



PG&E crew to the rescue

Alert Local 1245 members working for Pacific Gas and Electric in Fresno County rescued an 87-year-old Fresno man who spent the night in the cold and rain after tumbling down an embankment.

The rescue began when the crew discovered the man's wife, Margaret Elliott, sleeping alone in a car stuck in a ditch on Jan. 3.

"She was freezing," Paul Hunter, a member of the PG&E rescue crew, told the Fresno Bee. She never mentioned her husband had been driving, Hunter said.

The crew helped her into a work truck and took her to a PG&E facility. They fed her and gave her blankets for warmth. Then she told them her husband had been driving, but when the car got stuck, he took off to look for help.

Hunter and other Local 1245 members at PG&E—including Kit Ashcraft, Tony Escalante, Rob Shields and Leroy Haury—formed a search party. About an hour later Hunter discovered Elliott 40 yards down an embankment, about a mile from his car.

"I saw something white along the road that caught my eye," Hunter told the Bee. "It was by fate I looked down [into the gorge] and saw him."

Hunter yelled, "James" and Elliott lifted his head. Hunter and Ashcraft then slid down to give first aid.

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Medical costs zap retired members



Austin Lee II

PENSION COMMITTEE

Local 1245 members meet to prepare for bargaining on pension issues. Serving on the union committee are, from left: Gaylon Woods, Assistant Business Manager Dorothy Fortier, Advisory Council Member Terry Andreucci, Assistant Business Manager Howard Stiefer, Assistant Business Manager Bob Choate, Advisory Council Member Stu Neblitt, Assistant Business Manager Dennis Seyfer and Senior Assistant Business Manager Tom Dalzell.

Medical costs took a sharp jump for retired members of Local 1245 at the beginning of the year, arousing deep concern over how retirees on fixed incomes will meet their necessary expenses in the coming year and beyond.

"We've had phone calls. We've had letters. This is a big concern for our retired members from PG&E," said Business Manager Perry Zimmerman.

The dramatic leap in costs has its origins in the labor agreement negotiated by Local 1245 and Pacific Gas & Electric in 1993. It was an era when medical costs were escalating rapidly throughout the nation, and

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PG&E defends it's Plan of Reorganization

Famed constitutional scholar Laurence Tribe, representing PG&E in bankruptcy proceedings before Judge Dennis Montali on Jan. 25, argued that any state law impeding PG&E's reorganization plan must give way to federal bankruptcy law.

"Federal law is supreme," said Tribe, standing before the judge in a packed San Francisco courtroom. He said federal laws passed in 1978 and 1984 stripped states of their authority to veto the restructuring of utilities that file for bankruptcy, as PG&E did in April.

Lawyers for the state, counties and the U.S. Justice Department argued against the utility's attempt to escape state laws. Justice Depart-

ment lawyer Karl Fingerhood, representing the Environmental Protection Agency and the Interior Department, said PG&E's argument "would make bankruptcy court a haven for environmental scofflaws."

After nearly four hours of argument Montali said "I don't know what, when or how I will issue a ruling but I will think about it."

Later in the day, Montali told PG&E and the state to choose a mediator to try to resolve some of their differences.

PG&E seeks to transfer its California power plants and gas and electric transmission lines to three new affiliates of parent PG&E Corp. The assets would then be regulated by federal rather than state authorities.

The PG&E utility would continue to distribute energy to 13 million people in Northern and Central California under the regulatory oversight of the California Public Utilities Commission.

The utility says its plan conflicts with numerous state laws, most prominently a year-old law prohibiting the transfer of any utility power plants until 2006. State agencies say their environmental authority over hydroelectric plants and 180,000 acres of surrounding PG&E land would also be curtailed, although PG&E denies any intention of weakening environmental controls.

Montali must decide whether the

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Unit Officers Leadership
Conference

MARCH 1
Service Awards
Sacramento, CA

MARCH 8
Service Awards
Merced, CA

MARCH 9
Service Awards
Chico/Marysville, CA
San Luis Obispo, CA

MARCH 9
Stewards Conference
Chico, CA

APPOINTMENTS

PACIFIC GAS AND ELECTRIC CO.

Rubber Glove Committee
Cary McDermott
William Bouzek, II

CITY OF YERINGTON

Negotiating Committee
Ranee Diehl
Jack Smith

CITY OF FERNLEY

Negotiating Committee
Steve Henderson
Kathryn Lowery
Michael Navarez

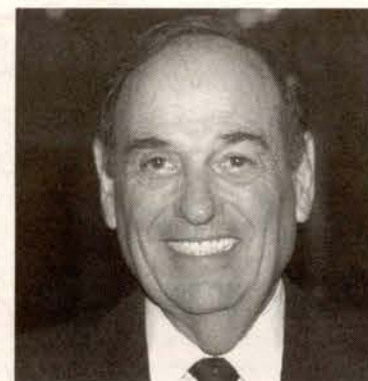
AVISTA UTILITIES

Negotiating Committee
David G. Rust

YOUR UNION

Why we support PG&E's Plan of Reorganization

By Perry Zimmerman, Business Manager



In mid-January, four months after PG&E announced its plan for reorganization in bankruptcy, Local 1245 formally endorsed the plan. In the simplest terms possible, I decided to endorse the plan because I believe it is the best way, if not the only way, that PG&E can survive after the disaster of deregulation, and I believe that PG&E's survival is in the best interest of our membership.

Our decision to support the bankruptcy reorganization plan came after the CPUC announced the outlines of what it would propose as an alternative plan once given the legal right to make the proposal. Under the CPUC plan, PG&E would retain generation, hydro, electric transmission and gas transmission operations that it proposes to spin off to the parent corporation. In most ways,

The PG&E Plan of Reorganization is not the best of all possible solutions, but it is the best solution at hand.

Local 1245 would prefer the corporate and regulatory scheme in the CPUC plan to the PG&E plan, if it were feasible. That "if" is a big "if" though.

Our analysis is that the CPUC's plan doesn't work. First, the arithmetic doesn't work. The CPUC overestimates PG&E's cash on hand now and underestimates its debt. The gap between what PG&E has and what it owes is far greater than the CPUC estimates.

More importantly, the CPUC plan assumes that market conditions, which are favorable to the utility, will continue as they are for the next two or three years. I don't know what the market conditions will be, but I am fairly certain that they won't be what they are today. Look back a year—do you remember the price gouging by generators and blackouts and predictions for disaster? Things have changed and they will change again.

The CPUC plan assumes no increases in costs for PG&E over the next several years. As we head into bargaining with PG&E this spring, that assumption is not one that we are happy about.

The current majority of the CPUC strongly supports utility worker and consumer rights. If this majority had been in control of the CPUC over the last ten years, the devastating experiment with deregulation never would have taken place. The CPUC has not

always been, and will not always be, the friend of the utility worker and the consumer. For 16 years of Republican domination, the CPUC did all that it could to reduce the wages and benefits of PG&E workers, and it followed Enron's policy "vision" for deregulation in California.

The legacy of that "vision" will be with us for years to come, with Southern California Edison in dire financial straits, PG&E bankrupt, and the State of California stuck with billions of dollars of high-price, long-term contracts for electricity.

For all these reasons, we just didn't think that the CPUC plan for PG&E will work. That leaves us with PG&E's plan or the typical solution to bankruptcy—sale of assets to a third party. This is really a no-brainer for us. The PG&E plan is not without its dangers, but they are nothing compared to the dangers of a wholesale sell-off of PG&E's assets.

The PG&E Plan of Reorganization is not the best of all possible solutions, but it is the best solution at hand. Whatever the results in bankruptcy court, our major focus is on collective bargaining, and it will remain on collective bargaining. We aren't experts on bankruptcy, but we try to be experts on collective bargaining. This means that no matter what the plan for reorganization is, we will be prepared to protect our members at the bargaining table.



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Business Manager & Executive Editor
Perry Zimmerman

Communications Director & Managing Editor
Eric Wolfe

President
E. L. "Ed" Mallory

Executive Board
Michael J. Davis
Chris Habecker
Dave Scott
Anna Bayless-Martinez
Kathy F. Tindall
John Mendoza

Treasurer
Ed Dwyer

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Don't be left in the dark.

Local 1245 members at PG&E can get the latest reports on bargaining and the PG&E reorganization on your UNION website:

www.hr/ibew

Link to us from PageOne:

- ▶ Human Resources
- ▶ Industrial Relations
- ▶ IBEW

The screenshot shows the website interface for Local 1245 IBEW. It features a navigation menu with 'Unit Meetings', 'Contract Index', 'News Archive', and 'Contact Us'. A central news section includes articles on 'Energy News Updates', 'PG&E Bargaining', and 'PG&E Reorganization'. A 'CALENDAR' section lists events like the 'Stewards Conference' and 'Service Awards'. A 'Business Manager's report' by Perry Zimmerman is also visible. Callout boxes point to various elements: 'Photos' (a member at work), 'Unit Meeting schedule', 'News updates', 'Business Manager's report', 'Fashion statements' (a union hat), 'Contract information', and 'Event calendar'.

Stay enlightened! Bookmark the IBEW page for quick access to reliable information about your job.

Coming this spring—a new Internet site for all Local 1245 members at www.ibew1245.com.



IBEW workers burned by Enron

When Enron Corp. tumbled into bankruptcy in December, nearly 1,000 members of IBEW Local 125 at Enron-owned Portland (Ore.) General Electric saw their retirement savings evaporate, as did more than 11,000 other Enron employees around the nation.

Two of those IBEW workers told a Senate panel Dec. 18 that their Enron 401(k) plans—bulging with company stock—became virtually worthless, while Enron executives were bailing out by selling off more than \$1 billion in Enron stock.

“Little did those of us working hard every day to make the company successful know what was going on at the top of Enron,” said Robert Vigil, an electrical machinist foreman. “We trusted management’s glowing reports of strong financial growth and opportunity. Then in October, Enron’s house of mirrors came crashing down.”

