

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

Docket No. UM 1897

In the Matter of the Application of Hydro One Limited (acting through its indirect Subsidiary Olympus Equity LLC) for an Order Authorizing Hydro One Limited To Exercise Substantial Influence Over the Policies and Actions of Avista Corporation

TESTIMONY OF CHAD FENISON

On Behalf of Laborers' International Union of North America ("LIUNA"), its affiliated District Council, and Local Unions serving or located in Oregon

Chad Fenison

Q: State your name, affiliation, and address

A: Chad Fenison, Northwest Regional Organizing Coalition, 17230 NE Sacramento St., Gresham, OR 97230. The Northwest Region of the Laborers International Union of North America (“LIUNA”) represents over 40,000 workers throughout 9 U.S. States, 4 Canadian Provinces, and 3 Canadian Territories.

Q: What is the purpose of your testimony?

A: The first part of my testimony is to provide information regarding the type of construction work done on natural gas transmission, distribution, and service lines; safety issues that arise for pipeline workers; and factors that affect pipeline durability and reliability.

The second half of my testimony introduces a Community Benefits Agreement model as a vehicle to strengthen the applicants’ merger commitments.

Q: Please summarize your relevant background and professional expertise

A: I have been a Market Representative and Field Director for NROC, Oregon and Southern Idaho, for about a year and a half. In my current capacity, I work with LIUNA members to enforce their collective bargaining rights, and I advocate for better wages and working conditions for construction workers throughout the region.

Before that, I was a laborer for Locals 737 and 320 for about eight years. For about five to six of those years I did pipeline work on mostly natural gas transmission lines.

Q: What were your duties and responsibilities as a laborer working on natural gas transmission lines?

A: I have worked on nearly every type of crew and worked on both installation and repair of natural gas transmission lines. I have worked on the racking crew, mobbin' in (set-up) crew, survey crew, fencing crew, right away crew, environmental crew, engineering crew, skid truck crew, stringing crew, bending crew, ditch crew, pipegang/fireline crew, sandblasting crew, coating crew, lowering in crew, backfill crew, tie-in crew, testing crew, clean-up crew and also anomaly crews.

On these different crews, I have done nearly every type of construction work involved in installing and repairing natural gas transmission lines, including off-loading pipe from the rail yard to the lay down yard; assisting the surveyor or engineer with shooting underbend, overbend, left turns, and right turns; placing stakes where each joint ends; fencing off the right-of-way; grade checking on the ditch crew, cutting the right-of-way for the other crews to fall in behind, working on the environmental crew to ensure safeguards for erosion control and ensuring the environmental plan is followed; mapping where bends and turns in the pipeline need to be; rigging pipe and helping move it from the truck to the ground; bending the joints as necessary to make them turn or bend; grade-checking the ditches where the pipe goes; rigging joints; sandblasting; coating; rigging and assisting in lowering the pipe into the ditch; spotting and assisting in backfilling once the pipe is lowered; assisting in testing the pipe once installed; and cleaning up (working with an operator to put the terrain back exactly how it was).

Q: What safety risks exist for natural gas transmission and distribution pipeline workers?

A: There are all kinds of risks. There are risks of rupturing existing utilities when installing a

new transmission line; risks that come from working on the ground and directing operators running heavy equipment and machinery; risks that come from natural gas itself; risks around trenching and excavating; and the risk of navigating rough terrain on foot, and dealing with extreme climates with only the protection that laborers can wear (laborers work outside where they are exposed to the elements).

The risks that come from working around natural gas include explosion, accidental ignition, rupturing line, and the pressure in the pipe itself. If there is a rupture and pressure blows out, it can kill everyone in that area, even if there is no ignition. We only dig within 2 feet of existing transmission lines with mechanized equipment; laborers dig the rest by hand. Operators must be certified to operate heavy equipment while digging on a live line. Usually only one or two operators are certified to do that. When an operator is running an excavator, if they make one little mistake, they can hit the pipe and kill everyone. Locators are used to scan the ground for different underground lines, such as electrical, water lines, or distribution lines, and already existing transmission lines. Then, a locate is painted on the ground. But sometimes the locate is not completely accurate. The laborer then uses probes and directs the heavy equipment operator to within two feet of a live line, and then the laborers dig it out by hand. This must be exactly correct or they could rupture the existing line.

The risks from trenching involve mainly cave-ins. This can happen when laborers or welders are in the ditch or if laborers or welders are walking along the ditch above ground along the edge of the ditch. There are safeguards that can minimize safety risks, such as using shielding or shoring. It is also important to use a sniffer to detect toxic gas, and each bell hole must be inspected by a competent person. With trenching and digging, of course, there is a risk of hitting un-located

lines running below the ground. There are ways to mitigate these risks, but laborers and operators have to be professional and careful. A well-trained grade checker and a skilled operator can prevent this from happening in most cases.

There are also risks that come from rigging. If a strap or sling breaks or falls and a laborer is within the fall zone, at the very least they will be seriously injured.

Working with and directing heavy equipment and machinery probably presents the biggest risks. When a laborer rigs something up, they put themselves at risk of injury if it is not done correctly. If a laborer is hooking up a belt or sling, and their glove is caught in safety latch, they can be badly injured. There are countless ways they can be injured. If hand signals are used incorrectly or there is bad communication with the operator, or a laborer is not anticipating what the operator is going to do, there can be accidents.

Terrain can really affect these risks. For example, if a laborer is tailing in some pipe and they fall down because of uneven ground, they can be badly injured or worse. Laborers must constantly be aware of their surroundings, including the weather conditions.

Cold and heat can result in the pipe and skids expanding and contracting. Skids are what you put the joints of pipeline on. The pipe is always on skids until it is in the ground, unless it is in the train yard, on a train, the racking yard, or hanging on a strap. Laborers use skids to elevate the pipe off of the ground, protecting it from damage and providing room to work around the pipe while stringing, welding, sandblasting, and coating. While generally, the risk of the joint falling off the skid is low, if there is a fluctuation in temperature from hot to cold, or cold to hot, the

pipe and the skids can expand or contract and increase the risk that the joint or string of joints (a long section of individual joints welded together) of pipe fall off. I have seen that happen many times. Because of that, there is a rule to never walk on the side of the pipeline that is nearest to the ditch because if the pipe falls, there is nowhere to go but the ditch. If a laborer falls into the ditch, which can be anywhere between five feet to much deeper, they can be injured by that. If they fall into the ditch and then the pipe falls into the ditch, the result can be worse.

Q: What factors influence the durability and reliability of pipeline that has been installed?

A: The proper handling of the pipe is critical. A laborer must take care of the pipe and make sure it never touches the ground. The pipe has to always be on skids. If the pipe is placed on the ground, it may cause holidays, which are chips, cracks, or defects in the coating. If there is a holiday, it can cause corrosion on the outside of the pipe. It is extremely important to take care of the coating by making sure the pipe is always on skids. An important responsibility of the laborers is to protect coating on joints of pipe. When they string the pipes, the joints must always be on a skid. When laborers sandblast it and coat it, they must coat it to a certain specification. The coating must be perfect, there must be no holidays. The pipe must be checked with a jeep, which verifies there are no holes, bare metal, or voids in the coating.

Before putting the joints into the ground, laborers jeep the pipe. They jeep the entire line in sections to ensure there are no holidays in the coating. If there are holidays, laborers fix them by sandblasting or grinding and put coating over it. Laborers also put padding around pipe to make sure that the pipe cannot be damaged by rocky terrain.

