

# Four months after a \$50 million dividend, Pacific Power cuts workers

Pacific Power — the Portland-based investor-owned electric company — laid off 84 workers in June, including 50 members of International Brotherhood of Electrical Workers (IBEW) and Utility Workers Union of America (UWUA).

The news hit union members hard,

particularly since some had left other jobs, and relocated with their families, for what they thought would be a secure career at a utility.

A journeyman lineman from Medford-based IBEW Local 659, who asked not to be named, said the layoff hit home when his young son asked

why he wasn't heading to work. "My little girl said, 'No, daddy doesn't have a job.'"

Thirty nonunion workers at the company's Lloyd Center Tower headquarters in Portland were the first to learn of the layoffs, at the beginning of June. Then company managers told Local 659 officers June 5 that 24 members would be laid off June 8: 18 journeyman linemen and six pre-apprentices. Four members of UWUA Local 197 in Coos Bay were also let go. Then June 11, 20 members of Portland-headquartered IBEW Local 125 were notified their positions were eliminated effective immediately, including service coordinators, apprentice and journeyman estimators, and a utility specialist.

All the workers were paid through June 25, with health insurance benefits paid through the end of June.

Pacific Power said the layoffs were necessary because of reduced revenue from declining electricity sales, minimal new hookups, and flat forecasts for future revenue. A company spokesperson even spun the layoffs as a customer-friendly act — saying it would reduce the utility's need to ask for future rate increases.

But Local 659 Business Manager Ron Jones, who retired as of June 30, rejected that, pointing instead to a decision by company owners to reduce Pacific Power's operating budget and increase profits.

Pacific Power — a regulated electric

monopoly with 700,000 customers in Oregon, Washington and California — has a legally-specified rate of profit built in to the rates it charges users. The company is one of three divisions of PacifiCorp; the others are Rocky Mountain Power in Utah, Wyoming and Idaho; and PacifiCorp Energy, which mines coal and generates electricity which is sold to the other divisions and on the open market. PacifiCorp itself is a wholly-owned subsidiary of by Mid-American Energy Holdings Company of Iowa, which is controlled by the Berkshire Hathaway conglomerate, whose primary shareholder is the world's third richest man, Warren Buffett.

Over the last five years, PacifiCorp pushed hard to get most of its 3,800 union workers to agree to terminate pension benefits, replacing them with 401(k) plans. Last year, PacifiCorp paid its owners \$550 million in dividends. Another \$50 million in dividends went out in February 2012.

"We're the ones that do the work that generates the money," said another laid-off lineman. "Why are we the ones let go?"

Because linemen are the workers who restore customer power during outages, Jones said the layoffs could slow response to power-outages during winter storms. The layoffs also suggest Pacific Power is failing to plan ahead to replace an aging workforce. Under the collective bargaining agreement,

layoffs start with the least senior workers, and all the laid off Local 659 members had been hired since April 2011.

Local 125 also criticized the layoffs, in a press statement. Pacific Power continues to contract out some work, the union said, failed to eliminate any front-line management positions, and gave the unions no opportunity to negotiate over the layoffs.

Given such an opportunity, the unions might have suggested less disruptive measures, such as incentives for older workers to retire early.

Local 659 has filed a grievance protesting the layoffs, saying that the company violated its obligation under the union contract not to lay off its own workers while outside contractors remain employed. Under the contract, the grievance could end up in binding arbitration, but Jones said it could take eight months to a year to get to that stage.

"Linemen, union workers, we're pretty tight," said a laid-off worker who had moved to take a job at Pacific Power. "We kind of hold a grudge when it comes to stuff like this."

*(Editor's Note: Last August, members of IBEW Local 125 were weeks away from a strike after rejecting two proposals by Pacific Power. They came to terms on a four-year deal Aug. 19, 2011. Members of IBEW Local 659 approved a five-year contract on their first vote on Aug. 5, 2011.)*



## Sunrise Dental staffers join Bakers #114

Receptionists and dental assistants at Sunrise Dental offices in Salmon Creek, Wash., and on 82nd Avenue in Southeast Portland are new members of Bakery, Confectionery, Tobacco Workers & Grain Millers Local 114. "Our local is proud to have these good people as part of our organization," said Local 114 Secretary Treasurer Terry Lansing (pictured above right with the new members and union business agent Shad Clark). Lansing noted that the business model of owner-supported union shops serving union members is reminiscent of the early days of unionism. "There was a time when business owners wanted and needed the Union Label to be successful," Lansing said. "Sunrise Dental is a refreshing reminder that the concept can be just as successful today." Staffers at other Sunrise offices in the Pacific Northwest are represented by various other unions.



## Your Local Union Dentist

### Lifetime Free Teeth Whitening

For new patients only, as long as the patients keeps 6 month checkup appointments

#### Western Washington

Arlington - 360.658.3131  
 Auburn - 253.333.9500  
 Bellevue - 425.450.9500  
 Bellingham - 360.734.1999  
 Bonney Lake - 253.862.1015  
 Bothell - 425.806.0077  
 Carnation - 425.333.4101  
 Everett - 425.513.2000  
 Federal Way - 253.838.3232  
 Issaquah - 425.391.7645  
 Kent - 253.856.3384  
 Lakewood - 253.581.2888  
 Lynnwood - 425.744.1022  
 Maple Valley - 425.432.4131

#### Marysville - 360.651.1882

Monroe - 360.794.0717  
 Mount Vernon - 360.848.6777  
 Olympia - 360.866.7669  
 Poulsbo - 360.697.2777  
 Puyallup - 253.770.4342  
 Renton - 425.430.2029  
 Redmond - 206.953.5850  
 SeaTac - 206.243.7788  
 Seattle - 206.623.2666  
 Sequim - 360.797.1100  
 Shoreline - 206.542.4444  
 Snohomish - 425.374.8451  
 Tacoma - 253.759.9291  
 Tukwila - 425.291.9555

#### SW Washington & Oregon

Beaverton - 503.641.4207  
 Chehalis - 360.996.4075  
 Gresham - 503.253.4979  
 Longview - 360.578.9999  
 Portland - 503.788.1415  
 Salem - 503.391.8920  
 Salmon Creek - 360.718.2355

#### Eastern Washington

Ellensburg - 509.790.0080  
 Kennewick - 509.737.8555  
 Pasco - 509.542.9981  
 Spokane - 509.536.9999  
 Spokane (North) - 509.468.0866  
 Spokane Valley - 509.924.0055  
 Walla Walla - 509.522.2220  
 Wenatchee - 509.886.0500  
 Yakima - 509.457.5050

**Make it a Sunrise Day!**

- No out-of-pocket costs for most union trust plans! Call ahead to see if your plan qualifies.
- Refer a friend. Receive a \$20 gift certificate or credit to your account for every person that you refer to Sunrise Dental (talk to our staff for details).
- Mileage Reimbursement! For any patients traveling 30 miles or more each way, you will receive gift certificate up to \$30 or credit to your account. (Talk to our staff for details.)
- 25% off Orthodontics! Braces or Invisalign for union members and their families (not available at all locations, please call for details).
- No Insurance or Retired? 35% off most dental procedures; specialties are not included. (Talk to our staff for details.)

[www.sunrisedental.com](http://www.sunrisedental.com)