

## News from the Society of Energy Professionals

**Mourning  
the dead,  
protecting  
the living**



**The Bruce Power Local's Ken Martin addresses a crowd of more than 400 employees on the Day of Mourning. At far left is Bruce-Huron MPP Carol Mitchell.**

**C**anada's workplace safety record is not good enough, says Ken Martin, a Bruce Power Local unit director.

"Korea, Mexico, Portugal, and Turkey are the only countries in the developed world that have a worse death rate than ... Canada. This is shocking and is not acceptable," he said.

Martin spoke at a Bruce Power observance of the National Day of Mourning for Workers Killed and Injured on the Job, April 28th, in the atrium of Bruce Power's new headquarters building. He addressed an audience of between 400 and 500 Bruce Power employees. Another notable speaker was area high school student Chrissy Dobbyn, who won a \$500

competition sponsored by the Grey-Bruce Labour Council for her speech.

Family members of S. Zoethout, who died while an employee on the site in 1962, and Bill Jonker, 1974, attended as honoured guests. After speeches, those in attendance were piped to the front of the building (Bruce MacLean on bagpipes), where Bruce Power has installed a memorial cairn and plaque to honour the workplace dead. A wreath was placed at the foot of the stone, and Diane Eaton, a member of the local clergy, led an invocation.

"The Province of Ontario has averaged one death per day for many years," Martin said. "That means that every day one family, loved ones, and a group of friends lose a member.... This cannot go on."

Bruce Power's flags were flown at half mast for the occasion.

As usual, Ontario Power Generation conducted Day of Mourning ceremonies all over Ontario. A particularly interesting example may well be the ceremony at the Thunder Bay GS, which has operated for ten years without a lost-time accident. Pierre Charlebois, OPG EVP and Chief Operating Officer, flew in from Toronto to address the workers there. Fossil Unit Director **Tony Kokus**, a Nanticoke employee, ably represented the Society.

Other ceremonies featured the following Society representatives:

- ◆ 700 University Avenue, Toronto: Society President Rod Sheppard
- ◆ Niagara Falls: **Dennis Minello**, Acting Membership EVP

- ◆ Nanticoke GS: **Lanny Totton**, Society OPG Local VP
- ◆ Pickering NGS: **Victor Chetcuti**, Nuclear Unit Director
- ◆ Lennox GS: **Dave Romanowicz**, Corporate Functions Unit Director
- ◆ 889 Brock Road, Pickering: **Deo Somaru**, Nuclear Unit Director
- ◆ Darlington NGS: **Michael Lohse**, Nuclear Unit Director

Hydro One conducted three official corporate ceremonies: one at the Ontario Grid Control Centre (OGCC) in Barrie, one at corporate headquarters in Toronto, and one at Richview TS, in Malton. Unit Director **Michelle Byck Johnston** spoke on behalf of the Society at HQ and Richview, and Local members **Shawn Symon** and **David Lochhead** spoke at the OGCC, Lochhead reading a poem, “I chose to look the other way” (see sidebar).

Among other things, Society representatives highlighted health and safety issues that were not purely physical injuries or ailments, saying:

*In the past, we have placed a lot of focus on physical injuries which can have fatal consequences; however as we become more aware, I believe that we need to concentrate upon the mental and emotional wellness of our co-workers. We need to concentrate on the factors in our work environment which affect the psychological, mental, and emotional well being of our colleagues. All too often there is a failure to recognize the immense impact upon the well-being of workers by such issues as bullying, poisoned work environments, harassment, and discrimination.*

Many other ceremonies, moments of silence, etc., too numerous to mention, were held at worksites around Ontario. At the ones he attended, Canadian Labour Congress President Ken Georgetti asked why the number of Canadian workers killed per year keeps growing.

