

# *System Council U-4 Special Bulletin*



*November 15, 2008*

Brothers and Sisters:

We are sending this Special Bulletin to you and all Local Union Presidents and Recording Secretaries to dispel numerous rumors and to rebut serious misstatements of fact that have been communicated by Power Generation Division Management concerning the Modernization Projects and Long Term Reserve Shutdowns.

We understand that the Company did not anticipate the downturn in the economy and low customer consumption, or the need to shut down plants for modernization prior to the previously projected scheduled time frames, or the need to shut down additional plants. But in saying that, the System Committee made a genuine attempt to reach a settlement which did not occur. Our good faith has not been shared by the Company, however. Recently the Company held captive audience meetings with our members. In those meetings it falsely claimed that the Company had agreed to our counter proposal (terms), but nevertheless the Union had walked away from the plan and told the Company to “roll” the effected employees. This statement can be no further from the truth of what actually transpired during negotiations. A number of members that were in attendance at these captive audience meetings, felt that the Company was engaging in a Union bashing meeting and attempting to sway our support towards the Company.

On April 24, 2008, your System Committee met with Keith Hardy and Labor Relations Representatives. At that meeting we first became aware of the Modernization Projects of the Riviera and Cape Canaveral Plants. During that discussion the Company proposed as a reasonable alternative, that when business conditions required extended down-time at a site, employees at that site would be temporarily assigned to other locations in

---

*System Council U-4, IBEW  
3944 Florida Blvd.  
Palm Beach Gardens, Florida. 33410  
Phone: 561-624-2700  
Facsimile: 561-624-5072  
Web: [www.scu4ibew.org](http://www.scu4ibew.org)*

lieu of lay-offs or the rolling of other employees. The Company suggested that travel to other sites would be limited to some reasonable distance from an employee's home plant during the extended downtime. We informed the Company that we would need some time to consider their request, as this was the very first time we were made aware of these projects.

Two days later: we responded to the Company in writing as follows. "The System Committee is prepared to meet, discuss and bargain in detail, all the avenues within and outside the current terms of the Collective Bargaining Agreement in an effort to mitigate the impact to all the Bargaining Unit employees that may be affected by the closing, demolition and construction at both plant locations. It would be our sincere desire to reach an agreeable resolution to this event and prevent the discontinuation of jobs, rolls and lay offs".

On April 30 we sent a Special Bulletin to all Local Unions for distribution to the membership and posted the Bulletin on our website [www.scu4ibew.org](http://www.scu4ibew.org). That Bulletin addressed the Company's request to consider temporary relocation of employees affected by the Company's plan to modernize the Riviera and Cape Canaveral Plants.

On that same day, Power Generation Division President, Tony Rodriguez sent an e-mail to PGD Colleagues concerning FPL's intent to modernize Riviera Beach and Cape Canaveral Power Plant. His message read in relevant part, that for employees, this represents a commitment from FPL that both sites will be long term work locations. Employees will have an opportunity to further develop their skills and knowledge about newer generation technologies, while the plants are offline and being modernized. To help minimize impact to employees, the existing workforce will be reassigned for training on the new technology based on their geographic location. Employees will then return to their respective sites for start-up and commissioning.

After reading Mr. Rodriguez's e-mail we notified Labor Relations of our displeasure. We advised Labor Relations that in our opinion, it was nothing more than positional bargaining in the field. We again, notified the Company that we were willing to discuss options in an effort to reach an agreement that would minimize the effects on our members. We also stated that if we did not reach an agreement the Union would insist that the Company comply

with our existing contractual language. Even though we did not believe that option would be in the best interest of either party. We also asked that the Company stop releasing information to the field that does not accurately reflect the current situation because it is not productive and only undermines our negotiations at the bargaining table.

The Company recognized our frustration and stated it was certainly not their intent to circumvent the negotiation process. They again claimed to welcome the Union's positive outlook and commitment to accommodate the employees at both facilities through a negotiated MOU.

In reviewing the facts, it is important to keep in mind that at this time the Company did not even have approval from the Florida Public Service Commission for these projects. That approval was announced on September 4, 2008. The Modernization Projects were tentatively scheduled to be taken off line in 2010 and 2011 and the new units placed online in 2013 and 2014.

As you are aware the Company and Union exchanged proposal packages on June 3, 2008, to officially begin the 2008 negotiations. The following day the Committees met to discuss and explain their respective proposal packages.

Let us now fast forward. The Company representatives for Power Generation Division arrived for their first bargaining session on September 9, 2008. Day 21 of Negotiations, to present their proposals.

On September 17, 2008, we distributed Negotiation News, Number # 12. As we stated at that time, "The System Committee and the Company met last week and began discussions on the Power Generation Business Unit topics. The main thrust of the Business Unit was flexibility in scheduling and the re-assignment of the workforce within a geographic boundary. This proposal was generated as a result of the Company's announcement of future long term reserve shut down of Port Everglades 1&2 Cutler 5&6 and Sanford 3. As we understand Management at Ft. Lauderdale and Port Everglades Plant have made this announcement and their future plans for long term reserve shut down and the movement of employees. We understand this is causing some anxiety. We want to remind everyone that these are all negotiable items and we would request that you continue to focus on safety and your

task at hand. The Company also expressed an interest to simplify language concerning shift differential and eliminating the shift to non-shift ratios.”

On September 23, 2008, Keith Hardy held discussions with the System Committee concerning the state of the Company. He addressed load forecast and excess generation capacity, as well as the lack of load growth indicators, noting that the extra capacity will be stagnant for a long period of time. He stated that everything was in a state of flux in light of Florida’s uncertain economy. The discussion then moved into the extended plant shutdowns and that Riviera Plant would move towards long term shutdown within the next 30 days. He stated his desire was to negotiate flexibility and avoid the current contractual staffing language. The Company’s desire was to take the resources and redeploy them to meet business needs and to utilize the employees to perform capital work and outage work.

The following day the Union received the Riviera Plant Reserve Shutdown Presentation. This was followed by one day of negotiations with Power Generations and another visit by Keith Hardy to address the System Committee concerning the need for flexibility to move people from one plant to another. Again the issue of removing the current contract language was mentioned.

Over the next two weeks we continued to discuss Power Generation proposals. (Please refer to System Council U-4 Negotiations News Volume #1 Number 13, dated October 6, 2008, available on our web site under “negotiations updates.”) On October 7, 2008 we received our first proposal from the Company relating to Plants Inactive Status. The System Committee countered that proposal on October 9, 2008, stating that it would serve as a discussion document for the purpose of continuing our effort to reach a mutually-agreeable resolution to the Power Generation proposal.

The Committees continued working on the Long Term Reserve Shutdown MOU for PGD. (Refer to System Council U-4 Negotiations News Volume #1 Numbers 14 and 15 for more detail). On Thursday, October 23, 2008, the Company presented what it referred to as its “Last Best and Final Offer” and requested a timely response. After lengthy deliberation your System Committee did respond to the Company on the following day, advising that we would not be able to agree to their “Last Best and Final Offer.” The Company’s offer would give it the ability to place **ALL** Bargaining Unit

employees affected by the Long Term Reserve Shutdown into the Central Maintenance group, and the Company would be able to travel employees regardless of seniority throughout the service territory and without any restriction on the length of the assignments.

Brothers and Sisters, your System Negotiating Committee appreciates your continued support. “United We Bargain Divided We Beg”

A handwritten signature in black ink, appearing to read "Gary A. Schmitt". The signature is written in a cursive style with a large initial "G".