

SEPTEMBER 2019

POWER WORKS

 PWU NEWSLETTER



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PRESIDENT'S MESSAGE |

Over the summer months, when recovering from surgery, I had a lot of time to reflect on what we need to do as a labour union to keep protecting our members' rights and preserve our gains while pursuing improvements to ensure our union's continuous strength. The world is changing rapidly with the emergence of new technology, and we must evolve with it. A strong union is one that is equally able to celebrate its long-standing success, but also, recognize where it must improve to keep striving. These guiding principles are at the core of all that we do at the PWU.



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



For many, this past Labour Day weekend marked the end of summer – vacations are done, and it's the last big break before school starts. It's a day that should be more widely acknowledged for what it really is. Labour Day is when we should all celebrate our workers' rights. It is the brothers and sisters of yesterday's and today's labour organizations that helped pull up the bootstraps of all workers. Solidarity is a collective sharing of interests – fairness, equality, and a solid standard of living being the glue.

According to Investopedia, a labour union represents the collective interest of workers and negotiates wages, hours, benefits, and other working conditions with employers.

I believe that ensuring "safe workplaces" is an aspect that should be highlighted in their definition. Another worth noting is summer vacation, a negotiated benefit we all enjoy.

So, as a proud member of a progressive Canadian labour union, don't hesitate to remind your friends and family of what Labour Day is all about. It never hurts to remind us all of the benefits we share and enjoy thanks to organized labour.

FILLING ONTARIO'S CLEAN ENERGY GAP

During the next decade, the province's underway electricity/energy policy reforms will fundamentally change the way Ontarians consume and pay for electricity. They will also significantly impact how the province's electricity system is operated and future costs. Ontario's Independent Electricity System Operator (IESO) and large local distribution companies (LDCs), in partnership with distributed renewable energy resources (DERs), IT and Artificial Intelligence (AI) companies, as well as "prosumers — producer/seller/consumer," are driving the transition.

According to the IESO, one of its Market Renewal Program (MRP) goals is to find ways to operate the grid cost-effectively as it evolves. In 2004, Ontario's electricity system was characterized by predictable demand, centralized generation, passive consumers, growing demand and clearly defined peaks. By 2017, the IESO notes increasing demand uncertainty due to a changing supply mix. The latter is characterized by a diverse supply mix, empowered consumers and a flatter demand with lower peaks, but more demand spikes. In the future, the IESO predicts that volatile demand will increase, requiring more flexibility. This will be characterized by large volumes of renewables, distributed energy resources (DERs), "prosumers — producers/sellers/consumers," and larger swings in demand, driven by weather conditions or DERs.

The IESO notes that the traditional procurement of resources by technology type for meeting forecast needs secure reliability, but at a higher cost. By comparison, the IESO believes the MRP will enable resources to compete to procure multiple products and services, and deliver reliability at the lowest cost. The IESO states this will achieve significant system benefits in the energy market, approaching a billion dollars over ten years. The estimated \$170 million MRP is expected to be up and running in March 2023.

This fall, the fight for workers' rights will continue on several fronts: changing municipal, provincial and federal government policies impacting labour rights, energy and the environment; a possible recession; more extreme weather events; and Ontario's plan for meeting the province's pending electricity supply gap, to mention a few. I'll discuss the last challenge in more detail in the following section.

Your Executive continues to work hard on all these fronts to protect and grow your rights, working conditions and benefits. Your Chief Stewards are always at the forefront of workplace issues and also contribute continuously to the betterment of our workplaces as the union's frontline representatives. With our membership's support, we form a collective strength that is widely recognized in our sector.



However, one key element of the MRP, the IESO's proposed Incremental Capacity Auction (ICA), is not proceeding as planned. According to the IESO, the ICA was expected to contribute the largest portion of the anticipated \$3.4 billion savings the MRP could deliver over a 10-year timeframe. The IESO Stakeholder comments, including those from the PWU, raised significant issues about the ICA proposal. At present, it is not clear how the IESO intends to replace the ICA as its primary procurement mechanism. Either way – via an ICA mechanism or by default – Ontario will likely be increasing its dependence on natural gas-fired generation.



