

MARCH 2019

POWERWORKS

 PWU NEWSLETTER



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PRESIDENT'S MESSAGE

Dear Members,

My December message mentioned some of our collective achievements and challenges going forward. Now, I would like to share with you what your Executive sees coming at our Union over the next several years, and how we intend to address them with your support.

Workers, especially those in a Union, are under the gun on a number of fronts. Deregulation, privatization, automation and information technology represent both threats and opportunities for our membership. Together, these forces are fundamentally changing the way people will be employed and how they will work in the future. As well, electricity, once considered a "common good" and necessity, is becoming a "service-based" commodity. In the future, consumers will pay for how much electricity they use, as well as value-added attributes, like resiliency, for the way they want to use it. Electricity bills will look more like cell-phone packages. Consumers – residential, commercial, institutional and industrial – can now be prosumers; generating and selling power back into the grid. So, what does this all mean to people working in Ontario's electricity sector and, in particular, the Power Workers' Union?

PROTECTING LABOUR RIGHTS

Over the last several years, we've experienced political pressure directed at reducing the fundamental rights of workers. Some private sector players perceive labour as their most uncontrollable cost, especially when Unions are involved. While reducing red tape can help lower costs, it should not erode the hard fought-for wages, benefits, and workplace safety achievements, won to date by the labour movement.



By **Mel Hyatt**
President
The Power Workers' Union

Over the last several years, we've experienced political pressure directed at reducing the fundamental rights of workers.



Today, some key Ontario electricity stakeholders want more private sector participation. They believe this will lower costs for both consumers and the government. However, this encourages the creation of businesses that are not subject to transparent regulatory oversight, like the publicly-owned Ontario Power Generation receives.



Partnering and contracting out to lower wage/benefit service companies are part of this trend. Big multi-national companies like Amazon, GM and Shell are now investing in new automation, IT and distributed energy resources that can be configured into microgrids. They see the opportunity to interface with electricity consumers and secure part of the solid revenue streams. As Ontario's electricity system transitions, existing generating and transmission assets can be stranded. Additionally, as more consumers leave for new microgrid platforms, there are fewer customers to support our bulk system.

Your Union remains committed to proactively participating in the regulatory forums where these decisions are being made. Further, we remain committed to ensuring that your Union has solid financial governance, adequate staff support and expertise, staff development and training that keeps pace with these changes and, of course, 'best-in-class' bargaining.

SECURING NEW NUCLEAR BUILD

Recently, there's been a lot of buzz about small modular reactors (SMRs). These new reactors can range in size from under a megawatt up to 300+ MWs. Some of the larger units can be configured into multiple unit generating plants as needed. The smaller ones can be placed in remote locations and operated without any local worker presence. Some of the SMR technologies can load, follow and produce hydrogen while reducing greenhouse gas (GHG) emissions. However, it's clear that cost reductions — both capital and operational — are a primary driver. And fewer people are needed to construct the "modular units" as they will be built in a manufacturing facility and transported to site. Most importantly, fewer people are needed to operate and maintain them.

Currently, there is a flurry of SMR-related activity underway at Canadian Nuclear Laboratories (CNL) in Chalk River. SMR vendors are actively working with CNL to build licensed demonstration projects either at Chalk River or at Pinawa, Manitoba. The goal is to have a demonstration SMR up and running by 2026. However, it is worth noting that it will take additional time to commercialize these technologies. Some key questions will be where will they be manufactured, and what impact this will have on Ontario's established nuclear supply chain.

A better move forward for Ontario would be to build one or two Enhanced CANDU 6® (EC6®) reactors at Darlington, then the proposed OPG SMR project. By 2024, Ontario will face a 5000 MW low cost, low-carbon electricity shortfall. Filling this gap with imported U.S shale gas-fueled generation exposes Ontario consumers to unnecessary electricity price volatility and erodes the province's GHG emission reductions achieved to date. Now is the time to pursue new building projects that not only help Ontario's well-established nuclear industry grow, but that also takes advantage of the licensed site at Darlington.