“This is an energy company that morphed into a trading company involved in hedge funds and derivatives. It took on substantial risk, created secret off-the-books partnerships and, in effect, cooked the books under the nose of accountants and investors,” said Sen. Byron Dorgan (D-N.D.), who chaired the Senate hearing.

AFL-CIO Secretary-Treasurer Richard Trumka told the House Financial Services Committee that Enron “is a story of people so shameless and greedy that literally as the bankruptcy papers were being drawn up, they were still passing what remained of the firm’s cash out to themselves—\$55 million on the last working day before they filed for Chapter 11.”

Prayers, pensions and petrol

Some 6,000 electricity, water and transportation workers went on strike in Lebanon Jan. 23, saying they would do no maintenance or repairs until the demands for better pay and benefits were met, the Associated Press reported. Among other things, the unions of utility workers want pension payments and lump-sum end-of-service payments to be calculated on the basis of the last salary plus additions such as a transportation stipend, overtime and two extra months’ salaries paid for each year. Pension payments are now calculated on the basis of the basic salary only. In addition, the strikers want to be charged less for their own electricity and water—a demand that was approved by the government six months ago but has yet to be fulfilled.

► **Prayer-Strike:** More than 3,000 workers in a dispute with a state-owned telecommunications firm in Indonesia came to work as usual on Jan. 28, but all they did was pray, the Jakarta Post reported. The workers oppose a deal to transfer the unit to another state-owned firm. The prayer-strike was scheduled to last until Jan. 31.

► **Contractor Responsibility:** In a move designed to avoid public scrutiny, President Bush in late December revoked a Clinton Administration rule requiring federal officials to consider the environmental and

labor compliance record of a private company prior to signing a contract with it for goods or services. The Contractor Responsibility Rule was issued after three years of review. By contrast, Bush revoked the rule without any public comment or chance for review.

► **No Kid-Made Balls:** Child rights groups last month launched a new campaign calling on the world’s soccer federation (FIFA) to take tougher action to ban the use of soccer balls made by children, Oneworld.net reported. Despite promises made by the sporting industry, thousands of children are still stitching soccer balls in India and Pakistan, according to Global March Against Child Labour, a New Delhi-based coalition.

► **Consolidated Labor:** A new cabinet-level labor agency that would coordinate California’s scattered enforcement, job-training and research efforts is likely to be functioning by mid-summer, according to state officials working on the plan. The agency would bring the Economic Development Department, the Department of Industrial Relations, the Agricultural Labor Relations Board and the Workforce Investment Board together in one organization.

► **Ontario Job Cuts:** The biggest electricity producer in Ontario, Canada said Jan. 16 it will cut 2,000 jobs, about 17% of the workforce, over the next two years. The move is part of an overall restructuring of the company—which supplies about 88% of the electricity generated in the province—ahead of the introduction of competition to the Ontario market.

► **Situation Critical:** At least 500 jobless protesters launched a march Jan. 27 from a poor district outside Buenos Aires, Argentina to demand one million new jobs. Deputy Economy minister Jorge Todesca

acknowledged that unemployment is at 20%. Argentina has gone through five presidents since the country’s banking system collapsed in December.

► **Fox in the Henhouse:** President Bush last month installed Eugene Scalia as the US Department of Labor’s top lawyer. The “recess appointment” of Scalia, son of arch-conservative Supreme Court Justice Antonin Scalia, was timed to bypass the Senate’s confirmation process. Scalia, who has worked to kill or weaken worker safety standards, has termed the science of ergonomics “junk science par excellence” and “quackery.”

► **More Foxes:** President Bush also avoided the Senate confirmation process by using recess appointments to place two stridently anti-worker lawyers on the National Labor Relations Board last month: Michael J. Bartlett, director of labor law policy at the U.S. Chamber of Commerce, and William B. Cowen, principal attorney for Institutional Labor Advisors LLC.

► **Electric Council:** The multinational electric company Endesa will meet unions from its operations worldwide in a regular global council, under an agreement signed in Spain on Jan. 25, according to the International Confederation of Chemical, Energy, Mine and General Workers’ Unions. Endesa is one of the world’s major private electricity groups, employing 28,000 people worldwide. The new council will consider union rights, health and safety, vocational training and other issues.

► **Petrol Strike:** The Nigeria Labor Congress last month launched a nationwide strike over the price of petroleum products, AllAfrica.com reported. The strike initially shut all government and most private offices, but lasted only two days.



“Your idea saved us millions! If you were an executive I’d give you a raise!”

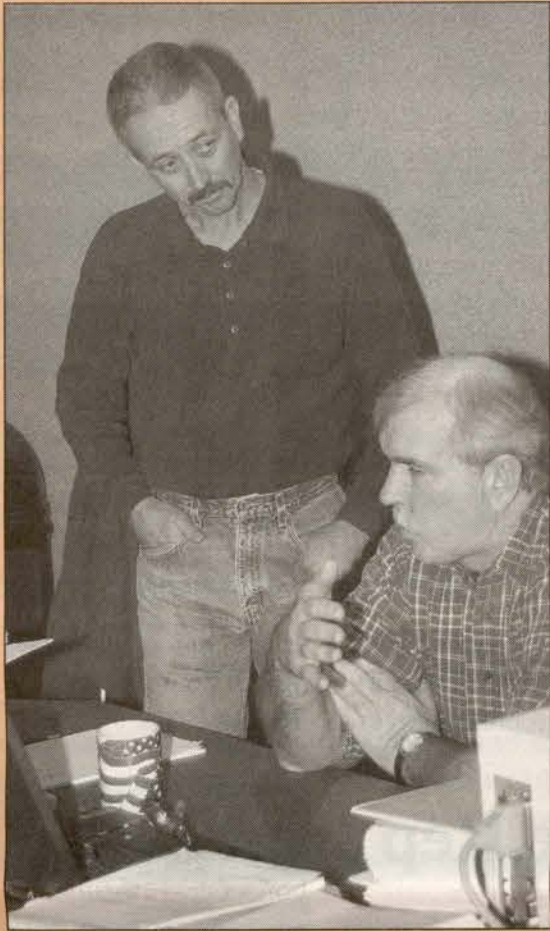
SACRAMENTO MUNICIPAL UTILITY DISTRICT

SMUD talks continue

Negotiations for a new Memorandum of Understanding continued at the Sacramento Municipal Utility District during the month of January.

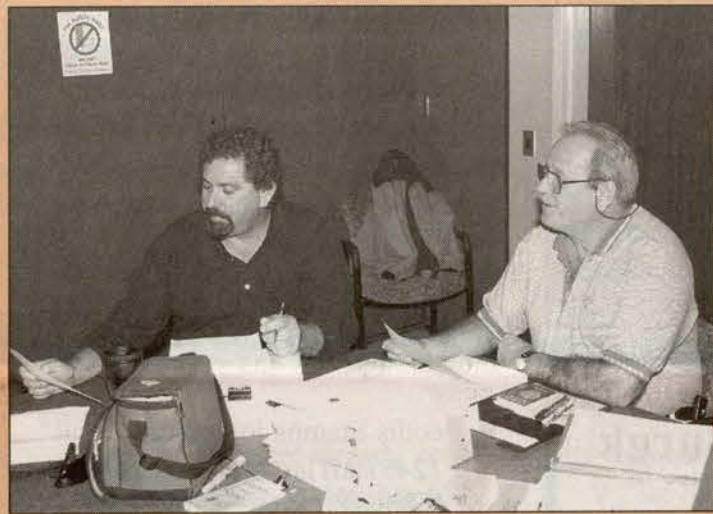
The bargaining produced several tentative or "table" agreements on various topics, according to Business Rep. Wayne Greer, but a final agreement remained out of reach.

The union bargaining committee has been meeting daily since the holidays. Meetings between union and district negotiators have been taking place about three times a week, Greer said.



Photos: Eric Wolfe

Union negotiator Jim Loy (seated) discusses bargaining strategy with fellow negotiator Ike Williams.



Union negotiators Don Kreuter (left) and Brian Knox review bargaining data in the on-going negotiations with SMUD.



Negotiators for SMUD (on the left) meet with union negotiators. Union negotiators, clockwise from far end of table, are: Ike Williams, Grant Ritchie, Business Rep. Wayne Greer, Gary Stoffer, Don Kreuter, Brian Knox and Jim Loy.

Unit updates

Unit 1213, King City, has a new unit chair: Frank Padilla.

Bill Brill
Business Rep.

Unit 1120, Selma, meeting dates were incorrectly reported on the Unit Schedule in the December Utility Reporter. The dates are: Feb. 14, Mar. 14, Apr. 11, May 16 and June 13.

Jim Lynn
Business Rep.

Unit 4419, Redding/Davey Tree, meets on the fourth Wednesday of each month. Upcoming dates are: Feb. 27, Mar. 27, Apr. 24, May 22 and June 26.

Ray Thomas
Business Rep.

Florence Burgk

Local 1245 notes with sadness the recent death of Florence Burgk, a long time employee and former office manager of our union.

Sister Burgk began her employment with Local 1245 in 1972 as a bookkeeper. She was temporarily upgraded several times to fill in as Office Manager for extended periods, and was promoted to Office Manager in 1983. She retired in 1985.

Sister Burgk died Dec. 23 in Green Valley, Ariz.

San Diego jobs

Positions are open for power lineworkers at San Diego Gas & Electric. Complete relocation package and signing bonus. Call Candy toll free:

(877) 443-6723.

Federal mediator to assist Davey talks

Negotiations with tree trimming contractors have hit a rough patch over the issue of medical costs, prompting Local 1245 to call for federal mediation of talks with one contractor.

The tree contractors—Davey, Asplundh, PROVCO and Arbor—all want to shift a substantial portion of medical costs onto their union-represented employees, according to Local 1245 Business Rep. Ray Thomas, a member of the union's negotiating committee.

Coverage for spouses and dependents has been put at risk by certain contractor proposals, while other proposals have sought to make employees pay a percentage of the premiums.