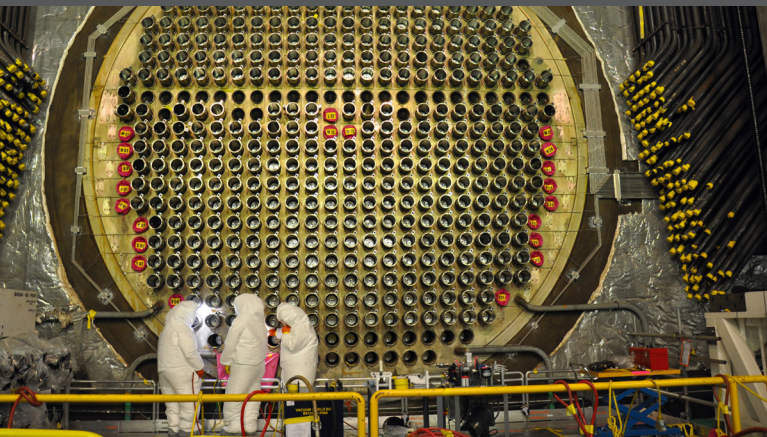
This is not the only policy initiative causing ongoing turmoil for Ontario's electricity system. Others include: the IESO 2019 Planning Outlook (20-year), the Integrated Regional Resource Planning process, a review of the Ontario Energy Board (OEB) and ongoing regulatory changes at the OEB. All involve concurrent consultations with stakeholders. Ontario is pursuing "a competitive market or bust" approach that follows the U.S. experience over the last decade. Some industry pundits suggest it has been a bust.

Experience tells me the devil is in the details and that it will take consumers some time to figure out exactly what electricity will cost in the future. And our decision-makers would benefit from paying more attention to the significant risks that lie ahead. The IESO's Planning Outlook provides some critical examples.

The IESO estimates a future supply shortage of over 4,000 megawatts (MW), which begins to emerge in 2022 as the Pickering Nuclear Generating Station units go offline and other nuclear reactors are being refurbished. To fill this gap, Ontario's plan will increase reliance on carbon-emitting, natural gas-fired generation; more import-dependent domestic production to replace nuclear; support DERs; and new capacity purchases from a natural gas-fired dominated regional market. Within the next ten years, small modular reactors (SMRs), if commercially viable, could start replacing some of this natural gas generation, assuming long-term gas commitments are not renewed.



This approach exposes Ontario consumers and taxpayers to unnecessary and unmitigated risks. Currently, Ontario imports over 99 percent of its natural gas with 70 percent coming from U.S. shale gas resources. This means billions of dollars flow out of Ontario every year to pay for this non-renewable, carbon-emitting fuel. Prices are set by supply and demand, and are subject to price volatility — just look at prices ten years ago. Presently, natural gas prices are low given the current surplus supply situation. At the same time, demand for natural gas is increasing as U.S. generators switch from coal to natural gas and consumers respond to extreme weather events — hot and cold. And if Ontario needs more capacity from a capacity-constrained, U.S. natural gas generator dominated regional market, prices can be expected to rise.



That brings us to another risk — increased carbon emissions at a time when international organizations and scientists are expressing dire concerns about the accelerating impacts of climate change on the world. Relying on natural gas-fired generation to meet the pending supply gap and support more DERs will significantly erode the emission reductions already achieved by Ontario. It also raises the specter of hundreds of millions of dollars in tax leakage from Ontario.

And as previously noted, the regulatory framework for DERs continues to evolve, and with that, a better understanding of the costs and benefits — a bit like putting the cart before the horse.

The PWU has consistently asked for transparent, cost/benefit-based decision-making to ensure consumers and taxpayers know the real costs and benefits. We also think it's time to get serious about Ontario's long-term energy security. Building a new CANDU EC6 reactor and more combined-heat power plants — fueled by the province's vast forest and farm-resourced, carbon-neutral biomass — could help meet this emerging supply gap. It also ensures long-term energy security for Ontario — a competitive economic advantage from reliable, low-carbon, 24/7 energy; tens of thousands of Ontario jobs; and another cost-effective way for electrification of our economy. Now is not the time for following the lemmings, it's time to focus on sustaining and expanding Ontario's inherent energy advantages.