Every person working on the pipeline must do their work in an exacting manner, if not, the quality of the transmission line will be impacted. The line will be inspected at the end of

installation with a smart pig (a device that lets the pipeline operator know that there are no anomalies within the coating or defects with the finished pipeline product. This service is always provided by a third party inspector). And if there is a large holiday, an incorrect weld, or any other defect, that portion of the pipeline will have to be dug up and cut out and reinstalled which is very costly.

Also, having good welders and a good x-ray crew are important. The welds have to be good. If there are problems in the weld, they have to cut it out and re-weld.

Weather can affect the ability to properly coat pipe. If the weather conditions are not right laborers have to adapt to the situation and use a variety of methods to get the correct conditions to coat and sometimes they just have to wait until the next day.

The quality of the people working on the pipeline affects the quality of the work done. Laborers are professionals and treated as a valuable part of the team. Without a good laborer the operator cannot do his job, the laborer directs the operator and is the person on the ground; they work as a team. I have personally fixed miles of jeeps on pipes and pulled rocks out of ditches that could have caused a holiday in the pipe a hundred times. I got paid a great wage and I loved my job, and I enjoyed working with great people that took pride in their work: laborers, operators, teamsters, and welders. We were there because we wanted to be there and took pride in being Pipeliners. That's our job and we do it well. I made a good living doing pipeline work and earned the reputation of being a professional.

Q: What employment commitments have the applicants made?

A: Hydro One has agreed to honor all existing collective bargaining agreements for in-house

employees. They have also agreed in Commitment 10 to maintain staffing levels, however the commitment is not clear if this pertains to outside construction crews.

Q: What employment goals or commitments have the applicants made to contracted-out construction employees?

A: To date, the applicants have not made any commitment to contractor employees. See Avista's response to LIUNA_DR_1-8 (attached as LIUNA/101). We believe LIUNA's members could be harmed by the merger if no commitments are made.

Q: Why is construction crew labor safety, productivity and efficiency important in this merger?

A: The joint applicants have promised in Commitment 15 to maintain the safety and reliability standards in a manner that is substantially comparable to, or better than, existing levels. Avista has an ongoing pipeline replacement program in Oregon. There are Grade 1, Grade 2, and Grade 3 gas leaks on Avista's system that could present hazards to the public and need to be repaired. See Attachment B to Avista's Response to LIUNA_DR_1-15, at page 214 of 283 (attached as LIUNA/102). Avista relies on third party construction crews to replace and repair its pipeline infrastructure in Oregon.

Q: Do rate payers benefit from a highly skilled, well trained, contractor workforce?

A: Avista's capital expenditure plan includes significant, multi-year investments. See Attachment A to Avista's Response to LIUNA_DR_1-26 (attached as LIUNA/103). Avista partners with contractors to supply the workforce needed to maintain a safe and reliable system. A skilled, well trained, safe workforce can be more productive. In Avista's Response to LIUNA_DR_1-9 (attached as LIUNA/104) the company states that its planned capital construction work is generally performed through contractors. An increase in labor productivity

means that higher volumes of work can be performed with the same or fewer resources, which translates into lower costs for ratepayers, a more stable workforce, and higher wages for workers. High labor productivity often also goes hand in hand with shorter and more reliable schedules. Currently Avista does not track the total labor hours or the number of contractor employees working on maintenance, capital, reliability, or other projects. See Avista's Response to LIUNA_DR_1-3 (attached as LIUNA/105). This lack of tracking makes it difficult to determine whether ratepayers are benefiting from good or poor labor productivity rates. Hydro One does track the number of contractor employees it utilizes.

Q: What additional merger commitments would you propose to improve worker safety and the reliability?

A: A community benefits agreement that addresses training, compensation, and safety for contract workers.

Q: What is a community benefits agreement?

A: Community Benefits Agreement is a mechanism to formalize and protect uniform wage and benefits standards for current contracted out construction employees. Importantly, these agreements may also address recruiting, training, and placing local residents in construction jobs by setting local hiring goals. Local residents are afforded family-supporting jobs, the applicant builds a stable pool of qualified workers to meet its construction needs, and the general public rate-payer benefits through greater safety and reliability of the system.

Q: Why is a community benefits needed in this merger?

A: According to workers who now have the protections of a LIUNA collective bargaining agreement, they experienced the following when working for a former distribution contractor: employee turnover and low morale due to low wage and benefit levels, lack of uniformity in

training, and exacerbated safety hazards. See Statements of Gillespi, Rodriguez, and Kinkade (attached to Gary Jackson's testimony). Workers employed by non-union contractors are close to falling below income guidelines for the Oregon Energy Assistance Programs Income Guidelines. For example, a single parent making \$14/ with one child would fall below the income guidelines.

Q: Has this model been implemented by other utilities?

A: Yes. Agreements covering contracted-out employees are utilized at a number of regulated utilities such as Nicor Gas, Commonwealth Edison, and Consolidated Edison. Importantly, in Canada, Hydro One has agreements with trade unions to supplement its workforce. These labor agreements provide Hydro One with access to thousands of highly trained and skilled workers. In return, contract workers are guaranteed uniform wages, benefits, training requirements, and other labor standards. See Appendix 6, Page 277 of 415 to the Application and Hydro One's Labour Standards, available at <https://www.hydroone.com/about/suppliers/labour-requirements>, both of which are attached as LIUNA/106.

Q: Does that conclude your testimony?

A: Yes.

OF OREGON

Docket No. UM 1897

In the Matter of the Application of Hydro One Limited (acting through its indirect Subsidiary Olympus Equity LLC) for an Order Authorizing Hydro One Limited To Exercise Substantial Influence Over the Policies and Actions of Avista Corporation

DECLARATION OF CHAD FENISON

I, CHAD FENISON, declare under penalty of perjury that the foregoing is true and correct.


CHAD FENISON


Date

**AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	Oregon	DATE PREPARED:	11/08/2017
CASE NO.:	UM 1897	WITNESS:	Mark Thies
REQUESTER:	LIUNA	RESPONDER:	Annette Brandon
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	LIUNA – 1-8(AVA)	TELEPHONE:	(509) 495-4324
		EMAIL:	annette.brandon@avistacorp.com

REQUEST:

Detail any employment goals or commitments as it relates to contractor employees.

RESPONSE:

Currently there are no formal employment goals or commitments as it relates to contractor employees. As noted in the Company's response to LIUNA_DR_1-1(AVA), the hiring of contractor employees is done only after internal resources have been fully utilized, on a case-by-case basis.