A lack of progress in talks with



ASPLUNDH TREE BARGAINING COMMITTEE
Preparing for negotiations with Asplundh Tree Expert Co. are (from left) Advisory Council member Hector Arellano, Business Rep. Ray Thomas, Bill Elliot, Business Rep. Junior Ornelas, and Nick Schader.

Davey Tree prompted Local 1245 to request federal mediation. The mediator will meet with representatives

of the union and Davey Tree on March 26 at union headquarters in Walnut Creek.

Stamps hired as Outside Rep

Veodis Stamps joined the Local 1245 staff last month as the new Business Representative for Outside Construction based in the Riverside dispatch office.

Stamps was initiated into Local 1245 in 1962 while working for PG&E in Antioch. He worked for the City of Oakland from 1967-71, where he served as a steward and representative to the Local 1245 Advisory Council.

Stamps served as a Local 1245 Business Rep. from 1971-85, representing PG&E East Bay and various municipalities.

Since then he has worked for vari-



Veodis Stamps

ous municipalities and electric contractors.

Stamps rejoined the Local 1245 on Jan. 2 of this year. Welcome back, Brother Stamps!

PG&E crew rescues motorist

► From Page 1

He had a black eye and a deep gash on his face. His pulse was weak. He didn't say anything and was cold and wet, Hunter said.

The PG&E crew gave Elliott clothing and a sleeping bag to keep

warm. They stayed with him until rescue workers arrived. He was later taken by helicopter to UMC.

Fresno County sheriff's Lt. Jeff Johnson said it's typical for PG&E crews to help others. "They're a good bunch of guys," the lieutenant told the Bee.

Make Your
Voice Heard!

Vote

March 5th

California
Primary

Members speak out on retirement, deregulation



Hard questions

Fellow IBEW Members,

Many of us are facing retirement in the next few years and have many decisions to make. Two of the hardest questions to answer are "Will I have enough to retire?" and "How long will the money last?"

We basically have two sources of income, our retirement income and monies generated by our 401k investments. As we have seen in the recent past, money in our 401k is subject to a fickle stockmarket and economy. Our retirement plan income is a guaranteed amount and many of you, like myself, have probably figured out how much you will receive upon retirement. While this amount will vary with the number of years you have upon retirement, for discussion purposes I'll use \$2000 as a monthly retirement income.

How many of you have thought about how inflation can erode the purchasing power of \$2000? Maybe a little math will help and I'll use an inflation rate of just 3% per year to show you what inflation will do to the original \$2000. In the second year your original purchasing power has been reduced by \$60, or you will now need \$2060 to purchase \$2000 worth of goods. In 5 years your original income will now be equal to \$1700 in purchasing power. In 20 years your \$2000 will equal \$1100 in purchasing power. That means you would need \$3600 to equal the original \$2000 in purchasing power.

As you can see, inflation will eat away at what is the very basis of our retirement income. While these figures are not exact, you get the idea. Don't forget, taxes can have a similar effect and aren't calculated.

I have been reading and asking questions about other retirement plans and many provide a cost-of-living adjustment feature. Some provide better retirement bands or, as is the case with PERS, 2% of your base

pay per year worked. For example, 30 years longevity would provide 60% for your base pay, 35 years would equal 70% of your base pay as a retirement income. In addition, this plan has a 2% cost-of-living adjustment per year. Our fellow IBEW brothers at SMUD fall into this plan. I have been with PG&E for over 30 years and can only remember two cost-of-living adjustments for retirees. *We need a cost-of-living clause in our retirement plan!*

I think this is an issue that needs to be brought up and discussed at unit meetings in the months before contract negotiations begin in order to build support and momentum for the idea among the membership. In addition, if you feel strongly about this idea I would suggest you use this letter or your own to let the highest levels of management know of our concerns by sending them to Gordon Smith and the Board of Directors.

I ask you to talk to other employees in your headquarters and e-mail old friends to get the word out. Remember the way it is now: what you

get as retirement income is forever, unless we can change it.

George Murphey
Sacramento, CA

In defense of Enron

To the Editor:

Eric Wolfe's feature piece in January's Utility Reporter [*"Enron reveals deregulation's utter failure"*, *Utility Reporter, January 2002*] is dishonest at worst and evasive at best. His attack on deregulation left out the glaring fact that deregulation was never achieved but instead more regulation was added vis-a-vis price control. Utilities were forced to sell off generating plants, buy back that power, and then have government tell them they had to sell that power at a loss. Surely a formula for failure.

Mr. Wolfe's request that we be grateful to democrats is equally disingenuous being that a democrat legislator, Steve Peace, gave us this albatross in the first place. The problems we have today were also exacerbated by democrat governor Gray Davis who sat on his hands for

months while problems were presenting themselves.

IBEW should stop supporting politicians when they do bad.

Dale Tindel
Folsom, CA

Editor replies: Mr. Tindel is correct that Democrats supported California's deregulation bill back in 1996, as did Republicans.

But the article in question never discusses Democrats or the Democratic Party. The article says we should be grateful "for our democratic institutions." Those democratic institutions—paid for in blood by our forefathers and enshrined in the U.S. Constitution—are the way we Americans protect our most cherished rights, including free speech, freedom of religion, and free elections. These democratic institutions are what every president, regardless of their political party, is sworn to uphold.

When it comes to endorsing specific politicians, Local 1245 makes those endorsements based on the individual candidates' positions on issues that affect working people, regardless of the candidates' party affiliation.

Share your thoughts!

Got some thoughts you'd like to share with your fellow union members? Write a Letter-to-the-Editor here at the Utility Reporter.

Every member has a unique perspective, and we try to report on many of the things that members are doing. But it's also important to hear from you in your own words.

We can't print personal attacks or letters dealing with union politics. But otherwise we'll carefully consider publishing any letter we receive.

You must include name, social security number, and a phone number where we can reach you to verify that the letter came from you.

Send your letter to:

Utility Reporter Letters
IBEW 1245
P.O. Box 4790
Walnut Creek, CA 94596



Sierra crews power

When the Marriott/Grand Summit project was launched in South Lake Tahoe, designers envisioned a new ski lift with massive new hotel and timeshare accommodations. Such things aren't accomplished without serious attention to the local electric infrastructure, and Local 1245 members of Sierra Pacific Power have been supplying the labor and expertise to make the job is done right.

Union crews upgraded transformers at the nearby Stateline substation. They also built a new metal-clad building with new distribution breakers to replace the antiquated existing oil breakers. Working on the substation were Control Foreman Mike Coli, Senior Relay Control Tech Larry Wendell, Tech Dave Gill, Substation Electricians Steve Slagle and Ray Holland, Apprentices Randy Burnelli and Nobel Gabrielson.

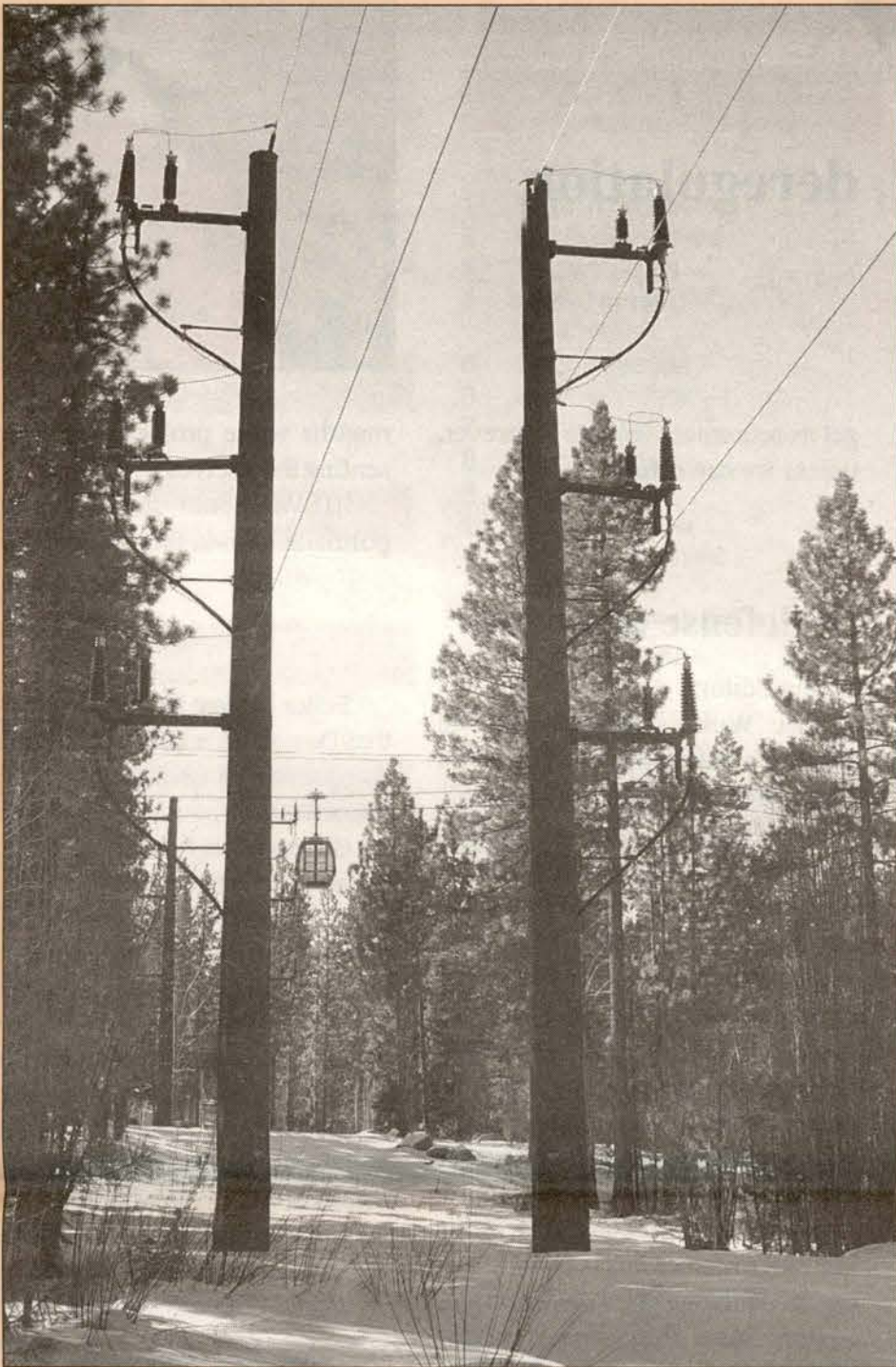
The ski lift posed special challenges to Sierra crews. "Everywhere that we went we had to build risers [which take the power lines underground] because the trams couldn't go over the top of our overhead lines," said Smily Stahl, a 29-year IBEW member and a foreman on the job. Other Local 1245 members who built four 1500 kva transformers to feed the gondola and about four miles of underground electric lines were Foreman Jack Martin; Linemen Lon Dohnansky, Curtis Zahourek, Marty Radekin, Greg Grunzenzer, Eric Pfeiffer, Dave Swindell and Jeffrey Paul; Troublemakers Mike Grimm and Bill McMillen; Inspector Joe Martin; and Apprentice Steve Kauffman.

