

News from the Society of Energy Professionals

Settlement reached by Vertex

local Vertex Local members have ratified a settlement reached earlier this month in two-party bargaining.

The Vertex Local bargaining team unanimously recommended the settlement. "We're extremely pleased that we were able to come to a two-party settlement," said Local VP **Tracy Miller**.



Vertex Local Vice President Tracy Miller

photo: David Smiley

The settlement is a three-year agreement, taking effect April 1st, 2008. It provides salary increases of 2.5 per cent per year, effective each April 1st. As well, band salary ranges will be reduced to 80-115 per cent of reference point from 70-125, with all employees below 80 immediately raised to that level on the day the agreement takes effect.

The agreement guarantees no member of the bargaining unit will be adversely affected by contracting out or offshoring of Society work.

The following are also highlights of the settlement:

- ◆ Vision care coverage will be increased to \$450 per person per two-year period on April 1st, 2008; and to \$475 on April 1st, 2009
- ◆ "Family day," a statutory holiday promised by the Liberal Party in the last provincial election will be included as an additional statutory holiday
- ◆ Coverage of osteopaths, reflexologists, and dieticians will be added to "paramedical services"

Vertex has operations in Canada, the U.K., the U.S., and India. Under the agreement, Society-represented employees cannot be forced to take out-of-province assignments, but are covered by the Collective Agreement if they volunteer to do so.

The Vertex Local bargaining team included **Miller**, local member **Peter Mitskos**, Hydro One Local VP **Keith Rattai**, and Society Staff Officer **Jim Bell**.

Board highlights: December 4, 2007

The Society's Executive Board met on Tuesday, December 4th, 2007, in its last meeting of the calendar year. Perhaps the most newsworthy event occurred at the end of the meeting: President (pro tem) **Rod Sheppard** announced he'd be running for President when the election for a permanent one is held (see "Presidential election" below). In addition, the following discussions were held and decisions made:

Recognition: The following contributions and special achievements were recognized by the Board.

- ◆ The bargaining team of the new OEB Local was now trained and met the Employer for their first bargaining session on November 28th. All members of the team and the staff involved were thanked for their efforts.
- ◆ The Bruce Power Local held their annual BeefFest on November 29th. As usual, this unique tradition in Society social life was a resounding success, attracting 180 members of the Local to a holiday dinner, and some speech-making as a bonus. Local VP **Rob Stanley** said the thing was very much a "collective effort," and all involved were thanked for their part.
- ◆ The Board thanked all the staff and delegates involved in the effort to ensure President Sheppard's election to the Board of the Ontario Federation of Labour.

Financial decisions: The following financial decisions were made.

- ◆ The Board will become a co-sponsor of the 2008 Ontario Power Generation health and safety conference, a tripartite conference organized in conjunction with OPG and the Power Workers Union. The Society's sponsorship responsibility will be to pay for the handouts.
- ◆ The Society will send a delegation of up to 12 representatives to the February, 2008 conference of

the Canadian Nuclear Association. Society delegates will promote the use of CANDU and other AECL technology in Ontario and Canada, in preference to those on offer from France and the U.S.

Workplace Investigation: The workplace investigation into conditions in the Society office proceeds. Workplace investigator Geri Sanson expects that the final report will be promulgated in March, 2008. The Executive Board authorized the expenses required for the investigation to proceed.

Presidential election: The Executive Committee presented a plan to the Board for an election to be held for the office of President of the Society. The election was made necessary by [REDACTED]. The one absolute necessity for the carrying out of an election was the appointment of a Chief Returning Officer (CRO); the Board appointed the Bruce Power Local's **Paul Czuczman** to the position.

Under the Society Constitution, the timing of the election is the prerogative of the CRO; however, the Board has made a number of recommendations for the CRO to consider. They are:

- ◆ That the CRO appoint a Deputy Returning Officer (DRO) to assist him
- ◆ That the CRO and DRO "with the assistance of the Constitutional Interpretation Committee, review the Constitution, By-Laws and feedback that has been provided by former CROs ... to determine the timing and path forward ... for the election.
- ◆ That the CRO consider January 9th as the date for the process to begin, i.e. the opening of the nomination period.

If the nomination period is opened on January 9th, then the ballots would likely be counted in mid-March, and the President-elect could take office on April 1st.