DISTRIBUTED ENERGY RESOURCES

Ontario's most recent 2017 Long-Term Energy Plan, indicates more intermittent wind and solar generation with storage batteries configured into distributed energy resources (DER) and microgrids help meet future demand. Natural gas generation for meeting peak electricity demands would continue its current backup role and until the supply gap appears in 2024. Some of Ontario's electricity needs will be met by producers and customers competing in a "regional" wholesale capacity market.



What's not clear is how the costs and benefits will be defined and shared among consumers and shareholders. Nor is it clear how stranded assets will be paid for as Ontario's bulk electricity system is "balkanized" and reconfigured by the new players. Equally troublesome is how the toxic wastes from millions of solar panels, thousands of wind turbines and unknown numbers of batteries, will be managed and paid for. Again, the PWU remains committed to providing fact-based analyses and regulatory submissions to the policy decision-makers, which we do on a regular basis. We believe that the best decisions should be transparent to all and clearly reflect the costs and benefits to consumers and taxpayers.

THUNDER BAY AND ATIKOKAN GENERATING STATIONS — A PART OF NORTHWEST ONTARIO'S BIO-ECONOMY

As you know, Ontario Power Generation is proceeding with the closure of the Thunder Bay Generating Station (GS). As well, the power contract for the 200 MW Atikokan Station expires in 2024. Over the last decade, about \$200 million (M) dollars has been invested in support of the region's biomass cluster. These investments underpin about 230 jobs in local, First Nations and Metis communities across the northwest.

Going forward, Ontario's (IESO) has decided these plants can be replaced by an East-West tie line being built by a Florida-based company, liquid natural gas and power from southern Ontario.

The Power Workers' Union, and others in the region, believe that the wasted heat should be used in a better way that builds on the region's bio-economy. Atikokan GS should be considered for the same kinds of investment going forward. We are working diligently with other stakeholders to develop analyses and business models that support the continued operation of both stations.

SUSTAINING INVESTMENTS IN ONTARIO'S BULK ELECTRICITY SYSTEM

While planning Ontario's electricity system has always been challenging, today it is even more so. The IESO now drives two processes—Integrated Regional Resource Planning (IRRP) and a Bulk Electricity System (BES). The regional planning process has divided the province into 21 electricity regions based on electrical infrastructure boundaries. The process is intended to reflect each region's unique needs, conservation first and generation, transmission and innovative resources (e.g. DER). The IESO works closely with the local electricity distributors, local transmitter and



local stakeholders, including municipalities, Indigenous communities, individuals and businesses. Regional planning is a "continual process with plans developed for a 20-year outlook with a five-year minimum evaluation period." The bulk electricity system planning process is currently under development. We are monitoring these planning processes and interjecting our perspectives as the opportunities present themselves. The PWU is also seeking membership on the key decision-making/influencing bodies that are responsible for implementing these processes.

PREPARING FOR CLIMATE CHANGE

The scientific community consensus about the reality of climate change is clear. Changes in global temperatures are profoundly affecting precipitation patterns, wind regimes and the frequency of extreme weather events. In turn, we are seeing impacts on electricity production and delivery. Most importantly, these changes are impacting the way we work day-to-day and in emergency situations. We need to know how these climate changes and new integrated energy innovations like DER will affect Ontario's electricity system overall; e.g. costs, our employers, and worker safety. It is critical that we know our membership is properly trained and equipped to respond to these changes. As a result, the PWU is working to better understand climate change impacts and prepare ourselves for the challenges that lie ahead.

Your Executive is consistently monitoring and keeping abreast of these technological changes in the industry that affect all members across Sectors. Never before have we been on the cusp of so many technological changes and a clear call-out to free enterprise to aggressively take part in the equation that could change various parts of the industry and have a long-term impact on our workforce. We can continue to influence decision-makers to develop better energy policy if we work together. This is a time to regroup and move together towards the achievement of our goals: the protection of our workforce, safeguarding public interest and the grid as it stands. Unity in these endeavours will be needed in the years to come. Our Union has the means to fight but the support of our elected officials and membership is crucial, so we can continue punching above our weight.