*Five years ago, we mourned for 928. In 2006, we lost 976 sisters and brothers to workplace tragedy. Already we [hear] that the numbers grew even higher*

## I CHOSE TO LOOK THE OTHER WAY

**I could have saved a life that day,  
But I chose to look the other way.  
It wasn't that I didn't care,  
I had the time, and I was there.**

**But I didn't want to seem a fool,  
Or argue over a safety rule.  
I know he's done the job before,  
If I spoke up, he might get sore.**

**The chances didn't seem that bad,  
I'd done the same, He knew I had.  
So I shook my head and walked on by,  
He knew the risks as well as I.**

**He took the chance, I closed an eye,  
And with that act, I let him die.  
I could have saved a life that day,  
But I chose to look the other way.**

**Now every time I see his wife,  
I'll know, I should have saved his life.  
That guilt is something I must bear,  
But it isn't something you need share.**

**If you see a risk that others take,  
That puts their health or life at stake.  
The question asked, or thing you say,  
Could help them live another day.**

**If you see a risk and walk away,  
Then hope you never have to say,  
I could have saved a life that day,  
But I chose, to look the other way.**

**Don Merrell**

**(This poem was read by David Lochhead at the OGCC Day of Mourning ceremony—see left)**



**The flags flew at half-mast at Bruce Power on the Day of Mourning.**

*last year, with Alberta—the country's job engine—reporting a 24 per cent jump in workplace deaths over a single year.*

*Can you believe it! Canada – the country that in 1984 marked the first Day of Mourning, which is now observed around the world. Ceremonies like the one we are at today are taking place on every continent and in dozens of countries where the goal is to reduce the rate of workplace death and injury.*

In his speech at Bruce Power, Ken Martin touched on one of the necessary solutions. He noted that the Day of Mourning is only one day out of 365: "Today we mourn for the dead and the injured but from this point onward we need to fight for the living and their right to a safe workplace."

Society President **Rod Sheppard** expressed his thanks and appreciation to all Society representatives who participated and members who attended the Day of Mourning ceremonies.

## Board Highlights, Budget and April

The Executive Board met on Wednesday, March 19<sup>th</sup>, and Tuesday, April 1<sup>st</sup>, in meetings devoted exclusively to setting a budget for Fiscal Year (FY) 2008-9. On Wednesday, April 2<sup>nd</sup>, the Board met to deal with the regular monthly business.

Recognition: the following were recognized for significant contributions to the Society:

- ◆ Executive VP Finance **Bill Jones**, Senior Financial Officer **Joan Florence**, and the Executive Board as a whole for their work in producing and finalizing the budget (see below)
- ◆ **Danny Quan** and **Bev Wong**, of the Pensioners' Chapter; Danny for his work on the Chapter web-site and Constitution, and Bev for getting the Chapter's finances in order
- ◆ President (pro-tem) **Rod Sheppard**, for stepping up last October when leadership was needed; in turn, Sheppard recognized the Board for their cooperation, commitment, and support

**Budget:** The Executive Board approved a balanced operating budget for FY 2008-9. Indeed, a small surplus of \$20-30,000 is expected by the end of the year. Budget planning was made more complicated by the loss of a local, the recent departure of two Society staff officers, and current staff officers being on leave.

Upon the budget's being approved, EVP Finance **Bill Jones** expressed his satisfaction. "We've got a balanced budget, passed in a timely manner, the first time in some years," he said. "It's a tight one, though, and we all have to take responsibility for expenditures and staff overtime."

Early in the process, the Board approved a motion requiring themselves to:

- ◆ Fund all operating expenses out of operating revenues (dues, interest, and direct payments from employers)
- ◆ Ensure that the operating budget was balanced

The following projects and other exigencies will be funded as special expenditures:

- ◆ The Board Training project (as mandated by the Audit Action Plan approved by Society Council in April, 2007) — Training Fund
- ◆ Anti-offshoring campaign(s) — Special Events Fund
- ◆ Promotion of nuclear power — Special Events Fund
- ◆ Development of defined contribution pension plan benchmarks — Special Events Fund
- ◆ Work environment investigation, final payments, development of staff job documents and human rights policies — Special Events Fund
- ◆ Boardroom renovation (to reduce cost of Board meetings) — Special Events Fund
- ◆ Installation of blackberry system (should one be approved to enhance current cell-phone allowances) — Special Events Fund
- ◆ Pension education project — Special Events Fund
- ◆ Donations and promotions — Special Events Fund
- ◆ Conference attendance — Special Events Fund
- ◆ Expenses around first-contract negotiations (OEB Local) — Collective Agreement Renewal Fund

Staffing levels will be slightly reduced over the FY, with two staff on leave, and new hires probably not in place before June.

