, and so will be settled at some point in arbitration. However, for the time being the unit directors involved needed some way for their time to be covered, so that members won't suffer a deterioration in service, and unit directors won't have to work for free.

The Board decided that the Society will cover the Hydro One release time out of general revenues. If the grievance is won, as is expected, Hydro One will have to reimburse the Society. The Board recognized that if the grievance were to be lost, the issue of release time in general would surely come back to the fore.

Pensioners' Chapter: **David Mintz**, representing the Pensioners' Chapter on the Board, discussed the difficult position of active pensioners when unions were bargaining. Though pensioners have a direct interest in the level of benefits, and the overall health of the pension plan involved, they have no representation on the Society's

bargaining teams. The Board decided that each Society bargaining team would invite a representative of the Chapter to an early preparation meeting to discuss pensioners' interests, and that s/he be allowed to participate in agenda-setting exercises.

Nuclear Association: The Board authorized up to \$30,000 for representatives of the Society to attend the February meeting of the Canadian Nuclear Association in Ottawa.

Canadian Labour College: The Board donated \$1,000 to the Canadian Labour College, the education wing of the Canadian Labour Congress.

Year-end celebration: The Board received a request from members in the Thunder Bay area that the Society sponsor an event that they could attend. The request arose out of the Society's year-end celebration in Concord, Ontario on December 16th, which members from Thunder Bay could not possibly attend.

The Board authorized the expenditure of up to \$20,000 for such an event to be held.

Nuclear coalition relishes supply-mix consultations

The Ontario Power Authority is right to recommend that nuclear power be a primary source of baseload electricity generation, says a coalition of unions representing employees in the nuclear power industry.

In a submission to the recent three-day "consultations" carried out by the Energy Ministry on the OPA's supply-mix recommen-

dations to the provincial government, representatives of the coalition said:

Nuclear power will continue to supply Ontarians with a clean, greenhouse-gas-emission free and reliable source of electricity that will augment our quality of life and help to ensure the competitiveness of our economy.

The coalition distributed a paper outlining their position at "town hall" meetings in Oshawa, St. Catharines, Kincardine, Kitchener-Waterloo, London, Mississauga, and Toronto. Energy minister Donna Cansfield was in attendance at the Oshawa and Mississauga meetings. Coalition members say the Minister and her representatives were happy to hear the statements of "hands-on" experts.

The coalition represents 8,000 energy professionals in Ontario, employees of Ontario Power Generation (OPG), Bruce Power, Atomic Energy of Canada Limited (AECL), Kinectrics, and Nuclear Safety Solutions (NSS). Member organizations include the Society of Energy Professionals, the Society of Professional Engineers and Associates (SPEA), Chalk River Technicians and Technologists, and the Chalk River Professional Employee Group of the Professional Institute of the Public Service of Canada.

Development of CANDU technology, and Ontario's reliance on it for electricity generation, have been very good for the economy, the paper says, resulting in:

- ◆ More than 30,000 high tech jobs, most in Ontario
- ◆ A reactor-export industry worth almost \$800 million to about 1,500 Canadian businesses, most in Ontario, for each two-reactor sale
- ◆ A world-leading distribution of medical radioisotopes, used to diagnose and treat disease in over 80 countries
- ◆ The continuing distribution of 75 per cent of the world's cobalt-60 for cancer treatment and sterilization of medical supplies

The development and deployment of CANDU technology is "a tremendous achievement for a relatively small coun-

Nuclear power [is] clean, greenhouse-gas-emission free, and reliable.

try, particularly one better known for exporting lumber, minerals, and oil," it says. "Ontario has been the greatest beneficiary of this far-sighted decision."

"An independent study has shown," it adds, "that the \$6 billion invested over the last 50 years in the Canadian nuclear industry has led to a return on investment of over \$160 billion."

The coalition warned the government against considering different reactor technologies, the vendors of which are outside Canada. Doing so, it predicts, would result in billions of investment dollars and high-tech jobs (and associated taxes) leaving the country.