In Solidarity,

Mel Hyatt

President

The Power Workers' Union

A photograph of two women in a laboratory or technical environment. The woman on the left has blonde hair and is wearing a black shirt with a blue lanyard. The woman on the right has dark hair, wears glasses, and a black jacket with a crest on the sleeve. They are both looking towards the left side of the frame. In the background, there are racks of electronic equipment with various lights and components.

RECENT NEWS

SECTOR UPDATES

SECTOR 1

A PWU delegation comprised of Chief Stewards, Staff and the President attended the Canadian Nuclear Conference (CNC) February 27th.

Here are some highlights of the conference centered around New Nuclear and SMR's:

- The industry promotes Nuclear as the main solution to climate change.
- In 2020 the first Darlington Refurbished unit will go on-line, on-budget. We need to be looking forward at this point for solutions to climate change. As stated by Companies like Ontario Power Generation, "We need to focus on Nuclear New Build as well as the innovation of Small Modular Reactors".
- Carbon emissions trajectory continues to rise. The two hurdles for Nuclear Energy are cost and confidence. The promotion of SMR technologies are based on the concept of a cost reduction curve through repeatedly building the same product and the technology of SMR's being around for 50 years (though no prototype is currently on the market.) The industry still advocates that Nuclear energy does not get the attention it deserves.

AN OVERVIEW OF THE CURRENT POLITICAL CLIMATE

- Healthcare and education remain the biggest issues amongst electorate for the government.
- Financial security and economic management concerns continue to rise as people worry about interest rates, affordability of life and a worsening economy; electricity is not immune from this.
- Demonstrating responsible fiscal stewardship will be critical, particularly in the context of the upcoming provincial Budget.
- The carbon tax fight is an important part of addressing this situation and the government strongly sees it as a win for the electorate.
- The debate is not around climate change or the merits of carbon pricing, it is about capitalizing on a growing feeling of economic vulnerability.
- Electricity and energy-related issues continue to fall in terms of critical importance for the public.
- Delivering action on energy (electricity) reform will likely be incremental.

The Government's mandate was to reduce electricity costs, but it isn't clear that the changes that have been done (eg. Hydro One) have manifested on to people's bills.



Sector 1 Updates (continued)

WHAT'S HAPPENING IN ENERGY

- Shifting policy and political climate in Ontario – government's desire to move quickly on very specific commitments ('promise-made, promise-kept'); more time needed to define pathways in various policy-specific areas.
- Election commitments included: Fix up the 'mess' at Hydro One, cancel pre-NTP renewable energy contracts, repeal the Green Energy Act and give authority back to local communities, end the Cap and Trade program, give RPP (Regulated Price Plan) customers an incremental 12% reduction on bills.
- The government in the Fall Economic Statement also pledged to stabilize industrial hydro rates through a package of aggressive reforms and find new cost efficiencies at the distribution level.
- IESO begins update to long-term supply-demand forecast to finalize Ontario Planning Outlook (OPO) by end of Q3. Continued transition could lead to institutional change within the IESO and OEB.
- Ontario Energy Board (OEB) reform is expected to take place incrementally, with some changes coming before the budget and others flowing into Q3-Q4.

In 2022, 2 units are shutting down, creating a predicted shortfall of 1500 MW by 2023. Presentations included the 2024 shut down of 2 more units.

SHIFTING IMPERATIVES – 4 PRIORITIES DRIVING THIS GOVERNMENT:

1. Affordability – should be paying less in the future, not more;
2. Reliability;
3. Cost Effectiveness – what are the drivers of the cost?
4. Community Acceptance – local communities felt they were taken out of the decision-making process when decisions were made on Wind power.

The current "Made in Ontario Environment Plan" is focused on storage and distribution, but there is little talk about how Nuclear can contribute to the future.