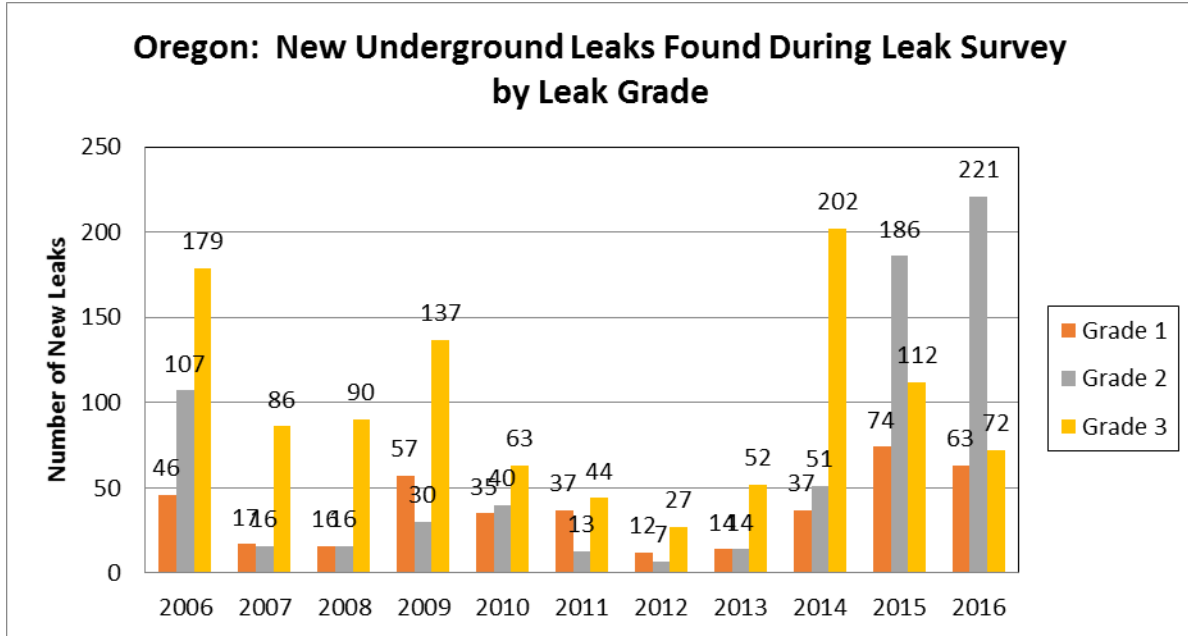


Figure D-5: OR: New Underground Leaks Found During Leak Survey by Grade

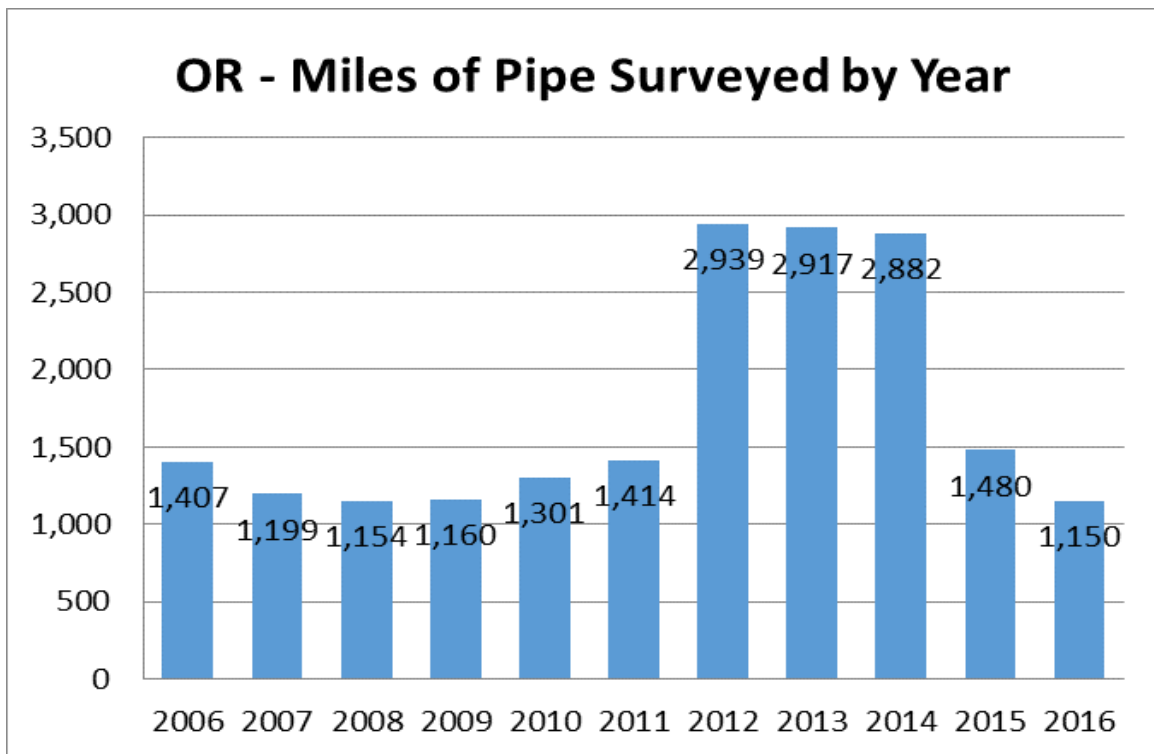


Figure D-6: OR: Miles of Pipe Surveyed by Year

2017 - 2021 Capital Plan -- Draft

as of 9/1/2016 - Updated naming and alignment to BC Justification Narratives per May 2017

*Oregon-related Business Cases

			2017	2018	2019	2020	2021
Expected			\$405,000,000	\$405,000,000	\$405,000,000	\$405,000,000	\$405,000,000
Sum			\$405,000,000	\$405,000,000	\$405,000,000	\$405,000,000	\$405,000,000
Variance to Target, F/(U)			\$0	\$0	\$0	\$0	\$0
Function	Status	Business Case	Approved	Approved	Approved	Approved	Approved
ET	Revised	AvistaUtilities.com (AU.com) Redesign	\$1,500,000	\$0	\$0	\$0	\$0
ET	Revised	Customer Facing Technology Program	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
ET	Revised	Enterprise Business Continuity	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
ET	Revised	Enterprise Security	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000
ET	Revised	Microwave Refresh Business Case	\$3,727,143	\$1,840,000	\$1,900,000	\$1,900,000	\$0
ET	Revised	Mobility in the Field	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
ET	Revised	Next Generation Radio	\$100,000	\$0	\$0	\$0	\$0
ET	Revised	Atlas	\$6,500,000	\$6,500,000	\$4,000,000	\$0	\$0
ET	Revised	Technology Expansion to Enable Business Process	\$14,000,000	\$14,000,000	\$14,000,000	\$14,000,000	\$19,000,000
ET	Revised	Technology Refresh to Sustain Business Process	\$17,765,455	\$18,000,000	\$18,000,000	\$18,000,000	\$23,000,000
Facilities	Revised	Campus Repurposing Phase 2	\$11,200,000	\$10,000,000	\$14,000,000	\$10,000,000	\$4,000,000
Facilities	Revised	Campus Repurposing Phase 1	\$200,000	\$0	\$0	\$0	\$0
Facilities	Revised	Downtown Campus	\$4,000,000	\$0	\$0	\$0	\$0
Facilities	Revised	Jack Stewart Training Center Expansion & Enhancement	\$0	\$0	\$4,000,000	\$6,300,000	\$0
Facilities	Revised	Airport Hangar	\$1,500,000	\$0	\$0	\$0	\$0
Facilities	Revised	Structures and Improvements/Furniture	\$3,000,000	\$3,600,000	\$3,600,000	\$3,600,000	\$3,600,000
Fleet	Revised	Fleet Services Capital Plan	\$8,400,000	\$7,700,000	\$7,700,000	\$7,700,000	\$7,700,000
Gas	Revised	Gas Facility Replacement Program (GFRP) Aldyl A Pipe Replacement	\$21,762,977	\$20,700,000	\$21,159,533	\$21,629,267	\$22,109,429
Gas	Revised	Gas Cathodic Protection Program	\$800,000	\$700,000	\$700,000	\$700,000	\$700,000
Gas	Revised	Gas Deteriorated Steel Pipe Replacement Program	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Gas	Revised	Gas ERT Replacement Program	\$240,000	\$260,000	\$280,000	\$330,000	\$716,100
Gas	Revised	Gas HP Pipeline Remediation Program	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Gas	Revised	Gas Isolated Steel Replacement Program	\$2,050,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Gas	Revised	Gas Non-Revenue Program	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
Gas	Revised	Gas Overbuilt Pipe Replacement Program	\$500,000	\$500,000	\$500,000	\$500,000	\$400,000
Gas	Revised	Gas Pierce Rd La Grande HP Reinforcement	\$3,490,000	\$0	\$0	\$0	\$0
Gas	Revised	Gas PMC Program	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Gas	Revised	Gas Regulator Station Replacement Program	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Gas	Revised	Gas Reinforcement Program	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Gas	Revised	Gas Replacement Street and Highway Program	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Gas	Revised	Gas Telemetry Program	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Growth	Revised	New Revenue - Growth	\$47,443,826	\$46,437,885	\$45,618,847	\$46,510,681	\$46,557,021
Other	Revised	Apprentice/Craft Training	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Other	Revised	Capital Tools & Stores	\$2,400,000	\$2,400,000	\$2,400,000	\$3,000,000	\$3,150,000
Other	Revised	Ergonomic Equipment	\$300,000	\$300,000	\$0	\$0	\$0
Other	Revised	Jackson Prairie Joint Project	\$1,627,000	\$1,562,000	\$1,483,000	\$1,478,000	\$1,483,000
Other	New	Company Aircraft Capital	\$500,000	\$2,500,000	\$0	\$0	\$0

**AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	Oregon	DATE PREPARED:	11/08/2017
CASE NO.:	UM 1897	WITNESS:	Mark Thies
REQUESTER:	LIUNA	RESPONDER:	Greg Hesler
TYPE:	Data Request	DEPT:	Supply Chain Management
REQUEST NO.:	LIUNA – 1-9(AVA)	TELEPHONE:	(509) 495-2208
		EMAIL:	greg.hesler@avistacorp.com

REQUEST:

Provide any analysis, document, or report that details contractor employment creation or outcomes as it relates to historic and future capital investments.

RESPONSE:

It is not clear what is intended by “contractor employment creation.” In general, the Company’s employees perform primarily repair and maintenance work, which, depending on the circumstances, may represent capital work. Conversely, planned capital construction work is generally performed through contractors, who are better suited to deploy resources across multiple entities in order to address and meet fluctuations in resource needs.

**AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	Oregon	DATE PREPARED:	11/08/2017
CASE NO.:	UM 1897	WITNESS:	Mark Thies
REQUESTER:	LIUNA	RESPONDER:	Greg Hesler
TYPE:	Data Request	DEPT:	Supply Chain Management
REQUEST NO.:	LIUNA – 1-3(AVA)	TELEPHONE:	(509) 495-2208
		EMAIL:	greg.hesler@avistacorp.com

REQUEST:

Copies of any and all exhibits, data responses, testimonies, work-papers, or other documents; and all emails; written, typed, printed, or other tangible correspondence; memoranda; notes; meeting minutes; meeting agenda; spreadsheets; power points; drafts; audit records; or any other work paper or other communications by applicants that detail the following:

- Number of contractor employees, full time equivalent positions (“FTE”), total labor hours, or any other data that details by occupation the number of contractor workers employed on maintenance, capital, reliability, or other Oregon construction projects by year from 2014 to present;
- The compensation and benefits for these contractor employees by occupation; and
- Number of contractor employees who have obtained the requisite certifications to work on an Oregon maintenance, capital, reliability, or other Oregon construction project, and a list of all required certifications from 2014 to present.

RESPONSE:

The Company does not track the total labor hours nor the number of contractor employees working on maintenance, capital, reliability, or other projects. The Company also does not track the compensation and benefits for contractor employees by occupation, as that goes beyond the purview of the independent contractor relationship.

On contracts that provide for services to be provided on a time and materials basis, the contractor is required to provide a labor rate sheet, an example of which is included in the materials provided in response to LIUNA_DR_1-2(AVA). This is primarily used to ensure that costs associated with change orders are appropriate and to reconcile potential invoicing issues.

For contracts that are invoiced on a time and materials basis, the contractor is required to provide supporting documentation for the time and materials charged to the Company. With more than 2,500 active contractor agreements across its service territory, attempting to produce all such records would be unduly burdensome.

The Company also maintains, as a part of its standard contract provisions, the ability to audit a specific contractor to verify compliance with, among other things, any wage and benefits requirements that might be applicable under the contract.

Finally, as discussed in response to LIUNA_DR_1-19(AVA), the Company certifies that contractor employees are Operator Qualified as required by law.

outstanding shares of Hydro One Inc. from the Province and the issuance of new common shares and preferred shares of Hydro One to the Province. Both Hydro One and Hydro One Inc. are reporting issuers. In April 2016, the Province completed a secondary offering of 83.3 million common shares of Hydro One on the Toronto Stock Exchange. Hydro One did not receive any of the proceeds from either of the sales of common shares by the Province. At December 31, 2016, the Province directly holds approximately 70.1% of Hydro One's total issued and outstanding common shares.

Class Action Lawsuit

Hydro One Inc., Hydro One Networks, Hydro One Remote Communities Inc., and Norfolk Power Distribution Inc. are defendants in a class action suit in which the representative plaintiff is seeking up to \$125 million in damages related to allegations of improper billing practices. A certification motion in the class action is pending. Due to the preliminary stage of legal proceedings, an estimate of a possible loss related to this claim cannot be made.

Acquisitions

Integration of Haldimand Hydro and Woodstock Hydro

In 2015, the Company acquired Haldimand Hydro and Woodstock Hydro, two Ontario-based local distribution companies. In September 2016, the Company successfully completed the integration of both entities, including the integration of employees, customer and billing information, business processes, and operations.

Acquisition of Great Lakes Power

On October 31, 2016, following receipt of regulatory approval of the transaction by the OEB, Hydro One completed the acquisition of Great Lakes Power, an Ontario regulated electricity

transmission business operating along the eastern shore of Lake Superior, north and east of Sault Ste. Marie, Ontario. The total purchase price for Great Lakes Power was approximately \$376 million, including the assumption of approximately \$150 million in outstanding indebtedness. On January 16, 2017, Great Lakes Power's name was changed to Hydro One Sault Ste. Marie LP.

On December 23, 2016, Great Lakes Power filed an application for 2017 rates, requesting an increase to the approved 2016 revenue requirement of 1.9%, resulting in an updated revenue requirement of \$41 million.

Acquisition of Orillia Power

In August 2016, the Company reached an agreement to acquire Orillia Power Distribution Corporation (Orillia Power), an electricity distribution company located in Simcoe County, Ontario, for approximately \$41 million, including the assumption of approximately \$15 million in outstanding indebtedness and regulatory liabilities, subject to closing adjustments. The acquisition is subject to regulatory approval by the OEB.

Hydro One Work Force

Hydro One has a skilled and flexible work force of approximately 5,500 regular employees and over 2,000 non-regular employees province-wide, comprising a mix of skilled trades, engineering, professional, managerial and executive personnel. Hydro One's regular employees are supplemented primarily by accessing a large external labour force available through arrangements with the Company's trade unions for variable workers, sometimes referred to as "hiring halls", and also by access to contract personnel. The hiring halls offer Hydro One the ability to flexibly utilize highly trained and appropriately skilled workers on a project-by-project and seasonal basis.

The following table sets out the number of Hydro One employees as at December 31, 2016.

	Regular Employees	Non-Regular Employees	Total
Power Workers' Union (PWU)	3,470	698 ¹	4,168
The Society of Energy Professionals (Society)	1,365	44	1,409
Canadian Union of Skilled Workers (CUSW) and construction building trade unions ²	–	1,275	1,275
Total employees represented by unions	4,835	2,017	6,852
Management and non-represented employees	659	28	687
Total employees	5,494	2,045	7,539

¹ Includes 528 non-regular "hiring hall" employees covered by the PWU agreement.