These are some of the complex issues your union has been tackling in our face-to-face meetings with senior decision-makers and officials, and in our submissions to government and regulatory agencies.

Mel Hyatt
President



RECENT NEWS

THE NEXT FINANCIAL CRISIS: 'WE SHOULD HAVE SEEN IT COMING'

BY CAMPBELL STRATEGIES

Economists wonder what will trigger the next big financial crisis. Like aging generals who plan for the last war, regulators are well prepared for the last meltdown. But they are also haunted by the question: "How will this one be different?"

This one will be different because it won't look like a financial crisis - at least not as it begins.

When a financial crisis is upon us, we invariably slap our foreheads and say: "Of course, we should have seen that coming." The next one is staring us in the face. Not only should we have seen it coming, some will say that we had it coming. This time, it won't start with an asset meltdown or a run on the banks. No, it will be precipitated by a major climate event. Twin anxieties that keep some of us awake, climate change and a financial meltdown, may turn out - in fact - to be one and the same thing, and soon.

Leading climate activist Sir David Attenborough has been blunt: "Nature is our capital" and we are burning through it. The capital lost in the next "big one" will not just be financial assets. Nature, we will find looking back, was something we should have thought about as capital before we eroded it. The run on that asset has been going on for too long, and like every cycle, it will end.

At the IMF/World Bank meetings in Washington recently, I attended a panel discussion organized by the Toronto Centre for Global Leadership in Financial Supervision, where the financial risks related to climate change was front and centre. The discussion was sobering. A financial crisis caused by a climate crisis doesn't just wipe out financial assets, but physical ones, and it can cause permanent disruption in economic activity. Rostin Behnam, a member of the US Commodities Futures Trading Commission, flagged the same risk in an interview with The New York Times: the financial risks from climate change are comparable to those posed by the mortgage meltdown that triggered the 2008 financial crisis.

The Next Financial Crisis: 'We Should Have Seen It Coming' (continued)

History has shown that devastating climate events lead to permanent societal change. In the 1840s, a devastating hurricane wiped out the Cuban coffee industry permanently. Today, a drier, hotter climate in Central America is destroying agriculture and causing migration. The destruction of reefs destroys sea-life and the livelihood of fisherman and coastal communities forever. In the Caribbean, smaller islands devastated by successive hurricanes may never recover from the loss of life, tourist infrastructure and arable land. This is not just a problem in long-suffering places like Haiti. New Orleans has been transformed by a hollowing-out of population caused in great measure by Hurricane Katrina. Puerto Rico has seen decades of growth wiped out and may never even get back to what was already a struggling economy.

There has been one obvious nexus between climate disaster and the health of financial assets. Insurance companies have failed, needed to be bailed out or taken over by healthier institutions when overwhelmed with claims related to a widespread climate events. Insurers are taking steps to protect themselves, broadening exclusions, offering water-related coverage (at a price) and refusing to insure properties in flood zones (what took them so long?).

What has been unexpected is the recent climate change bankruptcies of power companies. \$30 billion in wildfire claims wiped out California's PG&E last year. Puerto Rico's power authority, PREPA, had a near-similar fate after last year's hurricane there. One might have anticipated a collapse in the insurance industry, not the collapse of a power company. Stable revenues of utilities usually make them a good investment bet - less so in a changing climate. And what about the need and capacity for governments to step in when there is a natural disaster and citizens are caught without insurance, inadequate insurance or failing insurance? National disaster relief funds are becoming dangerously depleted.



The Next Financial Crisis: 'We Should Have Seen It Coming' (continued)

This spring, Canada and three provinces - Ontario, Quebec and New Brunswick - are having to foot the bill for major flooding. The Prairies have been spared, but if a hot, dry summer brings fires in the West, it will be a quadruple whammy for government. The ability of most governments to provide significant additional financial support, in the face of major and possibly multiple disasters, is limited by fiscal constraints (historically high debt levels) and monetary constraints (an addiction to low interest rates).

We are seeing governments saying out loud that they can no longer just step in and provide financial relief; this leaves people in place and remaining exposed to the next big one.

Governments have committed billions to shore up infrastructure in the face of anticipated climate impacts, but the bill is high. The International Finance Corporation (World Bank Group) did research on what it would cost if countries did what they have committed to do (let alone, what they should do) to mitigate climate effects. The cost: US \$23 trillion.