**Canadian Labour Congress:** The Society will send up to 15 delegates to the CLC convention, taking place in Toronto May 26<sup>th</sup> to 30<sup>th</sup>.

**Executive Committee:** Three Local Vice Presidents were nominated to serve one-year terms on the Executive Committee at the March 4th Board meeting—**Tracy Miller** (Vertex), **Keith Rattai** (Hydro One), and **Rob Stanley** (Bruce Power). No further nominations were received, and so the Board affirmed that the three were acclaimed to their positions.

**External Relations:** In his capacity as a Vice President of the Ontario Federation of Labour (OFL), President (pro-tem) **Rod Sheppard** is working with the OFL's committee on loss of manufacturing jobs, a natural forum to address the Society's concerns about offshoring.

## Inergi Local fights for important anti-offshoring right

A major irritant in the battle over Capgemini's plans to offshore hundreds of Society-represented positions has been dealt with in the Society's favour—for the time being.

"Our over-arching goal is that these jobs stay right here," said Society President **Rod Sheppard**. "In the meantime, we're going to make sure Capgemini lives up to every last commitment they've made to our people."

Since Cap's February 7<sup>th</sup> announcement that they will offshore Society jobs to Poland and India (see **NewsFLASH 2007:05**), the Employer had refused to inform the Society of which employees were affected by the announcement. Cap took the position that no employee was "affected" until their job had actually been moved overseas.

Not right, said the Society. It's grossly unfair to the employees involved to leave them hanging like this.

The Inergi Local negotiated offshoring protection into their collective agreement in 2006. Under the "Contracting Out/Right-shoring protection" clauses, affected employees are entitled to:

- ◆ ongoing employment within Inergi without loss of base salary, benefits, and/or other contractual entitlements

- ◆ reasonable and appropriate training to enable them to undertake new roles
- ◆ preference over all other Society represented employees for vacancies at their existing level
- ◆ with the agreement of the Society, meaningful project work until such time as they are (permanently) redeployed

“Employees in such stressful situations need to be able to exercise these rights right away,” said Local VP **Elaina De Luca**. “Why wait till their work is in India to make arrangements for them?”

The Society and Inergi settled the matter on March 17<sup>th</sup>, the day the Society’s grievance was to be heard by Arbitrator William Kaplan. It was agreed that:

- ◆ The Society would be advised of the names of the employees who will be affected once they are known
- ◆ Inergi will then discuss with the Society the placement of employees who will be affected
- ◆ Any bargaining-unit vacancies effective March 17<sup>th</sup> and subsequently will be held until all employees who are or will be affected have been considered for them

The dispute between the technical meaning of “affected employee” was not resolved; rather, the parties put in place a process for dealing with the current situation that satisfied both sides.

## Hydro One to appeal partial pension wind-up ruling

Hydro One will appeal a recent court decision ordering a partial wind-up of the pension plan.

In April the Divisional Court of Ontario upheld a decision of the Financial Services Tribunal that ordered a partial wind-up. That decision overturned a decision of the Financial Services Commission of Ontario (FSCO) not to do so. The FSCO is the body that regulates pension plans in

Ontario, ensuring compliance with the *Pension Benefits Act* and associated regulations.

The case arises out of a Hydro One reorganization in 2002, an instance of then-new CEO Tom Parkinson “cleaning house” after he took over from Eleanor Clitheroe, who had been fired by the McGuinty government. In all, 73 upper management employees lost their jobs, and around 50 Society employees accepted early retirement.

The managers involved applied to FSCO for a partial wind-up, seeking:

- ◆ Immediate vesting in the plan
- ◆ Certain transfer rights
- ◆ The right to distribution of any surplus
- ◆ The right to “grow-in” to unreduced pension benefits

(The PBA provides that workers whose age and years of employment total 55 at the date of wind-up can “grow-in” to unreduced retirement benefits if their plan provides for enhanced early retirement. Without contributing any further to the plan, they can receive unreduced benefits at the time they would have qualified for them had they not been terminated—for example, when they would have met the “rule of 82” in Hydro One. See “Your Pension Rights: a guide for members of registered pension plans in Ontario.”)

