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November 6, 2006

British Columbia Utilities Commission  
6<sup>th</sup> Floor, 900 Howe Street  
Vancouver, B.C. V6Z 2N3

Attention: Mr. R.J. Pellatt, Commission Secretary

Dear Sirs:

**Re: Terasen Gas Inc. ("Terasen Gas")  
2006 Annual Review and Mid-Term Assessment Review**

**Response to the British Columbia Utilities Commission ("BCUC" or the  
"Commission") Information Request ("IR") No. 1**

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On October 16, 2006, Terasen Gas filed its Annual Review and Mid-Term Assessment Review material. On October 25, 2006, according to the Regulatory Timetable, the Commission filed BCUC IR No. 1.

Terasen Gas respectfully submits the attached response to BCUC IR No. 1. Please note that the response to Question 48 is being filed confidentially under separate cover.

If there are any questions regarding the attached, please contact Mr. Tom Loski, Director, Regulatory Affairs at (604) 592-7464.

Yours very truly,

**TERASEN GAS INC.**

***Original signed by: Tom Loski***

**For:** Scott A. Thomson

Attachment

c: 2004 – 2007 PBR NSP Participants



Terasen Gas Inc. ["Terasen Gas" or "TGI"] 2006 Annual Review and Mid-Term Assessment Review	Submission Date: November 6, 2006
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**1.0 Reference: Exhibit B-2, Application, Section A, Tab 1, p. 4, Revenue Requirement**

1.1 What is the basis of the calculation for each of the Terasen Gas (Squamish) Inc. ("TGS") costs in the amalgamated revenue requirement?

**Response:**

The question refers to TGS costs. As of January 1, 2007 TGS and TGI will be amalgamated, with the resulting entity being amalgamated TGI. As such, the costs will be amalgamated TGI costs, not TGS costs.

For 2007 the costs associated with the former TGS customers have been afforded the same treatment as other customers in the Lower Mainland service area of TGI under the TGI PBR model. As per Special Direction No. 3, (included in the response to Question 19) section 14, a deferral account will be created to record, during the PBR period, the difference in O&M between that of TGI under the PBR formula and that which would have been allowed for the customers in the Squamish area under the TGS formula O&M, and also to record the expenses to effect amalgamation. The amounts recorded in this deferral account will not be recovered until after the expiry of the TGI PBR settlement.

1.2 Please provide a breakdown of the \$12.7 million of earnings sharing.

**Response:**

A breakdown of the \$12.7 million in earnings sharing is as follows:

	(\$ Millions)
2005 Actual Earnings Sharing	\$10.5
less: 2005 Projected Earnings Sharing	<u>6.0</u>
2005 Earnings Sharing True-Up	4.5
2006 Projected Earnings Sharing	<u>8.2</u>
Total Earnings Sharing	<u><u>\$12.7</u></u>

The 2005 true-up was larger than anticipated due to the deferment of expenses which occurred in 2006 instead of the latter part of 2005.



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## 2.0 Reference: Exhibit B-2, Application, Section A, Tab 1, p. 4

2.1 Please show the calculation and explain how the forecast interest rate used in the revenue requirement was determined. Provide all references.

### Response:

The calculation of the \$2.0 million higher interest expense compared to 2006 level identified under Section A, Tab 1, P. 4 is as follows:

Particulars	Principal	Old Rates	New Rates	Change
2006 Unfunded debt	\$ 195,922	4.000%	4.750%	\$ 1,469
2006 Long term debt	\$ 1,432,919	7.072%	7.018%	(774)
2007 Long-term debt to refinance unfunded debt	\$ 58,739	4.750%	7.018%	1,332
				\$ 2,028

The planned refinancing of unfunded debt with long-term debt simply aligns the 2007 debt component mix of the capital structure to the appropriate target debt component mix of the capital structure as approved by the BCUC Decision dated February 4, 2003.

The 2007 forecast unfunded interest rate used in the revenue requirement was determined based upon prime rate forecasts from RBC Financial Group dated October 2, 2006 and the Conference Board of Canada Key Economic Indicator Forecast dated September 18, 2006 (included in Attachment 2.1). Based upon these two forecasts, the prime lending rate is expected to remain at or near the current rate of 6% for 2007. Since short-term debt financing costs the Company on average 1.3% lower than prime, the forecast 2007 short-term rate was determined to be 4.7%, which was rounded to the nearest quarter percent of 4.75% for rate setting purposes.

Medium-term notes Series 13 and Series 20 totaling \$250 million are set to mature in 2007. A \$230 million 10-year debt issue with a forecast rate of 5.35% is planned for July 31, 2007. The 5.35% rate is a forecast rate only and Terasen will advise the Commission of the amount and terms of the actual issuance of the long-term debt in accordance with Commission Order No. G-137-05.

In the event there is a forecast interest rate or long-term debt principal / timing issue variance, the effects of the forecast variance will be recorded in an interest deferral account and recovered / returned to customers in future periods. Terasen customer rates are not affected by forecast interest rate or long-term debt principal / timing issue variances.

2.2 Please provide an updated interest rate forecast as of October 15, 2006.

### Response:

The economic short-term interest rate forecasts used in the revenue requirement filing are based on forecasts dated as recent as October 2, 2006; a search of the websites of RBC Financial Group and the Conference Board of Canada as of October 26, 2006 did not yield an updated or revised forecast.



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**3.0 Reference: Exhibit B-2, Application, Section A, Tab 1, p. 6, Utility Rate Base**

3.1 Please explain the \$777,000 increase in Intangible plant from 2006 Approved to 2007.

**Response:**

The \$777,000 in question is TGS' Intangible Plant – Unamortized Conversion Expense as at December 31, 2006. In this amalgamated Utility Rate Base schedule, TGS' Intangible Plant is added to TGI's Intangible Plant on January 1, 2007. This amalgamation is noted in the Net Gas Plant in Service Schedule (Section A, Tab 3, Page 10, Column 3, Line 7).



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**4.0 Reference: Exhibit B-2, Application, Section A, Tab 3, p. 3, Contributions in Aid of Construction ("CIAOC")**

"TGI's Service Line Installation Fee is calculated based on \$215 per service line. The other CIAOC consisting of main extensions, excessive service line charges, billable alterations, meter & regulator equipment work, and other CIAOC have been calculated based on the PBR formula. TGS' CIAOC at December 31, 2006 has been included in Tab 3, Page 9, Column 6."

- 4.1 Please compare the TGI PBR Formula to the TGS methodology for calculating CIAOC for main extensions, excessive service line charges, billable alterations, meter & regulator equipment work, and other CIAOC.

**Response:**

The 240 customer additions for Squamish in 2007 will result in \$84,000 of CIAOC under the TGI's PBR formula, \$53,000 under the methodology currently in place for TGS. The significant difference in the methodologies for CIAOC calculation is the PBR formula uses customer additions and end of year customer count to derive the CIAOC, where the TGS methodology only uses customer additions. The charge per customer addition or end of year customer count for TGI are set out in the PBR settlement, For TGS the \$10 item is included in the TGS tariff, and the \$300 charge is set out in Commission in letters L-42-98.

The tables below show the comparison between the two methodologies.



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## TERASEN GAS - SQUAMISH

CIAC Comparision between PBR formula and TGS methodology

2007

(\$000's)

### PBR Formula

Customer Additions		240
Customer - EOY		3,464
Excess Service Line Charges	\$ 78.13	\$ 19
\$/Service Addition		
Billable Alterations	0.74	3
\$/Customer - EOY		
Main Extension	29.56	7
\$/Service Addition		
Other	1.38	5
\$/EOY		
		\$ 34
Service Line Installation	215.00	52
Total Contributions in Aid of Construction		\$ 86

### TGS Methodology

Customer Additions - Squamish		67
Customer Additions - Garibaldi/Brackendale		173
Excess Service Line Charges		
Billable Alterations		
Main Extension		
Other		
Service Line Installation		
Squamish (\$/Service Addition)	\$ 10.00	\$ 1
Garibaldi/Brackendale (\$/Service Addition)	300.00	52
Total Contributions in Aid of Construction		\$ 53



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**5.0 Reference: Exhibit B-2, Application, Section A, Tab 3, p. 7, Rate Base**

5.1 Please provide the rate base per customer for TGI and TGS on a stand alone basis.

**Response:**

Please refer to the table below for the rate base per customer of TGI and TGS on a stand alone basis.

	2007					
	TGI Stand Alone	Ref	TGS Stand Alone	Ref	TGI + TGS	Ref
Utility Rate Base (in 000's)	\$ 2,468,123	A-9, p2	\$ 6,125	A-8, p2	\$ 2,474,248	A-3, p7
Average Customer Counts	816,995	A-3, p5	3,352	A-3, p5	820,347	A-3, p5
Utility Rate Base per Customer (in \$)	\$ 3,020.98		\$ 1,827.27		\$ 3,016.10	

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**6.0 Reference: Exhibit B-2, Application, Section A, Tab 3, pp. 11 – 12, PST Deferral**

"Accordingly, Terasen seeks to collect in a rate base deferral account, the \$10 million payment along with costs of the appeal since these are imposed on Terasen Gas by outside authorities over which the Company has no control."

6.1 Please provide the actual cost of the Southern Crossing Pipeline ("SCP").

**Response:**

The actual cost for the Southern Crossing Pipeline ("SCP"), excluding the PST reassessment, totaled \$394.2 million.

6.2 Please explain why the \$10 million of PST should be recovered from customers.

**Response:**

In this application, Terasen Gas is not seeking recovery of the \$10 million from customers. It is merely seeking to collect in a rate base deferral account, the \$10 million payment along with cost of the appeal since these are imposed on Terasen Gas by outside authorities over which the Company has no control.

As noted in the application, the total assessment is some \$36 million, of which Terasen Gas is only remitting a \$10 million payment to prevent further accrual of interest, which will be refundable with interest in the event the Company is successful on appeal. Since the actual cost of the Southern Crossing Pipeline (SCP) is \$394.2 million and the spending cap under the terms of the CPCN approving the SCP is \$414 million, the recovery of the \$10 million will not put the Company offside with respect to the spending cap. It is reasonable to recover the PST from customers as PST is ordinarily included in the plant costs, which ultimately becomes part of rate base. If Terasen Gas had paid the \$10 million PST in 1999, it would have been included in rate base and customers would have been paying a return on rate base for this amount along with the higher depreciation expense since. Terasen Gas customers have benefited significantly from this PST tax position taken on their behalf. Furthermore, the Commission was fully apprised of the Company's intention to minimize PST as part of the project, and recognized this in its Order No. G-95-00, where it stated "...the maximum capital costs of the SCP Project included in the authorized rate base of BC Gas Utility Ltd. [now TGI] be \$414 million if BC Gas Utility Ltd. [now TGI] does not achieve the British Columbia provincial sales tax savings that it expects." Accordingly, Terasen Gas believes it is reasonable to include the PST assessment in rate base and recover from customers.

When the appeal is resolved, Terasen Gas will seek a Commission order with respect to the disposition of the deferral account.





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6.3 Please provide an estimate of the cost of the appeal and the date that the appeal will be resolved.

**Response:**

The legal firm engaged to represent Terasen Gas in this appeal, has estimated the fees will be in the range of \$70,000 to \$120,000, before taxes and disbursements.

The appeal to the Minister of Small Business and Revenue was filed October 26, 2006. The Company will be notified when the Ministry begins its review of the appeal. As this appeal involves the Minister of Small Business and Revenue, which Terasen has no control over, no reasonable estimate of when the appeal will be resolved can be made at this time.



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**7.0 Reference: Exhibit B-2, Application, Section A, Tab 3, p. 12, OSC Compliance Costs**

"As a result of the synergies obtained through coordination with Terasen Inc.'s and Kinder Morgan Inc.'s internal audit departments, anticipated on-going costs of OSC compliance have been reduced. Costs in 2007 are estimated to be \$352,000 compared with \$528,000 included in the 2006 revenue requirements for Terasen Gas."

7.1 Please provide breakdown of the reduction in OSC compliance costs by resource and activity.

**Response:**

2007 OSC compliance costs are estimated to be \$176,000 lower (on a pre-tax basis) than the estimate included in the 2006 revenue requirement due to:

External audit attestation costs	\$ 90,000
Cost of sustainment tool implementation	22,500
On-going licensing and maintenance support of sustainment tool	38,000
Reduced incremental internal resourcing costs due to synergies	<u>25,500</u>
Total reduction in OSC compliance costs	<u>\$176,000</u>

On March 10, 2006, the Canadian Securities Administration announced that it would not be proceeding with the requirement to obtain an external audit of internal control over financial reporting. As such, the OSC compliance cost estimate no longer includes an amount for external audit attestation.

In addition to the anticipated on-going annual cost savings noted above, \$123,000 of 2006 after-tax costs (\$60,300 related to external audit costs and \$62,700 due to synergies obtained) is being returned to customers in 2007 (per Section A, Tab 3, Page 13.3, Line 26, Column 9)

7.2 What work is being performed in 2007?

**Response:**

The 2007 work planned is for the on-going testing of the operating effectiveness of internal control over financial reporting. The 2007 cost estimate is comprised of \$112,500 for the preparation of a SAS70-style control report with the balance being expended on external fees and incremental internal resourcing related to testing.



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7.3 Has the reduction in OSC compliance costs resulted in staff reductions or reallocation of resources to other O&M functions?

**Response:**

No, the reduction in OSC compliance costs has not resulted in staff reductions or reallocation of resources to other O&M functions. An incremental hire was anticipated in the 2006 OSC compliance cost estimate. This resource was determined to not be necessary upon the coordination of Terasen Inc.'s and Kinder Morgan Inc.'s internal audit departments.

Under the PBR plan, OSC compliance costs were treated as an exogenous factor outside the O&M formula. As such, customers directly benefit from any reduction in the OSC compliance cost estimate.



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**8.0 Reference: Exhibit B-2, Application, Section A, Tab 3, pp. 13-13.1, Deferred Charges**

8.1 Please provide a breakdown of the Future Revenue Requirements gross additions of \$350,000 by activity and resource.

**Response:**

With the expiration of the 2004-2007 PBR settlement at the end of 2007, Terasen Gas is expecting to incur expenses in 2007 associated with future revenue requirements. Based on historical costs of past Revenue Requirements, the Future Revenue Requirements additions have been conservatively estimated at \$350,000; at this time a specific breakout by activity and resource has not been determined. In the 2003 Revenue Requirement, the \$569,000 of expenditures were for legal fees, intervenor costs and external consulting fees. Amortization of the Future Revenue Requirements deferral account has not been included in 2007 rates.