Vice President (pro tem): With Executive Vice President Membership Services **Rod Sheppard** serving as President (pro tem), the Executive Committee recommended that



Photo: Troy Patterson, Kincardine News

On November 23rd, the Bruce Power Local presented a cheques for \$5,000 each to the Kincardine Minor Hockey Association and the Kincardine Bulldogs. In the second row, from right, are Bruce Power UD Bob Wells, delegate Faham Hanif, UD Ray Lavallee, Local VP Rob Stanley, UD Shirley Hayes, and President (pro-tem) Rod Sheppard. To left of Sheppard is Kincardine Minor Hockey's Derrick Burrows and Bulldog Treasurer Bev Bryant.

the Board appoint someone to serve in Sheppard's Vice President position. A Board election was held, and **Shirley Hayes** (Bruce Power) was appointed. She will serve until April 1st, 2008. (n.b. She has since resigned for personal reasons.)

External Relations: President (pro tem) **Rod Sheppard** reported on the Society's activities at the 50th anniversary convention of the Ontario Federation of Labour. The most notable Society success at convention was the election of

Sheppard to the position of Vice President representing small affiliates (see NewsFLASH 2007:04).

See also: "Society active at OFL Convention" (below).

Training Committee: President **Rod Sheppard** reported that 18 delegates had successfully completed delegates' grievance training in late November.

Web-site report: The Board heard from Biz-zone Internet Group President Kevin Jackson, who presented a report

on the first five months' traffic to the Society web-site. An average of 2,700 people visit the site per month, or about 90 per day. There was a large spike in usage in late September, when the Society launched a campaign among candidates in the provincial election. That spike produced a residual effect of a permanent, significant rise in regular usage. Site usage compares very favourably to the average corporate site, he said, if a bit below the sites run by other non-profits.

Mr. Jackson expects that the introduction of Local sites, as well as the soon-to-be launched surveying/voting modules, will improve usage significantly.

UNI Communicators' Conference: Society Communications Officer **Brian Robinson** reported on the 2007 communicators' conference of Union Networks International (UNI), held in Singapore in June. UNI brings together about 900 unions, representing 15 million workers worldwide. The UNI communicators' conference examined ways of campaigning and organizing using internet tools, recent developments in the technology, and how trade unions and their methods can grow with them, especially with regard to working with younger workers.

UNI Deputy General Secretary Philip Bowyer addressed the conference, saying he hoped UNI member communicators could help get the message out about three major issues:

- ◆ The "growing threat" of private equity takeovers of publicly traded companies, and the effect that removing them from public accountability has on their workers. (At the time, BCE was under private-equity siege.)
- ◆ UNI continues to pursue "global union agreements" with multinational corporations. He pointed to an agreement with Telefonica of Brazil, which has resulted in the recruitment of 60,000 new workers.
- ◆ UNI was coordinating a global campaign in October in call centres, focusing on the precarious work, minimum wages, and surveillance at work.

Robinson reported some difficulty in keeping up with what UNI was doing on these three issues, a matter he

is pursuing so as to improve Society participation in UNI efforts. While UNI might seem like a distant priority at first blush, he said, the importance of organizations like UNI can clearly be seen now that the Society is confronting the offshoring of members' work. As one of UNI's main missions is the promotion of workers' rights in those very countries that constitute the "offshore" in question, it is in our interest to ensure UNI success.

Society office: holiday schedule

The Principal Officers and staff would like to wish all Society members a happy and safe holiday period. See below ("Operation red nose") for an article detailing one way to stay safe.

The Society office will be closed from noon on December 21st, and will re-open at 8:30 a.m. on January 2nd, 2008.

Society active at OFL Convention

Society participation at this year's convention of the Ontario Federation of Labour was a "great success," says Society President (pro-tem) **Rod Sheppard**.

The Society sponsored 25 delegates to attend Convention, who helped Sheppard get elected to the OFL Board (see NewsFLASH 2007:04).

"We wanted OFL delegates to hear about off-shoring issues," said Sheppard, "so we managed to get to the mics to tell them about the Society locals that are at risk. I think we were heard." He thanked all the Society delegates who helped him prepare, but especially **Elaina De Luca** (Inergi), who has been very active on the issue.

The OFL celebrated its 50th anniversary at Convention, which took place from November 26th to 30th. Delegates debated and adopted policies on the fight for good jobs, public services, and rights. They then passed an "action plan" that calls on all OFL affiliates "to take the debate and discussion on these issues into the workplaces and communities of Ontario."



Society President Rod Sheppard addresses OFL Convention.

On Wednesday, November 28th, the Society sponsored an information session on offshoring, at which around 30 delegates, including representatives from the United Steelworkers; the Communications, Energy, and Paperworkers Union; the Ontario English Catholic Teachers' Association; the Telecommunications Workers Union; the Power Workers' Union; and others. Working in positions that had been outsourced to them, the Steelworkers' jobs were about to be shipped to Manila.