In rendering its decision, the question the Divisional Court considered was whether the 73 individuals constituted a “significant number” of plan members. (The PBA allows for a “partial wind-up” if a “significant number” of employees lose employment in a reorganization.) In earlier decisions in similar matters, the Courts have based their decisions on:

- ◆ Whether the “absolute number” of employees terminated was significant, or
- ◆ Whether the ratio of members terminated to members remaining was significant, with previous rulings centring around a 12 to 13 per cent cut-off

In the Hydro One case, the Court chose to follow a 2001 decision of the Financial Services Tribunal, which ruled that

the number of employees terminated might be significant if it made up a significant proportion of a sub-group of a plan. So, while 73 was not a “significant” proportion of the total number of members of the plan, it was a significant proportion of the **managers** in the plan (73 of 379). Therefore, the Court ordered a partial wind-up.

The Society has participated as an intervenor in the legal proceedings involved in this case, supporting Hydro One’s contention that there should be no partial wind-up.

It is believed that this case will lead to “considerable uncertainty” as to when a partial wind-up is required under a reorganization. The decision makes it very hard to predict, for example, what is an appropriate “sub-group” of employees.

### Citizens’ group forms to stump for Bruce new-build

A citizens’ group has formed and begun to make noise in the Bruce area, touting Bruce Power as the “best site” and the “first choice” for Ontario’s new nuclear generators.

“We know the province is considering a few different locations and will make a decision by the end of this year, so the time is now to make our voices heard,” said Dave Trumble, Co-chair of the Citizens for Bruce C, President of the Grey-Bruce Labour Council, and PWU Chief Steward.

At a media conference on Monday, April 28<sup>th</sup>, Trumble was joined by Doug Mullaly, President of the Bruce Power Pensioners’ Association; Doug Storrey, a Kincardine business owner; Larry Alderdice, PWU sector representative; Carol Mitchell, Huron-Bruce MPP; Milt McIvor, Bruce County warden; Larry Kraemer, mayor of Kincardine; Charlie Bagnato, mayor of Brockton; Bruce Power President and CEO Duncan Hawthorne; and Society Bruce Power Local VP **Rob Stanley**.

“For over 50 years our communities have been host for one of the most successful nuclear facilities in the world,” said Mullaly. “This success can be attributed to the sup-

port of generations of citizens who’ve stood by the Bruce site in good times and bad. Community support is without question one of the greatest attributes of the Bruce site.”

The Citizens for Bruce C campaign has distributed “mail-back cards” to newspapers and businesses throughout Bruce County, and is asking those who support Bruce Power expansion to fill them out and mail them in. Mullaly said the responses will demonstrate to Queen’s Park how welcoming the area is to Bruce new-build.

“On behalf of the Bruce Power Local of the Society of Energy Professionals, I’m pleased to be here today committed not only to lend support, but to participate fully in the Citizens for Bruce C initiative,” said Stanley. “It makes good economic and social sense to expand the nuclear program right here within this very supportive community.”

To assist the newly formed Community Citizen’s Group, he presented the co-chairs a cheque for \$3000, donated from the Bruce Power Local’s Community Fund.



**Bruce Power Local VP Rob Stanley addresses the media in Tiverton on Monday, April 28<sup>th</sup>.**

"I am behind this project one hundred per cent," said Mitchell, "and I will do everything I can do within my scope of responsibilities to move this project forward." (Mitchell is Parliamentary Assistant to the Minister of Municipal Affairs and Housing.)

Hawthorne said he'd been searching for the right metaphor for the support he felt from the community, and had settled on the Bette Midler song, "Wind beneath my wings."

More information can be found on their web-site: <http://www.citizensforbrucec.com>.

Mr. Stanley spoke on behalf of the Bruce Power Local, and not the Society as a whole.

## Travers acclaimed IESO Local VP

**Scott Travers**, a senior market developer at the Independent Electricity System Operator, has been acclaimed that Local's Vice President.



**IESO Local VP Scott Travers**

Travers took over in March as Acting Local VP from former VP **Alan McMurtrie** to accommodate Alan's retirement plans. A call for nominations produced no challengers.