Sector 1 Updates (continued)

OPPORTUNITIES AND CHALLENGES

- "Nuclear power continues to be a great investment for the people of Ontario, providing a clean, reliable and low-cost source of electricity", Energy Minister Greg Rickford, January 2019.
- The Ford government has continued to express strong support and commitment to the Nuclear industry, including Pickering Life Extension, Refurbishment, Nuclear medicine and SMRs/AMRs (Advanced Modular Reactors).
- Considerable policy and planning has been focused on the distribution level, as well as upcoming capacity deficiencies in the 2020's.
- Positioning Nuclear's value proposition for Ontario in the context of energy policy and planning renewal will be an important opportunity and challenge.

The International Energy Agency (IEA) is preparing a special report on the role of nuclear power in a clean energy system. Jeff Lyash's speech focused on Canada being the cleanest energy grids in the world emitting only 1.63% of greenhouse gases (GHG) worldwide. In Ontario, Nuclear power provides electricity @ 7.7 cents per kWh, second only to hydroelectric @6.2 cents per kWh, solar being the highest @51.5 cents per kWh.

The key hurdle in nuclear projects is currently financing. Traditionally, nuclear projects were financed, developed and operated by goSince The key hurdle in Nuclear projects is currently financing. Traditionally, Nuclear projects were financed, developed and operated by governments. Since Nuclear plants can be very costly with a long payback time, the financial risks cannot be absorbed by only one developer. It is therefore crucial that government support is obtained for new or refurb projects. Without a strong and consistent government policy in favor of Nuclear power, projects will not get built.

For example, Horizon Nuclear led by former Bruce Power CEO Duncan Hawthorn, which is a subsidiary of Hitachi, just pulled out of a 20-billion-dollar project and is going to take a 2-billion-dollar loss. It is suspending plans because of a failure to find investors in the project. The government was only willing to take a 30% stake in the project, citing taxpayer value had to be maintained. For those of us that have known Mr. Hawthorn personally, there is no stronger advocate for Nuclear. This gives us an idea of the challenge ahead.



SECTOR UPDATES

SECTOR 3

Below are Sector 3 utility updates, upcoming bargaining sessions, and mergers.

ALECTRA

After 17 months of bargaining (beginning in October 2017), a tentative agreement was reached on March 2nd, 2019. A ratification meeting is scheduled for mid-to-late April 2019.

ALGOMA POWER

Agreement expires December 31st, 2019 and bargaining has been scheduled for November 4th – 8th, 2019.

ENTEGRUS

Bargaining was originally scheduled for December 2018 but was cancelled pending a April 18th, 2019 hearing at the OLRB, to determine which Union represents the members going into bargaining. The PWU filed an application requesting that a vote be conducted between the parties, which currently sits at 7 PWU members and 66+ IBEW members. There will be meetings held for members in March 2019, in St Thomas.

ERTH POWER AND ERTH HOLDINGS

Met with the company to exchange agendas and first proposals on December 3rd, 2018. Bargaining has been scheduled for March 25th – 29th and April 29th – May 1st.

HYDRO ONE CSO

Agreement expires September 30th, 2019. A call for Bargaining submissions has been sent out and we are looking at scheduling dates in August 2019.

INERGI LP

Met for conciliation on February 13th, 2019, and have requested that the MOL file for a No Board Report. We have scheduled additional dates for mediation bargaining from April 15th – 17th.

KENORA HYDRO (NOW NAMED SYNERGY NORTH)

Synergy North reached an agreement in December 2018, attaining a 100% ratification vote. There will potentially be a representation vote between the PWU and the IBEW if there is intermingling amongst the crews.



Sector 3 Updates (continued)

NEWMARKET-TAY MIDLAND MERGER AND NEW COLLECTIVE AGREEMENT RATIFIED

A Representation vote between the PWU and IBEW was conducted on November 1st, 2018. PWU attained 37 of the votes, while IBEW attained 0. Bargaining was set for January 28th, 2019, and on February 1st, we reached an agreement on a 3-year deal. A ratification vote was held with 81% in favor.