Society President Rod Sheppard and Inergi Local Vice President Elaina De Luca thanked everyone for attending, and expressed the hope that an anti-offshoring network would emerge.

"[We'll] continue to keep each other posted on offshoring issues and strategies for keeping our work in Canada," said De Luca.

Referendum underway: members encouraged to vote

Members are being encouraged to vote in a referendum to approve important changes to the Society's Constitution.

No changes can take effect until members have their say-so, said Society VP Membership Services **Shirley Hayes**. "Please exercise your right to vote on these changes."

Here are some of the important changes the referendum may approve:

- ◆ The incorporation of the new harassment and discrimination policies and procedures approved by Society Council in October
- ◆ Establishing a standing finance committee, as per the Audit Action Plan
- ◆ Setting out that unit directors who are Board members can fill the three positions on the Executive Committee (currently only Local VPs can fill them)
- ◆ Setting a quorum for Society Council meetings
- ◆ Establishing that members in newly organized locals do not pay dues until a collective agreement is ratified for their workplace
- ◆ Changing the makeup of the Society Audit Committee to that recommended in the Audit Action Plan

Balloting packages were mailed to members earlier this week. They contain balloting materials and a package containing the changes approved by Council. Ballots must be returned by January 18th.

There is a strict quorum requirement that 33 per cent of eligible voters must cast ballots, or the referendum will be declared invalid. In the event that quorum is not reached, the changes will be submitted to the next meeting of Society Council.

Many unions allow their Constitutions to be changed by their equivalent of Society Council. Council has considered changing to that way of doing things, but has rejected the idea.

Operation Red Nose gets you home safe

Driving while intoxicated is one of Canada's top social problems. Not only does the carnage result in injuries and deaths to many Canadians every year, but social problems follow in the wake, as family members and other loved ones cope with the aftermath.

To make sure you don't become the centre of one of these problems, you might consider taking advantage of Operation Red Nose during the holidays. Sponsored by the Insurance Bureau of Canada, ORN provides a volunteer driver to get you home—in your own car—when you know you'd better not drive.

In Ontario, there are ORN programs in the areas of Chatham-Kent, Hearst, Kingston, Newmarket-Aurora, North Bay, Quinte, and Sudbury. (Most Toronto revellers can easily take advantage of the transit system.) Programs cover Friday and Saturday nights during December, and New Year's Eve.

There is an ORN program for Toronto's "distillery district" which ran from December 12th to December 15th.

The Operation Red Nose web-site contains more information about the areas covered, and how to register for a ride.

Members with better things to do than drink can volunteer to work for the program.

Recent arbitrations, settlements

Following are synopses of significant recent grievance settlements and arbitration awards:

OPG: In settling the current collective agreement in 2005, the Society and OPG agreed to a clause entitling unit directors to "applicant information [relating] to specified Society represented vacancies, subject to [Personal Information Protection and Electronic Document Act (PIPEDA)] considerations." Shortly after the agreement was signed,

Management took the position that PIPEDA prevented the disclosure of any information about applicants not already represented by the Society, even though all that was being requested was the names of those applicants.

Arbitrator Ken Swan disagreed with that interpretation, ruling that:

... the process of "evaluating applications and making selections" ... includes the reasonable oversight of the Society to ensure compliance with the collective agreement.

As Society-represented employees have certain rights in selection procedures over those outside the bargaining unit, monitoring the correct application of those rights is an important function of the Society. Arbitrator Swan's ruling removes an unfair roadblock to the carrying out of that function.

Society counsel Jeffrey Andrew argued the case in front of Arbitrator Swan, instructed by Society Staff Officer **Joseph Lesperance**.

Bruce Power: As of 2000, the salaries of all employees with 40-hour work weeks were "bumped up" by 2.5 per cent, an amount that is now reflected in the Bruce Power Local's salary schedule 11. In 2006, the Society discovered that, when employees were promoted into schedule 11 positions, they were only receiving a 3 per cent promotion increase, and not the "bump up." The Society filed a policy grievance, asking for all affected employees to be compensated for all lost wages and benefits.

Before Arbitrator Von Veh, Bruce Power management argued that there was no requirement to give employees moving into Schedule 11 a "bump up," as it was already covered in the 3 per cent promotion increase. Arbitrator Von Veh agreed with the Society's submission that the language in the Collective Agreement was unambiguous, and all Schedule 11 employees were to receive the "bump up," irrespective of any other increase(s). He ordered that the grievor be compensated for all lost wages and benefits retroactive to January 1st, 2005, which was the date of commencement of the current collective agreement.