8.2 Please explain why there are additions to the Other Post Employment Benefits account, but no amortization.

**Response:**

Other Post Employment Benefits ("OPEB") captured in the OPEB deferral account is not intended to be amortized in the traditional way as it represents a liability owed to employees who retire in the future. Amortizing this account will extinguish this liability which means Terasen will not be in compliance with the requirements of Section 3461: Employee Future Benefits, as defined in the Canadian Institute of Chartered Accountants Handbook, nor with the BCUC Decision dated Feb 4, 2003 which specifically requires Terasen to continue with the accrual basis of accounting for OPEBs. This account will be reduced each year by the amounts actually paid out to employees that have retired.

8.3 Please show the calculation of TGS O&M Variance account gross additions of \$158,000.

**Response:**

The \$158,000 deferral addition is the difference between the allowed O&M under TGI's existing PBR formula and that allowed under the existing TGS Settlement formula applied to 2007. In the Advance Materials filing, \$820,000 was incorrectly used as the 1997 Settlement formula O&M in the calculation of this \$158,000 deferral addition. The revised 1997 Settlement formula should have been \$832,522, giving rise to a deferral addition of \$170,551. Please see below for detail.



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TERASEN GAS (SQUAMISH) INC.				
OPERATING AND MAINTENANCE EXPENSE (per 1997 Settlement formula) FOR THE YEARS ENDED DECEMBER 31, 2005 TO 2007				
Line No.	Particulars	Actual 2005	Projected 2006	Forecast 2007
	(1)	(2)	(3)	(4)
1	TOTAL CUSTOMERS - AVERAGE	2,908	3,074	3,352
2				
3	CUSTOMER GROWTH RATE	6.5%	5.7%	9.0%
4				
5	INFLATION (BC CPI)	2.20%	2.20%	2.00%
6				
7				
8				
9	O&M Expense Formula			
10	Base O&M * Growth Index * Productivity Index * CPI			
11				
12	Customer Growth Index	106.50%	105.70%	109.00%
13	Productivity Index	96.00%	96.00%	96.00%
14	Inflation Index	102.20%	102.20%	102.00%
15				
16	Base O&M (lesser of prior year's Formula O&M and Actual O&M)	\$ 719,829	\$ 752,144	\$ 780,006
17	Formula-based O&M (Line 16 * Line 12 * Line 13 * Line 14)	752,144	780,006	<b>832,522</b>
18				
19	TGS O&M as per TGI's PBR formula (Section A, Tab 5, Page 2, Column 12, Line 31)			<b>661,971</b>
20				
21	Shortfall to be deferred (Section A, Tab 3, Page 13.1, Column 4, Line 30)			<b>\$ 170,551</b>



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**9.0 Reference: Exhibit B-2, Application, Section A, Tab 5, p. 2, Cost per Customer**

2005 Annual Review, TGI Response to BCUC IR No. 1, Question 14.1

9.1 Using the same format as the 2005 Annual Review, TGI Response to BCUC IR No. 1, Question 14.1, please provide a breakdown of the O&M costs per customer as well a cost per GJ for Transmission and Distribution plant for 2005-2007, for both TGI and TGS on a stand alone basis.

**Response:**

TERASEN GAS INC. (Stand-alone)  
OPERATING & MAINTENANCE EXPENSE  
DISTRIBUTION & TRANSMISSION/STORAGE

<u>Particulars</u>	<u>2005 Actual</u>	<u>2006 Projected</u>	<u>2007 Forecast</u>
CPI			2.00%
Productivity Adjustment			-1.32%
Customer Growth			1.66%
Total Average # of Customers	791,593	803,686	816,995
Total Throughput (TJ)	212,280	211,499	211,794
Distribution O&M (\$000)	\$ 33,465	\$ 32,642	\$ 33,408
- per Customer	\$ 42.28	\$ 40.62	\$ 40.89
- per GJ	\$ 0.16	\$ 0.15	\$ 0.16
Transmission / Storage O&M (\$000)	\$ 9,120	\$ 9,966	\$ 10,200
- per Customer	\$ 11.52	\$ 12.40	\$ 12.48
- per GJ	\$ 0.04	\$ 0.05	\$ 0.05

Distribution and Transmission/Storage operating and maintenance expense for the 2007 forecast was derived by applying the TGI O&M formula to the 2006 projected values.



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TERASEN GAS (SQUAMISH) INC. (Stand-alone)  
OPERATING & MAINTENANCE EXPENSE  
DISTRIBUTION & TRANSMISSION/STORAGE

<u>Particulars</u>	<u>2005 Actual</u>	<u>2006 Projected</u>	<u>2007 Forecast</u>
CPI			2.00%
Customer Growth			9.00%
Productivity Adjustment (of above percentages)			96.00%
Total Average # of Customers	2,908	3,074	3,352
Total Throughput (TJ)	330	348	379
Distribution O&M (\$000)	\$ 637	\$ 595	\$ 635
- per Customer	\$ 218.88	\$ 193.40	\$ 189.44
- per GJ	\$ 1.93	\$ 1.71	\$ 1.68
Transmission / Storage O&M (\$000)	\$ -	\$ -	\$ -
- per Customer	\$ -	\$ -	\$ -
- per GJ	\$ -	\$ -	\$ -

Distribution operating and maintenance expense for the 2007 forecast was derived by applying the TGS O&M formula to the 2006 projected values.

TGI and TGS on a stand alone basis do not have comparable O&M per customer and per GJ due to the size difference of the Utilities.



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**10.0 Reference: Exhibit B-2, Application, Section A, Tab 5, p. 3, Pension and Insurance**

2005 Annual Review, TGI Response to BCUC IR No. 1, Question 11.1

2003 BC Gas Utility Revenue Requirement Decision

10.1 Please explain how the Cost of Service Based Forecast 2007 TGI Pension and Insurance amounts of \$3.9 million and \$5.1 million were determined.

**Response:**

The forecast 2007 Pension Expense of \$3.9 million is based on the most recent triennial evaluation of each plan that was completed by each plans independent consulting actuary. The forecast amounts were calculated using a discount rate for the accrued benefit obligations of 5.25% and an expected return on assets of 7.25%. Both of these assumptions, in the view of the actuaries, are appropriate given current economic market conditions and the expected rates at December 31, 2006.

10.2 Please explain what factors have caused the TGI Pension cost to decrease by 38% from \$6.3 million in Approved 2006 to \$3.9 million in Forecast 2007.

**Response:**

The forecasted 2006 Pension Expense calculations were completed by the Company's independent consulting actuary in August 2005. A similar calculation was performed for the Forecast 2007 pension expense. The variance from the 2006 Approved amount to the Forecasted 2007 amount is due to large variance in the Union plan. During the forecasting for 2006, the actuaries of the union plan were not available to provide estimates. The actuary on the M&E plan attempted to estimate the expense but it was subsequently discovered that the estimates were not accurate. The difference between the Approved 2006 expense and the actual 2006 expense is being returned to customers.

10.3 Does the TGI Pension amount reflect the Terasen Gas Inc. Management & Exempt Employees Plan triennial evaluation completed at December 31, 2005.

**Response:**

The 2007 expense forecast was based on the triennial evaluation completed on the Management and Exempt Employees plan as of December 31, 2005.





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10.4 Please file any documentation in support of the Forecast 2007 TGI Pension expense of \$3.9 million.

**Response:**

**Defined benefit plans**

Employer current service cost	\$ 7,372
Interest cost	11,916
Actual return on assets	(15,318)
Difference between actual and expected returns	160
Difference between actual and recognized actuarial gains in the year	1,042
Difference between actual and recognized paset service costs in the year	465
Amortization of net transitional obligation	(1,775)
	<u>\$ 3,862</u>

10.5 Please confirm that bonuses paid to employees have not been included in the calculation of the 2007 pension amount of \$3.9 million.

**Response:**

Non-executive bonuses form part of the pensionable earnings, as defined by the plan, so they have been included in the calculation of the 2007 pension expense. Executive bonus are not included as part of the calculation of the pension expense.



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**11.0 Reference: Exhibit B-2, Application, Section A, Tab 6, p. 6, Timing Differences**

11.1 Please explain the Long Term Compensation amount of \$1.901 million.

**Response:**

The timing difference of \$1.901 million in the tax calculation represents long term compensation amounts not expected to be paid out within 180 days of year end. Compensation payments made after 180 days of year end are tax deductible in the year of payment rather than the year of accrual.



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**12.0 Reference: Exhibit B-2, Application, Section A, Tab 8, p. 1, TGS Stand Alone Rates**

Exhibit B-2, Application, Section A, Tab 9, p. 16 – 16.1

12.1 For TGS on a stand alone basis, please provide a schedule showing the Revenue Under 2006 Proposed Rates and Revised Rates for the Year Ending December 31, 2007. Use the same format as Application, Section A, Tab 9, p. 16 – 16.1.

**Response:**

There are no proposed rates for TGS on a stand alone basis for the year ending December 31, 2007. As of January 1, 2007, the two companies will be amalgamated and TGI rates will apply to existing TGS customers. Consequently, the Company cannot provide a response to the Information Request.



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**13.0 Reference: Exhibit B-2, Application, Section A, Tab 8, p. 2, CIAOC**

13.1 In 2007, TGS has plant additions of \$858,000; please explain why there is no increase in the Contributions in Aid of Construction.

**Response:**

2007 CIAOC of \$84,000 relating to the area that was previously served by TGS is already embedded in the amalgamated CIAOC addition (Section A, Tab 3, Page 9, Column 7, Lines 11 and 13).

As at December 31, 2006, TGS has a CIAOC balance of \$644,000 (Section A, Tab 3, Page 9, Column 6, Line 15). At end of December 31, 2007, the forecast CIAOC balance is \$728,000 (Section A, Tab 8, Page 2, Column 3, Line 13).



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**14.0 Reference: Exhibit B-2, Application, Section A, Tab 8, p. 2, TGS System Improvements**

14.1 For the distribution system improvement cost included in the 2007 plant additions, please a breakdown of the costs between system improvements for existing customers and system improvements for new customers.

**Response:**

The total distribution plant figure of \$858,000 on Line 4, Column 5, Section A, Tab 8, P. 2 has been calculated based upon the terms for calculating plant additions contained within the Settlement. The settlement calculation was not designed to provide a total value for system improvements and only provides a calculation of plant additions for new customers and plant additions for existing customers. The figures are not linked to actual planned system improvement projects.

In respect of planned activities, TGI are not planning any system improvement works in the Squamish area in 2007.

14.2 Please provide the additional capacity (GJ) associated with the system improvements for existing customers and the system improvements for new customers.

**Response:**

No additional capacity is anticipated to be associated with system improvements as no system improvements are currently planned for the Squamish area in 2007.

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**15.0 Reference: Exhibit B-2, Application, Section A, Tab 9, p.7, TGI System Improvements**

15.1 For the distribution system improvement cost included in the 2007 plant additions, please provide a breakdown of the costs between system improvements for existing customers and system improvements for new customers.

**Response:**

The total distribution plant figure of \$96,359,000 on Line 44, Column 9, Section A, Tab 9, P. 7 has been calculated based upon the terms for calculating plant additions contained within the Settlement. The settlement calculation was not designed to provide a total value for system improvements and only provides a calculation of plant additions for new customers and plant additions for existing customers. These figures are not linked to actual planned system improvement projects.

In respect of its actual planned activities for 2007, TGI is forecasting to complete 21 Distribution system improvements at an estimated cost of \$1,740,400.

It is important to specify that system improvements are designed to maintain system reliability and integrity. In respect of Terasen Gas internal project planning to determine whether a system improvement is required, the system models employed are not based upon a measure of incremental additional capacity nor do they view system improvement projects as a product of existing plus new customers. The current "Stoner" system model used by Terasen Gas, which has been in place since 1998, is designed to identify areas where operating pressures are anticipated to be insufficient to ensure continued system reliability. Once a system improvement is completed, the benefits attributable to the system improvements are distributed throughout the system and are not associated with demand at one particular location.

15.2 Please provide the additional capacity (GJ) associated with the system improvements for existing customers and the system improvements for new customers.

**Response:**

Please refer to the response to Question 15.1.

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**16.0 Reference: Order G-132-05, Appendix A, pp. 5-6, Triple Point Project**

"The Commission requires Terasen Gas to file a report with the Commission at the time that Measurement Canada approves the Triple Point assets for use ..."

16.1 Has Measurement Canada approved the Triple Point assets for use? If yes, when was approval received and are there any restrictions regarding the use of the Triple Point assets?

**Response:**

Included as Attachment 16 to these responses is Terasen Gas' Triple Point Report which was filed with the Commission on November 3, 2006.

16.2 If Measurement Canada has not approved the Triple Point assets for use, when is approval expected?

**Response:**

Please refer to the response to Question 16.1.

16.3 When will the report to the Commission, as required by Order No. G-132-05, be filed?

**Response:**

The Triple Point report included as Attachment 16, constitutes the report to the Commission as required by Order No. G-132-05. This report was filed separately with the Commission on November 3, 2006 to satisfy the requirements of Order No. G-132-05.

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**17.0 Reference: Exhibit B-2, Application, Section B, Tab 1, p. 8, Order Fulfillment Upgrade**

17.1 Please explain why the Order Fulfillment Upgrades of \$1.1 million were not completed in 2006 and the completion date revised to 2008.

**Response:**

The business process called Order Fulfillment is made up of many sub-processes support by various technologies. Typically these technologies are already in place and the list of enhancement or "upgrades" to the various sub-processes can vary in size and complexity from year to year. As part of the 2006 budgeting process, the list of identified enhancements was large and in an effort to be conservative with no surprises and to ensure that there was no perception of trying to circumvent the approval process, it was reported that the enhancements could exceed \$1 million, ensuring the appropriate level of scrutiny. As Terasen Gas proceeded with its approval to spend process, and as conflicting priorities for identified resources surfaced, not all of the requested enhancements could be accommodated.

The description provided in Exhibit B-2, Application, Section B, Tab 1, p. 8 Order Fulfillment Upgrade could be misleading in that it implies that the upgrade is a one-time event. It should be clarified that the process of upgrading or enhancing functionality of existing business processes is in fact ongoing and is not anticipated to conclude in 2008. The reference to a 2008 completion date should have instead said that Terasen Gas has identified activities that it is planning to carry out up to 2008.