² Employees are jointly represented by both unions. The construction building trade unions have collective agreements with the Electrical Power Systems Construction Association (EPSCA).

 > [about](#) > [suppliers](#) > labour requirements

The purpose of this page is to provide important information to bidders and/or successful contractors pertaining to the Electrical Power Systems Construction Association (EPSCA) process and provide easy access to collective agreements and wage schedules. Any questions regarding the following information should be directed to the Workforce Acquisition Department at Hydro One.

Bidding on a Hydro One Tender or Request for Proposal

The EPSCA process commences when the Workforce Acquisition (WFA) department at Hydro One receives a "Request for Labour Requirements Form" from the project manager. The location and nature of the work along with the monetary value, field labour hours, and the anticipated trades to be utilized are taken into consideration when a labour determination is made.

There are two possible determinations with respect to labour requirements:

1. **Form B** → collective agreement provisions DO NOT apply;
2. **Form 1** → collective agreement provisions apply.

If WFA determines that the work is to be completed as **Form B** work, the contractor is not required to follow the collective agreement provisions but instead must pay a "fair" wage rate as outlined in the Form B Notice.

An electronic labour document package is issued and contains the following information:

- Notification and Determination Form
- Form B Notice

If WFA determines that the work is to be completed as **Form 1** work an electronic labour document package is issued to the project manager for enclosure in the tendering package. The package contains the following information:

- **Notification and Determination Form**

Outlines the applicable collective agreements and wage schedules for the area where the work is being performed.

- **Labour Requirements Package**

This package includes the "Acknowledgment of Labour Requirements" which the successful bidder is required to sign as part of the commercial contract. It also contains the following information:

- Notice to Requisitioner
- Labour Requirements Clause – Form 1
- Electrical Trade Labour Requirements
- Rental of Cranes
- ICI Construction Work Memorandum
- Schedules I, II, and III for Labour Requirements Clause



With regards to daily travel/room and board allowance when bidding on contracts - please remember that all EPSCA/CUSW/LIUNA OPDC contracts are **FIRM BID**. This means that any allowance for daily travel, subsistence or travel and transportation as detailed in the relevant articles for any EPSCA/CUSW/LIUNA OPDC agreement will not be reimbursed by Hydro One. However, it is still the Contractor's responsibility to pay their employees their appropriate daily travel/board allowance rate as stipulated in the various collective agreements.

Performing Work under EPSCA Contracts

Once the tender has been awarded by Inergi, WFA is notified and in turn sends a letter to the successful bidder indicating that we have been notified that they will be performing the work under the contract. Workforce Acquisition requests the Mark-up Meeting Agenda and Acknowledgment of Labour Requirements be completed and returned to us. Along with the letter we provide a copy of our contractors guide: "A Contractor's Guide to EPSCA Contracts." In this guide you will find information pertaining to the pre-job mark-up meeting, employment obligations, hours of work, board and travel allowances, the EPSCA Association Fund, vacation and statutory holiday pay, and the release of holdback monies. The following forms can be found in this guide and are for use while working under an EPSCA contract:

- Mark-up Meeting Agenda
- Acknowledgment of Labour Requirements
- EPSCA Help Requisition
- Board and Travel Application
- EPSCA Association Fund Employer Contribution Report
- Contractor/Subcontractor Summary

Collective Agreements and Wage Schedules

There are currently eighteen (18) different Electrical Power Systems Construction Association (EPSCA) collective agreements in place. These agreements are negotiated and administered by EPSCA on the behalf of Hydro One and its contractors. Contractors are obligated to comply with the terms and conditions of these EPSCA agreements while working on Hydro One sites.

The following agreements and their wage schedules can be found on the EPSCA website:

Boilermakers
Operating Engineers



Carpenters
Painters
Cement Masons
Plasterers
Cement Masons
Rodmen
IBEW - Generation (Electricians)
Roofers
IBEW - Transmission (Electricians)
Sheet Metal Workers
Insulators
Teamsters
Ironworkers
Tile and Terrazzo
Labourers' (OPDC Transmission)
United Association of Plumbers and Pipefitters
Millwrights



*Revised August 1, 2010
(Supersedes Clause dated April 1, 1999)*



LABOUR REQUIREMENTS CLAUSE — Form B

The Contractor/Company, including any person or organization contracting under it to perform work in connection with the contract, shall, unless precluded by law, pay all persons performing work at the site named herein a “fair wage” for the area.

Hydro One shall have the right to establish, from time to time, the working conditions which shall prevail at the site for all contractor and subcontractor employees not covered by a Collective Agreement.

In all cases, the wage rates paid and working conditions employed shall be in compliance with all relevant labour legislation.

The Contractor/Company shall provide, and/or shall require any subcontractor to provide, immediately upon request by Hydro One authorized representative, evidence of compliance with these requirements. Such evidence shall include, but not be limited to, copies of all paysheets, lists, records or books relating to the work performed. The originals, thereof, shall be subject to audit, at all reasonable times, by Hydro One. Failure to provide such evidence or to pay wages in accordance with these requirements shall entitle Hydro One to take such action as it may deem appropriate in the interest of the employees affected.

Tenderers or the Contractor may consult with Hydro One’s Manager of Workforce Acquisitions Department, or his delegate, with respect to wage rates and working conditions which may be applicable to this contract. Information provided by Hydro One, other than that set forth in a document forming part of the tendering documents, shall not in any way relieve the Tenderer of its responsibility for determining the applicable wage rates and working conditions to be considered in establishing the tendered price.

The Contractor/Company shall include, in all subcontracts, provisions requiring the Subcontractor to pay wage rates and establish working conditions in accordance with these requirements.

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

Docket No. UM 1897

In the Matter of the Application of Hydro One Limited (acting through its indirect Subsidiary Olympus Equity LLC) for an Order Authorizing Hydro One Limited To Exercise Substantial Influence Over the Policies and Actions of Avista Corporation

TESTIMONY OF AIDA ARANDA

On Behalf of Laborers' International Union of North America ("LIUNA"), its affiliated District Council, and Local Unions serving or located in Oregon

Q: State your name, affiliation, and address

A: Aida Aranda, Oregon & Southern Idaho Laborers-Employers Training Trust, 17242 NE Sacramento St., Portland, OR 97230.

Q: What is your Occupation?

A: Training Director of the Oregon & Southern Idaho Laborers-Employers Training Trust.

Q: Please summarize your background and professional expertise

A: I have been with the Laborers for over 20 years. In 1997, I began working in the field as a construction craft building laborer on commercial buildings. After approximately eight years working as a laborer, I began working for Local 296 as a dispatcher, which I did for one year. I then joined the Apprenticeship and Training Fund as coordinator, where I worked for 7 years. I then worked for the Northwest Regional Organizing Coalition (“NROC”) for three years in their Organizing Department. For about two years, I served as the NROC Director of Field Operations. I have been in my current position since July 2017.

Separately, I also sit on the Oregon State Apprenticeship and Training Council, as well as the Workers’ Compensation Management Labor Advisory Committee Board, both governor-appointed positions. I am also a trustee for the Oregon and South Idaho Laborers-Employers Training Trust. I am also a member of the Portland Metro Workforce Development Board, the Local 737 Volunteer Organizing Committee, and the Joint Apprenticeship Training Committee for the Oregon and South Idaho Laborers Apprenticeship and Training. For approximately nine years, I served on the Board of Directors of Oregon Tradeswomen Inc., a pre-apprenticeship program that brings women into construction trades.

Q: What are your duties and responsibilities in your current position?