Contractors built most of the transmission lines, while Sierra crews installed all distribution lines and terminations and heated them up.

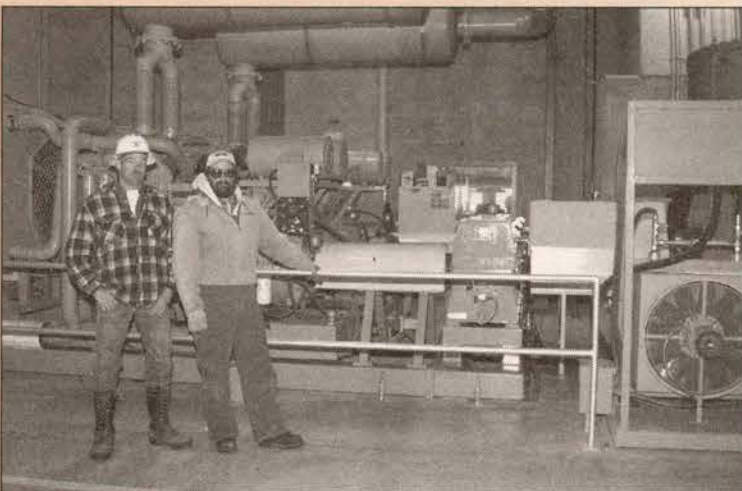
"We're way ahead of schedule," notes Stahl, who takes visible pride in the work the Sierra crews have done on the project over the past three years.

Countless vacationers and skiers will never know who made their entertainment possible. But we do.

Story & photos by Eric Wolfe



Risers bring electric lines underground to make it possible for the gondolas to pass over when going up and down the mountain.



Curtis Zahourek and Jack Martin next to the mountain-top generator built by contractors to power the lift.



Lon Dohnansky and Smily Stahl in the mountain-top control room built by contractors.



Risers were built underground to

Sierra crews power new Tahoe resort

When the Marriott/Grand Summit project was launched in South Lake Tahoe, designers envisioned a new ski lift with massive new hotel and timeshare accommodations. Such things aren't accomplished without serious attention to the local electric infrastructure, and Local 1245 members at Sierra Pacific Power have been supplying the labor and expertise to make sure the job is done right.

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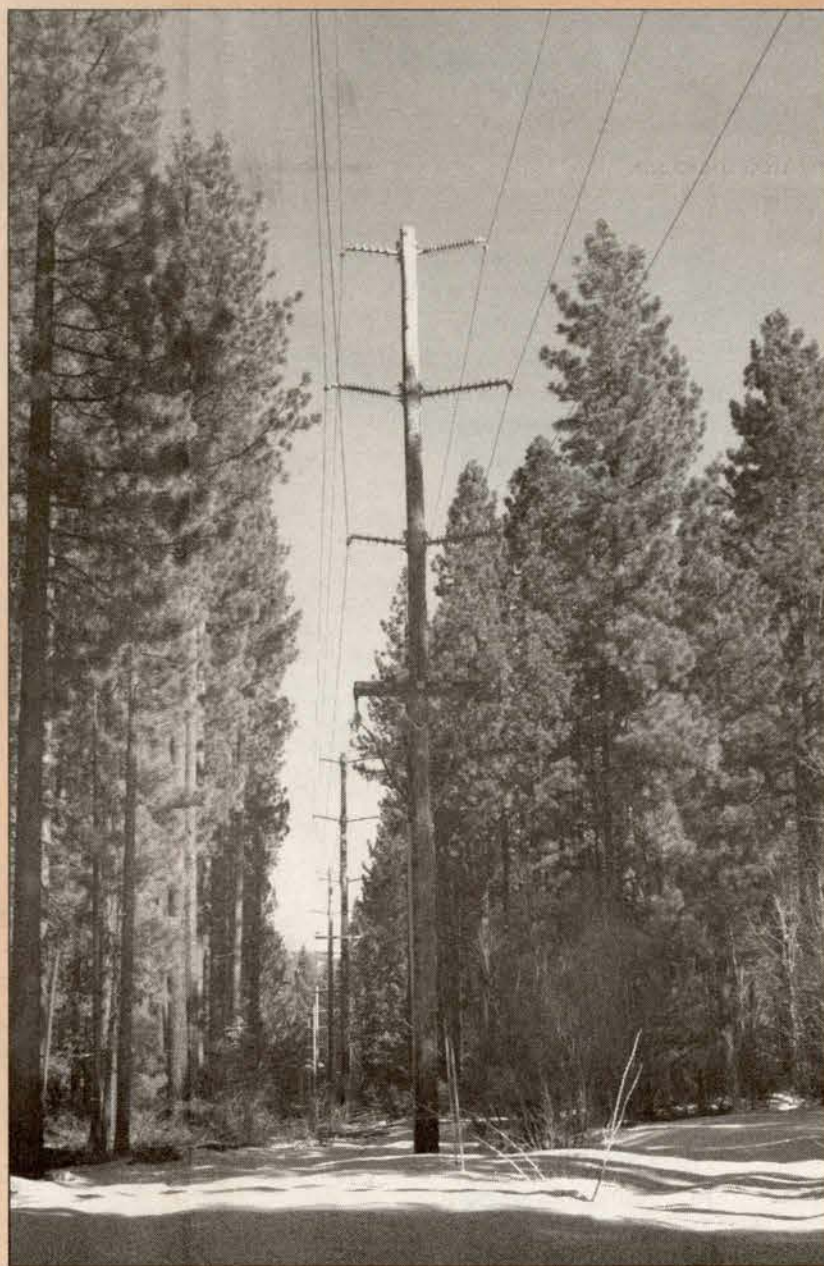
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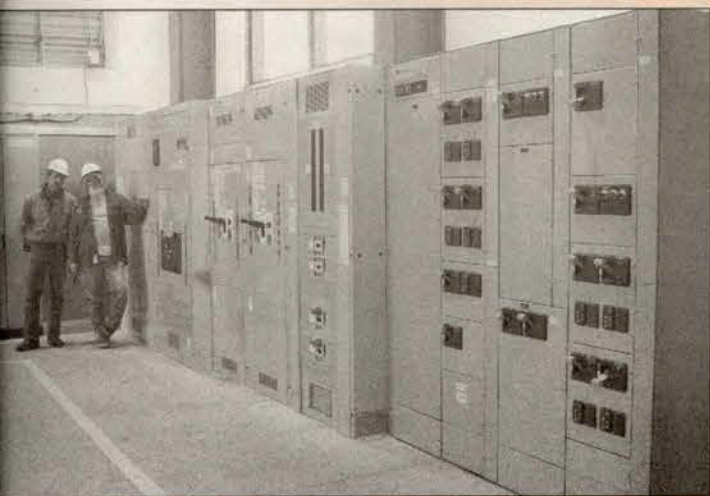
Story & photos by Eric Wolfe



Smily Stahl, Lon Dohnansky, Jack Martin, and Curtis Zahourek next to one of the four 1500 kva transformers they helped build for the project.



Risers were needed to take existing transmission lines like these underground to allow the tram line to pass through.



Lon Dohnansky and Smily Stahl in the mountain-top control room built by contractors.