Some still scoff at climate change, the cause of it or the pace of it. Some take comfort from the fact that this is happening somewhere else or to others. They might pause to consider the financial consequence to themselves of doing nothing, because those impacts will be felt well beyond the flood zone. The poet mused: "Some say the world will end in fire. Some say in ice." Who knew that was an economic prediction?



ONE OF OUR PWU MEMBERS MAKES THE NEWS: LINEMAN ERIC HUTTERER WINS GUINNESS WORLD RECORDS TITLE FOR LONGEST BARBED WIRE CRAWL

BY KATY SAVAGE

Eric Hutterer, 25, won a title in the Guinness World Records after he crawled under barbed wire for 12 hours, completing the distance of 26.2 miles.

"It was an amazing experience," said Hutterer.

He was one of the 12 people who finished the Death Race in Pittsfield, which started on July 11th and continued for 60 hours.



"I've always wanted to challenge myself and take on the hardest races," said Hutterer. "I thought, 'You know what, okay, if it comes back up, I want to do it 100 percent.'"

Hutterer has competed in more than 100 races. He's competed in tough mudders, day races, overnight races and Spartan races. He has run 5km races and 50km races.

This was his first Death Race.

"To do this race was just a different ball game," he said.

Unlike other races, Death Race competitors never know what's coming next. This year, competitors swam in cold water - "The coldest water you could possibly think of," Hutterer said. They hiked up a mountain at night and pulled 50,000 feet of rope. They carried 55-pound sandbags for the length of a marathon. They cut down trees in the woods and completed 3,000 burpees.

"It's constantly testing your body to the breaking point," Hutterer said.

Hutterer likes the challenge, though. Testing his body made him learn more about himself.

"It made me realize I'm stubborn," he said.

It also made him realize how much he loves the sport.

"Through the whole adversity and downness, I was still cheery and happy," he said. "I was smiling through the whole thing. People thought it was absolutely insane."

One of Our PWU Members Makes the News: (continued)

Hutterer works as a lineman for a power company in Canada - a physical job that requires him to climb up 70-foot poles at times. He wakes up at 4 am to drive 2 hours to work. He works for 10 hours and then goes to a military base camp after work to train with a friend, who happens to be a soldier.

Twelve Death Race competitors finished the challenge in Pittsfield. The course started July 11. Those who finished stayed awake for 60 hours, testing their bodies through a series of obstacles.

Hutterer prepared for the Death Race by doing crossfit workouts, staying awake all night and anything he could think of.

"Every workout had to be completely different -- it could never be the same thing," he said.

Nothing could have prepared him for his experience in the Death Race, however.

About 8 people competed in the Death Race. The finishers included: Euan Campbell, Rachel Lotz, Roland Tortola, E. Ryan Robeson, Chris Rice, Amy Palmiero-Winters, Richard Gyslain, Athena Ojeda, Yvette Ahern, Matthew Moortgat and Alex Devine.

"You basically build a brotherhood," said Hutterer. "You're all going through so much together."

Devine, one of Hutterer's friends, is also from Canada

"It was nice when it was finally over," Devine said. "It was very painful."

Devine was proud of Hutterer's record.

"He gave it absolutely his all," Devine said. "He didn't give up and put everything on the line."

Hutterer has already registered for next year's Death Race.

"My mindset is always, 'If I know I'm going to do it, I'm going to finish it,'" he said. "It really shows the character of who you are. If you like getting beat up and tortured, it's not bad."