The internal approval and execution of the highest priority items is an annual process. As such, Terasen Gas has instituted processes to ensure that there are continuous improvement reviews of initiatives identified and that the expenditures on technology to support those initiatives are prudent and reviewed annually to ensure the highest priority items are addressed. In keeping with that philosophy, there is no definitive end date for the enhancement process, it is a regular occurrence.





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**18.0 Reference: Exhibit B-2, Application, Section B, Tab 2, p. 12, Third Party Damages**

18.1 Please provide the cost of Third Party Damages by year for 2003 – 2006.

**Response:**

Third party damage billings for the years 2003 to 2006 were as follows:

2006 (Jan to Aug)	\$674,216
2005	\$1,055,487
2004	\$894,037
2003	\$590,356

18.2 Please provide the recoveries for Third Party Damages by year for 2003 – 2006.

**Response:**

Collections of third party damages for the years 2003 to 2006 were as follows:

2006 (Jan to Aug)	\$616,090
2005	\$658,889
2004	\$666,916
2003	\$451,708

Note that collections are often related to prior year damages so there is not always a good correlation between the % of billed that is collected.

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**19.0 Reference: Exhibit B-2, Application, Section B, Tab 6, p. 1, Termination Agreement**

"A termination agreement will be put in place between TGI, TGVI, TGS and the Province that will terminate the RSA and RSFCA, and amend the TSA. TGI and TGS will also be amalgamated as part of the resolution. Government approval is required to effect the termination agreement and the TGI/TGS amalgamation."

19.1 Please file a copy of the termination agreement between TGI, TGVI, TGS and the Province that will terminate the RSA and RSFCA, and the amended TSA.

**Response:**

The Termination Agreement is included as Attachment 19. Attachment 19 also includes Special Direction No. 3, Order in Council 767 that amends the 1995 Special Direction, and Order in Council 766 respecting section 53 of the *Utilities Commission Act*.

Section 2.1 of the Termination Agreement terminates the RSA. Section 2.2 of the Termination Agreement Terminates the RSFCA. Section 2.4 of the Termination Agreement amends the TSA.

In addition, in its filing of the Annual Review and Midterm Assessment Review materials, TGI outlined what it believed would be the result of the Orders in Council as issued by the Province. Below is a comparison of what was filed in the review with the Termination Agreement showing that what was filed is exactly that which was directed as per the Orders in Council:

<b>Annual Review and Midterm Assessment Review TAB B Section 6, Page 2</b>	<b>Termination Agreement</b>
TGI and TGS will amalgamate effective January 1, 2007, with the amalgamated entity being called TGI	The combined effect of the entire Termination Agreement results in the only reasonable option for TGS is to amalgamate with TGI
Customers that were customers of TGS will, after December 31, 2006, be customers of the TGI Lower Mainland Service Area	<ul style="list-style-type: none"> <li>Termination Agreement Section 5.3</li> <li>Special Direction No. 3 – Sections 8, 9</li> </ul>
The rate base of the amalgamated TGI, for rate making purposes, will be the combined rate base of TGI and TGS	<ul style="list-style-type: none"> <li>Special Direction No. 3 – Sections 10, 11</li> </ul>

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<b>Annual Review and Midterm Assessment Review TAB B Section 6, Page 2</b>	<b>Termination Agreement</b>
The TSA amendments will result in the tolls for transport of gas on the TGVI system to the gas consumers in the Squamish area remaining at the same rate as is the effective toll under the current agreements. The toll payments for transportation of gas to Squamish will now be paid by the amalgamated TGI to TGVI. TGI will record these payments in the MCRA (actual dollar value to be determined as part of the Q4 gas cost reporting)	<ul style="list-style-type: none"> <li>• Termination Agreement - Section 2.4</li> <li>• Special Direction No. 3 – Sections 3, 4, 5, 6</li> </ul>
For rate making purposes, for as long as the PBR settlement agreement is in effect, O&M for the amalgamated TGI will be as per the PBR	<ul style="list-style-type: none"> <li>• Special Direction No. 3 – Sections 7, 12, 13</li> </ul>
The common equity component of the capital structure for the amalgamated TGI will be the weighted average common equity of the two companies (thus resulting in no material difference as compared to the common equity of the two companies prior to amalgamation). Table 1, line 14, column 3 shows the resulting common equity component of Amalgamated TGI to be 35.01159%	<ul style="list-style-type: none"> <li>• Special Direction No. 3 – Section 15</li> </ul>
The return on common equity for the amalgamated TGI will be the weighted average return on equity of the two companies. Table 1, line 14, column 4 shows the resulting Return on Common equity of amalgamated TGI, if the amalgamation had been in effect for 2006, would have been 8.80131%	<ul style="list-style-type: none"> <li>• Special Direction No. 3 – Section 16</li> </ul>
A deferral account will be created to record the expenses incurred to effect amalgamation as well as the difference in O&M between that of TGI under the PBR formula and that which would have been incurred for the TGS customers under the TGS formula O&M. This deferral account will not be recovered until after the expiry of the TGI PBR settlement	<ul style="list-style-type: none"> <li>• Special Direction No. 3 – Section 14</li> </ul>

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19.2 Has the government approved the termination agreement? If approval has not been received, does TGI anticipate receiving government approval by January 1, 2007?

**Response:**

The Ministry of Energy Mines and Petroleum Resources (MEMPR) signed the agreement October 5, 2006. The amendments to the 1995 Special Direction, Order In Council No. 766 and Special Direction No. 3 are also included in Attachment 19.

19.2.1 If the termination agreement has not received government approval by January 1, 2007, shouldn't TGS and TGI continue to set their rates independently until government approval is received?

**Response:**

Please refer to the response to Question 19.2.

19.3 Does the process for amalgamating TGS with TGI presented in the Application reflect TGI's proposal for amalgamation, or does it reflect the expected agreement with the Province?

**Response:**

The Application reflects the Termination Agreement, the directions as set out in the Amendment to the 1995 Special Direction, Order In Council No. 766 and Special Direction No. 3.

19.4 Please provide a summary of the revenue requirement and rate setting mechanism under the RSA and RSFCA, and the amended TSA.

**Response:**

Prior to amendment or termination under the Termination Agreement, the mechanisms under the RSA, RSFCA, and TSA were as follows.

*Transport Services Agreement*

The TSA agreement provides for service between TGVI and TGS. Calculation of the toll is pursuant to Article 5 and is the difference between the revenues of TGS and the costs (both cost of service and cost of gas). If costs exceed revenues, then the toll is negative resulting in TGVI paying to TGS this shortfall. The agreement is for fifteen years and automatically renews annually unless terminated by TGS.

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### *Rate Stabilization Agreement*

The RSA provides that rates paid by customers are set by formula. It provides that the Province shall direct the BCUC to set the prices to customers of TGS at the Retail Price, which in most cases will be 67% of the BC Hydro trailing block for residential service. The RSA also notes that TGV I agrees to pay TGS the "amount of deficiencies which arise when the Company's revenue is less than the Cost of Service" (which includes cost of gas). The RSA does not provide for payments from the Province to TGS. The RSA was amended in June 2000 to provide for a price floor for customers on the GBMX. The RSA stipulates the capitalization of TGS to be 60% debt and 40% equity.

### *Rate Stabilization Facility Continuation Agreement*

The RSFCA is Schedule J to the Vancouver Island Natural Gas Pipeline Agreement ("VINGPA") and relates to the continuation of rate stabilization for TGS. The RSFCA provides for the Province to fund any deficiency between the TGV I's allocated cost of providing transportation to TGS and the amount that TGV I receives from TGS under the TSA.

According to Article 3.03, the Province "shall make advances to PCEC [now TGV I] under the Rate Stabilization Facility, in amounts equal to the Quarterly Operating Deficits incurred in each fiscal year". The Quarterly Operating Deficits "means in respect of any Quarter, the amount by which the Monthly Operating Deficits exceed the Monthly Operating Surpluses for the Quarter". The Monthly Operating Deficit "means in respect of any month in any Fiscal year:

- (i) if there are Unit Tolls Receipts for the month, the amount by which the Monthly Toll Revenue exceeds the Unit toll Receipts for the month..."

The Monthly Toll Revenue is the "toll revenues determined for each month in accordance with Schedule A. Schedule A provides that the Monthly Toll Revenue for the Initial Period "shall be an amount equal to product obtained by multiplying the total quantity of gas, in gigajoules, delivered to Squamish Gas in each such month.... by a toll of \$1.05 per gigajoule." The Unit Toll is in any month the amount paid by Squamish Gas to PCEC or paid by PCEC to Squamish Gas, for the month pursuant to Section 10.04 of the Squamish Transport Service Agreement. Section 10.04 of the TSA refers to Section 10.02 which refers to Section 5.01. Section 5.01 provides the calculation for determining the Unit Toll and provides that "where the Unit Toll calculated pursuant to this section 5.01 results in a negative amount then Pacific Coast shall pay Shipper the amount so determined in accordance with Section 10 of this Agreement."

The effect of these clauses is that if TGS' cost of service, including cost of gas, is less than its revenues in a given month it will request from TGV I this amount (Unit Toll). On a quarterly basis, TGV I will take the Unit Toll amounts requested by TG Squamish and add to this the Monthly Toll. Together these two tolls make up the RSF funding under the RSFCA. The RSF funding is between TGV I and the Province.



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*Amended Transport Services Agreement*

The amendments to the TSA as part of the Termination Agreement provide for the unit toll for transport on the TGVI system to Squamish will be set at \$1.05/GJ. The toll will be paid by amalgamated TGI.



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**20.0 Reference: Exhibit B-2, Application, Section B, Tab 6, p. 2, TGS Amalgamation**

2006 TGVN Negotiated Settlement Agreement, Section 2, p. 1

20.1 Please confirm that the TSA amendment will result in an effective toll of \$1.05 per GJ for the transportation of gas on the TGVN system to the gas consumers in the Squamish area.

**Response:**

Confirmed.

20.1.1 Please provide the total 2007 toll payments for the transportation of gas to Squamish that will be paid by TGI.

**Response:**

As noted on tab B-6 Page 3, Toll payments are forecast to be \$397,950.

"After amalgamation, current TGS residential customers will see their rates increase by approximately 10%, depending upon consumption; however larger commercial customers who will be served under Rate Schedule 3 will see a slight drop in their annual rates<sup>1</sup>."

20.2 Please provide the current TGS rates by customer class under the Squamish Rate Stabilization Agreement.

**Response:**

All active customers in all rate classes in Squamish under the current TGS rates currently pay \$11.78/GJ. There is no basic/fixed charge under the current TGS rate structure. As per the Rate Stabilization Agreement, the TGS rate is pegged to the BC Hydro trailing block and as such would change when BC Hydro rates change.

20.3 Please provide the TGS rates by customer class after the amalgamation. Also show the amount and percentage of the rate change by customer class as a result of the amalgamation.

**Response:**

Based upon current TGI rate classes, TGI and TGS rates, and TGS volumes, TGS customers will pay the following:



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TGI Rate Class	TGS Rate Class	TGS Volume (GJ per year)	TGS Rate	TGI Effective Rate	% change
Rate Schedule 1	Small General Service 1 - Residential	61.1	\$ 11.78	\$ 13.23	12%
Rate Schedule 2	Small General Service 1 - Commercial	273	\$ 11.78	\$ 11.67	-1%
Rate Schedule 2	Small General Service 2 - Commercial	359	\$ 11.78	\$ 11.42	-3%
Rate Schedule 2	Large General Service 1	944	\$ 11.78	\$ 10.94	-7%
Rate Schedule 3	Large General Service 2	3166	\$ 11.78	\$ 10.80	-8%
Rate Schedule 3	Large General Service 3	9015	\$ 11.78	\$ 10.49	-11%

20.4 Will the rate increase resulting from the amalgamation be phased in?

**Response:**

No, the rate increase will not be phased in. As per Special Direction No. 3, TGS customers are to be treated as TGI lower mainland customers as of January 1, 2007, and must be charged TGI Lower Mainland rates.





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**21.0 Reference: Exhibit B-2, Application, Section B, Tab 6, p. 3, Main Extension Test**

21.1 Please provide the 2006 TGI - Lower Mainland and TGS Main Extension Test inputs. Include the Service Line Fee, Service Line Cost Allowance, Margin by Rate Class, \$/GJ system improvement factor, O&M per customer.

**Response:**

As per Special Direction No. 3, the Commission must regulate amalgamated TGI (which includes those customers who prior to January 1, 2007, were customers of TGS) as per the TGI Tariff. As such, main extensions test for amalgamated TGI customers, who otherwise would be TGS customers but for amalgamation, must be completed as per the TGI Tariff. After December 31, 2006, there will no longer be a TGS MX test. However, for the purpose of responding to the question above, the following table provides a comparison of the TGI and TGS MX tests for 2006.

Main Extension and Service Line Inputs and Parameters		
	TGI	TGS
<b>Basic charge</b>		
Residential	\$11.16/month	N/A
Small Commercial Service	\$23.42/month	
Large Commercial Service	\$124.95/month	
<b>Variable Margin/Delivery Charge</b>		
Residential		
Small Commercial Service	\$2.904/GJ	\$3.647/GJ*
Large Commercial Service	\$2.462/GJ	\$3.647/GJ*
	\$2.148/GJ	\$3.646/GJ*
<b>Application Fee</b>	\$85	\$10.00 \$300 for GBMX
<b>Service Line Installation Fee</b>	\$215	N/A
<b>Operation &amp; Maintenance</b>		
Residential	\$75/yr.	\$75/yr for all classes
Small Commercial	\$98/yr	
Large Commercial	\$98/yr	
<b>Discount Rate</b>	4.4%	N/A
<b>1% in Lieu</b>		
Residential	2.8%	N/A
Small Commercial Service	3.5%	
Large Commercial Service	3.5%	
<b>Overhead Rate</b>	32%	N/A
<b>System Improvements</b>	\$0.35/GJ	N/A
<b>Income Tax Rate</b>	34.5%	34.5%

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<b>Income Tax Surcharge</b>	1.12%	1.12%
<b>Large Corporation Tax</b>	0.2%	N/A
<b>Service Line Cost Allowance</b>	\$1,100	N/A
<b>Test Methodology</b>	Discounted Cash Flow	Discounted Cost of Service
*Note: margin rate is dependent upon the variance between the rate as determined under the RSA (67% of the BC Hydro trailing block) and the cost of gas. Within the last two years, the margin rate has been as low as \$1.47/GJ.		