All other individuals affected by the policy, but who did not grieve, will be compensated retroactively to May 5th, 2006—60 days prior to the filing of the grievance.

Society Staff Officer **Mary Donnelly** argued the arbitration before Von Veh, instructed by Bruce Power unit directors **Bob Wells** and **Shirley Hayes**.

OPG: In 2005 a member of the OPG Local was given a flu vaccination on the Employer's premises, and suffered severe adverse consequences to his health, including an extended medical absence from work. In late 2006 the Society grieved that the Employer:

did not adequately inform this employee of the potential health effects and consequences which could be brought on by the administering of the flu shot and, as a result, failed to provide the employee with the necessary resources to provide "informed consent" for the administration of the shot.

The Society asked for full compensation for the individual involved.

Recently Arbitrator Kevin Burkett ruled on a number of objections raised by OPG to his even hearing the grievance. Most important, he considered the Employer's argument that the Society was barred from bringing a grievance under the Collective Agreement, as the Agreement specifies that matters alleging violations of the Occupational Health and Safety Act are required to be referred to Ministry of Labour disputes procedures.

Arbitrator Burkett ruled that, if indeed such a restriction were in effect, it would be null and void, as parties to a Collective Agreement cannot agree to exempt themselves from provisions of the Act. He can hear the grievance, he said, and make a determination of the merits of the Society's case.

The ruling is significant, as it affirms the Society's right to pursue redress on health and safety matters through the grievances and arbitration, which are more robust than those procedures legislated for the Ministry of Labour.

The grievance itself is still in litigation.

Acting for the Society was counsel Veena Verma, instructed by OPG Local VP **Lanny Totton** and Society Staff Officer **André Kolompar**.

OPG: As part of the settlement of the current collective agreement, the Society and the Employer agreed to lower the top of the salary band to 103 per cent, in exchange for replacing the performance pay system with an "automatic step progression pay system." As employees above 103 per cent would not be able to progress any higher, they received a \$2,000 payment in compensation.

When the Society discovered the Employer had decided not to give the payment to employees on long-term disability, the Society grieved.

Arbitrator Susan Stewart ruled that the Collective Agreement was clear and unambiguous, and that the only qualification that had to be met was that the employee be above 103 per cent. She ordered OPG to compensate the employees involved.

The grievance was argued by Society counsel Victoria Réaume, instructed by OPG unit director **Joseph Fierro** and Society Staff Officer **André Kolompar**.

Tankless water heaters not so hot

Widespread use of tankless water heaters would distort the electricity system, and do little to create a "conservation culture," says a Society expert.

"If you put in an electric or gas, instantaneous water heater," says **David Young**, Vice President of the Kinectrics Local, "the networks that supply either one of those energy forms have to be ready to deliver that energy instantly at 6:30 or 7 o'clock in the morning, when everybody gets up and has a shower.

"This puts a very costly burden on any energy network, but especially on an electricity network, because there's no effective way to store electricity until time of use."



David Young, Kinectrics Local VP

Young's view is backed up by Sterling D. Allen and Paul Noel in an article in Pure Energy News (October 21st, 2005):

In Florida, where tankless water heaters have been around for about 20 years, and have become quite popular, the utilities are seeing fourteen times as much energy consumed during peak as during the base load rate. In their case, it is not considered a "peak" but a "spike," that spike having been created by the use of tankless water heaters.

Tankless water heaters are often touted as a way to save energy—since there's no tank, there's no water that has to be kept hot when no one's using it. Therefore, say its proponents, you're not "wasting energy," you're only using it when it's needed.

However, when it's needed, and the heater is being used, a great deal of energy is at play. When a shower is turned on, a tankless water heater must change the temperature of the water as it comes into the house (3 to 10°C during a Canadian winter) instantly by up to 30°, at a rate of around 10 litres per minute. Family-sized units often

require a 240v circuit, and a 150-amp service.

If 10,000 Torontonians were to use electric tankless water heaters (at 12KW for 10 litres per minute, the rating of a Krystal Planet tankless water heater) at 6:30 a.m. to take their showers, it would create an instant addition of 120MW on the Toronto grid—about the output of one-quarter of a Pickering reactor (or 360 windmills). And we hope there're more than 10,000 Torontonians taking morning showers!

By contrast, the hot water in storage tanks is replaced over a much longer period, using up to 90 per cent less electricity at any given time.

"[Tankless water heaters] are totally antithetical to the idea of night-time rates, peak-smoothing, and demand-management. They're demand mismanagement," says Young.