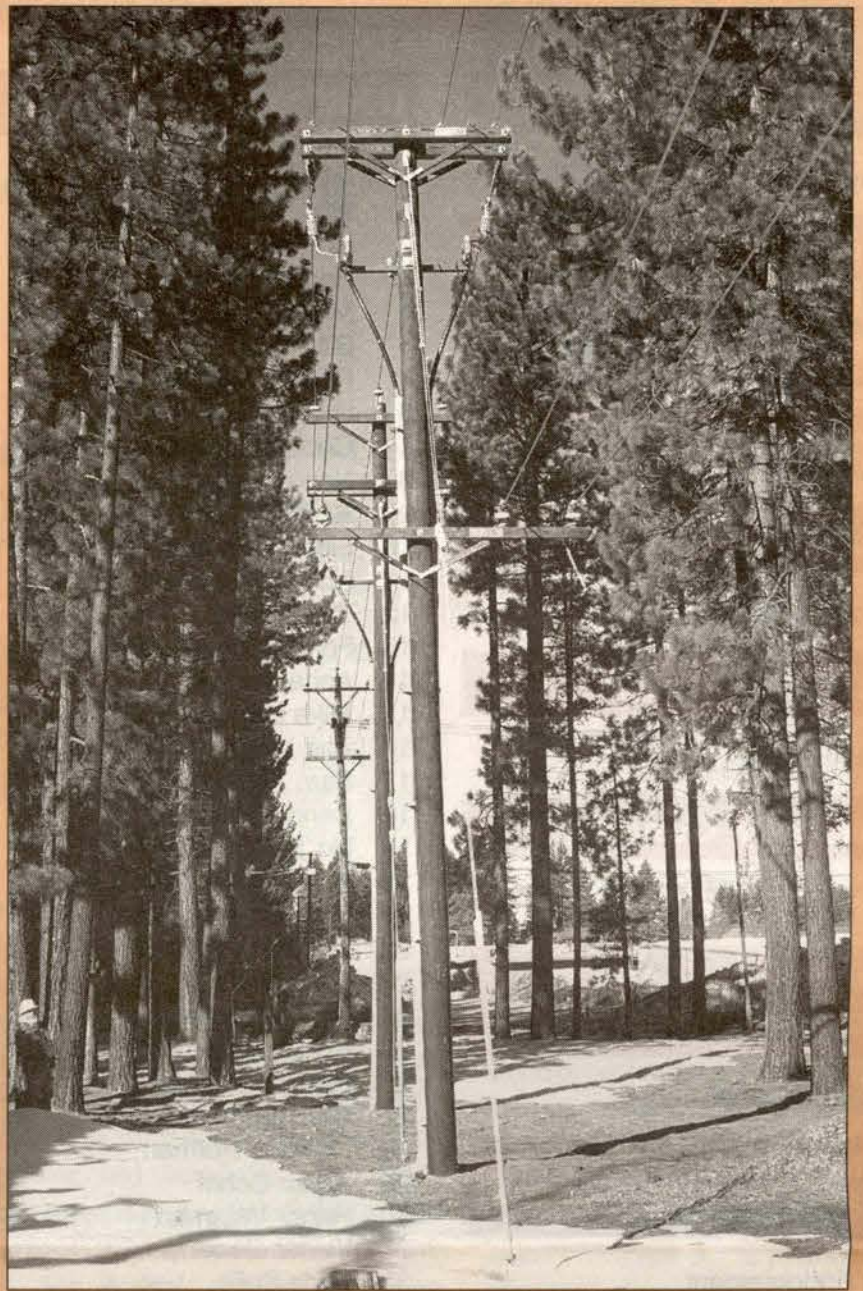
That's Smily Stahl's extensive upgrade.

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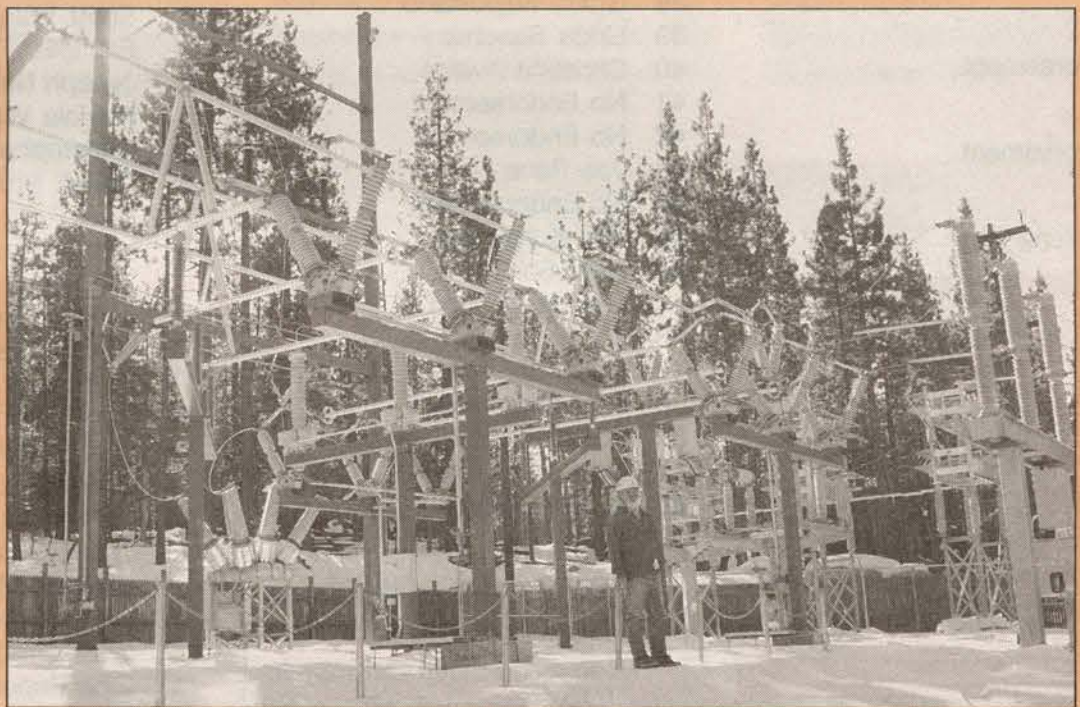
Smily Stahl, Lon Dohnansky, Jack Martin, and Curtis Zahourek next to one of the four 1500 kva transformers they helped build for the project.



One of five new upfeed risers coming from Stateline Substation's new metal-clad switch gear.



needed to take existing transmission lines like these allow the tram line to pass through.



That's Smily Stahl at the State Line Substation, where other Local 1245 members performed extensive upgrades to accommodate new load from the Marriott/Grant Summit Project.

IBEW Local 1245 Endorsements: State of California

Governor

Gray Davis

Lieutenant Governor

Cruz Bustamante

Secretary of State

Kevin Shelley

State Controller

Johan Klehs

State Treasurer

Phil Angelides

Attorney General

Bill Lockyer

Superintendent of Public Instruction

Jack O'Connell

State Insurance Commissioner

No Endorsement

Board of Equalization

District 1

Carole Migden

District 2

No Endorsement

District 3

No Endorsement

District 4

John Chiang

Propositions

- 40 YES
Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act
- 41 YES
Voting Modernization Act of 2002
- 42 NO RECOMMENDATION
Transportation Funding
- 43 YES
Right to Have Vote Counted
- 44 YES
Insurance Fraud Prevention
- 45 YES
Legislative Term Limits. Local Voter Petitions.

U. S. Congress

District

- 1 Mike Thompson
2 No Endorsement
3 Robert Dawa
4 Mark Norberg
Bill Kirby
5 Robert Matsui
6 Lynn Woolsey
7 George Miller
8 Nancy Pelosi
9 Barbara Lee
10 Ellen Tauscher
11 No Endorsement
12 Tom Lantos
13 Fortney (Pete) Stark
14 Anna Eschoo
15 Mike Honda
16 Zoe Lofgren
17 Sam Farr
18 Dennis Cardoza
19 No Endorsement
20 No Endorsement
21 No Endorsement
22 No Endorsement
23 Lois Capps
24 No Endorsement
25 No Endorsement
26 No Endorsement
27 Brad Sherman
28 Howard Berman
29 Adam Schiff
30 Henry Waxman
31 Xavier Becerra
32 Hilda Solis
33 Diane Watson
34 Lucille Roybal-Allard
35 Maxine Waters
36 Jane Harman
37 Juanita Millender-McDonald
38 Grace Napolitano
39 Linda Sanchez
40 Christina Avalos
41 No Endorsement
42 No Endorsement
43 Joe Baca
44 No Endorsement
45 Ellie Kurpiewski
46 Gerri Schipfski
47 Loretta Sanchez
48 No Endorsement
49 No Endorsement
50 No Endorsement
51 Bob Filner
52 No Endorsement
53 Susan Davis

"The objects of this Local Union shall be:
... to recommend and support candidates for public office who in the opinion of the Executive Board will assist the objectives of this Union or of working men in general; ..."

From Article 1, Section 2 (a)
IBEW Local 1245 By-Laws

KEY

- Dual endorsement means two candidates from the same party are endorsed for the same primary race.
- All other races where two candidates are listed, it means the candidates are running in separate party primaries.
- No endorsement means IBEW 1245 found no candidates sufficiently supportive of working people to warrant an endorsement.

California Senate

District

- 2 Wesley Chesbro
4 Marianne Bopp Smith
6 Deborah Ortiz
8 Jackie Speier
10 Liz Figueroa
12 (Dual endorsement)
Rusty Areias
Larry Morse
14 William Walter Fjellbo
16 Dean Florez
18 No Endorsement
20 Richard Alarcon
22 Gilbert Cedillo
24 Gloria Romero
26 Kevin Murray
28 Debra Bowen
30 Martha Escutia
32 Nell Soto
34 Joe Dunn
36 No Endorsement
38 No Endorsement
40 Denise Moreno Ducheny

California Assembly

District

- 1 Patty Berg
2 Doug Kinyon
3 Stuart King
4 Scott Warren
5 Eric Ullis
6 Joseph Nation
7 Patricia Wiggins
8 Christopher Cabaldon
9 Darrell Steinberg
10 (Dual Endorsement)
Katherine Maestas
Jon Bagatelos
11 Joseph Canciamilla
12 Leland Yee
13 Harry Britt
14 (Dual Endorsement)
Loni Hancock
Charles Ramsey
15 Donna Gerber
16 Wilma Chan
17 Barbara Matthews
18 Ellen Corbett
19 (Dual Endorsement)
Gina Papan
Gene Mullin
20 John Dutra
21 Joe Simitian
22 (Dual Endorsement)
Rod Diridon
Sally Lieber
23 Manny Diaz
24 Rebecaa Cohn

- 25 Denise Smith
26 Tom Hallinan
27 John Laird
28 Simon Salinas
29 Richard Martinez Jr.
30 (Dual Endorsement)
Jim Crettol
Nicole Parra
31 Sarah REyes
32 Mike Maggard
33 Laurence Houlgate
34 Virginia Gurrola
35 Hanna-Beth Jackson
36 No Endorsement
37 No Endorsement
38 No Endorsement
39 Cindy Montanez
40 No Endorsement
41 Fran Pavley
42 Paul Koretz
43 Dario Frommer
44 Carol Liu
45 Jackie Goldberg
46 Fabian Nunez
47 Herb Wesson
48 Mark Ridley-Thomas
49 Judy Chu
50 Marco Firebaugh
51 Jerome Horton
52 (Dual Endorsement)
Mervyn Dymally
Alexandra Gallardo-Rooker
53 George Nakano
54 Alan Lowenthal
55 Jenny Oropeza
56 Rudy Bermudez
57 Ed Chavez
58 Ronald Calderon
59 Patrick Smith
60 No Endorsement
61 Gloria Negrete McLeod
62 John Longville
63 Susan Pepler
64 Robert Melsh
65 Darryl Scholes
66 David Bostrom
67 William Orton
68 Al Snook
69 Lou Correa
70 No Endorsement
71 No Endorsement
72 G. Nanjundappa
73 No Endorsement
74 No Endorsement
75 Connie Witt
76 Christine Kehoe
77 No Endorsement
78 Vincent Hall
79 Juan Vargas
80 (Dual Endorsement)
Joey Acuna
Gregory Pettis

Citizens' service reps bring skills to PG&E

A dozen Local 1245 members facing displacement at Citizens Communications have landed positions at Pacific Gas & Electric's Call Center in Sacramento.