21.2 For TGS, please provide the normal use per customer for Rate 1 – 3 customers for 2003 – 2007.

**Response:**

	TERASEN GAS (SQUAMISH) INC. AVERAGE USE PER CUSTOMER (GJ)				
	2003	2004	2005	2006P	2007F
Rate 1 - Residential	66.6	63.2	62.5	62.9	62.8
Rate 2 - Small Commercial	236.5	228.3	234.3	230.6	241.8
Rate 3 - Large Commercial	4,262.1	4,475.5	3,692.9	3,690.5	3,742.1

The 2007 forecast is for customers in the former service area of TGS that will be Lower Mainland customers of amalgamated TGI as of January 1, 2007.

21.3 How does TGS propose to deal the transition from the TGS main extension (MX) test to the TGI MX test?

**Response:**

As per Special Direction No. 3, the Commission must regulate amalgamated TGI (which includes those customers who prior to January 1, 2007, were customers of TGS) as per the TGI Tariff. TGS customers are to be treated as customers in the Lower Mainland service area. As such, any main extension activity that will take place beginning on or after January 1, 2007, will be evaluated using the TGI MX test.



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21.3.1 Will main extension contributions calculated under the TGS MX test be revised to reflect fact that TGS customers will be paying Lower Mainland rates as of January 1, 2007?

**Response:**

Consistent with current TGI practice, contributing main extensions are reviewed annually to determine if a refund is warranted. The reviews for TGS main extensions, post amalgamation, will be reviewed as per the TGI tariff and will use TGI rates at the time the main is reviewed.

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**22.0 Reference: Exhibit B-2, Application, Section B, Tab 8, p. 3, Employee Engagement**

22.1 Please file a copy of the new five-year collective agreement with the IBEW.

**Response:**

The new five-year collective agreement with the IBEW is currently in the process of being updated and is not yet available in its entirety. In the interim, the recently expired IBEW Collective Agreement read in conjunction with the Memorandum of Agreement encompasses the new five-year collective agreement. Both of these documents are included in Attachment 22.1, appended to these responses.

22.2 Please file a copy of the current collective agreement with COPE.

**Response:**

The current collective agreement with COPE is included in Attachment 22.2, appended to these responses.

22.3 Please provide a table that shows for each year of 2004 – 2006, the salaries, wages and benefits to show:

- i. total salaries, wages and benefits for the Executive group before bonuses or other incentive provisions and average number of executives per year
- ii. bonuses and other incentive provisions for the Executive group
- iii. total salaries, wages and benefits for all employees and the average number of employees in terms of full time equivalents excluding the Executive group

**Response:**

For the settlement period (2004 - 2007) annual O&M expense for TGI is set per formula, as set out in the Settlement Agreement. Salaries, wages and benefits costs are implicit within the formula driven O&M expense. Actual salaries, wages and benefits do not impact the amount of O&M that is included in revenue requirements for rate-setting purposes, therefore the Company fails to understand the relevancy of this Information Request.

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**23.0 Reference: Exhibit B-2, Section A, Tab 1, p. 3**

"The financial calculations for 2007...have been made using an ROE of 8.80% representing the allowed TGI 2006 ROE, plus the effects of the anticipated amalgamation of Squamish to yield an 8.80141% ROE on an amalgamated basis. In addition, the common equity component has changed from 35.0% to 35.01238%, on an amalgamated basis."

23.1 Please confirm the current allowed TGS risk premium and equity thickness.

**Response:**

The current TGS ROE is 50 basis points above the TGI ROE. The current TGS common equity component of the capital structure is 40%.

23.2 Please confirm the reasons for the approval of the current TGS risk premium and equity thickness.

**Response:**

TGI and TGS understand that the common equity component and equity thickness of TGS was set to reflect the risk profile of the utility. Commission Order No. G-13-89, dated February 9, 1989 approved rates for September 28, 1987 which included a deemed capital structure of 60% debt and 40% equity. Commission Order No. G-85-98 dated September 25, 1998 set the ROE to the ROE of the low risk utility plus fifty basis points.

23.3 Please outline the likely changes to the business and financial risk of TGS through amalgamation with TGI, and explain the reasons for such changes.

**Response:**

TGI believes that the business risk of amalgamated TGI is the same as the sum of the risk of both TGI and TGS prior to amalgamation. A weighted average ROE and common equity component addresses this risk profile and reflects the terms of the settlement negotiated with the Province.

23.4 Please outline the likely changes to the business and financial risk of TGI through amalgamation of TGS, and explain the reasons for such changes.

**Response:**

Please refer to the response to Question 23.3.

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23.5 Further to the preceding questions, please explain the reasons why TGI's ROE and equity thickness should be increased on an amalgamated basis.

**Response:**

The return on equity and equity component of the capital structure of amalgamated TGI are the weighted averages of the returns on equity and equity components that would exist if the amalgamation were not to occur. There is no request from TGI to the Commission to increase ROE or equity thickness beyond the weighted average.

Special Direction No. 3 to the Commission directs the Commission respecting the determination of the return on equity and common equity component in the capital structure of amalgamated TGI for ratemaking purposes and reflects the terms of the settlement negotiated with the Province.



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**24.0 Reference: Exhibit B-2, Section A, Tab 4, p. 1**

"Squamish customers are included in the 2007 forecast as TGS will be amalgamating with TGI effective January 1, 2007."

24.1 Please provide a summary table(s) that shows each effect of incorporating TGS customers into TGI's PBR Plan and 2007 Revenue Requirements.

**Response:**

Below are Rate Base and Revenue Requirements tables that show the effects of TGS amalgamation on TGI's PBR Plan and 2007 Revenue Requirements.

TGS has a rate base of \$6.1 million (see table below). According to the terms of the amalgamation, the rate base of the amalgamated TGI, for rate making purposes, will be the combined rate base of TGI and TGS. Hence, the effect of incorporating TGS customers into TGI's rate base is an increase of \$6.1 million.

TERASEN GAS (SQUAMISH) INC.  
UTILITY RATE BASE  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(\$000s)

Line No.	Particulars (1)	Rate Base \$ (2)	Reference (3)
1	Net Plant in Service, Mid-Year (PBR formula capital additions)	\$6,889	Capital Expenditures and Additions Section A, Tab 3, Page 6, Column 6
2	Unamortized Deferred Charges	120	Section A, Tab 3, Page 13.1, Column 10, Lines 30 and 32
3	Cash Working Capital	(692)	Section A, Tab 3, Page 14, Column 4, Lines 6 and 11
4	Other Working Capital	50	Section A, Tab 3, Page 14, Column 4, Line 22
5	Deferred Income Tax, Mid-Year	(242)	Section A, Tab 8, Page 2, Column 3, Line 31
6	Utility Rate Base	<u>\$6,125</u>	Section A, Tab 8, Page 2, Column 3, Line 33

By incorporating TGS customers into TGI, the amalgamated TGI's revenue surplus increases by \$58,000 from \$4,071,000 to \$4,129,000. Details of the TGS revenue surplus computation is included in the table below.



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TERASEN GAS (SQUAMISH) INC.  
REVENUE REQUIREMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(\$000s)

Line No.	Particulars	Revenue Requirements \$	Reference
	(1)	(2)	(3)
1	Utility Revenue @ existing TGI rates	\$4,603	Section A, Tab 4, Page 17, Column 4, Lines 35
2	Cost of Gas	<u>(3,130)</u>	Section A, Tab 4, Page 16, Column 4, Lines 33
3	Gross Margin	\$1,473	
4	Operation and Maintenance (PBR formula O&M)	(662)	Section A, Tab 5, Page 2, Column 12
5	Property and Sundry Taxes	(101)	
6	Depreciation and Amortization (PBR formula depreciation)	(199)	
7	Other Operating Revenue (PBR formula late payment charge)	21	
8	Income Taxes	(72)	
9	Earned Return	<u>(402)</u>	
10	Revenue Requirements - Surplus / (Deficiency)	<u>\$58</u>	
11			
12	Proof:		
13	Amalgamated Revenue Requirements - Surplus / (Deficiency)	\$4,129	Section A, Tab 1, Page 7, Column 4, Lines 29
14	Less: TGI stand alone Revenue Requirements - Surplus / (Deficiency)	<u>(4,071)</u>	Section A, Tab 9, Page 3, Column 4, Lines 29
15	TGS Revenue Requirements - Surplus / (Deficiency)	<u>\$58</u>	



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**25.0 Reference: Exhibit B-2, Section A, Tab 4, p. 2**  
**2005 Annual Review, TGI Response to BCUC IR No. 1: 20.1**

25.1 Please reproduce in its entirety, the TGI Response to BCUC IR No. 1: 20.1 in the 2005 Annual Review.

**Response:**

TGI's Response to BCUC IR No. 1: 20.1 in the 2005 Annual Review is included in Attachment 25.1.

25.2 Please prepare an updated response to all questions in the aforementioned IR for 2004 (actual), 2005 (actual), 2006 (projected) and 2007 (forecast).

**Response:**

**(a) B.C. population and % change**

**BC Population and % Change**

	2004 Actual	2005 Actual	2006 Projection	2007 Forecast
<b>BC Population</b>	4,201,867	4,254,522	4,303,115	4,357,222
<b>% Change</b>	1.1%	1.3%	1.1%	1.3%

Source: BC Stats - PEOPLE 31

**(b) nominal and real B.C. GDP and % change**

**BC GDP and % Change**

	2004 Actual	2005 Actual	2006 Projection	2007 Forecast
<b>Nominal GDP (\$B)</b>	157.2	167.1	176.6	184.9
<b>% Change</b>	7.7%	6.3%	5.7%	4.7%
<b>Real GDP (\$B)</b>	139.2	144.2	148.9	153.5
<b>% Change</b>	4.0%	3.6%	3.3%	3.1%

Source: BC Government - Budget and Fiscal Plan - 2006/07 to 2008/09

**(c) single and multiple family housing starts and % change**

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### BC Housing Starts and % Change

	2004 Actual	2005 Actual	2006 Projection	2007 Forecast
<b>Single Family Starts</b>	14,040	13,719	15,100	14,000
<b>% Change</b>	14.6%	-2.3%	10.1%	-7.3%
<b>Multi-Family Starts</b>	18,885	20,948	21,900	20,900
<b>% Change</b>	35.6%	10.9%	4.5%	-4.6%
<b>Total Starts</b>	32,925	34,667	37,000	34,900
<b>% Change</b>	25.8%	5.3%	6.7%	-5.7%

Source: CMHC

#### (d) *natural gas commodity price range per GJ*

The following table illustrates the minimum and maximum of the fixed monthly prices at AECO for each year. The difference between the maximum and minimum provides a sense of the degree to which commodity prices are volatile over a given period. The figures for 2006 and 2007 are based on the forward monthly natural gas prices as at June 30, 2006 (this point in time is used in the table since it was the reference used when the forecast models were created).

#### AECO Natural Gas Prices (\$Cdn/GJ)

	2004 Actual	2005 Actual	2006 Projection	2007 Forecast
<b>Minimum</b>	\$ 5.39	\$ 6.16	\$ 5.26	\$ 7.32
<b>Maximum</b>	\$ 7.59	\$ 12.08	\$ 11.48	\$ 9.38

#### (e) *gas consumption and annual cost for a typical household with natural gas space heating*

The 2002 Residential End Use Survey performed by Habart & Associates identified the following through conditional demand analysis, based on a 2200 sq. foot average house size:

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<b>Appliance Consumption Estimates</b>			
<b>End-Use</b>	<b>AnnualGJ per Appliance</b>	<b>Standard Deviation</b>	<b>Gas Customers Using Appliance</b>
WaterHeating	20.76	4.15	83.52%
ClothesDrying	3.96	*	5.54%
Cooking	8.48	4.10	17.58%
GasBBQ	3.12	1.47	10.40%
PoolHeating	53.49	*	3.21%
HottubHeating	17.86	*	1.09%
WallGasHeating	18.05	2.96	4.04%
GasInsert	15.77	6.68	29.96%
GasLog	16.84	7.20	27.84%
SpaceHeating	67.80	23.89	94.87%

\*standard deviation not applicable as end-use was modeled with only presence of appliance.

Although the forecast average use varies for the period 2005 through 2007, the defined 2200 sq. ft. gas heated home with a gas hot water heater and a Gas log fireplace would typically consume 105.4 GJ, without consideration of the standard deviation. Please refer to the table below for the annual costs, based on the Lower Mainland Residential rates, associated with this annual consumption for 2005, 2006 and 2007:

<b>2002 Residential End Use Study - Annual Consumption based on Space Heating, Hot Water Heating and Gas Log Fireplace</b>	<b>Rate Schedule 1 Lower Mainland Average Annual Bill*</b>
2005 Annual Bill based on - 105.4 GJ	\$1,336
2006 Forecast Annual Bill based on - 105.4 GJ	\$1,383
2007 Forecast Annual Bill based on - 105.4 GJ	\$1,283

*\*The rates used to calculate the average annual bills are averages for the years 2005 and 2006 (year-to-date), and a 3.40% decrease (as per the Terasen Gas Inc. 2006 Annual Review proposed rates for 2007) was applied to both the April 1, 2006 Basic Charge and Delivery Charges to determine a January 2007 forecast rate.*

**(f) gas consumption and annual cost for a typical household with electric space heating**

For a typical household with electric space heating, that is a natural gas customer, it is likely that this customer would have a natural gas fireplace and possibly a hot water heater. Under these circumstances, the annual consumption would be 37.6 GJ. Please refer to the table below for the Lower Mainland annual costs associated with a typical electrically heated home with a gas hot water heater and gas log fireplace:

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<b>2002 Residential End Use Study - Annual Consumption based on Space Heating, Hot Water Heating and Gas Log Fireplace</b>	<b>Rate Schedule 1 Lower Mainland Average Annual Bill*</b>
2005 Annual Bill based on - 37.6 GJ	\$559
2006 Forecast Annual Bill based on - 37.6 GJ	\$579
2007 Forecast Annual Bill based on - 37.6 GJ	\$541

\* The rates used to calculate the average annual bills are averages for the years 2005 and 2006 (year-to-date), and a 3.40% decrease (as per the Terasen Gas Inc. 2006 Annual Review proposed rates for 2007) was applied to both the April 1, 2006 Basic Charge and Delivery Charges to determine a January 2007 forecast rate.

