



Engineers and Scientists of California Local 20

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AFL-CIO&CLC

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As most members know, Service Planning & Design (SP&D) management intends to make significant changes to Service Planning. Management is citing the changing business environment in which there are increasing competitive threats and reduced year after year load as some of the motivating factors for the need for changes to improve the service planning and design process. The Union has been through many such changes in the past (such as transformation) and has always attempted to protect members while improving PG&E – since the Company's long-term viability is all in members' best interest.

Some of management's desired changes require negotiations with the Union, and some may not. In order to provide transparency and inclusion the Union is using the Service Planning Ad Hoc committee as the forum to discuss management's desires, with additional appointees to ensure strong ESC voices from the Bay & non-Bay, north and south, RMC and LH, rural and urban, Estimating and SNBR's & IPE's.

In May PG&E Management finally presented more detailed (but not complete) information to the Ad Hoc committee regarding its efforts and intentions. Management presented information on new tools and work procedures, desired specialization and office consolidation. The Union Committee did not take any position but did share impressions and concerns.

Tools:

Management is developing a something called a "Smart Front End" (SFE), also known as Express Connect. In essence it is a new website interface for customers that is intended to collect more information about customers' needs and perform calculations intended to automate many functions performed by estimators today. Management went through a number of scenarios that the SFE would be able to determine, based on available data in GIS and customer input, if a customer's desired load increase or change would be "ok to serve" without the need for an estimate.

The committee raised concerns about relying on unconfirmed data from the customer and GIS – citing numerous accounts of problems with both. Management further revealed that the tool is intended to provide calculations for far more than what is in GIS and intended to give a range of conditions that it would be ok to serve based on other serve wire types of length and that it was intended that Estimators would confirm that the tools work. Members of the committee asserted that if the tool supplements the work of estimators instead of replacing them then SFE is potentially very useful and can enhance overall efficiency.

Management also presented work on a new design tool. It seemed that this tool is intended to use a graphical interface decision matrix to generate all or most of an estimate from an extensive template

design library. Members expressed concerns that the tool may not have enough flexibility to allow designers to include the requisite information in the estimate or allow changes to reflect local construction requirements. Management demonstrated a tool interface that would allow the ability of estimators to make changes. In all, committee members believed that the tool could represent an improvement that could improve efficiency but wanted more opportunities to ensure the tool can generate estimates of sufficient quality.

Management also previewed a new tool to help customer contact employees and job owners manage their jobs and customer communication. Many members expressed positive impressions and noted the difficulty of managing so many job dates in manually with a high degree of accuracy.

Consolidation:

One of the management interests most concerning to the Union is management's desired consolidation of offices that have estimators. Member income and location security is the first priority of the Union and this issue raises the most anxiety in this regard.

Management has expressed a desire to emulate the Bakersfield Division as a model for the system. Management perceives that there are advantages to having an area served by a centralized estimating location (CELs). Management perceives that some of the benefits of CELs would be office backup when employees are absent, reduced number of buildings to support and help with the difficulty of maintaining fully trained estimators in a number of offices, especially those with a small number of estimators. Putting aside for a moment the ability of management to move employees contractually, the Union pointed out that employees have accepted bids and hired into offices where the company wanted them to go to -- and they built lives there. It can be extremely impactful to move employees; after all, an hour increase in commute is five hours away from one's family every week. Also, while there may be some benefits to CELs, the current footprint of offices with estimators facilitates proper fielding of jobs -- and that fielding jobs and working with construction is vital to efficient and safe designs that prevent re-work.

After stipulating that they were willing to negotiate on the number of offices, the company presented an initial list of 11 offices where they wanted estimators to be after consolidation. Management did indicate there are a number of still-to be determined additional offices where they would want customer contact assigned employees to be located. An example that management used was Selma and Fort Bragg. Selma LH is 14 miles from Fresno and Management argued that there are benefits from having those estimators relocated to Fresno. On the other hand management argued that they may want a customer contact specialized employee in Fort Bragg given the long distance from the closest CEL (Ukiah).

The Union and management both cited 22.9 of the contract, Relocation Other Than For Lack Of Work. The Union also raised deep concerns about the impact to members in any consolidation. Management expressed a desire to emulate the Distribution Engineers consolidation. In that instance management

wished to consolidate DE's from 14 to 4 HQs. Eventually the parties reached an agreement that consolidation would be to 8 HQ's with a series of incentives for employees willing to move to the consolidated centers, a small number of members remained at their HQ's as present incumbents only, or were reassigned to other assignment in their classification at their office, and a small number of members moved to an office that increased their commute, but not beyond a commutable distance.

The Union sought an assurance that management would not seek to forcibly relocate employees beyond a commutable distance. Management would not give such a guarantee but reiterated that it wanted an agreement rather than to impose its interpretation of 22.9 – which the Union promised to grieve. The Union reserved the right to grieve but indicated that if employees would not be forcibly relocated beyond a commutable distance it would consider an agreement.