A: I oversee the Apprenticeship Program's instructors and curriculum. I am responsible for making sure our curriculum and instructors meet all necessary standards. Our program is registered with the Oregon Bureau of Labor and Industry, Apprenticeship and Training Division and must meet Oregon state standards. The Oregon State Apprenticeship and Training Council develops and regulates apprenticeship standards, which our program must meet.

The Oregon & Southern Idaho Laborers-Employers Training Trust Fund is an active affiliate of the LIUNA Training and Education Fund which is an integral part of the Laborers' International Union of North America ("LIUNA"). LIUNA Training and Education Fund develops our curriculum, certifies our instructors, and supports our program to train Construction Craft Laborers throughout Oregon and Southern Idaho.

Because LIUNA Training is one of the only trade organizations to receive independent, third party accreditation for our curriculum, we can offer the industry's most comprehensive training materials. Our accredited curriculum ensures LIUNA members are engaged learners, receive quality training, and acquire the latest skills. For employers, it means value, productivity and the ability to meet industry requirements. Accreditation also means our curriculum is developed by industry experts with adherence to strict standards. Independent accreditation means quality of products, attainment of the highest standards, and assessment of competency.

The LIUNA Training & Education Fund develops the highest quality, most comprehensive and up-to-date training programs available in the construction industry. Our program is accredited by

the American National Standards Institute (“ANSI”) and must continuously meet their standards. ANSI applies to instructors, accreditation, and curriculum. ANSI accreditation demonstrates quality and is a higher standard than what most training programs have. Our instructors participate in their ANSI-accredited “Instructor Certification Program” providing LIUNA instructors with an ANSI certification. The best-trained instructors use the most effective adult education techniques in a dynamic and interactive learning experience.

The quality of an education is only as good as the quality of the instructor teaching it. That is why we participate in the industry’s most rigorous Instructor Certification Program. LIUNA instructors are required to participate in a multiyear certification program that is tied to career-long education and training. From the best practices in adult education to the latest classroom techniques, certified LIUNA instructors provide students with the greatest opportunity to learn.

LIUNA Training’s Instructor Certification Program offers a structured path to attain both technical and educational knowledge and skills. Every LIUNA instructor is assessed and placed on a corresponding path to certification. Instructional standards as well as general educational and computer competencies must be met before an instructor can sit for the certification exam. This challenging ANSI-accredited program ensures quality, consistency and integrity throughout North America.

Our program is also overseen by the Laborers International Training Program, which is accredited, and must meet their standards as well. All LIUNA training programs must meet the International’s standards regardless of state. One purpose for requiring programs meet these

standards is ensuring uniform certifications and training for our members. These standards pertain to the curriculum and instructors' professional development, certification, and qualifications. Every instructor has to maintain certain certifications in order to teach the subjects in the approved and accredited curriculum. They attend annual instructor conferences and other training.

I also supervise the teaching and instruction of trainees. I make sure all necessary equipment, tools and materials are available to the instructors. I work with staff to evaluate, present, and discuss new methods of instruction and programs. I also ensure that staff is up to date on certifications and schedule trainings and conferences. I oversee curriculum delivery and evaluate instructors. I also oversee and assist coordinators management of apprentices, recruitment and outreach.

I am also responsible for staying current with market trends. I analyze local construction markets to determine the number of individuals with the specific skills that are needed and work with the local unions and Employers to keep them informed of the availability of trained journeymen and apprentices. I promote and build relationships between the program, local unions, and employers.

I am also responsible for portions of the administration of the program. I compile data and reports relating to all training activities and submit it to Board of Trustees. I have financial responsibilities for program operation, expenditures, and oversight. I also determine employees' work schedules and implement policies and procedures the committee has approved on a range of topics including day to day operations, safety policies for the buildings and sites, and EEO

policies. An important part of my job includes maintaining relationships within the community and the organization.

We are committed to ensuring pipeline workers are skilled, ready, and qualified to do the work needed in this area. We are perfectly poised to do this. We have the curriculum, instructors, outreach, networks and facilities locally and around the country. We very often lead on safety and health issues in our local areas. We are usually setting those standards as well. We have our instructor, Ronny Lesperance, who has 23 years' experience in the pipeline field. We have a wide and diverse skill base of on the job experience. One of Mr. Lesperance's responsibilities is to instruct apprentices. Apprentices do distribution, but not transmission line work, but can be involved with the transmission line crew.

Q: What is the purpose of your testimony?

A: To provide information regarding LIUNA's expertise in training and preparing workers for careers in construction, particularly in the natural gas field.

Q: How Long has the Apprenticeship Program operated in Oregon?

A: Since 1983

Q: What subjects related to natural gas pipeline work does the Apprenticeship Program cover?

A: The program provides the opportunity for trainees to achieve the following certifications:

1. OSHA 10, 30
2. General pipeline safety
3. Flagger certification/work zone safety

The program also provides instruction on the following relevant subjects:

1. Trench and excavation safety
2. Confined space awareness
3. Environmental Remediation
4. Hoisting/Rigging and signaling, which is an OSHA requirement
5. Fencing
6. Forklift
7. Force mains, pressure mains, gravity flow lines
8. Work zone safety
9. Repair work, repairing live lines
10. Capping water lines
11. Pipe fusion/polyethylene
12. Traffic control plans
13. Personal Protective Equipment
14. Tool operation and maintenance
15. Equipment
16. Site prep and maintenance
17. Site layout
18. Blueprint reading
19. Construction math
20. Line and grade / grade checking
21. Concrete placement, cutting, and repair
22. Material handling
23. Tending pumps

24. Potholing

25. Pipeline Technology curriculum

Q: What does the Pipeline Technology curriculum cover?

A: This is a very extensive and comprehensive curriculum that covers everything from personal protection equipment and safety to general knowledge and skills training specific to transmission and distribution work.

Q: Can only apprentices take classes from the Apprenticeship Program?

A: No. Journeymen and other workers can also get additional training, recertification, new training requirements, new standards, updated certifications, and training on new products. Our program is provided for apprentices, journeymen, and anyone who wants to get training.

Q: Can courses taken at the Apprenticeship Program transfer to Community Colleges?

A: We are working with Mt. Hood Community College on setting up an articulation agreement so that a journeyman card will equate to a certain amount of college credits. The goal is for Mt. Hood Community College to approve our curriculum so that certain program courses and training can go toward their degree program. We have had this kind of arrangement with other community colleges before.

Q: Does this conclude your testimony?

A: Yes, it does.

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**


Docket No. UM 1897

In the Matter of the Application of Hydro One Limited (acting through its indirect Subsidiary Olympus Equity LLC) for an Order Authorizing Hydro One Limited To Exercise Substantial Influence Over the Policies and Actions of Avista Corporation

DECLARATION OF AIDA ARANDA

I, AIDA ARANDA, declare under penalty of perjury that the foregoing is true and correct.


AIDA ARANDA


Date

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

Docket No. UM 1897

In the Matter of the Application of Hydro One Limited (acting through its indirect Subsidiary Olympus Equity LLC) for an Order Authorizing Hydro One Limited To Exercise Substantial Influence Over the Policies and Actions of Avista Corporation

TESTIMONY OF GARY JACKSON

On Behalf of Laborers' International Union of North America ("LIUNA"), its affiliated District Council, and Local Unions serving or located in Oregon

Q: State your name, affiliation, and address

A: Gary Jackson, LIUNA Local 737, 3081 Dole Rd., Myrtle Creek, OR 97457.

Q: What is your occupation?

A: Senior Business Representative.

Q: Summarize your relevant background and professional expertise.