**(g) total household formation and % change**

**BC Household Formation and % Change**

	<b>2004 Actual</b>	<b>2005 Actual</b>	<b>2006 Projection</b>	<b>2007 Forecast</b>
<b>BC Households</b>	1,702,061	1,749,427	1,797,475	1,835,217
<b>% Change</b>	2.7%	2.8%	2.7%	2.1%

Source: BC Stats - PEOPLE 31

**(h) residential and commercial customer additions and % change**

**TGI Customer Additions and % Change**

	<b>2004 Actual</b>	<b>2005 Actual</b>	<b>2006 Projection</b>	<b>2007 Forecast</b>
<b>Residential Additions</b>	10,716	11,427	12,280	12,764
<b>% Change</b>	69.9%	6.6%	7.5%	3.9%
<b>Commercial Additions<sup>1</sup></b>	756	968	450	382
<b>% Change<sup>2</sup></b>	n/a	28.0%	-53.5%	-15.1%

**Notes**

1. Includes Rate Classes 2, 3 & 23 - total corrected as per response to Question 31.1
2. Commercial additions were negative in 2003 - % change cannot be calculated.

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- 25.3 Please outline what TGI would consider to be significant differences, if any, between 2005 projected and 2005 actual data, and between 2006 forecast and 2006 projected data over the intervening Annual Reviews. Please explain the reasons for any highlighted differences.

**Response:**

The significant differences in the data between 2005 projected and 2005 actual data, and between 2006 forecast and 2006 projected data over the intervening Annual Reviews are:

1. The upward revision of housing starts projected by CMHC for 2006.

The expectation in 2005 was that housing starts would decline in 2006. While 2006 housing starts are not final, CMHC has revised their forecast throughout the year in response to stronger than anticipated demand for both single-family and multi-family dwellings. The current forecast from CMHC is for 37,000 housing starts in 2006 which is a significant upward revision from their original forecast of 31,600 starts.

2. The volatility in natural gas commodity costs experienced in 2005 and 2006

The spike in natural gas commodity costs that occurred at the end of 2005 and lasted into early 2006 as a result of hurricane Katrina was not foreseen in the projections for 2005 and the forecast for 2006. Natural gas commodity costs have since moderated and stabilized with the \$7 to \$9 range.

- 25.4 Please outline what TGI would consider to be significant differences, if any, in the underlying trends in the respective sets of data for each Annual Review. Please explain the reasons for any highlighted differences.

**Response:**

Overall, the growth in the province with respect to macroeconomic factors such as population, household formations and GDP has come in ahead of what was expected in 2005. The significant trend lies in the continuation of strong economic performance throughout 2006 when it was previously thought that 2005 would be the peak year and that 2006 would start to experience a slowing of the economy. The outlook now is for 2007 to be the year in which growth starts to slow from its recent pace, but still remains strong with respect to historical results.

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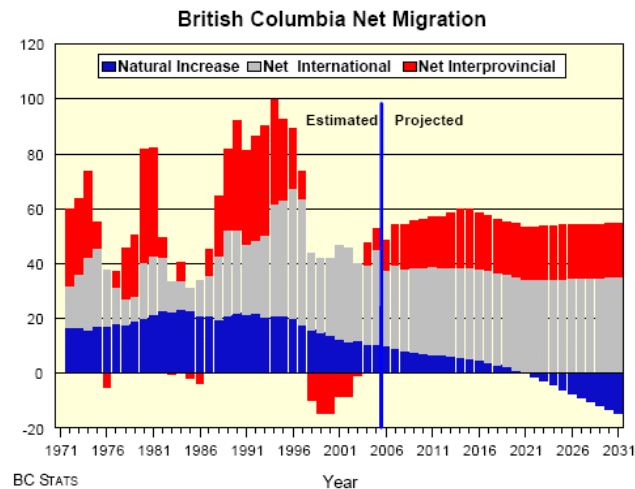
## 26.0 Reference: Exhibit B-2, Section A, Tab 4, p. 2

26.1 Please provide the data and reasoning to support the assumption that provincial population growth will continue with "significant contributions from international immigration".

### Response:

TGI's assumption is based on BC Statistics' *Introduction to the BC and Regional Population Projections* which discusses the findings of their most recent provincial population projection - P.E.O.P.L.E. 31. The excerpt is provided below.

### Migration the most important factor



The major factor driving population growth will be migration to British Columbia. International migration will account for 61% of the population gain, followed by interprovincial migration at 36%, and natural increase at 3%.

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26.2 Please provide the data and reasoning to support the assumption that provincial population growth will continue with "significant contributions from...inter-provincial migration".

**Response:**

Please refer to the response to Question 26.1.

26.3 Please provide a table of figures to illustrate the order of magnitude associated with the assumption that "industrial and transportation sectors will experience limited growth, but much of the growth will be offset by switching to alternative fuels and improved energy efficiency." Please provide separate line items for industrial, transportation, energy efficiency and the respective alternative fuels.

**Response:**

The assumption referred to above is based on: 1) third party forecast of industry specific GDP forecast for BC 2) the demand forecast for industrial customers developed from the industrial survey and 3) customer specific input regarding the consumption patterns obtained through industrial survey results and from the sales force who are in contact on a regular basis with customers.

**Third Party Forecast of Provincial GDP**

The basis for assuming limited growth for industrial customers is based on the Conference Board of Canada's forecast for specific BC industries.

**BC GDP by Industry**

<b>Key Industries</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>3 yr. Avg</b>
<b>Agriculture</b>	5.2%	3.4%	1.9%	3.5%
<b>Forestry</b>	4.1%	1.3%	1.5%	2.3%
<b>Mining</b>	-2.6%	4.6%	6.7%	2.9%
<b>Manufacturing</b>	2.1%	2.2%	3.3%	2.5%
<b>Construction</b>	7.4%	8.0%	5.7%	7.0%
<b>Goods-producing industries</b>	3.6%	3.7%	4.0%	3.8%
<b>All industries</b>	<b>3.3%</b>	<b>3.4%</b>	<b>3.2%</b>	<b>3.3%</b>

Source: The Conference Board of Canada. Provincial Outlook Spring 2006 (May, 2006)

**Industrial Survey Results**

TGI's forecast of Industrial and Transportation customer consumption, which is based on customer surveys, shows a decline in energy consumption during the period that industry is growing in the province. Though there are a few notable closures of major

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industrial customers from the pulp and paper sector that account for some of the reduced demand, customer expectations for little or no increase in year-over-year consumption is observed over other sectors as well. The table below shows the consolidated Energy Forecast of Firm and Industrial customers as found in the 2006 Annual Review and Mid-Term Settlement Review Advance Materials, Section A4 on page 9.

### **TGI Industrial & Transportation Energy Forecast**

	<b>2005</b>	<b>2006p</b>	<b>2007f</b>
Industrial & Transportation <sup>1</sup> (PJ)	63.3	60.9	60.4
Growth Rate	-0.5%	-3.9%	-0.7%
<b>Total</b>	<b>63.3</b>	<b>60.8</b>	<b>60.4</b>

#### **Notes**

1. Rates 4, 5, 6, 7, 22, 25 & 27 (excl. Burrard Thermal and TGVl)

### **Customer Input**

TGI does not gather data on energy efficiency from our industrial customers nor on their respective industries. There is also no systematic collection of data on what alternative sources of energy are being chosen. The comment that "growth will be offset by switching to alternative fuels and improved energy efficiency" is based on information volunteered by customers through the industrial survey who have chosen to indicate a reason for their load change such as an upgrade to their equipment. Another source of information that corroborates efficiency improvements and fuel switching is the industrial account managers who are in contact with customers on a regular basis.





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**27.0 Reference: Exhibit B-2, Section A, Tab 4, p. 4**

27.1 Please provide a copy of the CMHC Housing Market Outlook.

**Response:**

Included in Attachment 27.1 is a copy of the CMHC Housing Market Outlook – Canada which corresponds to the information available at the time that the Annual Review materials were prepared. Subsequently, CMHC has issued a more recent forecast which makes minor adjustments to the 2006 and 2007 forecast of housing starts, but does not have a material impact on the outcome of the forecast used to prepare the materials for the Annual Review.



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## 28.0 Reference: Exhibit B-2, Section A, Tab 4, p. 5

28.1 Please provide the regression results, and associated summary statistics, for modeling residential customer additions in each service area.

### Response:

In estimating residential customer additions, the following model was used. Please note that TGS customers are not included in this analysis. Given the relative size of TGS and TGI, the expected impact on the results of adding TGS is minor.

### **Residential Account Growth vs. Household Formation Growth, Price**

Following are the results of modeling residential account additions for each region:

#### Columbia Region

<i>Regression Statistics</i>	
Multiple R	0.9648
R Square	<b>93.1%</b>
Adjusted R Square	<b>91.6%</b>
Standard Error	0.0049
Observations	12

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	0.0029	0.0015	60.6253	0.0000
Residual	9	0.0002	0.0000		
Total	11	0.0031			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.0419	0.0044	9.6254	<b>4.9E-06</b>	0.0321	0.0518	0.0321	0.0518
HHF Growth	0.9513	0.1629	5.8388	<b>2.5E-04</b>	0.5827	1.3198	0.5827	1.3198
Price	-0.0054	0.0005	-10.4399	<b>2.5E-06</b>	-0.0066	-0.0042	-0.0066	-0.0042

#### Inland Region

<i>Regression Statistics</i>	
Multiple R	0.9487
R Square	<b>90.0%</b>
Adjusted R Square	<b>87.8%</b>
Standard Error	0.0064
Observations	12

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	0.0034	0.0017	40.5230	0.0000
Residual	9	0.0004	0.0000		
Total	11	0.0037			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.0373	0.0066	5.6913	<b>3.0E-04</b>	0.0225	0.0521	0.0225	0.0521
HHF Growth	0.9599	0.1740	5.5180	<b>3.7E-04</b>	0.5664	1.3535	0.5664	1.3535
Price	-0.0049	0.0007	-7.1394	<b>5.4E-05</b>	-0.0064	-0.0033	-0.0064	-0.0033

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### Lower Mainland Region

<i>Regression Statistics</i>	
Multiple R	0.7640
R Square	<b>58.4%</b>
Adjusted R Square	<b>49.1%</b>
Standard Error	0.0033
Observations	12

### ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	0.0001	0.0001	6.3085	0.0194
Residual	9	0.0001	0.0000		
Total	11	0.0002			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.0119	0.0049	2.4185	<b>3.9E-02</b>	0.0008	0.0231	0.0008	0.0231
HHF Growth	0.3507	0.1404	2.4972	<b>3.4E-02</b>	0.0330	0.6684	0.0330	0.6684
Price	-0.0008	0.0004	-2.2032	<b>5.5E-02</b>	-0.0016	0.0000	-0.0016	0.0000

### Revelstoke Region

<i>Regression Statistics</i>	
Multiple R	0.8002
R Square	<b>64.0%</b>
Adjusted R Square	<b>56.0%</b>
Standard Error	0.0030
Observations	12

### ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	0.0001	0.0001	8.0115	0.0100
Residual	9	0.0001	0.0000		
Total	11	0.0002			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.0223	0.0025	8.9169	<b>9.2E-06</b>	0.0166	0.0279	0.0166	0.0279
HHF Growth	0.1695	0.0590	2.8720	<b>1.8E-02</b>	0.0360	0.3029	0.0360	0.3029
Price	-0.0012	0.0003	-3.5777	<b>6.0E-03</b>	-0.0020	-0.0004	-0.0020	-0.0004

28.2 Please provide the forecast inputs to the regression equation used to predict 2007 residential customer additions for each service area. What is the source and rationale for (and, if applicable, calculation of) each forecast input to the model?

### Response:

The forecast inputs to the regression equation used to predict the 2007 residential customer additions for each service region are the Household Formations Growth rate and the variable component of the residential tariff schedule. Please note that TGS customers are not included in this analysis. Given the relative size of TGS and TGI, the expected impact on the results of adding TGS is minor.

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### **Household Formations Growth Rate:**

The input here is the forecast annual household formations growth rate. The source is the BC STATS Household Formations forecast, based on their PEOPLE 31 model, published in May 2006.

The rationale for this input is that household formations are highly correlated with residential account, and are therefore assumed to be a good predictor of account additions. This assumption is validated by the model results illustrated in response to question 28.1.

The forecast household formations growth rates for 2007, by region, are as follows:

Region	2007
Columbia	1.9%
Inland	2.4%
Lower Mainland	2.2%
Revelstoke	1.9%

It should be noted that the household formations forecast published by BC STATS is done so on a local health area basis. TGI, by using the number of year-end accounts in each of the local health areas as weights, derives a single household formations growth rate for each region.

### **Price:**

The input here is the forecast variable component (per GJ) of the residential tariff, by region. The source of this input is TGI (forecast internally).

The rationale for this input is that the variable portion of the residential tariff is assumed to impact the decision of which energy type potential customers will select, and that there is a negative correlation between that decision and this input. This is validated through the regression results illustrated in response to question 28.1.

The forecast variable component of the residential tariff, by region, is as follows:

Year	Residential Variable Charge (per GJ)			
	LML	INL	COL	RSK
2007	\$ 11.45	\$ 11.39	\$ 11.48	\$ 11.39



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## 29.0 Reference: Exhibit B-2, Section A, Tab 4, p. 5

29.1 Please provide the regression results, and associated summary statistics, for modeling commercial customer additions in each service area.