The successful bridge to continued employment wasn't a feature of their labor agreement, but it *was* the direct result of quick intervention by Local 1245 when Citizens announced plans last November to close its Elk Grove Call Center by March of this year.

As of January, 12 Citizens' Call Center employees have brought their experience and skills to new positions at the PG&E Call Center in Sacramento, and another six are in the pool for the next training class, according to Local 1245 Business Rep. Arlene Edwards.

Altogether, 60 Citizens' employees have been tested on-site at Citizens for possible employment at PG&E, even as they continue in their jobs at Citizens.

Another half-dozen or so employees have jumped ship at Citizens for destinations unknown, according to Local 1245 Business Rep. Jack Osburn.

Edwards and Osburn were instrumental in establishing the bridge to jobs at PG&E after Citizens' made



Former Citizens Communications employees on their first day of training at the PG&E Call Center in Sacramento.

its closure announcement last fall.

Edwards said the former Citizens' employees seemed "really pleased" to have landed at PG&E.

"They think it's going to be a good future for them. But they also think it's harder than they anticipated," Edwards said. "They're finding out that PG&E training is a little more intensive than what they had come from."

Having already worked in a unionized environment, the Citizens' em-

ployees are well aware that their rights are spelled out in the labor agreement, said Edwards. She made sure they were given copies of the PG&E Clerical Agreement right away.

"Some of them are already comparing the benefits under this contract versus the one at Citizens," said Edwards, who gave the impression she was already looking at these experienced union members as possible shop stewards.

PG&E defends POR in court

► From Page 1

federal law that governs bankruptcy reorganizations prohibits the state from enforcing laws that would interfere with PG&E's plan. The judge questioned Tribe's claim of an absolute prohibition, noting that the U.S. Court of Appeals in San Francisco ruled in 1994 that a state could enforce laws related to health and safety even if they made a company's reorganization more difficult.

Tribe argued that the state hadn't shown any imminent danger to health, safety or the environment posed by the reorganization plan itself. Once PG&E assets are transferred to the new subsidiaries, he said, they will be bound by the same laws as any comparable company.

Walter Rieman, a lawyer for the state PUC, countered that the laws PG&E is challenging apply to its future operations and are the same kinds of public-protection measures that were the subject of the 1994 ruling.

"They want this court to excuse them from their duty to serve" the public, he said.

Outside the courtroom after the hearing, Gary Cohen, chief counsel for the CPUC, said PG&E's argument "was breathtaking in its scope. PG&E said it was above the law."

Tribe, in a sidewalk news conference outside the courthouse, told reporters Congress "must be taken at its word" and the bankruptcy laws can override the state's.

Local 1245 last month declared its support for PG&E's Plan of Reorganization, calling it the best available option and far preferable to a wholesale sell-off of PG&E's assets.

Citizens' Communications labor-management meeting

On Jan. 9, representatives of Local 1245 and management at Citizens Communications met for a labor-management meeting in Burney, Ca. Several issues were on the table for discussion, including safety and contractual issues. Participating in the meeting were, clockwise from left: Local 1245 Chief Steward Larry Martin, Steward Daryl Hovis, Operations Manager Duane McCleary, and Local Manager Bob Eslinger (back to camera). Also participating was Local 1245 Business Rep. Ray Thomas, who took the photo.



Union Scholarship Money for High School Seniors!



Cal Grant scholarships available

Twenty-eight \$2,000 scholarships will be awarded to California high school seniors based on an original essay on the topic "Why Labor Unions are Important to Working People in California."

Eligibility: Any graduating senior from a California high school who plans to enroll in an accredited college or technical school in 2002.

Application: Submit the form below and an essay of 500 to 1,000 words.

Essay topic: "Why Labor Unions are Important to Working People in California."

Deadline: February 28, 2002.

Write a 500 to 1,000 word essay. Use three examples from current events or history to support your argument. Type or neatly print your essay. Complete the form below (or a photocopy) and mail it, with your submission, to:

California Labor Federation, AFL-CIO
Attn.: Scholarship Program
600 Grand Ave. - Suite 410
Oakland, CA 94610

Additional information: (510) 663-4000 ext. 4024

Suggested Resource Materials:

Center for Labor Research and Education website
<http://ist-socrates.berkeley.edu/~iir/clre/clre.html>

California Labor Federation, AFL-CIO website
www.calaborfed.org

Golden Lands, Working Hands video series
www.cft.org/comm-n/labsch/labsch2.shtml

Please submit this form along with your typed or handwritten essay by Feb. 28, 2002:

Student Name: _____ Social Security Number: _____

Home Address: _____ City & Zip: _____

Phone Number: (____) _____

Extracurricular activities (clubs, teams, etc.) _____

Community Service: _____

Career goals: _____

High School Name: _____ High School Principal: _____

High School Address: _____ City & Zip: _____

I understand that my essay, name, and photograph may be used by the California Labor Federation, AFL-CIO, a central labor council, or a local union for publication in union newsletters and mass media. I hereby give my permission for the California Labor Federation, affiliated labor councils and local unions to edit, reprint, and publish my essay to educate the public about key issues for working people and about the Federation's scholarship program.

Student Signature _____

The Cal Grant program enacted by the California Legislature two years ago makes the possibility of college a reality for countless students who may not otherwise have had any hope of attending college. This revamped program, administered by the California Student Aid Commission, is now available to those who meet the eligibility requirements.

There are two types of Cal Grants, A and B. Cal Grant A recipients must have a grade point average (GPA) of 3.0. They can receive an annual award, for up to four years, to help cover the cost of tuition and fees. Cal Grant A provides up to \$1,428 for California State University students, \$3,429 for University of California students and up to \$9,708 for those who attend private colleges and universities. To qualify, students must meet income requirements. For example, a family of four must have an annual income of less than \$68,202.

Cal Grant B recipients must have a GPA of 2.0. In the first year, students can receive a stipend of \$1,551. In subsequent years, Cal Grant B students may receive the stipend as well as the funds to help cover tuition and fees.

To qualify for a Cal Grant B, the income of a family of four must fall below \$35,857.

Last year, thousands of students failed to receive an award because they did not fill out the necessary applications. In fact, the Cal Grant program had to return about \$35 million to the state general fund because too few high school students applied.

You may access a Cal Grant flier with application instructions at:

http://www.csac.ca.gov/pubs/forms/grnt_fm/engcgflyer.pdf

Court limits disability law

The U. S. Supreme Court ruled last month that an assembly-line worker with carpal tunnel syndrome had not shown she was entitled to accommodations on the job.

The court's unanimous ruling serves to further limit federal workplace protections for the disabled.

It is the second time in three years that the court has restricted the definition of workers entitled to accommodations from their employers allowing them to stay on the job. The justices have restricted the right to sue under the 1990 Americans with Disabilities Act three times over the past three years.

Defining Disability

In last month's ruling, the court said a worker must show she suffers severe limits in her everyday activities outside of work. The court decided that a worker was not "disabled" merely because pain and mobility limitations in her wrists, arms and hands prevented her from doing her job on a Toyota assembly line.

"The manual tasks unique to any particular job are not necessarily important parts of most people's lives," wrote Justice Sandra Day

O'Connor. If an inability to perform manual tasks qualifies as a disability, she said, it must affect "the variety of tasks central to most people's daily lives," such as "household chores, bathing and brushing one's teeth."

The ruling follows a set of decisions in 1999 that refused to classify conditions such as impaired vision and high blood pressure as disabilities if they could be remedied by medication or treatment.

Referring to those decisions, O'Connor said that the ADA's definition of disability—an impairment that substantially limits a "major life activity"—must be "interpreted strictly to create a demanding standard."

Last year, the court ruled that state governments were protected from damage suits under the ADA if they discriminated against disabled employees.

California law defines disabilities more broadly. It specifies that an impairment that prevents a worker from performing a job is a disability, and covers workers with conditions that could be remedied. The law also allows damage suits by state employees and permits unlimited damages, in contrast to the ADA's maximum of \$300,000 plus wage losses.

Davis backs Workers Comp hikes

Injured workers would get a big increase in compensation payments under legislation being written by labor unions and top officials in Gov. Gray Davis' administration.

The measure would end California's dubious distinction as one of the nation's stingiest states when it comes to compensating people hurt on the job.

Steve Smith, the director of the state Department of Industrial Relations, said the higher payments would cost employers \$2.5 billion and reforms would save them \$1.5 billion, producing a net expense of \$1 billion.

The legislation still faces possible opposition from business interests,

which have fought previous attempts to raise benefits.

Benefit increases proposed in the legislation would be similar to those proposed in SB71, a bill written by Senate President Pro Tem John Burton, D-San Francisco, approved by the Legislature last year and vetoed by Davis in October.

The governor's action—the third straight year he vetoed legislation to raise workers' comp payments—angered labor unions. Union apparently have goaded Davis into action by drafting an initiative to go on the November ballot that would push payments up to the national average without providing businesses with any of the reforms they want.

By the Local 1245
Safety Committee



Do sweat the small things

Out of embarrassment or fear of finding out the truth many people ignore many small symptoms that could help uncover health problems early enough for them to be treated successfully.