Representing the coalition at various times over the three days were SPEA President Paul Hnatiuk, SPEA Secretary Dr. Michael Ivanco, Society Executive Vice President **Bill Jones**, Society Bruce Power unit director **Bob Wells**, SPEA

Vice President Peter White, and SPEA members Hazen Fan, Laszlo Zsidai, Nathalie Gagnon, and Bill Smith.

The town halls were at times stormy. In Oshawa, Greenpeace activist David Martin threw copies of the coalition papers to the floor, and shouted at Mr. Fan, who was trying to put them back on the display table. Members of Families Against Radiation Exposure, a Port Hope group opposed to uranium processing at Cameco facilities in that city, loudly abused anyone who spoke in favour of nuclear power. Attendance at most town halls was heavily anti-nuclear.

"I give a lot of credit to those who spoke out in favour of our position on nuclear power," said Bill Jones. "They faced a great deal of hostility, and conducted themselves admirably."

The coalition has a meeting scheduled with Minister Cansfield to discuss their views further.



Lambton delegate Dale Lane at a meeting with then-energy minister Dwight Duncan in 2004.

Lambton delegate touts coal to finance committee

Ontario's economy is facing a "perfect storm," said Lambton GS delegate **Dale Lane**, and one of the elements of that storm is rising electricity prices.

Lane spoke in Sarnia to the legislature's Standing Committee on Financial and Economic Affairs on January 31st, in their deliberations over next year's provincial budget. He said the economy is facing great stresses, including:

- ♦ the strong Canadian dollar
- ♦ rising electricity prices
- ♦ the price of natural gas

Lane cited the loss of 50 Rubbermaid jobs in Watford, Ontario to Jackson, Missouri, and 325 John Deere jobs from Woodstock to a city in Iowa as examples of the



Photo: Richard Long

In late February, representatives of the Professional Employees' Network, consisting of organizations representing over 100,000 professional and middle management employees, met in Toronto. Pictured are (l to r) Bill Jones, Society; Michael Mouritsen, Association of Management, Administrative and Professional Crown Employees of Ontario; Jonathan Hood, Association of Canadian Financial Officers; Jose Aggrey, Canadian Association of Professional Employees; Michel Trudeau (behind Jose), Syndicat professionnel des scientifiques de L'IREQ (Hydro Quebec scientists); Johanne Bray, Professional Institute of the Public Service of Canada (PIPSC); Gisèle Jolin, Syndicat des professionnelles et professionnels municipaux de Montréal, and Gaston Lampron, PIPSC. See article, next issue.

effect the dollar is having. High prices for electricity also have an effect, he said. While the troubles in Northern Ontario's forest industry and the automotive industry are well known, there have been many other announcements of smaller numbers of jobs lost, such as Calgary-based Nexen shutting down its Amherstberg plant (20 jobs) and Dow Canada moving 25 jobs to Midland, Michigan.

While there's no shortage of natural gas in the world, he said, the same is not true of North America. Supply in North America is on the downswing, and its price—set

by supply and demand—is extremely volatile. At the same time, he said, "Natural gas needs to be recognized for the valuable commodity it is." It's used for space heating, water heating, and cooking in residential applications, and in industrial processes in plastics, fertilizers, antifreeze, and fabrics. Natural gas is consumed in the pulp and paper, chemicals, petroleum refining, stone, clay and glass, plastic, and food processing industries.

Natural gas is so valuable that the president of Dow Canada said that using it to make electricity rather than more profitably for petrochemicals is

"akin to using a \$100 bill to light a candle for dinner." Some also feel it is too valuable to use in the tar sands to produce oil and describe it as turning gold into lead because a clean-burning fuel is being used to produce a dirty-burning fuel.

The increasing use of natural gas in electricity generation leads, he said, "to new record-high prices for natural gas ... [and] new record-high prices for electricity, both domestically produced and imported."

He asked the legislature to consider the effect of these three factors on the elderly and those on fixed incomes.

I'm specifically concerned about my 78-year-old mother, who has lived in the same modest house for the last 43 years in Windsor, now surviving on her old age pension and a survivor's pension from my late father. It would be a shame if increasing energy prices, rather than her physical condition, forced her out of her home.