The installation of thousands of tankless water heaters would cause a peak in what is currently considered to be non-peak hours. Coupled with the use of smart meters and time-of-use pricing, this could lead to some shocking bills. "The government will likely respond by deeming morning shower-time as peak use, you'll be paying nine cents a kilowatt hour before you know it, and there goes the advantage of using a tankless water heater. You'll have to shower at three in the morning if you want a break on your electricity."

The best electric storage water heaters are 95 per cent efficient or more, losing less than 3°C in a 24-hour period, due to very effective insulation. Therefore, very little energy can be saved by switching to tankless from electric storage. Offsetting that small saving is the fact that less efficient sources of electricity generation must be called into use during the load spikes that instantaneous electric water heaters cause.

Gas storage water heaters are less efficient, due to the amount of heat escaping through the flue.

The advantages of using stored hot water to spread electricity load over the night-time hours were well-known

before the era of privatization and deregulation, Young says. "In fact, regular storage water heaters are the cheapest way to store energy in a residence. Most municipal utilities used to control it, dampening and spreading the load. Under the new model, they've all abandoned such control, as there's no provision for rate recovery."

And if the government's looking for a "conservation culture," they should look at how tankless water heaters are being sold. Right next to the (greatly exaggerated) "60 per cent savings," you see "an endless supply of water" for an "endless shower." Indeed, one of the drawbacks of standard storage water heaters is they only hold 40-50 gallons of hot water, not nearly enough to fill the recently popular 80-gallon luxury baths. Since tankless water heaters can run constantly, you can fill a swimming pool if you want to.

Many researchers and commentators do not recommend tankless water heaters for northern climates. Water coming into the house in winter is much colder than in the American south, where these devices are quite popular. Larger, more powerful units are required to generate the necessary water flows.

While the price of a tankless water heater can be recouped if the promised energy savings materialize, homeowners need to take into account that they may have to incur significant expenses during and after installation, such as additional electrical circuits, retrofitting of the plumbing, strict venting requirements (for gas units), and servicing costs, as tankless water heaters are more complicated, foul more often, and require more qualified technicians to service them.

In this article, Dr. Young spoke as a Society representative, and not as a representative of Kinectrics, Inc. None of this can be taken in any way to be the viewpoint of Kinectrics.

Congress takes a bite out of NSPS

Members of 36 unions representing employees of the U.S. Department of Defense, including the IFPTE, are celebrat-

ing Congress's restoration of their right to union representation and collective bargaining.

On December 7th, the Senate Armed Services Committee released its Fiscal Year 2008 Department of Defense (DoD) Authorization Conference Report, which is one step in setting the budget for the Department. The language of the National Security Personnel System (NSPS), introduced by the Bush administration in 2003, had been removed, restoring the collective bargaining rights of DoD employees.

IFPTE President Greg Junemann was jubilant.

First and foremost, I would like to thank Chairmen [Ike] Skelton and [Carl] Levin for recognizing that the NSPS we have known for four years has essentially been one failure after another. Because of their collective leadership in crafting this Conference Report, the workers at DoD can finally see the light at the end of the tunnel.

The NSPS was instituted by then-Secretary of Defense Donald Rumsfeld. If fully implemented, it would have wiped out DoD unions' right to negotiate pay increases for their members, substituting a "merit pay" system of non-pensionable "bonuses" over which Department managers were to have unilateral authority. It also would have gutted employee grievance procedures.

The unions involved formed a coalition to fight the new system, and took the Federal Government to court. In 2006, they celebrated a victory, when a U.S. District Court judge outlawed NSPS provisions that relate to collective bargaining, "adverse actions," and labour relations. However, the victory was short-lived, as the U.S. Court of Appeals overturned the lower court's ruling.

The Armed Services Committee's authorization report is a compromise that has, say the unions, bipartisan support in Congress, and so they expect Congress to pass it and Bush to sign it. It guarantees federal white-collar workers 60 per cent of the pay raise given to other federal employees, and apportions the other 40 per cent to the NSPS merit system. The implementation and impact of

that system, however, must be bargained with the unions involved.

Blue collar, or wage-rate workers, have been entirely removed from the NSPS.

Junemann has always maintained that the Bush/Rumsfeld gang's attack on union rights was misguided. The unions involved know the Department has human resources problems that need to be addressed, and are anxious to address them cooperatively.

If the DoD ... leadership would have set aside ideology and instead worked with labor in a good faith way, we might have been able to collectively put together an NSPS that was good for management, the workers, and the taxpayers alike.

The Pentagon retains the right to institute a "performance based" pay system and to continue phasing it in. The NSPS currently applies to around 130,000 non-union DoD employees; another 55,000 are scheduled to be included in the spring.

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