



ENERGY AND UTILITY INDUSTRIES

REPORTS FROM

NATIONAL OFFICER

&

REGIONAL OFFICERS

JUNE 2008

ENERGY AND UTILITY NATIONAL SECTOR COMMITTEE
FULL TIME OFFICERS' REPORTS

DOUGIE ROONEY - NATIONAL OFFICER

TO BE DISTRIBUTED AT THE MEETING

WESTERN POWER DISTRIBUTION – WPD South West/South Wales

Following negotiations with WPD management on the 2008-09 pay review, the Company's final offer was reported to a meeting of the Single Table Workplace Representatives on 4th March 2008. The meeting overwhelmingly recommended the offer and a ballot of the membership has resulted in acceptance of the pay offer.

First Year – 2008/2009

1. From 1 April 2008, all EBA schedule salaries and associated "flow through" items will be increased by 5.1%.
2. Removal of two salary points from the bottom of each grade within the EBA salary scale. Therefore, with effect from 1 April 2008, staff currently on a salary point that has been deleted will progress to the next incremental point up (their existing incremental date will remain unchanged).
3. One extra day's leave entitlement for employees, other than trainees, on the current entitlement of 25 days. This will take effect immediately from 1 April 2008 regardless of when the employee's holiday year begins.
4. Minimum payment of one hour at double time for staff on standby who are required to provide advice over the telephone during the period between midnight and 7.00 am, and a call out is not involved.
5. Additional allowance (equivalent to the 25 December standby rate) for standby during the 24-hour period 08.00 on New Year's Eve to 08.00 on New Year's Day. Therefore, with effect from 1 April 2008, the allowance for standby on either 25 December or on New Year's Eve will become £73.30.
6. "Weekend and public holiday" standby allowance to be set at double the daily weekday standby allowance. This formula will continue to apply in future years. Therefore, with effect from 1 April 2008, the new payments will become:-
 - (i) Daily standby retainer payment (Monday to Thursday) = £23.94
 - (ii) Daily standby retainer payment ("Weekends" and Public Hols) = £47.88
 - (iii) Weekly standby retainer payment = £239.40

Second Year – 2009/10

7. From 1 April 2009, all EBA schedule salaries and associated "flow through" items will be increased by RPI plus 0.5%, subject to a minimum total increase of 3.5%. The RPI figure will be calculated as the average of the monthly headline rate RPI figures (as recorded by the Office for National Statistics' all

items Retail Price Index) for the 6 months July to December 2008. The average will be expressed to the rounded up second decimal point

8. Removal of one salary point from the bottom of each grade within the EBA salary scale. Therefore, with effect from 1 April 2009, staff currently on a salary point that has been deleted will progress to the next incremental point up (their existing incremental date will remain unchanged).

SCOTTISH & SOUTHERN ENERGY – (SEC)

The decision of the membership employed by SEC in Public Street Lighting to reject a three year pay offer, resulted in further negotiations with the Company. A revised offer for a 1 year deal, effective from 1st April 2008, has been accepted.

Revised offer - Approved Electrician 4% plus £300 lump sum
 All other grades 3.5% plus £300 lump sum

EDF ENERGY – (Regional)

TUPE Consultations continue with EDF Energy with the planned transfer of Meter Operations from WPD to EDF Energy on 1st July 2008. The transfer affects 108 employees across the region. Of the members transferring 84 have protected ESPS Pension arrangements, 2 are not in a pension scheme and 22 are vulnerable for future pension provision.

The Consultative Working Party are demanding these 22 are provided with a mirror scheme of the ESPS Pension arrangement enjoyed by the 84. EDF Energy management are considering the matter and we are due to meet again in May 2008.

May I take this opportunity to thank my Shop Stewards for their continued help and support.

NEIL WILLOUGHBY – REGIONAL OFFICER – MAIDSTONE

I am the officer responsible for EDF Energy Contracting in London and the South East region.

The shop stewards and I have just concluded a two year pay deal with EDF Energy Contracting. The deal is as follows :-

2008

A 4.3% increase has been agreed for all industrial staff, with the same percentage increase on all allowances.

2009

A 4.5% increase has been agreed as per above.

Metronet

The ex Trans4m workers on the London Underground have now been subsumed back into the business with no compulsory redundancies.

In addition we have agreed a pay protection package for people affected by the Metronet situation.

If anyone has any questions please contact me at the Maidstone office

EDF Energy

Covering 4 branches: Energy (Power Stations), Networks, Metering (CFS) and Customer branch.

1. Energy Branch

Nothing to add to previous report.