### Response:

Please note that TGS customers are not included in this analysis. Given the relative size of TGS and TGI, the expected impact on the results of adding TGS is minor. In estimating commercial customer additions, the following model was used:

Commercial Account Growth vs. Residential Account Growth (forced zero intercept)

Following are the results of modeling commercial account additions for each service area:

#### Columbia Region

<i>Regression Statistics</i>	
Multiple R	0.6424
R Square	<b>41.3%</b>
Adjusted R Square	<b>33.6%</b>
Standard Error	0.0119
Observations	14

#### ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.0013	0.0013	9.1363	0.0106
Residual	13	0.0018	0.0001		
Total	14	0.0031			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Res Acct Growth	0.6054	0.1148	5.2729	<b>0.0002</b>	0.3573	0.8534	0.3573	0.8534

#### Inland Region

<i>Regression Statistics</i>	
Multiple R	0.8535
R Square	<b>72.8%</b>
Adjusted R Square	<b>65.2%</b>
Standard Error	0.0087
Observations	14

#### ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.0026	0.0026	34.8732	0.0001
Residual	13	0.0010	0.0001		
Total	14	0.0036			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Res Acct Growth	0.6591	0.0621	10.6050	<b>0.0000</b>	0.5248	0.7933	0.5248	0.7933

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#### Lower Mainland Region

<i>Regression Statistics</i>	
Multiple R	0.6668
R Square	<b>44.5%</b>
Adjusted R Square	<b>36.8%</b>
Standard Error	0.0123
Observations	14

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.0016	0.0016	10.4063	0.0073
Residual	13	0.0020	0.0002		
Total	14	0.0036			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Res Acct Growth	0.9550	0.1797	5.3138	<b>0.0001</b>	0.5667	1.3432	0.5667	1.3432

#### Revelstoke Region

<i>Regression Statistics</i>	
Multiple R	0.6659
R Square	<b>44.3%</b>
Adjusted R Square	<b>36.6%</b>
Standard Error	0.0123
Observations	14

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.0016	0.0016	10.3549	0.0074
Residual	13	0.0020	0.0002		
Total	14	0.0035			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Res Acct Growth	0.9757	0.1822	5.3549	<b>0.0001</b>	0.5820	1.3693	0.5820	1.3693

29.2 Please provide the forecast inputs to the regression equation used to predict 2007 commercial customer additions for each service area. What is the source and rationale for (and, if applicable, calculation of) each forecast input to the model?

#### Response:

The forecast input to the regression equation used to predict 2007 commercial customer additions for each service area is the forecast residential account growth rate.

The source for this input is the forecast residential customer additions, by service area.

The rationale for this input is that commercial account growth rates are assumed to follow a similar growth pattern to residential account growth rates. This assumption is validated by the regression results.

Please note that TGS customers are not included in this analysis. Given the relative size of TGS and TGI, the expected impact on the results of adding TGS is minor. The forecast 2007 residential account growth rates, by service area, are as follows:



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Region	2007
Columbia	0.8%
Inland	2.0%
Lower Mainland	1.7%
Revelstoke	0.9%

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**30.0 Reference: Exhibit B-2, Section A, Tab 4, pp. 5-6**

"For the forecast produced in support of the 2006 Annual Review, the BC Statistics 2006 Household Formation Forecast is used as the primary predictor variable to estimate household formations by area over the forecast period, with the near-term forecast validated by current housing start and service request information."

30.1 Please provide a copy of the BC Statistics 2006 Household Formation Forecast.

**Response:**

Please find attached a copy of the BC Statistics 2006 Household Formation forecast based on the P.E.O.P.L.E 31 study.

30.2 Please provide the household formation predictor variables used for each service area. Please explain whether these variables exactly correspond to the Household Formation Forecast and the reasons for any differences, if any.

**Response:**

The household formations predictor variables used for each service area are as follows:

Region	2006	2007
Columbia	1.8%	1.9%
Inland	2.9%	2.4%
Lower Mainland	2.7%	2.2%
Revelstoke	1.7%	1.9%

These variables are derived from the BC STATS household formations forecast. They represent a weighted average (based on the number of year-end accounts in each local health area) of the local health area growth rates that are within each of the TGI service areas. No other adjustments are made to the household formation forecast. Please note that TGS customers are not included in this analysis. Given the relative size of TGS and TGI, the expected impact on the results of adding TGS is minor.

30.3 Further to the preceding question, please compare and contrast the figures provided above with the CMHC housing start figures reported in the table on page 6 of Tab 4.

**Response:**

The CMHC data presented on page 6 of Tab 4 applies to the entire province and is not segmented into the regions that constitute TGI's service territory. In order to contrast BC Statistics household formations growth projections with CMHC's provincial housing starts forecast it must be done on a provincial basis. Another consideration is that the



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CMHC data represents the number of new residential units added to the exiting population of homes while the household formations data represents the percentage growth of the existing number of households. To make a valid comparison, the number of existing residential units must be determined. The total number of combined residential customers served by BC Hydro and FortisBC has been used as a reasonable proxy for the number of residential units in the province.

A comparison of CMHC housing starts with BC Stats household formations for the province indicates a relatively close agreement between the two measures of growth. More important than the absolute value of the data is the fact that the two measures move in the same direction and relatively in the same proportion indicating that household formations is a good proxy for housing starts. The table below corresponds to the information available at the time that the Annual Review materials were prepared. Subsequently, CMHC has issued a more recent forecast which makes minor adjustments to the 2006 and 2007 forecast of housing starts, but does not have a material impact on the outcome of the analysis below.

	<b>Total Residences<sup>1</sup></b>	<b>CMHC Housing Starts</b>	<b>CMHC Starts as % Residences</b>	<b>Household Formations Prov. Growth</b>
<b>2001</b>	1,490,454	17,234	1.2%	1.4%
<b>2002</b>	1,504,780	21,624	1.4%	1.5%
<b>2003</b>	1,524,771	26,174	1.7%	2.4%
<b>2004</b>	1,546,087	32,925	2.1%	2.7%
<b>2005</b>	1,571,209	34,667	2.2%	2.8%
<b>2006</b>	1,599,873	37,000	2.3%	2.7%
<b>2007</b>	1,629,463	34,900	2.1%	2.1%

#### Notes

1. Total combined residential customers for BC Hydro and Fortis



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### 31.0 Reference: Exhibit B-2, Section A, Tab 4, p. 6

31.1 Please explain the decline in commercial customer growth reflected in the table on page 6.

#### **Response:**

The TGI Customer Growth table on page 6 of the Annual Review materials contained an error. Rate 23 customers were incorrectly included in the Industrial & Transportation category and omitted from the Commercial category. The table has been updated and is included below. The total customer count is not impacted nor does the error in the original table have any effect on rates as these were determined on a rate class basis.

When the adjustment to the table is made, Commercial account additions no longer show a significant decline in 2007. The level of account additions for 2007 is lower than what was experienced 2004 and 2005, but these two years constituted a rebound in commercial activity after a combined loss of over 1,500 Commercial customers during 2002 and 2003.

#### **TGI Customer Growth<sup>1</sup>**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
	Actuals	Actuals	Actuals	Projected	Forecast
Residential <sup>2</sup>	6,306	10,716	11,427	12,280	12,764
Commercial <sup>3</sup>	(762)	756	968	450	382
Industrial & Transportation <sup>4</sup>	2	32	(50)	(4)	(1)
Squamish					240
<b>Total</b>	<b>5,546</b>	<b>11,504</b>	<b>12,345</b>	<b>12,726</b>	<b>13,385</b>
Year-Ending Customers	775,516	787,020	799,365	812,091	828,700 <sup>7</sup>
Housing Starts <sup>5</sup>	26,174	32,925	34,667	37,000	34,900
Population Growth <sup>6</sup>	1.0%	1.1%	1.3%	1.1%	1.3%

#### **Notes**

1. Includes Lower Mainland, Inland, Columbia and Revelstoke service regions only.

2. Rate 1

3. Rates 2, 3 & 23

4. Rates 4, 5, 6, 7, 22, 25 & 27

5. Source: CMHC - Housing Market Outlook (Q2 2006) & CHS Residential Building Activity (April 2006).

6. Source: BC Stats - Provincial Population Projection (P.E.O.P.L.E. 31).

7. Includes 2006 Year-Ending Customer balance for Squamish of 3,224

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31.2 Please explain the large 2007 forecast increase in Industrial and Transportation customer growth, and provide a full accounting of the underlying changes in this forecast.

**Response:**

As discussed in the response to Question 31.1, the TGI Customer Growth table on page 6 of the Annual Review materials contained an error. Rate 23 customers were incorrectly included in the Industrial & Transportation category and omitted from the Commercial category. The table has been updated and is included below. The total customer count is not impacted nor does the error in the original table have any effect on rates as these were determined on a rate class basis.

When the adjustment to the table is made, Industrial and Transportation account additions no longer show an increase in 2007. There has been no change to the forecast methodology for Industrial and Transportation customers.

**TGI Customer Growth<sup>1</sup>**

	2003 Actuals	2004 Actuals	2005 Actuals	2006 Projected	2007 Forecast
Residential <sup>2</sup>	6,306	10,716	11,427	12,280	12,764
Commercial <sup>3</sup>	(762)	756	968	450	382
Industrial & Transportation <sup>4</sup>	2	32	(50)	(4)	(1)
Squamish					240
<b>Total</b>	<b>5,546</b>	<b>11,504</b>	<b>12,345</b>	<b>12,726</b>	<b>13,385</b>
Year-Ending Customers	775,516	787,020	799,365	812,091	828,700 <sup>7</sup>
Housing Starts <sup>5</sup>	26,174	32,925	34,667	37,000	34,900
Population Growth <sup>6</sup>	1.0%	1.1%	1.3%	1.1%	1.3%

**Notes**

1. Includes Lower Mainland, Inland, Columbia and Revelstoke service regions only.

2. Rate 1

3. Rates 2, 3 & 23

4. Rates 4, 5, 6, 7, 22, 25 & 27

5. Source: CMHC - Housing Market Outlook (Q2 2006) & CHS Residential Building Activity (April 2006).

6. Source: BC Stats - Provincial Population Projection (P.E.O.P.L.E. 31).

7. Includes 2006 Year-Ending Customer balance for Squamish of 3,224

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**32.0 Reference: Exhibit B-2, Section A, Tab 4, p. 7**

"This projected outcome is similar to what was experienced in 2002 when residential use rates rose significantly after a sharp drop in 2001 triggered by a spike in gas prices during that year. Use per customer rates are then forecasted to decline in 2007 similar to the decrease seen in prior years for which there were no price spikes."

32.1 Please include Normal 2002 data in the table on page 7.

**Response:**

In order to best observe the effect of the decrease in use per customer rates and the partial recovery in 2002, historical data from 2000 onwards is provided below.

**Historic and Forecast Usage - Rates 1, 2, 3 & 23 (GJ)**

	Normal 2000	Normal 2001	Normal 2002	Normal 2003	Normal 2004	Normal 2005	Projected 2006	Forecast 2007
<b>Rate 1</b>	111.7	100.5	105.6	103.1	102.6	97.4	100.3	99.8
<b>Rate 2</b>	324.6	305.4	301.8	303.6	313.8	305.8	318.1	314.2
<b>Rate 3</b>	3,659.5	3,332.1	3,378.1	3,292.0	3,500.9	3,387.6	3,462.8	3,393.7
<b>Rate 23</b>	6,446.8	5,802.4	5,281.1	4,883.4	5,112.6	4,714.3	4,775.2	4,796.4

32.2 Please compare the Normal 2002 data to Normal 2003 data, and explain whether the trend suggested in the preamble above for the 2007 forecast is supported by this comparison.

**Response:**

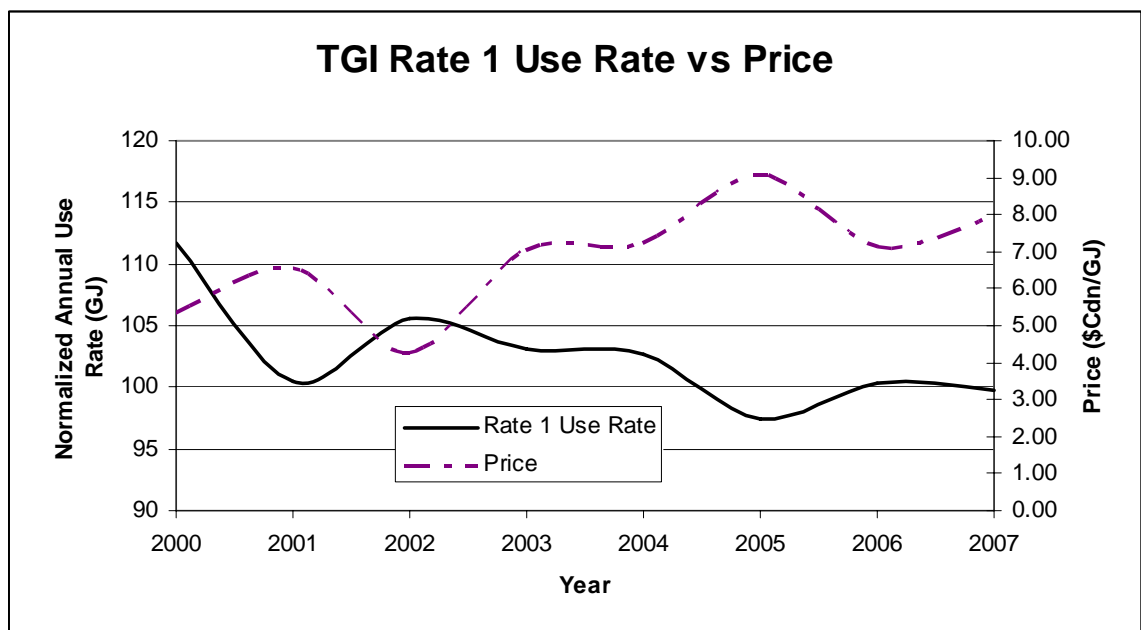
The table in the response to Question 32.1 confirms that residential use per customer rates did recover after suffering a significant decline in 2001. As illustrated in the graph provide in the response to Question 32.3, there is an inverse correlation between commodity price increases and use per customer rates. As price spikes subside, a partial recovery of use rates is observed as can be seen in the 2002 Residential use rate. This effect has also been observed for 2005 Residential use rates when again there was a sharp increase in natural gas commodity costs. With commodity costs moderating in 2006, Residential use per customer rates are projected to partially recover in roughly the same proportions as was experience in 2001-02.

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32.3 Please provide a chart dating from 2000-2007 that illustrates on the primary axis actual and forecast data on applicable natural gas prices, and on the secondary axis use rates for Rates 1, 2, 3 and 23.