TILLSONBURG HYDRO

A new Collective Agreement was ratified with 100% acceptance on January 14th, 2019.

WHITBY/VERIDIAN MERGER

The Whitby agreement will be expiring on June 30th, 2019. Due to the merger, a campaign is underway for the possible representation vote between the PWU and the IBEW.

UPCOMING BARGAINING

Grimsby Power April 2019

InnPower April 2019

Westario April/May 2019

ACQUISITIONS/MERGERS

- Kenora Hydro / Thunder Bay Hydro SYNERGY NORTH (ongoing)
- Entegrus (Chatham/St Thomas and Strathroy) at the OLRB April 18th, 2019
- Whitby / Veridian (Now ELEXICON) started meeting with members from the IBEW and PWU, waiting for OLRB hearings to determine area meetings and vote process



HYDRO ONE CUSTOMER SERVICE OPERATIONS (CALL CENTER HISTORY)

On March 1st, the Power Workers' Union celebrated Hydro One Call Centers being brought back after 17 years of being contracted out. Below is a timeline detailing the history of these call centers.

To see the videos made to mark this anniversary, visit our [Facebook page](#).

1996 Hydro One management made the decision to set up two Customer Service Operation (CSO) Call Centers, one located in London and one in Markham. The decision to have these two locations was that in case of emergency, either location could be the back-up for the other.



1997 The CSO Call Centers opened and approximately 250 Account Representatives across the province were displaced from their residential headquarters and work headquarters. The Account Representatives had the choice of relocating to either the London or Markham location. These Representatives are now Customer Care Team Agents and Customer Care Team Coaches, and were moved from approximately 15 locations across the province where they worked and lived. They came from areas such as Barrie, Peterborough, Newmarket, Fenelon Falls, Perth, Dundas, Simcoe, Timmins, Sudbury and Thunder Bay. This led to many people having their lives terribly disrupted as they were forced to relocate their family and home. Many people had to move away from areas where they had grown up, where they had their support groups, family and friends, and had to adjust to living in an area that was very different from their hometown.

2002 Hydro One made the decision to outsource the work performed in the Call Centers (Hydro One customers) as well as the employees to CapGemini (Inergi). The employees were transferred with the collective agreement, pension and benefits in tact with successor rights.

Hydro One Customer Service Operations (Call Center History) (continued)



2003 CapGemini (Inergi) outsourced the work performed in the Call Centers to a third party – Vertex Canada.

2014 In December, Inergi CSO (CapGemini) was the successful bidder and Vertex lost the contract. Inergi CSO was awarded a three-year contract, with the possibility of two one-year extensions.

2015 Hydro One decided to Request for Proposal (RFP) the work performed in the two Call Centers. In 1996, Hydro One had said it was a sale of business. The PWU filed a policy grievance against Hydro One stating that in 1996 it could not have been a sale of business as you can't tender out work that supposedly you had sold. The PWU were successful in this grievance. Hydro One had to inform all the potential bidders that they had to enter into a Memorandum of Agreement with the PWU ensuring that all the people, the collective agreement, pension and benefits would be transferred over to the successful bidder. Once again, we maintained successor rights. When the bidders were informed of this, many of them dropped out of the bid, as they had been planning on off-shoring their work to non-unionized workplaces.

2015 The employees, with their collective agreement, had successor rights and moved to Inergi CSO on March 1st, 2015.

2017 In July, Hydro One made the decision to repatriate the work and employees back to Hydro One, with successor rights and their collective agreement. Proper notice was given to Inergi CSO.

In August, the PWU entered into Collective Bargaining with Hydro One and obtained a successful Memorandum of Agreement, which came into effect March 1st, 2018.

2018 On March 1st, the employees with their Collective Agreement and successor rights, become employees of Hydro One CSO. For many of the employees they were back working for the company that they had worked for in the beginning. Some of the employee's length of service took them back to Ontario Hydro.