A: I have been a Business Representative for about five years. I have represented members employed by Brotherton Corporation and now represent the employees of Infrasource working on the Avista system in La Grande, Klamath Falls, and Roseburg. I am involved in contract negotiations, recruitment, organizing, contract enforcement, dispute resolution, grievance processing, and the supervision of three to four business agents.

I am also a Board Member of Boost Southern Oregon. We are working to stimulate and promote businesses in Southern Oregon.

I am also the Vice Chairman of the Board of Directors of the Cow Creek Indian Tribe. We provide general oversight and policymaking for the 1,800 tribal members. I have served on the Board for 31 years, during which I participated in writing the Tribe's original constitution and have been involved in creating and implementing nearly all policies and regulations. We are also responsible for the formulation of tribal businesses. When I started, we went from a tribe with few financial resources to where we are today. We built, own, and operate the Seven Feathers Casino Resort. We also developed, as well as own and operate two motels, a truck stop, two cattle ranches, a data storage company, a coffee business, a printing business, and two tribal health clinics.

Q: What is the purpose of your testimony?

A: To describe the role of the contracted out workforce on the Avista system, describe the kinds of jobs available in the southern areas of Oregon, and providing information on how higher wages could benefit the southern areas of Oregon.

Q: Geographically, which areas do you cover as the Senior Business Representative?

A: Three quarters of the state of Oregon—all areas except Portland metropolitan area and the Northwest coastal area.

Q: What is the Role of the Contracted out workforce on the Avista system?

A: By and large, the construction work on Avista's system is done by contractors. When Avista employees are present at a site, they function as construction supervisors who oversee the project. The workers who are actually doing the physical work are those employed by the contractor. See e.g., Statements of Gillespie (LIUNA/301), Rodriguez (LIUNA/302), and Kinkade (LIUNA/303).

Q: Describe the construction jobs in the southern part of the state and how much they generally pay

A: There has been an increase in the number of construction jobs in this part of state, but they have been low-paying, paying anywhere from \$11-\$15 per hour for laborers putting in water pipes, sewer pipes, and drain pipes. But these jobs come with no benefits packages. I was talking with my nephew who was being paid only \$18 per hour, with no benefits, as an operator. He started as a laborer for that company three years ago making \$13 per hour at that time.

For work within the general laborers' scope of work, whether doing asphalt, concrete, or general

excavation, the pay has been approximately \$11-\$15. A lot of nonunion laborers are running equipment and doing a bit of everything.

At Medford, there are about 82 people working on the Avista system. I know a few of the people working there and they are making really low wages.

Of course, we have members working for Infrsource on the Avista system at La Grande, Klamath Falls, and Roseburg. They are paid approximately \$26 per hour, with full benefits. See LIUNA/301-303. Our members work alongside pipefitters and operators as well.

Q: What impact could higher paying jobs have locally?

A: Higher wages would increase laborers' pay. This would result in having to increase wages for operators and pipefitters, as well. Right now, since we signed Infrsource as a signatory employer, they are paying the higher wages. See LIUNA/301-303. Additionally, with higher paying jobs in the region, employees of other companies will demand higher wages from their bosses, creating pressure to raise wages to retain employees.

Higher wages and better benefits also create better self-esteem for the workers. This incentivizes people to stay with their jobs and want to do better. This results also in higher quality work actually being done out in the field. See LIUNA/302.

The higher wages for workers will help the local economy. With higher wage comes higher

household income. Higher wages means you will have people spending more money locally.

Local businesses will benefit. They will start hiring local people too.

If more people have better insurance, it would take them off of the Oregon Health Plan, putting them on a higher quality plan. People will be more frequently getting preventive health services instead of waiting until they get sick. They will, in turn, be healthier and more productive.

If there is more income and thus more economic activity in this area, we could attract more and better doctors. Right now, we have a shortage of good doctors. Currently, we cannot get enough good doctors to stay here. Roseburg used to have two hospitals; we are down to one now. We have a good education system in Southern Oregon, but everyone goes everywhere but here. I have been involved in discussions with Klamath County commissioners and the Chamber of Commerce on how to improve the economy and increase jobs.

Higher wages for workers will result in more money into the tax base, more money back into the schools. While Oregon's education funding decreased with restrictions in the logging industry, higher tax revenue that would come from higher wages can help offset those losses.

Q: Does this conclude your testimony?

A: Yes.

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

Docket No. UM 1897

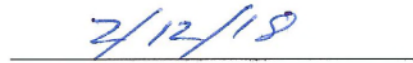
In the Matter of the Application of Hydro One Limited (acting through its indirect Subsidiary Olympus Equity LLC) for an Order Authorizing Hydro One Limited To Exercise Substantial Influence Over the Policies and Actions of Avista Corporation

DECLARATION OF GARY JACKSON

I, GARY JACKSON, declare under penalty of perjury that the foregoing is true and correct.



GARY JACKSON



Date

**Statement of ISAIAH GILLESPIE
PUBLIC UTILITIES COMMISSION OF OREGON
DOCKET NO. UM 1897**

In the Matter of the Application of Hydro One Limited
(acting through its indirect Subsidiary Olympus Equity LLC) for an
Order Authorizing Hydro One Limited To Exercise Substantial Influence
Over the Policies and Actions of Avista Corporation

FEBRUARY 12, 2018

I worked for Brotherton for about a year and a half, working in the Roseburg Division, from Canyonville up to Oakland. I have done a lot of main and service work, but have also been on a few of the big distribution line jobs. I started as a laborer, doing a little bit of everything. My duties included cleaning out trucks and doing whatever work was necessary to finish a job. However, back when I worked for Brotherton, it wasn't very fluid. A lot of people were doing the same job as others. There did not always seem to be a set plan. There was a set path for what we were trying to accomplish, but it was not very organized. Everyone was pretty much responsible for everything. There was some confusion regarding people's roles at the job.

With Infrasource, since it's a union contractor, we have our specific tasks and responsibilities. I'm a laborer now. So I do hand digging and preparation work. Then we have our fuser come down to do his job. We also coordinate with the operator. Everything is a lot more pre-prepared. When we are done with the hole, the other workers are ready to put their pipe in the ground. People have more specialized roles. It's more efficient.

On any given job, Avista employees occasionally come to the work site—usually it is a safety guy, job inspector, or planner of the job. They are helpful in answering questions or providing instructions. They do the job planning and mapping. The servicemen interact with customers and do meter work.

But as far as digging, laying pipe, and then backfilling, that is work done by Infrasource

workers, or Brotherton workers before. I have not seen Avista workers do this kind of work before. Also, for emergency shut offs, it is me and other Infracource workers doing that. Avista employees have helped with squeezing line (to pinch off the flow of natural gas) before, but that has been primarily done by Brotherton and now Infracource workers. I have not seen Avista workers digging or laying pipe.

When I worked for Brotherton as a laborer, I started making \$14 per hour. Before Infracource took over the contract, I was making \$16 per hour. While I am single, it was pretty rough to pay the bills, I was scraping by because my rent was \$950 per month and I had a truck payment and other bills. Yet, I was only bringing home \$350-400 per week. I was only able to save a little money here and there.

During my time working for Brotherton, I thought about leaving Oregon and also thought about going into a different line of work. I had to really push for a \$2 per hour raise. I wasn't making it financially very well at the time. I thought about going into carpentry. I know of some coworkers who left for jobs with better pay and benefits. But I'm glad I stuck with it because of what I am making now.

