

UNION AMI UPDATE

May 20, 2010

THE SOUTHERN CALIFORNIA GAS COMPANY HAS HIT A NEW LOW

On May 18, 2001 the Gas Company handed a new proposal to the Joint Steering Committee. The Company, in its latest proposal has now removed its offer to insource (they claim) 100 to 300 weatherization (DAP) jobs. The Company has made it clear that the reason for the withdrawal of their proposal was in retaliation for the Union exercising its right to file with the CPUC for rehearing on AMI. Both proposals from the Company regarding DAP and AMI deployment are riddled with wording that strips the employment rights of our part time workers. It does not appear that the Company is interested in reaching an agreement with the Union. They know that no self respecting Union would surrender the employment rights of its members.

If the Company is serious about these proposals, then they are asking us to trust them with your livelihood. This is the same Company that just agreed to an out of court settlement of over \$400 million stemming from allegations they manipulated electric rates during the energy crisis back in ????. Several years ago the Company paid out over \$300 million from allegations that they manipulated natural gas rates. In other words, it was alleged that the Company had broken the law. Under the current proposal from the Company, firing you for no reason at all would be perfectly legal! You would have better protection in a used car agreement than you would under the terms of the Company's current proposal. If the Union was irresponsible enough to sign such an agreement the Company could fire any or all of these members at any time and there is nothing the affected member or the Union could do about it. Nothing!

Signing an agreement that gives up the employment rights of over 800 part time members would be a bad deal not just for the part time members, but would put at risk, the workplace rights of the rest of the membership in the future. Future contract negotiations would be a disaster.

As of this writing the Union is battling in Arbitration to preserve the current employment rights of **all** part time members, including those **not** affected by AMI. While the Union feels that we have made a compelling case, there are never any guarantees in Arbitration. Of course the Company is hoping against hope that the Union is not successful in this effort. If the Company was to prevail in this case, the Union's point regarding the employment rights of part timers would be moot. But the company doesn't want to wait for the Arbitrators decision, which could come as soon as the end of July. The Company would rather extract the rights of our members now than have to abide by the ruling of an Arbitrator which protects your rights.

Throughout the bargaining process over AMI, the Company has relied on its playbook of fear, intimidation, manipulation and retaliation, instead of working out a fair deal that everyone can live with.

While the Union is eager to come to agreement with the Company on AMI, we cannot and will not enter into a deal that will jeopardize the livelihoods of the entire membership!

The Union is continuing to negotiate the effects of the Company's plan to eliminate Union jobs and reach an agreement that will provide alternative jobs with the same fair pay, benefits and workplace rights as the rest of the membership.

While these are trying times for all of you affected by the Company's ill-conceived plan, it is important to remain united throughout this process.

The unity and support of the membership has always been an important factor in all successful Union negotiations.

We will continue to keep you updated.