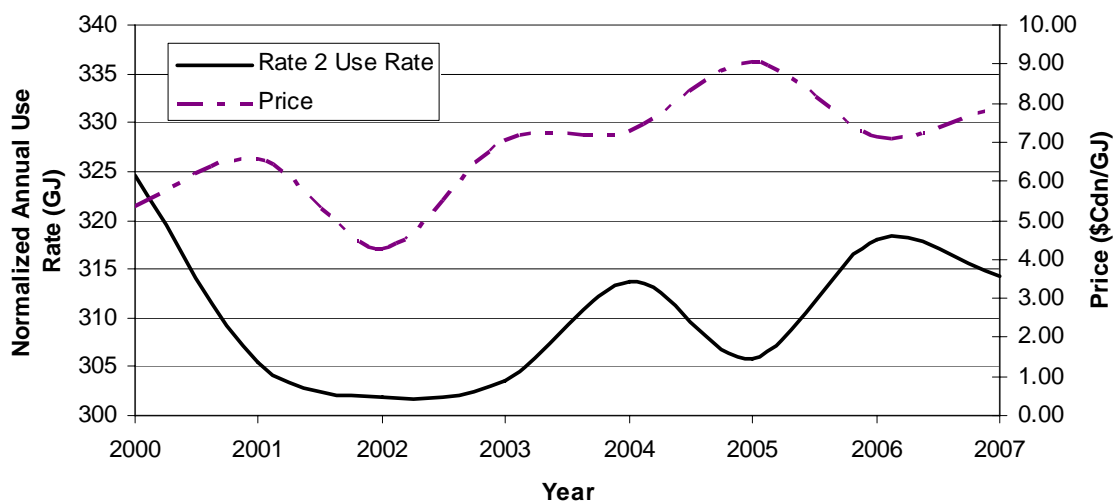
**Response:**

The following four graphs illustrate the annual normalized Rate 1, 2, 3, and 23 use per customer rates from 2000 to 2007 and also the natural gas prices (AECO annual spot prices provided by the GLJ Petroleum Consultants website effective October 1, 2006, converted from \$Cdn/mmbtu to \$Cdn/GJ) over that same period.

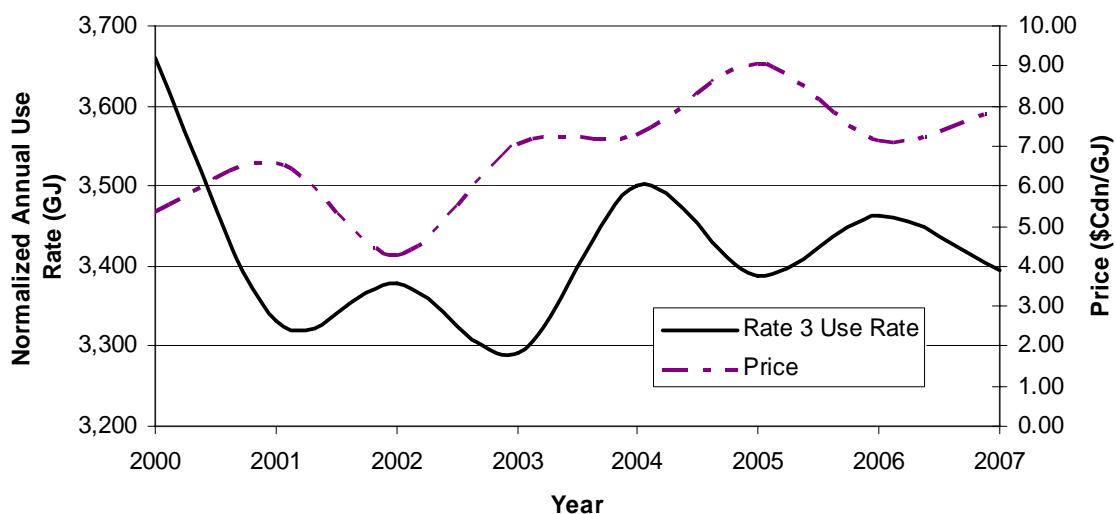


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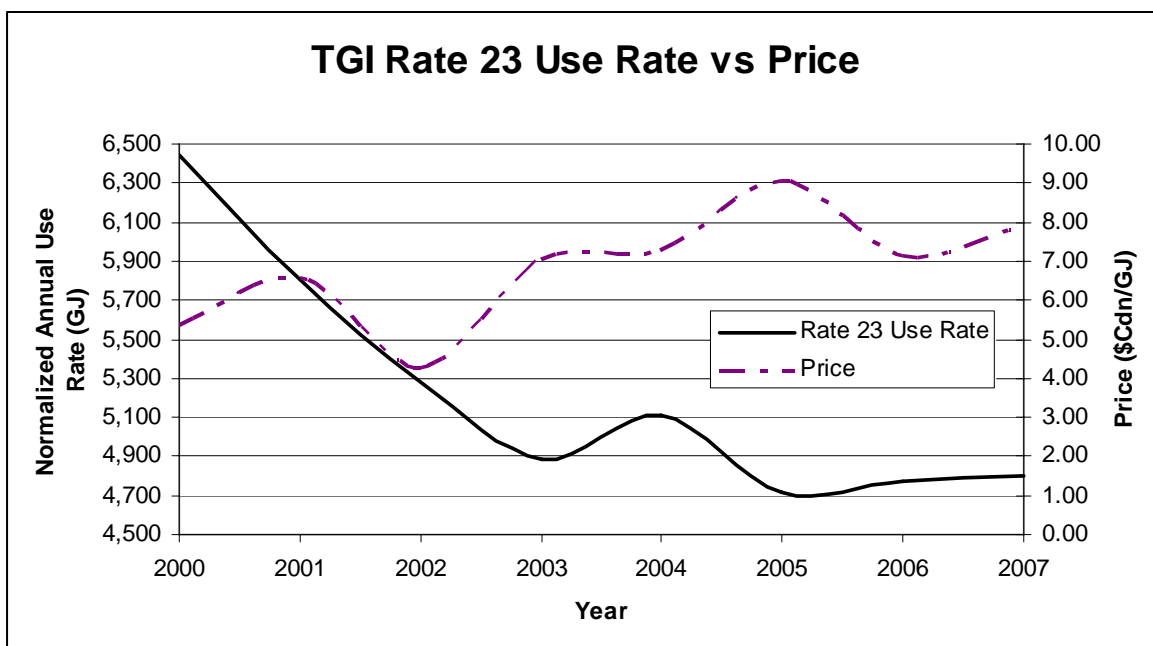
### TGI Rate 2 Use Rate vs Price



### TGI Rate 3 Use Rate vs Price



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**33.0 Reference: Exhibit B-2, Section A, Tab 4, p. 12**

"Various Burrard Thermal agreements are forecasted to provide \$9.9 million in revenues in 2007. The transportation charge is fixed and independent of energy consumption."

33.1 Please provide a table setting out forecast and actual Burrard Thermal revenues in each year since 2001. Please explain the reasons for any differences between forecast and actuals, as applicable.

**Response:**

Below is a table containing a comparison of actual versus forecast revenues for Burrard Thermal. As demonstrated, there is very close agreement between the forecast and actual results with no material difference between the two sets of figures.

**Burrard Thermal Revenues 2001-2006**

	<u>Actual</u>	<u>Forecast</u>	<u>Variance</u>	<u>% Variance</u>
<b>2001</b>	\$9,862,896	\$9,862,800	\$96	0.00%
<b>2002</b>	\$9,873,316	\$9,862,800	\$10,516	0.11%
<b>2003</b>	\$9,889,791	\$9,870,700	\$19,091	0.19%
<b>2004</b>	\$9,906,791	\$9,900,700	\$6,091	0.06%
<b>2005</b>	\$9,924,347	\$9,906,912	\$17,435	0.18%
<b>2006p</b>	\$9,933,396	\$9,924,960	\$8,436	0.08%



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**34.0 Reference: Appendix A to Commission Order No. G-132-05, p. 4**

In its Reasons for Decision accompanying Order No. G-132-05 on TGI's 2006 Revenue Requirements, the Commission stated that it "expects Terasen Gas to prepare and present its customer forecast with better input data and better explanation of forecast variances."

34.1 Please highlight how TGI believes it has prepared its current customer forecast in the spirit of the Commission's stated expectation.

**Response:**

TGI uses the most current input data available when preparing the forecast for customer additions. The inputs used in the models and for validation purposes are from third party sources and reflect the best understanding of the market at that time. Responses to Questions 28.1 and 28.2 help to provide further detail on the underlying analysis used to determine account additions.

Accounting for the revision to the net customer addition totals discussed in the responses to Questions 31.1 and 31.2, the variance in total customer additions between the 2006 Revenue Requirement and the 2006 Annual Review for 2005 is relatively small with the number of 2005 actual net customer additions lower by 331 customers (-2.6%) than what was projected in the prior year. Residential net customer additions were lower than projected in 2005 by 668 customers, but the shortfall was partially offset by stronger than projected growth in the Commercial sector by 332 customers.

34.2 Please explain the components or aspects of its customer forecast that TGI is working to improve upon, and why.

**Response:**

At the end of the 1<sup>st</sup> quarter of 2006, Terasen Gas implemented a new software program to better coordinate and track customer order fulfillment including the addition of new customers. This improvement allows for the capture of more detailed information and a better understanding of evolving market segments such as single-family and multi-family dwellings. As data is accumulated, it will be analyzed to see how it can help to improve the forecast of customer additions through a better understanding of factors such as housing type and typical loads. In particular, TGI will have greater understanding of the number of multi-family dwellings being attached to natural gas and the loads that are being served.

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### 35.0 Reference: Exhibit B-2, Section B, Tab 3, p. 2

35.1 Please provide a further description of the bundling approach to offerings and incentives, and the method and strategy that informs what programs are incorporated into any one bundle, and how the associated incentives are individually determined and ultimately bundled.

#### **Response:**

The general concept behind bundling is to group incentives aimed at a particular market segment into one package so that all the information associated with that group of incentives is included in one marketing collateral piece and there is one application process for that group of incentives. The intention of incentive bundling is to maximize program participation by offering a target market information regarding all the incentives available to that target market from various sources in one place, and to increase ease of application by having one master application form and process for all the incentives directed at a particular target market.

BC Hydro's Power Smart New Home Program is Terasen Gas' first experience with participating in a bundled incentive offering. In terms of the strategy that was used to determine which programs are incorporated into a bundle, Terasen Gas and BC Hydro together with MEMPR looked at the existing incentives that were separately available and that were aimed at the Residential New Construction segment. The parties also looked at what additional incentives could be offered to the Residential New Construction segment to enhance appliance efficiency and to assist MEMPR with its goal of achieving a certain number of New Homes with a rating of EnerGuide 80. In determining individual incentives, the Company's incentives are subject to a common economic cost-benefit test. BC Hydro is handling the preparation of marketing collateral and processing applications for the PowerSmart New Home Program. The effectiveness of Terasen Gas participation in a bundled incentive package as described above will be evaluated in the 2<sup>nd</sup> quarter of 2007, after the closure of the PowerSmart New Home Program.

35.2 Please provide a listing of all bundled programs, their component measures, and the individual and bundled incentives associated with each.

#### **Response:**

Terasen, BC Hydro and MEMPR have joined together to offer the PowerSmart New Home Program. Its component pieces are outlined below:

- **Single Family or Multi-Family individually heated and metered**
  - ENERGY STAR Labeled Windows: \$1 per square foot (offered by BC Hydro)

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- **Natural Gas Stream Rebates**

- Terasen Gas/BC Hydro/MEMPR \$600 Full Energy Star Appliance Package : ENERGY STAR Fridge, Dishwasher, Ventilation Fan, Clothes Washer, 40% CFL Lighting, plus Natural Gas Range and Natural Gas Dryer (requires Natural Gas Domestic Hot Water)
- Terasen Gas/MEMPR \$500 Energy Star Gas Heating (requires Natural Gas Domestic Hot Water)
- Terasen Gas/BC Hydro/MEMPR \$1,400 EnerGuide for New Homes rating of 80 (requires Natural Gas Domestic Hot Water, Energy Star Gas Heating and full Energy Star Appliance Package)

- **Electricity Stream Rebates**

- BC Hydro \$150 Partial Energy Star Appliance Package: ENERGY STAR Fridge, Dishwasher, Ventilation Fan, 40% CFL Lighting (non-gas heat)
- BC Hydro \$900 EnerGuide for New Homes rating of 80 (requires Partial Energy Star Appliance Package)

More information about the PowerSmart New Home Program can be found on BC Hydro's website at: <http://www.bchydro.com/powersmart/>.

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### 36.0 Reference: Exhibit B-2, Section B, Tab 3, p. 9

36.1 Please state all assumptions and show the supporting calculations and final calculation of the TRC ratio and TRC Net Benefit figures reported in the table on page 9.

#### Response:

The TRC is defined in 1993's "Primer on Gas Integrated Resource Planning", published by the National Association of Regulatory Utility Commissioners, as  $NB_{tr} = SCS - UC - DC$ , where  $NB_{tr}$  is the net benefit from a total resource cost perspective, SCS is the supply and/or capacity cost savings, UC is the utility program administration cost excluding incentives paid to participating customers, and DC is the direct cost of DSM measures, regardless of whether they are paid by the utility or the participant.

Using the above standard industry approach, the net benefits for the TRC test are calculated with the key additional inputs as outlined in the table below for the different programs.

Program name	Measure Life (Years)	Free Riders %	Terasen Incentive \$	Participant Costs \$	Program Costs \$	Total NG Savings (GJ)
2006 Energy Star Heating Upgrade	25	50%	100	600	200,000	1,138,500
2006 New Construction Heating Program	20	20%	250	500	50,000	136,500
2006 PowerSmart New Home Program	25	5%	850	3,000	-	225,000
2006 Efficient Boiler Program	25	18%	10,000	32,000	150,000	2,082,500
2006 Utilisation Advisory	15	15%	-	15,000	60,000	135,000
2006 Destination Conservation	3	0%	-	2,000	27,000	6,102

In projecting the net benefit figures, a discount rate of 7.3% was used to determine the net present value of the benefits / costs; a discount rate which needs to be updated to 6.93% to reflect updates to Terasen Gas' capital structure. The determination of the benefit, the avoided cost of gas is based on recent modeling using the "Sendout" model also used by Terasen Gas for Gas Supply planning purposes. The capacity savings is estimated using a distribution adder.

The TRC calculation is provided below for the Efficient Boiler program; the program which accounts for the majority of the TRC benefits estimated for 2006 (i.e. \$4 million out of \$6 million for all the programs). The inputs into the calculation are as outlined in the table above, and in the Annual Review. .