OPTIMISM CHARGES US

Optimism creates potential in everything we do. We think creatively and innovatively to turn challenges into opportunities.

STAND FOR PEOPLE

We foster an open, collaborative work environment. We work to build relationships internally and externally based on trust and mutual respect. We believe in equality for all people and view diversity as a source of our strength.

WIN AS ONE

Winning is about doing well while also doing good. It means working together as one company to deliver strong results for our customers, communities, employees and shareholders.

EMPOWERED TO ACT

We recognize our power to improve people's lives. We are ready to act in any situation. We capitalize on opportunities. We make the impossible, possible.

THE JOB CLASSIFICATION DEPARTMENT

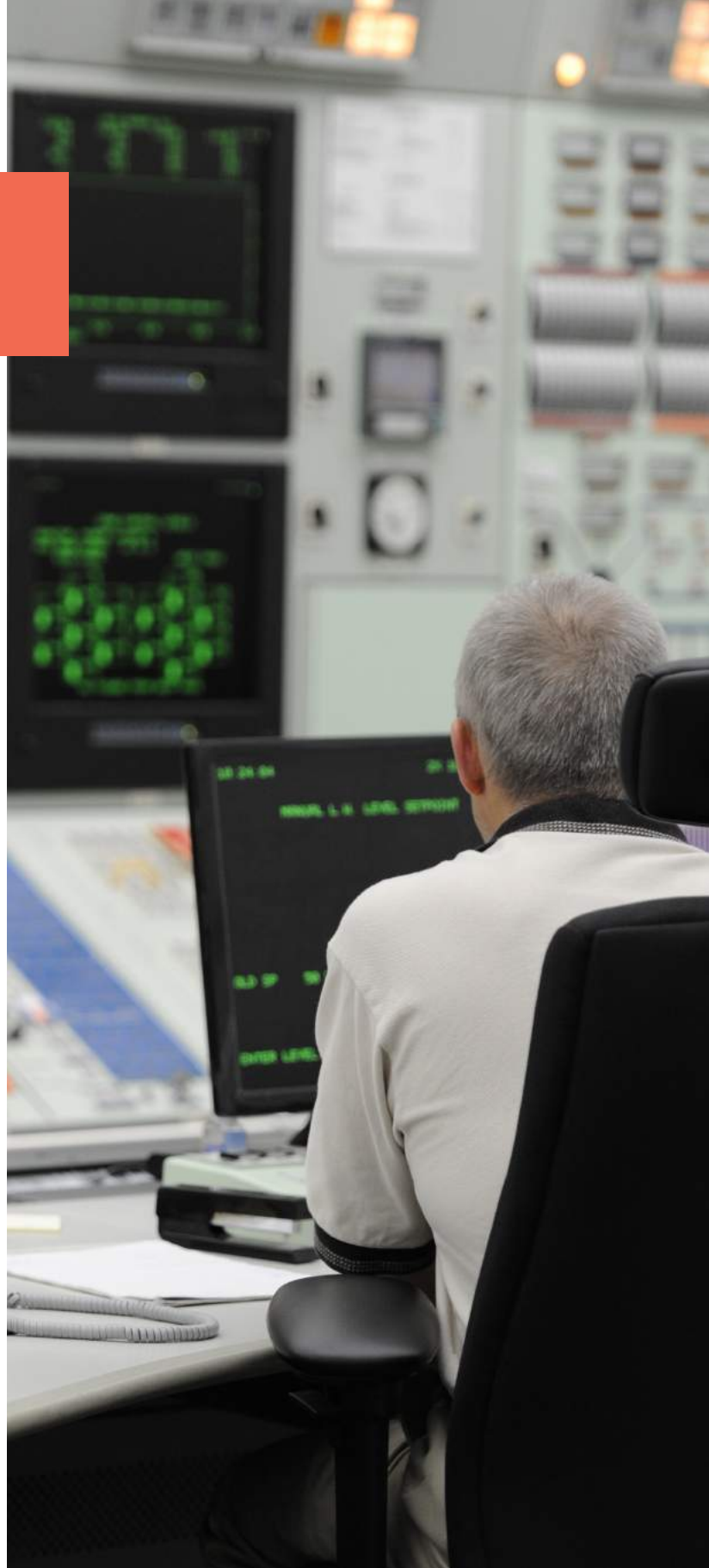
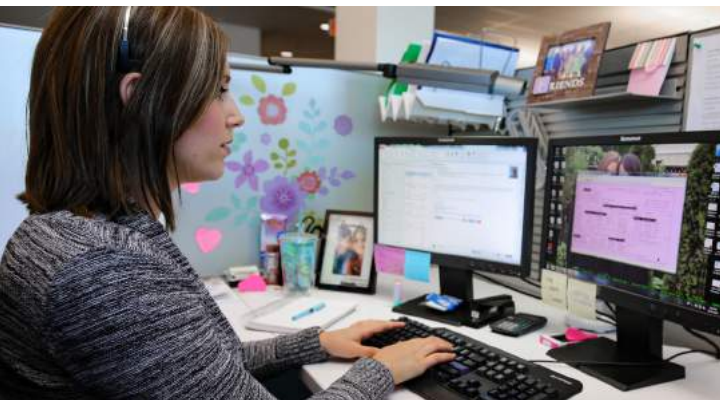
The Job Classification Department provides support to our membership through the Chief/Principal Stewards for all things related to job descriptions, job evaluation and Pay Equity.