Now that I work for Infracource, I make \$26 per hour. Financially, I am now doing a lot better. It is excellent. I even have money in savings now. In just the 4 weeks I have been with Infracource, the pay increase has helped a lot. I can save much more now. I will be able to pay off my truck a lot faster, which will be nice.

There are safety risks in doing pipeline work. I've seen leaks, just about everything in the gas field. Accidental ignition is the biggest thing that we are worried about. With gas leaks, we are the urgent response. It is not fun with the possibility of ignition all around you. We are very cautious when that happens. It is a very gut wrenching feeling when that's a possibility. Accidental ignition is never 100% avoidable, but there are a lot of preventable measures to prevent that from

happening. We are trained about accidental ignition and preventable measures. Even at tailboard meetings—safety meetings about a specific job—the accidental ignition discussion comes up. For example, if we are squeezing, we can use static spray to prevent static, we look out for smokers passing by, and otherwise ensure as many risks as possible are eliminated.

There are also other risks. There is always the potential for slips, trips, and falls. There are a lot of construction related risks, such as vehicles entering the job site or running into other underground utilities. Mostly all these risks are preventable.

**Statement of GREG RODRIGUEZ
PUBLIC UTILITIES COMMISSION OF OREGON
DOCKET NO. UM 1897**

In the Matter of the Application of Hydro One Limited
(acting through its indirect Subsidiary Olympus Equity LLC) for an
Order Authorizing Hydro One Limited To Exercise Substantial Influence
Over the Policies and Actions of Avista Corporation

FEBRUARY 12, 2018

I am employed by Infrasource, but worked for Brotherton Pipeline for 5 or 6 years before Infrasource took over. I started as laborer, digging trenches, installing pipe, and backfilling for Brotherton Pipeline. I worked on transmission lines in Medford and Klamath, as well as distribution lines and service lines.

I have also worked for Brotherton Corp., doing underground drilling and tunneling on a variety of utility projects, including water, petroleum lines for Shell, fiber, all kinds of stuff.

When I started at Brotherton Pipeline, there were no Avista employees at the site. But over the years, they started having a guy check the sites, audit our crews, but he wouldn't be there full time. The Avista guy would be there around once a day to make sure we were doing our jobs and then leave and go about his business. I have never seen an Avista employee dig trenches, install pipe in the ground, backfill, or do other construction. Avista employees do everything from the meter to the house. They do the build into their house and then light them up.

When I started with Brotherton, I had minimum operating skills. I worked my way up pretty quick. We had to take tests to do stuff in the field. Knowledge test on computer, then we had a hands-on test (various physical skills and tasks) with a proctor who signs off that you are competent; we had an Avista handbook to study. We had to pass our OQs, through Veriforce, but then switched back to the Avista learning center.

When working for Brotherton Pipeline, I made about \$14-\$17 per hour over my time there.

I have two kids and a wife. It was hard to pay the bills. I had to get 40 hours per week, but even then, I was living paycheck to paycheck. It was tight. It was hard. That's why I tried to jump on the union-side work at Brotherton Corp., which was difficult because when working for Brotherton Corp., I was away from home, sometimes as long as a few months.

When working for Brotherton Pipeline, I was not particularly able to save money. If it wasn't for my work at Brotherton Corp., I wouldn't have been able to save anything.

When I worked at Brotherton Pipeline, there was a lot of turnover. We couldn't find people who wanted to work as a welder for \$15-16 hour. It was hard to find anyone who would do it. We'd go through employees. Everyone else would be new except for me and another guy. People didn't take it serious. They were getting cheap wages and it was hard work. Some people didn't seem to take pride, they didn't care.

I think that affected safety—not having a lot of people properly trained in a timely manner. We have had people just thrown out there to go work. They'd send them out with only one competent person. They'd hire out of a temporary service to just find workers to help with digging or other tasks. It made it hard for everyone else: you had deal with a new guy who wasn't OQ'd, so you'd have to do everything. Workers wouldn't stay long enough to get their OQs. Having someone just watch you, that's what they'd do, wasn't helpful.

I considered leaving Brotherton and even Oregon. I actually got job offers for another pipeline company in California. The money they offered was pretty good. But I didn't want to leave.

But now, working for Infrasource, they take care of you and tell you what you need to do. I am making \$26.80 per hour at Infrasource. Now, we're all union. We take it serious. It's too good of a gig to mess up. Having a union is awesome. There is always someone there you can call and they won't try to mess around with you. They'll help you out. They answer questions. I would

never not work a non-union job ever again.

Now, you see people come in who want to work. They are paid, so you expect them to do good work. You get vested and 5-10 years in you get a pension. It helps people stay. Our highest guy at Brotherton didn't even make what a laborer makes now. Even keeping a superintendent at Brotherton was hard. I went through four superintendents at Brotherton Pipeline. But this new company seems like they want to keep guys working, they know what they're doing.

There are safety risks doing pipeline work. Everything from starting the truck, traffic, natural gas leaking, fire damage, it can get really bad really quick. That's why they pay us and it's good to keep people who know what to do in different situations. You can have a bad locate – something mismarked. There could be a fiber or power that is not located. It could shock you, you could die. You could hit water mains and cause flooding. Or you could hit electrical. A lot of things can go wrong real quick. If someone is not wearing proper PPE they can get hurt. Or someone can be grinding and get a piece of flag in their eye. There is heat shock, heat stress, and falls.

**Statement of SKIP KINKADE
PUBLIC UTILITIES COMMISSION OF OREGON
DOCKET NO. UM 1897**

**In the Matter of the Application of Hydro One Limited
(acting through its indirect Subsidiary Olympus Equity LLC) for an
Order Authorizing Hydro One Limited To Exercise Substantial Influence
Over the Policies and Actions of Avista Corporation**

FEBRUARY 12, 2018

I have worked as a contract worker on the Avista system. I first worked for about a year as a flagger through Express, a temp agency. During that time, I worked alongside Brotherton workers. I was then hired by Brotherton, where I worked for about 6-8 months as a driver, operating a dump truck. Once Infrasource took over the Avista contract, on about January 12, 2018, I began working for Infrasource as a laborer/driver. During my time working on the Avista system, I have specifically worked on projects in the Roseburg district from Southerland down to Canyonville.

In my current role as a laborer, I dig ditches, get tools and supplies for the other workers, set up signs, set up cones to divert traffic, and help set up the site. I have not yet received formal training or gotten my OQs, but understand that I will be trained at some point.

As contract workers working on the Avista system, first with Brotherton and now with Infrasource, we are the ones actually doing the physical work. Avista employees come by and make sure we are doing everything right. They usually show up and make sure we have our safety equipment and that our trucks are taken care of. Avista employees talk with the Infrasource (before it was Brotherton) foremen, but that's pretty much it. Every once in a while the Avista employees grab a shovel, but it is not very often. On projects I have worked on for the Avista system, it is the Infrasource employees doing most of the work.

When I worked for the temp agency as a flagger, I earned \$14 per hour. As a driver

working for Brotherton, I made \$14 per hour. When I worked for Brotherton, paying bills, including my utilities bill, was a little rough for me. I had to pay for my son's health insurance. I know a lot of the other workers who had more kids were really having a hard time paying their bills and expenses. During that time, I did not earn enough to spend money on things I enjoy.

Once I began working at Infrasource, I started earning, practically, about \$24 per hour. The pay increase helped dramatically. Now I have enough money to save so that I can hopefully buy a '72 Corvette. Before, it was not an option. But now, I will be able to save so that I can buy the car and the supplies I will need to work on it. More importantly, the company pays for my son's health insurance, so that is an expense I no longer need to pay.

For the workers who have larger families, I know that the pay increase has helped them a lot to improve their quality of life, as well.