The IESO Local has begun to prepare for bargaining, which will likely commence in the Fall of 2009. In the meantime, says Travers, "We're going to try to get more in touch with our members."

As part of that effort, he says, the Local will be conducting a series of membership meetings. "We've got a lot of newer, younger employees who've been hired in the last little while," he said, "and we need to make sure we're listening to them." The meetings will serve several purposes, he said:

- ◆ Introducing members to their delegates
- ◆ Introducing members to their collective agreement, and
- ◆ Making sure the communication is flowing

"I'm pleased that Scott will continue to be a huge contributor to the Society," said Society President **Rod Sheppard**. "As someone who's immersed in markets, he brings an distinctive perspective on our issues to the Board."

McMurtrie served as IESO Local VP for nearly two years, and Travers lauded his many accomplishments for the IESO local, including:

- ◆ His successful push for a settlement of a commuted-value issue for the IESO pension plan
- ◆ Heading the negotiations for a renewal collective agreement
- ◆ Championing the push for publication of a full collective agreement, incorporating past settlements
- ◆ His successful pursuit of a number of health and dental issues on behalf of Society members at the Local

Travers's term as IESO Local VP will extend until 2010.

## CEA touts “integrated” North America electricity markets

North American electricity markets need to be further integrated to reduce trade “constraints,” says the Canadian Electricity Association (CEA).

Canadian Ambassador to the United States Michael Wilson and the CEA co-hosted a reception and dinner on April 7<sup>th</sup> for “key” U.S. electricity policy makers at the Embassy of Canada in Washington, D.C. According to the Embassy’s web-site:

*In their remarks, Canadian Minister of Natural Resources the Honourable Gary Lunn and U.S. Secretary of Energy the Honourable Samuel W. Bodman both underlined the highly integrated nature of the Canada-US energy and electricity relationships. They stressed the need to continue the dialogue between the countries as each moves to develop new en-*



**Canadian Electricity Association President Hans Konow is pictured here in 2004 signing an agreement on the protection of fish habitats.**

*ergy and environmental policies to address climate change.*

CEA President Hans Konow has been in Washington recently, touting the CEA’s latest publication, “Providing reliable energy in a time of constraints: A North American concern.” The paper argues for “bi-national cooperation” in removing “restraints” to trade in electricity, most notably transmission constraints. These constraints, the paper argues, keep Canadian utilities from selling more electricity to the U.S., and vice versa.

The CEA report advocates for bi-national cooperation in five areas to address “energy security”:

- ◆ increasing generation supply
- ◆ enhancing the cross-border transmission grid
- ◆ avoiding barriers to cross-border electricity trade
- ◆ promoting demand-side measures and energy efficiency
- ◆ coordinating strategies to address concerns about greenhouse gases

The CEA is composed of Canadian utilities and corporations that provide electricity goods and services, such as manufacturing and consulting.

While allowing that “General guidance from governmental authorities in addressing issues of concern regarding certain standards can be useful,” the report cautions against actions of local regulatory authorities to address parochial concerns that would serve to undermine bi-national market goals.

What the CEA overlooks, but its documentation, charts, and maps show clearly, is that the North American electricity market **isn’t** very integrated, with cross-border trade accounting for a very small proportion of electricity activity, especially from the U.S. to Canada. In fact, Canadian electricity infrastructure has grown up to meet local (provincial) needs, and the cross-border connections largely address reliability concerns, not the needs of retail traders.

There’s the rub, says former Society President John Wilson. In a communiqué, he says the report neglects to mention:



*...that a single market would reduce U.S.-Canadian electricity price differences by decreasing higher U.S. prices and increasing lower Canadian ones. This would happen because Canadians would be forced to compete against energy-hungry Americans to buy their own Canadian produced electricity, much as they currently compete with Americans to buy Canadian oil and natural gas... It is disappointing but not surprising that the Canadian electricity industry is lobbying for unrestricted sales to the U.S., as this will drive up both company profits and executive compensation.*

Wilson says this is no small matter when Ontario's preparing to spend billions on much-needed new electricity infrastructure: "Who are we doing it for—Ontarians or Americans?"