The Staff Officer of Job Classification is a resource regarding the language in the PWU collective agreements and legislation that relates to job descriptions, job evaluation and Pay Equity. Support is provided by:

1. Addressing member's questions and concerns through the Chief/Principal Stewards and providing assistance with navigating their specific collective agreement;
2. Attending meetings with the Chief/Principal Stewards, members and employers; and
3. Leading and/or participating in all joint union/management committees that relate to job descriptions, job evaluation and Pay Equity.

In Solidarity,

Pam Rafeiro
PWU Staff Officer



THE IMPORTANCE OF REPORTING WORKPLACE INJURIES

Recently, the PWU WSIB office has been seeing a trend of employers trying to suppress WSIB injuries. It's important to understand that if you are injured while in the course of employment, you must report this to the employer and seek medical attention immediately.

Delays in reporting injuries to the employer, or delays in seeking medical attention, can result in a denial of WSIB benefits to members who have been injured at work.

The WSIB requires evidence that there has been an accident and that the medical diagnosis is consistent with the disablement history.

To establish proof of accident, the Case Manager will consider the following:

- **Was an accident reported?**
- **Are there any witnesses?**
- **Are there discrepancies between the date of accident and the date the worker stopped working?**
- **Was there a delay in the onset of symptoms or in seeking health care attention?**

We cannot stress strongly enough the importance of reporting your injury properly.

If you are injured while in the course of employment, protect yourself by reporting your injury immediately and seeking medical attention immediately.

These actions will assist in establishing proof of the accident and greatly reduce the possibility of your WSIB claim being denied.

**In Solidarity,
Andrew Kolar
Karen Pitsadiotis**

*Staff Officers PWU
WSIB Department*



WOMEN'S MARCH

January 19th, 2019

A delegation of the PWU took part in Toronto's Women's March on January 19th. We walked the streets of Toronto on a snowy and stormy day, and here are some of the reasons why:

- It is the symbol of equality, opportunity, safety and dignity for women around the world.
- These events take place annually and draw in diverse women and allies.
- Because sexual violence is on the rise.
- Because it's time to send a strong message to lawmakers worldwide.