The Finance Committee also heard presentations from the Clean and Affordable Energy Alliance, the Sarnia and District Labour Council, the City of Sarnia, the Sarnia-Lambton Economic Partnership, and the Sarnia Chamber of Commerce, all of whom agreed that it would be very unwise to shut down Lambton GS and replace it with natural gas-fired generators.

Andrews feted at Women of Labour event

Hydro One delegate **Lynn Andrews** has received a certificate of recognition from the Toronto and York Region Labour Council's Women of Labour awards program.

Lynn was nominated for the award by Society President **Andrew Müller**. The nomination cited Lynn for her leadership not only as an active delegate in the Hydro One local, but also as an "inspiration" and "trail-blazer" in her

career as an engineer—when she started her employment with Ontario Hydro, female engineers were rare.

Lynn was also a trailblazer, it said, in preparing the Hydro One local for the 2005 strike. With other far-sighted individuals, she began to prepare early for what promised to be a fractious round of bargaining, and was "instrumental in pulling together a team of highly motivated union members to be trained in preparation for the strike." Leading up to and during the strike, she was an integral part of the Society's research team, and while her research duties were almost a full-time job in themselves, she put in innumerable hours on picket lines, and seemed always available for just about any other task the Local needed doing.

Though all the members of the Hydro One local deserve to be honoured for their fight against discriminatory contract demands, the nomination said, "Lynn stands out because of her exceptional courage and determination, and her deep dedication to her principles." She is a senior member and representative of the union, and has provided long service to the Society.

Lynn received her certificate of recognition at the Labour Council's Women of Labour luncheon on February 19th.

The Women of Labour award is presented yearly in honour of International Women's Day. Lynn was one of six nominees for the award, which went to Phyllis Gallimore, of Carpenters Local 27.

Government inviting public comment on supply mix

The Liberal government is inviting comment from the public on the Ontario Power Authority's supply mix recommendations.

A brochure setting out the supply options and the OPA's recommendations is being sent to Ontario's 4.6 million

households, with an invitation to comment by mail or over the internet.

The government has set up a special website that will accept the public's views. The OPA's recommendations are also posted to that site.

Interestingly, a Ministry of Energy media release also suggests that members of the public may request "a one-on-one meeting with Minister Cansfield to discuss the Supply Mix Report."

PCs launch electricity white paper

The John Tory Tories have released a "white paper" on electricity, and are seeking input from the public.

Perhaps not surprisingly, "Energy for the Future" is critical of the McGuinty Liberals' stewardship of the file. The promise to shut down the coal stations in 2007 was "irresponsible," they say, and add that the Liberals have "no plan" and have taken "no action."

While the PC Party clearly overstates the case in a shamelessly partisan manner, it's true enough that for all the RFPs, entreaties to the private sector for participation, and price subsidies extended to private sector operators at the expense of public ones, the electricity system is not much further ahead than it was when the Liberals took power.

The PC Party continues to say that their own "coal replacement" goal—closing of all coal-fired stations by 2015—is "responsible." They add that "[a]ny decision to close down coal-fired plants ... should nonetheless be made in the context of:

- ♦ The central role of existing plants in the current system
- ♦ The large and growing cost advantage over natural gas

- ♦ The possibility that clean coal technology will evolve
- ♦ The value of the investment in the current plants and their local economic impact

They go on to say that it's "irresponsible to rule out a significant source of power without examining the ways in which that source can be improved upon."

The paper endorses nuclear power and CANDU technology. Natural gas must be "targeted" to immediate needs of the system, but its price is "volatile," and it is not recommended for baseload generation. Also, they say the Liberals are not doing nearly enough to maximize alternate sources of electricity, such as wind and biomass.

Government has "a role" in promoting conservation, it says, but "Ontarians need to commit" to it. The building of a conservation culture, it says, is best left to "individual initiative." The government's focus on smart meters, it says, is probably wrongly placed. The paper quotes Tom Adams of Energy Probe's view that the province is underestimating the cost of the meters and overestimating the savings.

Strangely, the paper is silent on one of the linchpins of the Harris Tories on electricity—the market. It says nothing about whether the Tories would reinstitute the market they promised in the late 1990s, and implemented—to terrible reviews—in 2002. Indeed, they mention the private sector not at all, though they say the "electricity sector" must be "strong and competitive."