2. Networks

i. The second year of the two-year pay settlement has been implemented as from April 1st 2008. This is 4.7% increase on base rates and allowances.

ii. Branch Allowances – We are having a problem with the company failing to pay all those entitled to the branch allowance. We have registered a failure to agree and a further meeting is planned. This allowance is £350 per year, back-dated to April 1st 2006.

All employees balloted in the 2006 pay ballot are entitled to receive this branch allowance payment.

iii. Training – Management have now re-issued their advertisement for trainers. They have increased the salary and other terms and conditions of employment and as a result have received a far better response.

We have been discussing the quality of EDF Energy training and its facilities for some time but now it appears that our points are being taken on board. Discussions are ongoing.

iv. Health and Safety - The HSE is still involved in EDF Energy and Unite recently met the HSE to put our points to them, including the lack of training and poor quality.

v. Company Video – As a part of their ‘zero harm’ programme, the company commissioned a video headed up by their Chief Executive. Their Health and Safety Managers appeared on it and the trade unions were invited to take part. On behalf of Unite I refused as we were not in agreement with the way management were disciplining our members or carrying out investigation hearings. We deemed it as inappropriate at this time. The Prospect officer was the only union official that appeared.

3. Metering (CFS)

i. As I reported previously the pay settlement for members in CFS was the same as for Networks Branch and members accepted the two-year deal.

ii. There are other issues within CFS that, along with the stewards, I am trying to resolve. Two items have been passed to the legal department whilst the clerical, administration & support members have had an inferior pay settlement imposed upon them via Unison accepting a lower settlement. This is ongoing.

4. Customer branch

I am still trying to resolve our pay issue in Customer Branch. A meeting has been arranged and hopefully the problem will be resolved.

This concludes my report.

Ken Biggs
Regional Officer
Maidstone Office
April 2008

MAGNOX

I have written to the HR Director challenging the fact that there has been no meaningful consultation with the Magnox North union representatives concerning the outsourcing of IT. We have informed them to re-open meaningful consultation or we will have no other alternative but to do whatever is necessary to protect our member's rights.

INTERNATIONAL POWER/FIRST HYDRO

Pension

International Power announced in November last year that they were going to close the final salary pension scheme (ESPS) to new starters. This was undertaken without any meaningful consultation with the appropriate trade unions. Unite strongly challenged this position through our National Officer. With the support and resolve of our members employed at both the Dinorwig and Ffestiniog sites in North Wales were able to bring them back to the table to embark on a proper consultation process.

During the consultation process we have been able to negotiate improvements to the new scheme and firm up on the protection for existing members. The key improvement for Electricity Supply Pension Scheme (ESPS) members is that the Company has decided to introduce 'no detriment' protection, via the ESPS Group Rules, for all members. This is a legally binding commitment to preserve existing pension rights - it means that all members of the FHC Group of the ESPS will have protected pension rights so long as they remain within the FHC Group. Over 80 First Hydro employees will benefit from this change.

Other areas of improvements are the new Defined Contribution (DC) plan is that the Company has decided to contribute any National Insurance (NI) savings to the employee's pension plan. At current NI rates this is worth approximately 0.8% of salary.

International Power has made almost £1 billion profit this year and there is absolutely no justification for them taking such a decision.

We are seeking legal advice and discussing with our members whether or not to proceed to a ballot for industrial action.

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2008 Wage Offer

The workforce rejected the wage offer identical to Rugby 5.1%. This was mainly due to the lack of negotiations locally and the offer appeared to be implemented rather than negotiated. This offer was presented as non-negotiable in line with corporate policy. Our members were balloted on this offer and rejected the offer by a majority of 2 to 1.

A new improved offer has now been tabled which is a 2-Year deal which has been negotiated locally

YEAR 1

- RPI + 1% to all pay and associated allowances
- RPI related to the February 2008 headline figure
- £600 Flat payment (non-consolidated)

YEAR 2

- RPI + 0.5% to all pay and associated allowances (no cap).
- RPI Related to the February 2009 Headline figure
- Underpinned at 3.6%

This is now being put to our members in a “consultative” ballot.

SHOTTON CHP/GAZ DE FRANCE

- **2008 Wage Offer**

Management have offered a 3.5% and a new improved bonus scheme. There was an overwhelming rejection of this offer as the basic rate increase was not acceptable due to it being below inflation and that Gaz de France had recently announced substantial profits in the region of £5 billion. The other reason for the rejection was the strings attached to the proposed new bonus scheme namely, ceiling set too low, personal target percentages, extra work and flexibility expected and that it should be negotiated separately and the distrust of management to manage it fairly.

Gaz de France has been informed that unless they come back with an improved offer our members will be balloted for industrial action.

PAUL COLLIER – REGIONAL OFFICER - SWANSEA

I have responsibility for the following Companies and provide this report for your information.