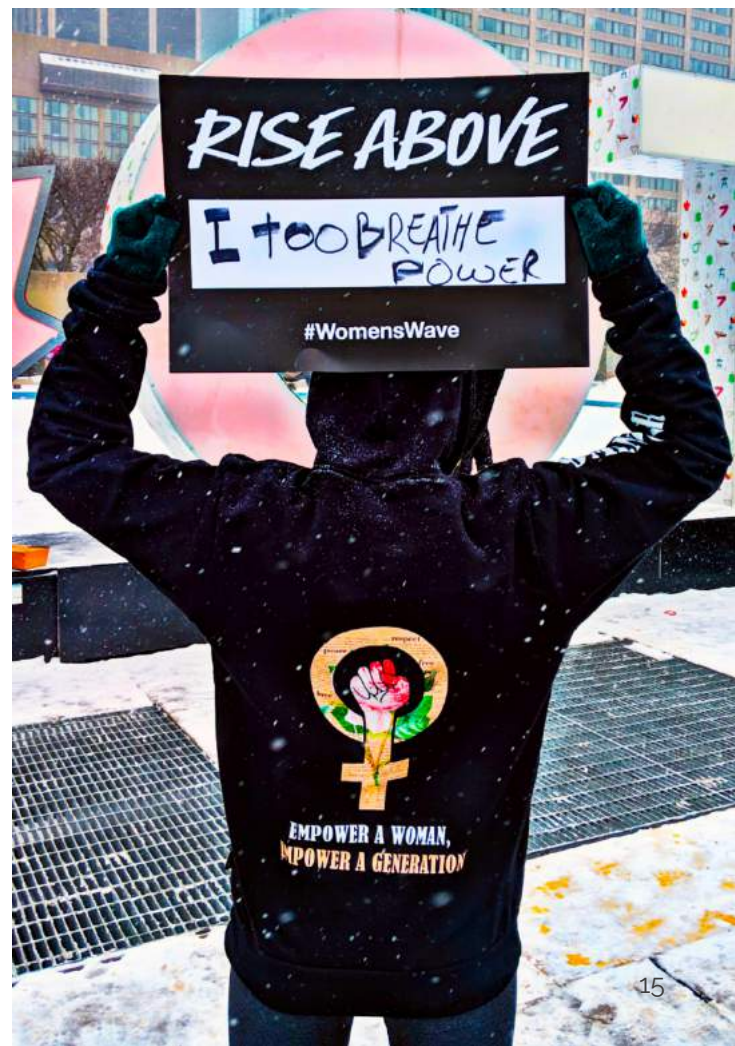
When women are born, their gender defines them long before nationality does in terms of access to opportunities, equal pay for equal work, and systemic discrimination that may not be highly visible and recognizable at first glance.



RECENT NEWS

The March is also known to attract many scholars as well. It is a sign to lawmakers, policy makers and politicians that we can still take the street to support each other, whether it is to support climate change policies, oppose legislation or simply take a stand for one another. Marching is still the only act of true democracy: when you participate, you add yourself to a growing number of people visible via mass media that in turn equates to palpable potential voters. If our political system wasn't as flawed as it is, marches wouldn't be necessary.

This was our first marching event, and we would like to thank all those who joined. Members will receive a formal invitation in December 2019 to join the 2020 March. We are looking forward to seeing even more members march for a great cause!





PWU
EVENTS |

PWU EVENTS

UPCOMING EVENT - A DAY WITH THE MAPLE LEAFS ALUMNI: MISSISSAUGA

March 30th, 2019

Our largest 'A Day with the Maple Leafs Alumni' event is coming up! Come out with your friends and family for a day of fun.

DATE: Saturday, March 30, 2019

TIME: 10 am - 3 pm

VENUE: Iceland Mississauga

Activities will include a free skate, Meet n' Greet with Toronto Maple Leafs Alumni **Jeff O'Neill** and **Curtis Joseph**, on-ice hockey instruction for kids from the Toronto Maple Leafs hockey clinic team, prize giveaways, and much more!

A complimentary lunch will be provided for all attendees.

Keep an eye on our social media for event announcements!

Register today at pwu.ca/events



Jeff O'Neill



Curtis Joseph