Perhaps this is the reason the paper also ignores the effect of the North American Free Trade Act (NAFTA) on an electricity system in which the participation of the private sector has been encouraged. The Society has argued that increased participation of the private sector will force Ontario to follow NAFTA rules, favouring commercial imperatives over all others, including environmental ones.

The Party is seeking responses from the public to their paper, in the form of answers to eight questions they

pose, including "What should the role be for Ontario Power Generation and Hydro One?"

A copy of the white paper can be easily found on the PC Party web-site.

The World's Electricity

EU electricity liberalization tested: German and Spanish firms in dereg dust-up

(with reports from Reuters, International Herald Tribune, AFX News, Market Watch, the Economist, the European Federation of Public Sector Trade Unions, and others.)

The government of Spain and the European Commission are at loggerheads over German corporation E.on's bid to buy Spain's largest electricity utility.

On February 21st, E.on offered 27 per share for 100 per cent of the Spanish firm, besting an offer from Gas Natural, Spain's private gas utility, by 30 per cent. If the deal goes through, it will make E.on the largest electricity and gas utility in the world, with 50 million customers and more than 100,000 employees. The Dusseldorf-based firm has subsidiaries in much of central Europe, Scandinavia, the U.K., and Kentucky, U.S.

Based in Madrid, Endesa has holdings in the Iberian peninsula, Italy, and Latin America, particularly Chile, where it has more than 11 million customers.

Some analysts say Endesa's businesses in Latin America are particularly attractive for E.on, as there are many fast-growing markets to profit from, whereas Europe's markets are growing more slowly. But Stephen Thomas, of the Public Services International Research Unit in the U.K., doubts that the Latin American business is the real attraction. E.on "wants to sew up Europe, and is pretty close to it."

Photo: Endesa



Endesa's Barcelona complex

Europe's larger markets are also—despite the European Commission's continuing liberalization campaign—jealously guarded by national governments eager to see their own private companies expand into *other* countries' markets as "national champions." Those same governments, however, are not too anxious that their *own* markets fall into foreign hands.

The government of Prime Minister Jose Luis Rodriguez Zapatero quickly let E.on know it was unhappy with their bid for Spanish assets, that it much preferred Gas Natural's offer, and that it would seek legal means to obstruct the deal. Not surprisingly, the European Commission warned Spain they'd better not interfere.

The Board of Endesa is on record as preferring the *size* of the E.on offer (while rejecting it for other reasons); their shareholders would presumably concur. There is a great

deal of speculation by media analysts that Gas Natural will soon sweeten their offer.

In a similar development, the government of France is backing a merger of Suez SA and state-controlled Gaz de France, a merger that would thwart a bid for Suez from Italy's Enel SpA. That merger proposal, and the French intervention, has provoked another international incident. (The move would require Gaz de France to be privatized, which might also cause no small labour strife.)

The E.on-Endesa action comes as a wave of consolidation occurs in Europe, encouraged by the European Commission's efforts to create a single European market and liberalize the industry. Large, cash-rich utilities such as France's Electricité de France and Germany's E.on and RWE have been major beneficiaries, acquiring vast extra-territorial holdings while their home countries protect their own markets for them, and European Commissioners fume that this isn't exactly what they meant.

Critics of European liberalization say they've long seen this coming.

"Big fish eat small fish, that is the reality of the European internal market for electricity and gas. Jobs are lost, prices increase, and investment is not realized," said Jan Willem Goudriaan, Deputy General Secretary of the European Federation of Public Service Unions (EPSU).

Goudriaan said EPSU studies in 1999, and more recently in 2005, predicted that the electricity market in Europe would not function as its proponents claimed.

He criticized EU Competition Commissioner's February 16th announcement that, though prices for gas and electricity had risen, not fallen, and anti-competitive practices ruled the day, liberalization would continue apace. "Instead of ... seeking a way out of the mess," he said, "the Commissioner is like a doctor that prescribes the same medicine in ever higher doses to Europe's society."

The EPSU argues that what the electricity and gas sectors need is not more competition, but cooperation to achieve sustainable development, reliability of supply, social equity, and democratic control of important public services.

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