Scottish and Southern Energy

Meter Operations staff who were transferred from Western Power Distribution last year and after extensive negotiations have agreed a package to transfer from Western Power Distributions Terms and Conditions to the Scottish and Southern Main Agreement.

The transfer along with the pay negotiations of the joint agreement takes effect from 1st April 2008. Our members voted by a substantial majority after a round of site meetings with the Full Time Officers.

Meter Reading Staff

The meter Reading staff transferred from Western Power Distributions with Meter Reading Services Ltd terms and conditions to Scottish and Southern Energy in 2007 and in separate negotiations have a proposal to move to the joint agreement of Scottish and Southern along with their colleagues in Meter Operations and the ballot result is awaited.

Fiddlers Ferry & Ferrybridge, FFF Agreement, Scottish & Southern Energy

At a JNC meeting held on 7th May, the employer conceded that they had wrongly ceased pension contributions from the Stable Income payments of some members.

The employer is in the process of writing to affected members to set out options to rectify the situation

Accuread

Group 4 Securicor has completed its acquisition of GLS the previous owners of Accuread. G4S operates in over 100 countries, with more than 530,000 employees, 30,000 in the UK.

**Alfred McAlpine Business Services
Pay Negotiations 2008**

The Joint Trade Unions had submitted a pay claim in the normal way only to be denied any real discussions. On 1st January 2008 Alfred McAlpine Business Services applied a 3% pay rise to all staff to the objections of those staff covered by collective bargaining.

AMBS was subsequently purchased on 11th February 2008 by Carillion who stated that there was no evidence that they could find that the Trade Unions had any rights to be recognised and therefore there was no need to negotiate with the Unions.

Following a consultative ballot where the membership was asked to support Industrial Action if necessary to protect their rights to collective bargaining and Trade Union recognition. Carillion backed down and accepted that Unite the Union and the GMB would be recognised by the employer within that part of the business.

British Gas ESD

Pay 2008

As part of a two year pay deal all salaries were increased by 4.35% from 1st April 2008. This applied to all White Goods Engineers and Electrical Service Engineers.

CE Electric (including YEDL, NEDL & IUS)

Pay 2008

Pay negotiations for the three separate bargaining councils (Admin & Managerial, Industrial and Technical & Managerial) have been ongoing since January 2008.

Administration & Managerial Council

The Company have a made formal offer of 3.2% increase which has been rejected. Discussions are continuing with ACAS, involvement. Unison has the largest membership within the group but are reluctant to take on the employer.

Industrial Council

The company's formal offer of 3.8% was rejected in a consultative ballot by 97% of the membership following an 85% ballot return. The membership is currently being

balloted in a formal Industrial Action Ballot. If successful the Industrial Action should commence in mid June 08.

Technical & Managerial

The company have offered a 4.2% increase as part of a two year pay deal with RPI on year 2. There are strings attached and the offer has not been put to ballot by Unite & Prospect.

Unites view is that the company is playing games and succeeding in dividing the Trade Unions.

Drax Power Ltd

Pay 2008

As part of a two year pay award the following increase will apply to all collectively bargained staff:

- An increase to base salaries of $RPI + 3\% = 7.1\%$
- Shift & Stagger and maximum and minimum of grades to be increased by $RPI + 3\% = 7.1\%$
- A lump sum payment of £1500 was paid in April 2008
- A company bonus within the range 0 to 5% will be paid in April 2009 based on the performance in 2008

Eggborough Power Station

Pay 2008

The trade union membership is balloting on the following offer:

- A one year deal effective from 1st April 2008
- 4.2% increase on base pay, schedule salary scales and flow through to Shift & Stagger etc.
- Value of station bonus opportunity for 2008/09 to be £1000.

RWE Npower Metering

Pay 2008

Second year of a 2 year deal 4.35% applied to all elements of salary from 1st April 2008.

RWE Npower Supply

Pay

The pay deal which covers two years is as follows:

Year One from 1st April 2008

- An increase to schedule salaries and other allowances of 4.2%
- An extension to the unsocial hours allowances. (details available if required)
- Increase in holiday entitlements increasing up to 25 days from 1st April 08
- Wind down of residual salary over 4 years. (details available if required)

Year Two from 1st April 2009

- RPI plus 0.25% based on the average value for the final quarter of 2008.

RWE Systems

As per previous report

RWE Generations & Renewables

RWE separated the Renewables business from Generation in February 2008 but for the sake of this pay round the company has agreed to apply the same negotiated settlement to collectively bargained staff within Renewables.