As we get older, there is a feeling that the aches and pains are a reality to live with. However, you should take note of general changes in your health. All those small steps could really be the early warnings of something else. A physical exam once a year is generally a good decision. But don't wait until then to discuss a general deterioration of your health.

Here are a few symptoms that should not be ignored!

- ◆ Many of us work in the sun, so pay attention to changes in a spot on your skin. An unusual spot should be checked out by a doctor.

- ◆ When it comes to bowel movements, what is "regular" varies from individual to individual. The important thing is for you to know what is "regular" for you, and to be aware of changes. These changes could be early signs of colon cancer.

- ◆ Reactions to drugs could lead to death. Be sure to listen to your

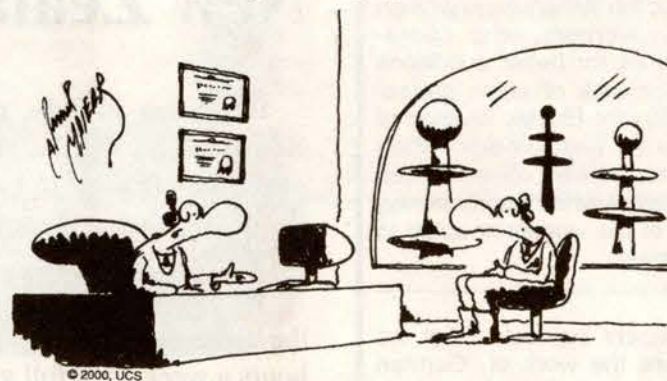
body when taking new drugs, as many can cause adverse reactions when combined. Make sure that your doctor and pharmacist know about all the drugs and supplements you are taking.

- ◆ In our rush to fill our days with activities, sleep is often the victim. But changing sleep patterns can signal other medical problems, such as kidney disease, breathing disorders, diabetes, or heart disease.

- ◆ The hard symptom to discuss is sexual dysfunction. This problem can be brought on by medications. But this symptom can also come from thyroid problems, depression, or tumors, as well as diabetes.

- ◆ Pains in the chest are often ignored, especially if they go away. These little twinges that can radiate to arms, back, or jaw are not the signs of getting old. Nor are shortness of breath, sweating or nausea. These are signals that should not be ignored. Heart disease and all related heart problems kill too many.

The time to act on any of these symptoms is now! We all want to enjoy our retirement and family, so pay attention and talk to your doctor.



"I ran a check on your DNA. Trust me, you won't need the retirement plan."

Current members of the Local 1245 Safety Committee: Stoney Burk, Alameda Power & Telecommunications; Keith Hopp, Pacific Gas & Electric; Ralph Muraca, City of Santa Clara; Al White, Pacific Gas & Electric; David Vipond, Citizens Communications; Rich Lane, Turlock Irrigation District; and Asst. Business Manager Art Murray.



Bush decree deals blow to women workers

The decision by President Bush to eliminate the 10 regional offices of the Department of Labor's Women's Bureau signals the President's intent to dismantle the only federal agency specifically mandated to represent the needs of working women.

The Bureau's elimination demonstrates a sudden departure from 81 years of innovative policy and cultural advocacy to support women's equality, the AFL-CIO charged.

The Women's Bureau played a key role in transforming women's experience in the workplace.

The Bureau pressed to establish the Fair Labor Standards Act in 1938, eased women's transition into the war industry during World War II, fought to establish the President's Commission on the Status of Women and to pass the Equal Pay Act in 1963, advocated for opportunities in non-traditional occupations and encouraged family-friendly employer policies such as the Family and Medical Leave law in 1993.

Research by the AFL-CIO's Working Women's Department confirms that while women have made great progress in achieving equality, the struggle is far from over. Women

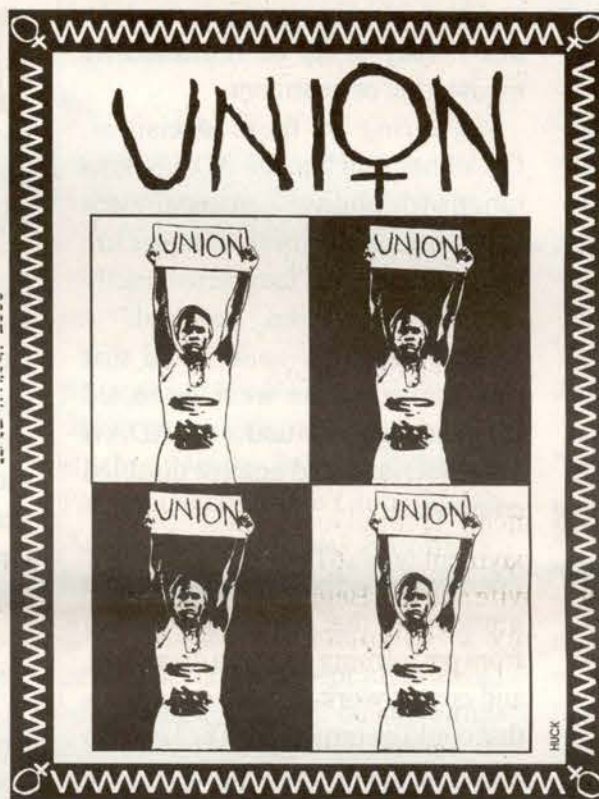
safety protections and suffer widespread discrimination.

When the Women's Bureau was established in 1920, there were 8 million women workers, accounting for only 20% of the workforce. Today, 65 million women are in the labor force or looking for work and women filled nearly half the ranks of the workforce.

The issues that working women care about are eerily similar to those 80 years ago.

According to national surveys, working women identify paid sick and family leave, health insurance and control over work hours as important needs. And equal pay has been the top priority for women for more than a decade. Nevertheless, President Bush shut down the Women's Bureau Equal Pay program.

The White House also shut down the White House Women's Initiatives Office earlier this year and reversed the ergonomics standard which would have particularly helped women workers.



still earn an average of only 72 cents on every dollar a man earns. Women who often work in low-income jobs still do not have adequate worker

New Zealand enacts paid maternity leave

Beginning in July, mothers in New Zealand will be able to take paid time off work to have babies, according to a report on the LabourStart website.

Women who have worked for the same employer for at least 10 hours a week for a full year will be eligible for 12 weeks' paid leave. Women need to keep working until the final six weeks of their pregnancy, unless they leave early for medical reasons.

The New Zealand government

estimates 20,000 mothers will qualify. It says "up to half" of female wage and salary earners will get 80% of their earnings and about a third will get the full rate. About 70,000 self-employed women will not be eligible.

Mothers will get a maximum of \$325 a week before tax, depending on their tax rate. Taxpayers will pick up the \$42 million a year bill.

The mother can choose to transfer some or all of it to the father, or her female partner if she is in a les-

bian relationship.

Women who take 12 weeks' paid leave do not have to return to work at the end of this period. They can still take up to a year off without pay, as provided for under present legislation.

Until now, New Zealand has been one of only three countries in the OECD, along with Australia and the United States, with no national provision for paid parental leave. The European average is 22 weeks on full pay.

WOMEN WORKERS' HISTORY

Summer Strike Wave

In 1915, war blazed in Europe. Munitions factories boomed in the United States. Women entered the weapons industry by the thousands. Women were needed, employers said, because the operations "involve(d) delicate work, requiring deftness and dexterity in the use of fingers." But the lower wages received by women for long hours worked had much to do with employer interest in hiring females.

Among the biggest munitions centers was Bridgeport, Conn., where only a handful of male workers were organized. That didn't prevent thousands of munitions workers from walking off their jobs at Remington Arms and Lake Torpedo Boat, then busy filling orders for war-torn Europe. Like a summer heat wave, the strikes swept on, next shutting down machine shops, then rubber, textile and garment plants.



Many of the strikers were women production workers, who courageously struck for better conditions despite their lack of union protection. The Bryant Electric division of Westinghouse was shocked when 500 women walked off—and even more dismayed when the remaining two-thirds of the workforce opted to join the strike.

Newspapers insinuated that the strikes were the work of "German agents" bent on disrupting the city's war production. But strikers held firm. Many employers gave in. Bryant Electric and other workers won reduction of working hours from 10 to eight a day; others got the work week reduced from 60 hours to 54 and 50 hours at 60 hours pay.

Retirees deserve decent quality of life

By Peter Mandon

All over our system there are retirees who feel abandoned. We have not had any return on stock dividends. Inflation is killing us. Prescription drugs cost more. Our doctors are dropping the health care systems we use.

We cannot continue this way. You may think it's too far in the future to worry about, but believe me, it is not. Shame on all of us for allowing this to happen.

We cannot simply blame our union for this, but if we all voice our outrage over this issue the union will stand behind us. We are the union. If we do not like the direction the union is going then maybe we should get more people involved.

We grow up believing we will not be abandoned in our senior years. But our retirement system is a disgrace to all of us. It is a disgrace to you and the company we all built into an industry leader.

How surprised would you be to find out that some retirees receive as little as \$400 per month in pension? Think about this. In 2001 some retirees' medical premiums increased by 50%. January 2002 medical premiums for many retirees increased more than 100%. How much do they have left after medical expenses and drugs? Is this what you want when you and your family retire? I don't think so.

When you decide to retire you have an idea what income you will need. The things that get you in trouble are unforeseen costs. That means medical, drugs, optical and dental. Why wouldn't a company as respected as PG&E offer these benefits to retirees? Simply because we didn't negotiate a contract that keeps our retirees from worrying about affording necessary drugs or food.

If we as retirees don't have a quality of life then future retirees won't have it either. As a union brotherhood we must band together and make things better for old and new retirees. If you want a quality of life when you retire then support the old, same as the new.

Medical Payments

Let's talk about medical payments. I retired July 1, 2001. My co-payment was \$61 per month for my wife and me. Beginning Jan. 1, 2002 my co-payment will be \$134. A friend of mine retired 20 years ago and receives \$850 per month. As a widower his medical will be \$174 per month. How much do you think we as retirees will be paying five years from now?