COMMENTS ON ETNO REPORT

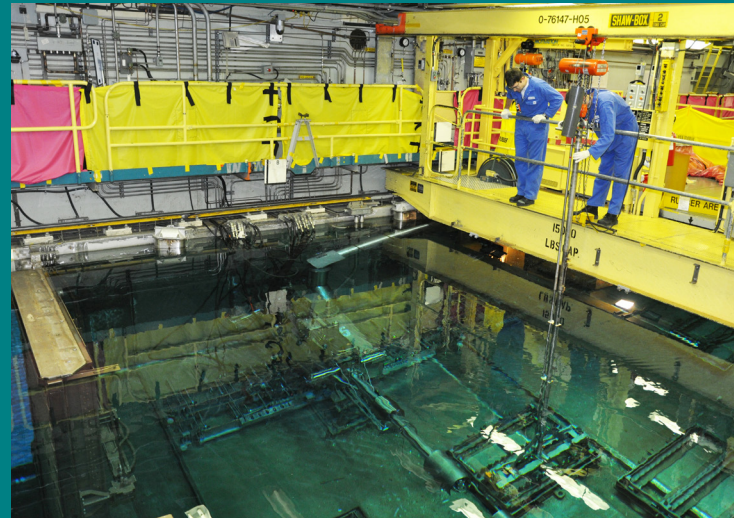
The Energy Transformation Network of Ontario (ETNO) recently released a report titled Structural Options for Ontario's Electricity System in a High-DER Future. The ETNO, formerly called the Ontario Smart Grid Forum, is made up of member organizations including LDCs and other utility-sector organizations, industry groups, non-profits, public agencies, and universities.

The report examines various options for Ontario's distribution systems in a future where distributed energy resources (DERs), especially solar power and battery storage, achieve a significant level of customer adoption.



Options address whether DER interactions with the electricity system should be coordinated through something like a mini-IESO at the distribution level. The Electricity Distributors Association (EDA), which represents 53 LDCs, has recommended that such a market should be run by what are now LDCs, and that the LDCs should also be allowed to own and operate DERs.

The report fails to assess whether customer adoption of DERs in the foreseeable future will reach levels requiring coordination and whether the administrative costs of doing so at an LDC level would be cost effective. This also creates an unlevel playing field for low-cost baseload generation.



The PWU's believes that investing in more DERs offers limited value to the grid.¹ The best way to supply low-cost, low-carbon electricity in the future is to invest more in Ontario's energy advantages – nuclear and biomass.

¹ Strategic Policy Economics, "DER in Ontario", 2018



PWU EVENTS

GOLF TOURNAMENT 'DRIVES' HOME ANOTHER SUCCESS FOR THE UNION

June 6th, 2019

On Thursday, June 6th, 2019, the Power Workers' Union held its annual golf tournament at Nottawasaga Inn Resort. At the tournament, members, sponsors, and staff could participate in a wide range of activities, such as the longest drive, closest to the pin, and the putting contest. However, most of the day was spent playing some good old-fashioned golf.

While driving through the vibrant green fields, you'd find friendly faces, left and right. Some were relaxed, while others had their game faces on.

Throughout the day, golfers could pay to enter raffle prizes, ranging from signed Toronto Maple Leafs jerseys to a brand-new, 65-inch television. Golfers could also purchase a ticket for the 50/50 draw for a chance to take home over \$1,200. Speaking of the Leafs, players could also pay to play with some notable Toronto Maple Leafs alumni, such as Darcy Tucker and Shayne Corson.



All the proceeds of the event went to the Multiple Sclerosis Society of Canada, the Sunnybrook Foundation, and Diabetes Canada. The day ended with a delicious prime rib dinner, followed by an award ceremony.

Congratulations to the winners of the events, who are listed below. Overall, it was a fantastic event for anyone to enjoy. Excellent job, team. Your efforts truly made a difference!



**Golf Tournament 'Drives' Home
Another Success for the Union**
(continued)

Nottawasaga				
	Men		Women	
Putting Contest	Patrick Walters		Cindy Parsons	
Longest Drive	Ridge	Jeremy Hatt	Ridge	Tracy Neitzel
	Briar Hill	Craig Szigatti	Briar Hill	Dee Candlish
	Green Briar	Kurt Forrest	Green Briar	Tracy Ford
Closest to the Pin	Ridge	Rick Buehler	Ridge	Dawn Cannon
	Valley	Travis Wiese	Valley	Christa Rawlings
	Green Briar	John Kricfalusi	Green Briar	Chris Salmon
Overall Foursome - Ridge	Kyle Boulton, Jarrett MacIntosh, Mark Smith, Jeremy McQuillin			
Overall Foursome - Briar Hill	Paul Manella, Shawn Young, Chris Reilly, Matt Jansma			
Overall Foursome - Valley	Chris Brake, Tom Slaughter, Shayne Kanyo, Brent Battaglia			

Woodington Lake		
	Men	Women
Longest Drive	Andrew Clunis	Kristen Luccnetta
Closest to the Pin	Keri Borg	
Overall Foursome - Legend	Matt Mulder Group	

PWU IN OUR COMMUNITIES



TOUR DE L'AVENIR MAKADENCE

The U17 road cyclists team from Attack Racing recently competed in the Tour de l'Avenir MaKadence, competing at the highest level and taking home the Best Young Rider Jersey as well as jerseys for sportsmanship and combativity.