As is the norm in discussions of Canadian electricity markets, there is no mention of the not insignificant matter of the North American Free Trade Agreement and the role it will play if Ontario expands its "buy-in" to North American electricity markets. As the Society pointed out in 2004, in a paper commissioned from well-known international trade lawyer Barry Appleton, further trade integration united with free-trade agreements will remove the right of Ontarians to control their electricity supplies, distribution, and prices.

### The World's Electricity

## New Zealand electricity network not "strategic"

*(With reports from Associated Press, BBC, Toronto Star, New Zealand Herald, Radio New Zealand, Dominion Post, and the Public Services International Research Unit in the U.K.)*

New Zealand electricity distributor Vector Limited is selling its infrastructure assets in Wellington to Cheung Kong Infrastructure Holdings (CKI).

The prospective sale has set off some alarm bells in the country. Former Wellington regional councillor Dick Werry, for example, says it's inevitable that consumers will face price increases as the CKI looks to recoup the cost of its investment.

CKI is part of the Cheung Kong empire of China, controlled by Chinese gazillionaire Li Ka-shing. It owns extensive assets in Hong Kong, mainland China, Britain, Canada, the Philippines, and Australia. It'll be paying NZ\$785m for Vector's Wellington assets, which have a book value of NZ\$464m, and profits after interest and taxes of around NZ\$50m per year.

Vector is currently 75 per cent owned by the Auckland Energy Consumer Trust, with an elected Board of Directors. The other 25 per cent is traded on the New Zealand Exchange. A majority of shareholders must vote in favour of the sale, which seems a foregone conclusion, as the Trust has already announced it will vote in favour.

Earlier this year the government strengthened the criteria under which ministers can reject overseas investment applications on the basis of national interest. The rule covers all "strategically important infrastructure on sensitive land." Earlier this month, under this regulation, the government blocked the sale of the Auckland airport to, among others, the Canada Pension Plan Investment Board.

Finance Minister Michael Cullen, whose approval is needed for the sale, assured CKI and the public that Wellington's electricity infrastructure is not as "strategic" as Auckland's airport. He says the airport is the country's biggest single connection with the rest of the world, and the situation is not the same with the power network.

Representatives of the New Zealand First party, which often votes with the Labour Party/Progressive Party coalition that forms the government, not voting against the government on matters of confidence, begged to differ. (Eight political parties hold seats in New Zealand's legislature.) The party's economic development spokesperson, Doug Woolerton, says shareholders should vote against the sale in the interests of Wellington and the whole country. New



**Auckland, sunrise, February, 1998**

Zealand First will write to the relevant ministers asking them to stop the sale, he says.

Electricity distribution is regulated in New Zealand, but some observers say that the Chinese government has been known in the past to apply diplomatic strongarming in favour of its nationals operating in other countries.

In 1998 the city of Auckland suffered through one of the worst blackouts in history, when four transmission cables supplying 40 per cent of the city's electricity failed, cutting off power to a 120 block square area. Power was out for **seven weeks** while Vector (then called Mercury Energy) strung a new line into the city.

The blackout affected more than 8,500 businesses employing almost 74,000 people, and some 6,230 apartment dwellers. City centre businesses estimated their collective losses at NZ\$60m a week, not including long-term losses in tourism or international investment and trade.

Critics said the blackout was caused by Vector's cutting back on maintenance and technical staff as it pursued takeovers of other utilities as New Zealand's electricity industry was increasingly "liberalized." Vector said the power failure was just "freakish bad luck." The official government inquiry into the incident found that it had been "preventable," blaming "the distributor's failure to maintain crucial cables, influenced by the wish to achieve commercial targets for its (public sector) owners."

Under almost any definition, it was a strategic disaster. Most sensible observers consider a country's electrical infrastructure to be a very important strategic asset.

Meanwhile, managing director H.L. Kam said CKI would be interested in buying more New Zealand infrastructure. "We have ... found New Zealand to be an attractive place for investment due to its political stability, legal system, and efficient business environment," he said.

Vector Limited (NZX: VCT) provides electricity distribution, natural gas transmission and distribution, and electricity and gas metering. It is also a wholesaler of LPG and natural gas.

(NZ\$1 = Cdn\$0.79)

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