Why should a person that retires from PG&E expect fewer benefits than when they were working? Government and municipalities have surged ahead of us in retirement benefits. We as PG&E employees used

to be leaders in the area of benefits. Now we are laggards.

Let's think about something else. What voting rights as retirees do we have? *None*. This is something that we need to work on through the Executive Board.

But we are not laying blame. We are trying to mount a charge for fair treatment and a standard of living that we all deserve and have earned. As skilled union workers we earned the right to a decent quality of life in our retirement years. That is what we all worked for.

We are not powerless. We can put more effort into educating our members about health care instead of hiding our head in the sand. We can remind our union that we, the retirees, are the ones who started this union and have supported it. We can ask our union to fight for us now before it is too late.

Attend your retirees unit meeting now. Those of you who are retired must come forward and let the union know we need help. For active union working members, at your next unit meeting we ask you to make motions to support our current and future retirees. Maybe this is the year we can re-unite as a family.

Keep the faith!

Peter Mandon is a member of the San Jose Chapter of the Local 1245 Retirees Club.



Make a Date...

The Local 1245 Retiree Club invites you to join us for companionship, discussion and projects. Current meeting locations are:

East Bay Chapter: meets 2nd Thursday each month, 10 a.m., at Local 1245 headquarters, 3063 Citrus Circle, Walnut Creek, CA.

San Jose Chapter: meets 1st Thursday each month, 10 a.m., at IBEW Local 332, 2125 Canoas Garden, San Jose.

Congratulations!

The Local 1245 Retirees Club congratulates these recently-retired members of the union. We invite you to participate in – or start! – a Retirees Club chapter in your area.

Jim Bourbon, 34 years
Fresno, CA

Joe Arthur Cowart, 31 years
Richmond, CA

Theresa Dai, 30 years
San Francisco, CA

Gary Denton, 32 years
Sacramento, CA

D. R. Hull, 35 years
Pioneer, CA

John Edward Leard, 31 years
Mt. Aukum, CA

Sharon Leard, 21 years
Mt. Aukum, CA

Edwin McKinley Jr., 30 years
Richmond, CA

Lucille Scott, 34 years
San Leandro, CA

Thomas Teeters, 32 years
So. San Francisco, CA

State tax impasse could hurt retirees

Efforts in Sacramento to allow Californians to take full advantage of new federal retirement savings incentives may be too late to help some of the state's taxpayers.

Thousands of current and former public employees, including firefighters, police officers and other state and local employees, could be hurt by the Legislature's failure to make the state's tax laws conform with the tax bill Congress passed last May. That law, which cut federal income tax rates and mandated re-

fund checks for millions of Americans, also increased the amount workers can contribute to tax-advantaged savings plans such as IRAs and 401(k)s.

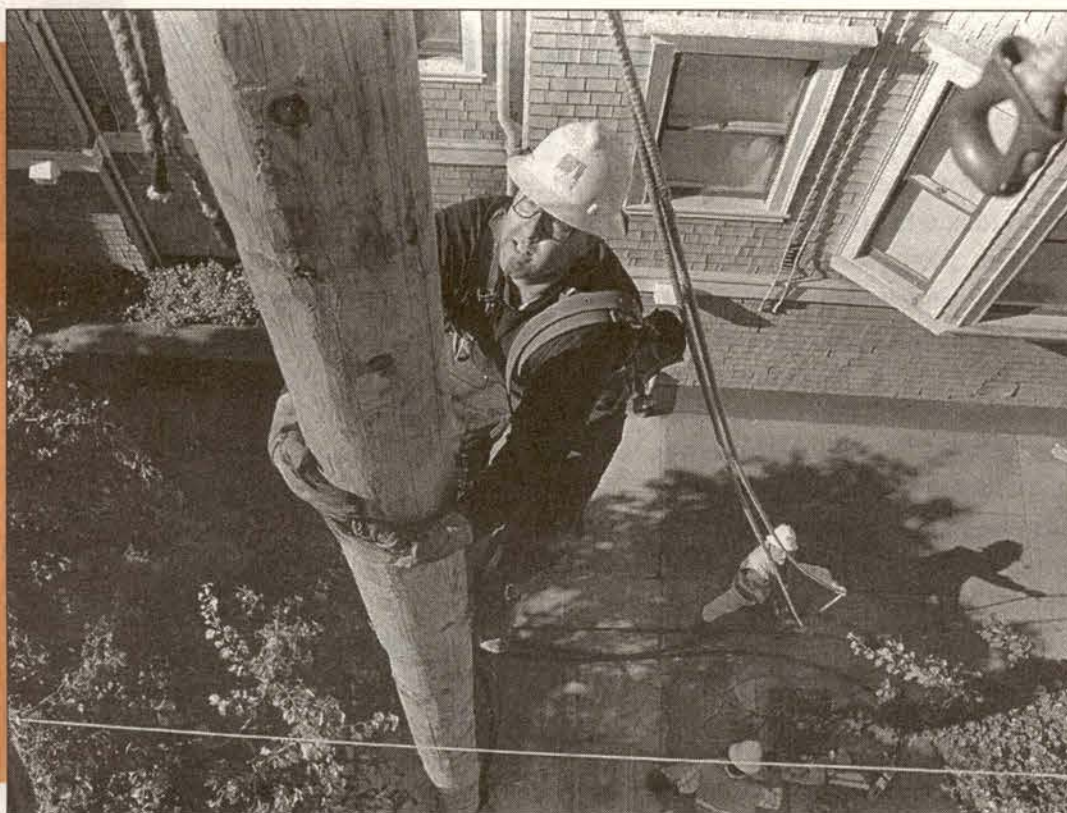
It also improved public employee retirement plans such as 457 and 403(b) plans, which are used by 1.8 million California public employees and schoolteachers, by making them more flexible. But the state must adjust its tax laws, or residents who try to use some of the new tax-saving provisions will owe additional state

income tax on their retirement savings.

Some people may avoid the problem by postponing their retirement. Others may try going back to work for a few months after retirement in order to return to active service status in the public employees' retirement plan. Returning stops retirement payments and gives workers another chance to make retirement elections when they retire again. But this option applies only if the worker is rehired.

PRIMARY TRANSFER

PG&E Lineman J. V. Macor climbs pole to transfer primary wire during a pole set in the Haight District of San Francisco. This is one in a series of photos taken by PG&E Lineman Lewis Giles featuring fellow union members on the job.



Copyright Lewis Giles

Medical costs zap retired members

► **From Page 1**

PG&E pressed hard in negotiations to limit its liability for those costs.

The union succeeded in preserving fully-paid medical premiums for current employees. But in the give-and-take of bargaining, union negotiators agreed to a future cap on company payments for retiree medical premiums, to take effect Jan. 1, 2001.

If health care cost inflation had remained at the moderate levels seen in the late 1990s, the effect of the premium cap on retirees might have had little impact and attracted little attention. But health care costs began a steep climb in 2000.

Rising Costs

The Center for Studying Health System Change, an independent Washington-based policy research organization, found that health care costs increased 7.2% in 2000, the largest jump in a decade. The study, reported by the Chicago-based Heartland Institute, found that those rising costs boosted premium increases for employer-sponsored coverage in 2001 by 11% on average.

A survey of 3,000 US companies by William M. Mercer Inc. found that the average annual health care premium per employee charged by health care providers will increase by about 13% in 2002, according to a Jan. 4 report in the Boston Globe. Watson Wyatt Worldwide, an international management consulting firm, says the Sept. 11 attacks have increased workers' reliance on assistance programs, antidepressants, and antistress drugs, and will hike health care costs an additional 1 to 2 percent in 2002. Watson Wyatt predicts an overall hike of more than 15%.

Retirees Hit Hard

This cost inflation, coupled with the cap on company payments, translated into significant increases in medical costs for Local 1245 retirees in 2001 and 2002. Although exact dollar amounts vary with an individual's situation, two examples show the extent of the problem.

For a retiree and spouse, both over the age 65 and enrolled in Out-of-Area Plans, the fixed monthly company contribution to the premium is \$174.14, while the actual premium cost is \$525.12, leaving the retiree to

pay \$350.98 per month.

For a retiree over age 65 in an Out-of-Area Plan and a spouse under age 65 in a Point-of Service Plan, the fixed monthly company contribution to the premium is \$174.14, while the actual premium cost is \$622.85, leaving the retiree to pay \$448.71 per month.

"We know from a survey we conducted last year that our retirees are not living on easy street," said Zimmerman. "We know that some retirees have to make painful choices between medical services and other life necessities, and others could find themselves in this situation as time goes on."

Addressing this critical issue will be a priority for general bargaining with PG&E later this year, Zimmerman said.

Updates on the Web

As bargaining gets underway, Local 1245 members at PG&E can find regular updates on the IBEW web page on PG&E's PageOne. See Page 3 for details.

2002 Shift Premiums
Pacific Gas & Electric Co.

See Section 110.2 and 110.7 of the Physical Contract and Sections 11.2 and 11.7 of the Clerical Contract. Premiums are based on a 2002 weighted average straight-time hourly rate of \$27.15.

Second Shift Premium
\$1.22

Third Shift and Sunday Premium
\$2.44

Sunday Second Shift Premium
\$3.66

Sunday Third Shift Premium
\$4.88

Relief Premium
\$24.52

2002 Nuclear Premiums

Certified Fuel Handler Premium
\$1.95

Reactor Operator License Premium
for Nuclear Operator
\$3.90

Reactor Operator License Premium
for Senior Control Operator and
Control Operator
\$4.88

Sr. Reactor Operator License
Premium for Senior Control
Operator & Control Operator
\$6.34

**2002 Remote Reporting
Expense Allowance**

See Section 202.21(c) of the Physical Contract.

Less than 15 Miles: \$16.50
15 Miles or More: \$23.25

**2002 Personal Vehicle
Expense Allowance**

See Sections 201.6 and 301.11(c) of the Physical Contract and Section 15.2 of the Clerical Contract.

\$.365 per mile