Pay

- Two year pay deal effective from 1st April 2008

Year 1

- All staff will receive an increase to schedule salaries of 5.1%
- Shift and Stagger and Unsocial hours payment will be increased by 5.35%

Year 2 – 1st April 2009

- All staff will receive an increase to schedule salaries set at the January 2009 RPI + 1%
- Shift & Stagger and Unsocial hours payment will be increased by the RPI for January 2009 plus 1.25%

Yorkshire Water

As per previous report

E.ON ENERGY SERVICES

Major changes taking place within the metering part of the business. Eon have announced that they will not be doing third party meter reading in the near future therefore Npower, British Gas and other contracts will cease. All employees working on those contracts will be TUPE transferred into those businesses and the employees who work on meter reading purely for Eon accounts will TUPE transfer internally from Energy Services to the retail part of Eon. All told this should affect in the region of 1,600 employees. Continuing consultation is taking place with the company regarding these issues.

A pay settlement has been agreed by all Unions for the 2008 settlement. This settlement is a single year deal of 4.4% increase.

Energy Services are continuing to look at acquiring central heating and plumbing companies. To date they have TUPE transferred in a firm call CHN in Dudley consisting of 450 employees. Obviously I have arranged with the company that we will move in to recruit the relevant trades into the Amicus section of Unite the Union.

Unite the Union Amicus Section still remains the largest union within Energy Services.

SEVEN TRENT WATER

Members have been balloted regarding this years pay offer and the offer was accepted.

INTERNATIONAL POWER

Company wanted to do a single year pay deal this year due to major FGD project and outage on the station. After several meetings we were successful in achieving a 5.1% increase across all grades and bands.

NATIONAL GRID

I took over responsibility for this company at the beginning of December 2007 and it has been an uphill struggle with the management from day one. At Christmas 2007 they sent an email to all employees informing them that they were removing a Bonus card. This led to several meetings of a heated nature and major arguments and fall outs with the company. To this end I have consulted with our solicitors Rowley Ashworth and we will be pursuing National Grid into the County Courts for a declaration of Breach of Contracts.

At present we are involved in pay negotiations for 2008 but I have to report that at this moment in time they do not look too favourable. Quite clearly that can change during the course of negotiations.

BRITISH ENERGY

Heysham 1 – met with all Workplace and Safety Representatives to receive an update on any local issues.

Heysham 2 – met with all Representatives to discuss temporary replacement for Bro John Hughes who, unfortunately, has had two heart attacks.

Also represented Bro Phil Rawcliffe (Workplace Representative) in a disciplinary in relation to human performance.

SPRINGFIELDS FUELS LTD

Nothing to report.

SCOTTISH POWER

Recently taken over responsibility for Energy Networks, Core Utilities and Fleet Business.

Company-wide issues which are on-going which I attended on behalf of Bro Billy Parker, Regional Officer, ie:

- Redeployment/regarding policy
- Company car policy

Energy Networks – notification of 3rd year of 3-year pay deal – 4.65% which is made up as follows:

- Average published RPI for July-December 2007 – 4.05%
- Business scores and element – 0.1%
- Guaranteed additional percentage – 0.5%

Increase applied from April 2008.

Core Utilities – outstanding issue of pay award. Meeting arrange in May to progress this issue.

Fleet Business – Nothing to report.

ALWYN ROWLANDS – REGIONAL OFFICER - BANGOR

UNITED UTILITIES – WALES

Since my last report we have amended the constitution of the Trade Union side of the Operations Council, where the offices of Chair and Secretary are now held by senior lay representatives from Unite (Amicus) and Unison respectively.

Joint working groups have been set up to review various policies and they will report back to the Ops Council for final endorsement.

The above further emphasises the importance of our lay officers taking a more prominent role and my thanks go to them for all the hard work put in by them.

Under the Partnership Agreement, our members will receive a 4.28% increase in pay and allowances this year. We also continue to work closely with our colleagues in United Utilities – North West through the joint Trade Union Forum.

KELDA WATER SERVICES – WALES

Again, as with UUOS, the emphasis is on the lay reps to take on a more prominent role at JNC level; they are now forming joint working groups to review policies in particular Craft Job Ladders and Planned Working Time (PWT) arrangements.

This is the 3rd year of this particular contract and much has been achieved considering the amount of harmonisation of conditions and benefits that were needed to bring the transferred-in employees together.

My thanks go to our representatives for all the hard work they have put in.

DWR CYMRU/WELSH WATER

We continue to meet on a quarterly basis with the above Company, the main client. The meetings consist of Full Times Officers, Senior Lay Reps the MD and Senior Managers.

This Forum is somewhat in its infancy, but is now beginning to progress certain standardisation matters across all partners.

**J ALWYN ROWLANDS
REGIONAL OFFICER
12/05/2008**

JIM D'AVILA - REGIONAL OFFICER - BRISTOL

I have nothing further to report

IAN MARSHALL - REGIONAL OFFICER - NEEDHAM MARKET

Nothing to report