Specialization:

Management presented arguments for the creation of many specialized teams, including voltage complaints, Subdivision design, applicant design, Enterprise customer, and Electric Vehicle charging stations. A common argument was that specialized teams do not require as much training once the initial adequacy is reached. Another argument was that in a time of year-after-year load reduction, PG&E should work to make the process of being a PG&E customer easier and therefore increase revenue.

Ad Hoc Committee members agreed that it was important to ease the process of becoming a PG&E customer, but expressed concern that specialization can impair the development of well-rounded estimators. Another concern was whether there be enough work in local headquarters. Also members expressed concerns for themselves and their coworkers becoming pigeon holed within the area of specialization and unable to transfer to other locations or assignments. Management is also seeking the creation of a “new business rep” (NBR) position. Management's perception is that it is optimal to separate design assignments and new business assignments. Management argued that there are particular skills for each assignment and that it is difficult to recruit and train a population that is both skillful at both.

A potential NBR was put into the Service Planning Ad Hoc authorized by the members in general bargaining. Subsequent to that the Union conducted a survey of the members and found they were split as to the advantages and disadvantages.

At the time creation of the Ad Hoc and through the initial meetings with the Company, the Union did not know that management was also considering office consolidation that would potentially result in estimators assigned to a smaller number of headquarters than present. In that light the committee expressed its reservations that the creation of NBR could lead to relocations, curtail employee advancement potential, and affect income security (based on the communicated desire of management to pay NBR's less than estimators based on their assignment and lack of need for a fully trained estimator).

Management intimated that they were willing to agree to wage protection for estimators assigned to NBR position. The Union stated that it could not take a position but asked why would it agree to less pay and noted that it had many concerns regarding employment security. Management reiterated that it

was not its intent to reduce the bargaining unit but that it was seeking these changes to address pressing needs: the new business process and to a lesser extent affordability.

EV/DG Work:

A potentially positive development is that there is a possibility of PG&E working on the other side of the meter to install electric vehicle charging facilities and/or DG. Management stated a receptiveness to having work done by ESC members if there is an agreement.

Alternative work schedules:

Management mentioned a willingness to include alternative work schedules for estimators in CELs as part of an agreement. They were clear to exclude a willingness to include employees assigned to customer contact, citing their long-standing objection based on management's belief that employees with alternative work schedules are less available to customers.

Tariffs:

Management presented information regarding its intent to reevaluate CPUC rules and PG&E's standards with a mind toward eliminating work not required, such as always requiring an engineering advance. Also, management is looking to lobby to simplify CPUC rules to allow further efficiencies.

The Union requested further engagement and explanation – pointing out that PG&E standards often have good reasons for work beyond the minimally necessary.

Fielding:

During the meeting, it became clear that management continues to look to way to reduce the time estimators spend fielding. They mentioned potentially being able to "FaceTime" with customers or NBRs, or customer contact employees taking sufficient notes to complete projects. Committee members related numerous accounts of the necessity for fielding by the actual designer in order to prevent mistakes and rework. Members are urged to assess the quality of the information available to them and, if they determine that the information is insufficient to develop a utility grade estimate, to advocate to field jobs before they are designed. The goal should always be that crews should get jobs that they can build to.

Next steps:

Due to the inclusion of the subject of the creation of a new business representative (NBR) position in the Ad-Hoc authorization in the new contract, the Union is required to meet and bargain regarding the creation of the NBR. However, there is no requirement for an agreement. As already cited, even before the scope of changes intended to impact service planning became clear, members were split on the NBR position. Now the Union is looking to consider the NBR in relation to an overall agreement that would include acceptable member security.

Management has argued that it can relocate members, within the 4 bid regions under 22.9., citing the arbitration decision concerning the creation of the Operations Engineer assignment. The Union disagrees that the justification supplied will satisfy the contractual limit on relocation. However, 22.9

has not been arbitrated and it is possible that management would prevail in part or in full if it moves to unilaterally implement its plans.

Tools and work procedures are not required subjects of bargaining under the National Labor Relations Act unless they change union jurisdiction, working conditions, or pay. While negotiations are not generally necessary, ESC members are working on teams to develop the tools. In addition to tool development, they are tasked to raise issues if the tool in any way changes jurisdiction.

Although it has questioned the need for specialization, the Unit board has directed that the Union Service Planning committee to work on provisions of a possible agreement because of its desire to protect members established locations and avert both forced relocations or any relocations beyond a commutable distance. The Committee will meet with management on Tuesday June 27th, and the Union will schedule a call in for members to discuss this process after that meeting. Stewards in service planning are asked to attend the call and all members are invited. Details on timing and how to join the call will be provided shortly.

In solidarity,

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