The Power Workers' Union is proud to be a sponsor for such a great event that allows young cyclists to compete across Canada. Playing a role in our communities is important to us as a union, and we look forward to working with this great team in the future.

Attack Racing p/b Ardent Industries

- Nate Ash
- Orian Falk-Dotan
Sportsmanship Jersey Stage #1
- Michael Leonard
Best Young Rider Jersey Stage #4 and Overall GC
- Finlay MacEwen
Sportsmanship Jersey Stage #5

Attack Racing p/b Trek Bicycle Store London

- Gregory Cuff
- Ayden Ireland
Combativity Jersey Stage #3
- Lan Reinke
- Patrick Thompkins



UNSUNG HEROES: THE GREAT CYCLE CHALLENGE

In June, a team of cyclists - comprised of OPG members - entered the Great Cycle Challenge. Ten days into the challenge, 22,518 riders had pedaled 751,616 km and raised \$2,341,337 to fight kids' cancer.

Donations received went to all children's hospitals in Canada.

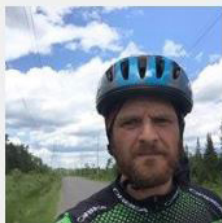
One of the teammates, Justin Cocks, described the reasons why he took part in this challenge.

"Why? Because right now, over 1,400 children are diagnosed with cancer every year, and it's the biggest killer of children from disease in Canada," Cocks said. "Kids should be living life, not fighting for it."

I am raising funds through my challenge to help these kids and support SickKids Foundation to allow them to continue their work in developing treatments and finding a cure for childhood cancer. This support will change little lives."

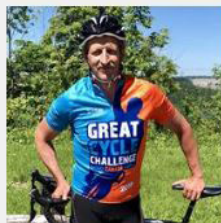
Known as "THE POWER RAIDERS," the team has raised \$6,030 for this great cause. We thank them for their contribution.

Justin Cocks



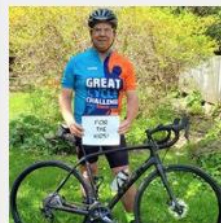
\$3,177.99

Laci Farczadi



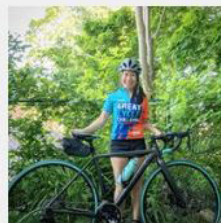
\$1,861.60

Russell Anderson



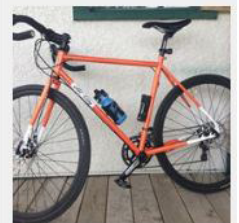
\$1,695.44

Yinky Chan



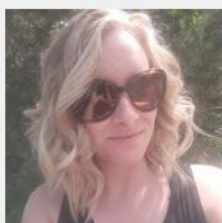
\$765.13

Zachary Wood-Seems



\$539.69

Ashley Trepanier



\$510.22

Jason Chau



\$145

Tom Eminowicz



\$70

POWER WORKERS' UNION DONATES \$7,000 TO BENEFIT SURGICAL PATIENTS

The PWU Bruce Site Equity Committee was proud to donate \$7,000 to the Wingham and District Hospital (WDH) towards the purchase of a new Laparoscopic Tower, which will allow for more precision, reduced risk of complications, smaller scars and a better overall outcome for patients requiring abdominal surgery. The PWU has partnered with WDH for several years to improve and update the medical equipment in the hospital.

Members and supporters can get involved in helping the WDH Foundation achieve its goal of fully funding the Laparoscopic Tower by participating in the upcoming CKNX Healthcare Heroes Radiothon or by making a donation. The Radiothon will take place Saturday, October 19, 2019.

For more information, visit www.wdhfoundation.ca

or the [WDH Foundation Facebook page](#).