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#### NPV Benefits - TRC Test per participant

Annual Savings (GJ/unit)	850.00
X 1-Free Riders	82.00%
Net Annual Savings (GJ/unit) (A3*A4)	697.00
X	
NPV Avoided Gas Supply Cost (\$/GJ)	\$93.36
Net NPV of Avoided Gas Supply Costs (A5*A7 )	\$65,070.27
NPV of Alt. Fuel Avoided Cost - Energy	\$0.00
NPV of Alt. Fuel Avoided Cost - Capacity	0.00
Net Avoided Particip. Costs	0.00
Value of Financing - Customer	0.00
Fuel Sales Tax Credit	6,135.19
NPV Benefits - Customer TRC Test (sum A8 to A15)	\$71,205.46

#### NPV Costs - TRC Test per participant

One - Time Participant Costs	\$32,000.00
Present Value of Leasing Costs	\$0.00
X Customer Discount Rate + 1	1.1
Present Value of Leasing Costs	\$0.00
Gross Participant Costs (A25+A29)	\$32,000.00
X	
1-Free Riders	82.00%
Net Participant Costs (A31 * A33)	\$26,240.00
Program Costs - Gas Utility	1,866.60
Program Costs - Altn. Utility	1,244.40
Value of Financing - Utility	0.00
NPV Costs - TRC Test per participant (A34+A38+A39+A40)	\$29,351.00
Benefit/Cost Ratio	2.43
NPV of Net Benefits per participant	\$41,854.46
Total NPV of Net Benefits	\$ 4,101,737



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Annual gas savings are estimated to 850 GJs per year per participating commercial customer. The NPV avoided gas cost of approximately \$90 per GJ is the present value of avoided gas cost per GJ over the measured life of the boiler (i.e. 25 years). The fuel sales tax credit is equivalent to the provincial sales tax on the bill savings for a participating customer.

For costs, it is estimated that each participant will pay an additional \$32,000 to upgrade to the high efficient boiler. Programs costs are estimated to be \$250,000 in total; \$150,000 funded by Terasen Gas and \$100,000 funded by Natural Resources Canada. The number approximately \$1866 per program participant is determined by taking Terasen Gas' share of program costs of \$150,000 and dividing by the estimated number of program participants of 98, net of free riders. The number of approximately \$1244 per program participant is determined by taking Natural Resources Canada's share of program costs of \$100,000 and dividing by the estimated number of program participants net of free riders.

The net benefit per program participant of approximately \$41,000 is determined by taking the difference between the projected benefits and costs per participant.



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**37.0 Reference: SCP Third Party Revenue, Exhibit B-2 Application, Section B, Tab 1, p. 18**

37.1 The forecast for revenue in 2007 is \$11.072 million. Does TGI have a plan that would stimulate increased revenue from this asset?

**Response:**

Out of the \$11.072 million, the opportunity to increase revenue is limited to mitigation activity associated with SCP. The Gas Supply Mitigation Incentive Program ("GSMIP") provides a nominal additional incentive to Terasen Gas to stimulate revenue for all resources secured to meet customer demand, including SCP. The Gas Supply group is looking on a daily and month basis to mitigate the resources (including SCP) that are under contract in that given year to reduce gas cost for the customer. Evidence of Terasen Gas actively pursuing SCP revenue opportunities is apparent in 2006 where SCP mitigation revenues will be at its highest level ever at approximately \$5.6 million (January-October actual, Nov-Dec estimate). On a longer term basis as part of the Annual Contracting Plan the Gas Supply group is consistently reviewing the resource stack (Including SCP) to look at ways to secure gas in a reliable and cost effective manner.



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**38.0 Reference: Transmission Plant – LNG Coldbox Upgrade, Exhibit B-2 Application, Section B, p.6**

38.1 Please provide a breakdown of the \$3.1 million (excluding AFUDC) for replacement of the plant including the cost of preliminary work.

**Response:**

The 37 year old coldbox, which is being replaced is only one of a number of key components in the liquefaction process. The proposed expenditure attempts to ensure operating reliability for the liquefaction facility at the lowest possible cost.

The estimated cost breakdown for the project (excluding AFUDC, \$000) is as follows:

Prepare Expression of Interest document	\$ 10
Prepare conceptual design	\$ 90
Prepare Final Design	\$ 350
Manufacture and Delivery of New Coldbox	\$1,750
Installation of New Coldbox, removal of Old Unit	\$ 600
Project Contingency	<u>\$ 300</u>
TOTAL	\$3,100

38.2 With the cost of preliminary work included in the overall project cost, will the expenditure for plant replacement exceed the \$5 million threshold for this project to be a CPCN application?

**Response:**

The cost of preliminary work, plus all other phases of the coldbox replacement project are in aggregate not expected to exceed the \$5 million threshold for CPCN application.

38.3 Is there anything that can be salvaged and used with the proposed replacement plant?

**Response:**

The existing coldbox contains amounts of carbon steel, stainless steel and aluminum, the value of which will be captured when sold as scrap metal once coldbox replacement is completed. One of the project design criteria is for the replacement coldbox to be capable of utilizing all the existing ancillary equipment in the LNG plant. The existing Distributed Control System (DCS) including temperature and pressure transmitters from the current coldbox will be used on the replacement.





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**39.0 Reference: Transmission and Distribution Plant – Golden Ears Bridge Project, Exhibit B-2 Application, Section B, page 7**

39.1 Page 7 states that; "at this time, Terasen as has insufficient information to forecast the total amount it expects to recover from Translink." When will TGI have this information?

**Response:**

The determination of the recovery from Translink can only be accomplished in accordance with Translink's schedule and its priorities. At this time TGI is involved in very preliminary design and planning. TGI has advised Translink that it is the position of TGI that most of the work that Terasen Gas will undertake will be recoverable, however its acceptance of this position has not been received. It is expected that the level of recovery from Translink will be forecast, and agreed to by Translink, by April 1, 2007.

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**40.0 Reference: Transmission Plant – Kootenay River Crossing near Shoreacres, Exhibit B-2 Application, Section B, page 7**

40.1 If preliminary planning costs are included in the overall costs, will the total project cost exceed \$5 million?

**Response:**

Preliminary planning costs are included in the overall preliminary cost estimates of approximately \$3.1 million (excluding AFUDC).

40.2 What are the advantages and disadvantages between an aerial crossing and horizontal directional drilling in this case?

**Response:**

The following comments all pre-suppose that horizontal directional drilling will prove technically feasible at both the Shoreacres and Brilliant sites.

The advantages to horizontal directional drilled crossing in this case are:

1. It allows the pipeline to be installed well below the grade of the river bottom, this protects the pipe from all surface risks to which an aerial crossing is exposed such as, vandalism, wind and ice stresses, mechanical impact from flying objects, marine traffic and aircraft traffic;
2. The required ongoing O&M costs for a buried pipeline are significantly less than for an aerial pipeline crossing; and
3. Subsurface burial eliminates or reduces the likelihood of bridge jumpers and other non-authorized uses of the aerial structures.
4. Subsurface burial reduces the vulnerability of these crossings to acts of terrorism.

The primary disadvantages of horizontal directional drilling are:

1. Site topography and sub surface soil conditions must be acceptable;
2. There is often a slight risk that drilling mud could be released into water courses during the drilling or reaming process; and
3. There is risk that the hole cannot be completed due to unforeseen subsurface conditions.

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The advantage of an aerial crossing in this case is:

It can be utilized in situations where directional drilling has proven to not be a viable option and other forms of subsurface stream work (open cut installation techniques) are not acceptable to the various regulatory agencies that have jurisdiction.

The disadvantages to an aerial crossing are:

1. It is expensive to maintain and refurbishment of the existing structure would require a sheath to be installed around the existing pipe in order to ensure that pipe and coating materials do not fall into the rivers;
2. Require regularly scheduled inspections, under Terasen Gas's internal standards, aerial crossings require a minimum of one inspection annually and a major engineering assessment every 5 years;
3. Impose hazards to the navigable channel (to both marine and air traffic); and
4. Are visually intrusive.

Both Aerial and Horizontal Directional Drills are expensive to install. At this time, Terasen Gas has not completed its preliminary studies of these two options but believes that horizontal directional drilling may be a more economical long-term capital solution for this crossing. Further site studies are required to confirm this prior to final decision.

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**41.0 Reference: Transmission Plant – Columbia River Crossing near Brilliant, Exhibit B-2 Application, Section B, page 8**

41.1 Why consider horizontal directional drilling in this case?

**Response:**

Directional drilling is being considered for this crossing as it may be an economical alternative to refurbishing or replacing the aerial crossing. Directional drilling, if determined to be technically feasible, also provides significant environmental and safety advantages as noted in the response to Question 40.2.

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#### **42.0 Reference: Transmission Plant – SCADA System Upgrade, Exhibit B-2 Application, Section B, page 8**

42.1 Although vendor support of the current version (6.0) of the SCADA application is expected to expire at the end of 2006, are there consultants who would continue to support SCADA (6.0)?

##### **Response:**

The vendor has now revised its position and will continue to support version 6.0 for an indefinite period into the future. In the description for this project, the discussion of the reasons for replacement of this SCADA system should have also emphasized the issue of hardware obsolescence. The issue of hardware obsolescence is discussed further in the response to 42.2.

In general, the use of independent consultants for SCADA system maintenance is not workable due to the proprietary nature of the vendor software codes.

42.2 What are the benefits of the next version of the SCADA that justifies an expenditure of \$1.6 million?

##### **Response:**

The next version of the SCADA system (OASys DNA) utilizes current operating system and hardware. Moving to an operating system and hardware of similar vintage to other applications at Terasen Gas will help ensure that the system can be effectively supported and maintained. The present SCADA system runs on servers that are in effect obsolete, with the result that spare parts such as RAM and disk arrays are becoming increasingly difficult to reliably locate. The cost of ownership for SCADA is expected to be reduced through the use of standard software modules and modern operating system. Available, newer versions of SCADA will also have new or improved application features that would allow Terasen Gas to more effectively provide cyber-security, manage system operating data, and undertake expansions of SCADA system.

42.3 If this upgrade was not approved what would happen to the SCADA system?

##### **Response:**

A fully functioning and maintained SCADA system is necessary for Terasen Gas to operate a safe and reliable gas system. Hardware obsolescence will eventually impede replacement of failed SCADA components and as a consequence, the reliable operation of the system.

Terasen Gas is proposing a planned replacement of this system. If a total system failure were experienced, this would have the potential to create a critical situation. If time



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constraints were significant, there may be little or no opportunity for proper competitive tendering and evaluation, which may result in a sub-optimal solution. Terasen Gas believes this approach to be prudent and in the best interest of its customers.

The Settlement Agreement sets out the formula by which annual capital expenditures are determined for rate-setting purposes for the settlement period, with the exception of CPCN expenditures which are excluded from the formula. CPCN applications are not expected to be filed for projects below \$5 million. This project is well below the \$5 million threshold. Expenditures for capital projects such as this particular project are implicit in the approved formula driven capital expenditures. Accordingly, Terasen Gas does not understand the question, as the Settlement Agreement does not set out a mechanism for review and approval of specific projects for which the expenditures are implicitly approved as part of the formula driven capital expenditures and that do not require a CPCN. For clarity, Terasen Gas recognizes that expenditures are subject to after the fact prudency reviews by the Commission, however, in the case of this project the Company is of the view that this is a prudent expenditure.



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**43.0 Reference: IT Capital – MobileUP Replacement, Exhibit B-2 Application, Section B, page 9**

"In 2007 and 2008, Terasen Gas is intending to replace the current application in order to align customer service activities with construction activities and to implement a consistent set of processes supported by a single system."

43.1 Please provide the business case for the implementation of the MobileUP Replacement system.

**Response:**

The business case and justification for the implementation of the MobileUP replacement system has not yet been completed. Terasen Gas is anticipating that the business case will not be available until December 2006 or January 2007.

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**44.0 Reference: IT Capital – AM/FM GIS for Transmission, Exhibit B-2 Application, Section B, page 9**

44.1 What are the enhanced features of an Automated Mapping system?

**Response:**

A paper-based approach has a number of limitations when compared with the functionality of AM/FM. On a paper based system, maps require manual changes, cannot be easily shared with multiple staff members. Furthermore, it is harder to maintain an up-to-date collection of maps, given that changes (such as re-builds, relocates, new road crossings, etc.) are constantly being made to the Terasen Gas transmission system. CAD does offer the advantages of conventional drafting, however it does not have an underlying database and it does not have an intelligent "topological" data structure that "connects" the data objects maintained in the database.

The AM/FM (Automated Mapping/Facilities Management) system offers both an underlying query enabling database, and the ability to analyze asset and property parcel data. The underlying topology provided by AM/FM allows Terasen Gas users to run queries such as: "how many valves do we have in Coquitlam?", "how many km of heavy wall pipe do we have within Kamloops?", or "which streams cross pipeline X" or "give me a mailing list of the land owners near pipeline Y".

The major benefits of AM/FM/GIS are as follows:

- Once the full description of the pipeline assets and rights-of-way are converted into the AM/FM system, any staff member within the company can access the data on the Terasen Gas secure corporate network. Access is available both in the office and in the field on a 24 hour / 7 day a week basis.
- As soon as new as-built records are brought in from the field, the new configuration / status of the transmission asset can be updated by a draftsman, and this change is immediately available to any Terasen Gas staff member.
- Any external party such as a municipality or land developer can share AM/FM data electronically with Terasen Gas, reducing costs associated with re-drafting.

44.2 What's this business case that justifies this expenditure?

**Response:**

The goals and objectives of extending the utilization of Terasen Gas' existing AM/FM system to include Transmission data are as follows:

An AM/FM GIS system will enable the Transmission group within Terasen Gas to achieve business excellence as a Transmission Asset Manager in the following ways:

- Provide a tool to support the improvement of business processes relating to acquisition, storage and retrieval of Transmission system asset data.



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- Enable the Transmission group to more effectively manage risk of third party damage associated with its facilities by having more accurate and up to date information available and having a consistent BC One Call response process in place.
- Enable the standardization of business processes common to Transmission Operations and Distribution Operations such as right of way work permits, which may lead to enhanced effectiveness in damage prevention to Transmission system assets.
- Data available on a centralized system would ensure accuracy and security. A standardized storage format and collection process will help ensure completeness of data, an identified deficiency in the Transmission Operations System Review project (TOSR).
- The complete set of accurate data (Distribution and Transmission system assets) would be more accessible to other users within Terasen Gas, thereby reducing or eliminating duplication and inaccuracies and support communication of accurate data to external parties.

The Transmission group's objective of operating in a safe, reliable and efficient manner would benefit from the AM/FM GIS. The following advantages have been identified:

- The AM/FM GIS will provide a foundation upon which future GIS applications could be built. A GIS allows the spatial aspect of data management to be incorporated in features and data. One of the future critical areas will be management of in line inspection data, which continues to grow in cost, importance and in sheer size. Safety and risk management will be enhanced by allowing the Transmission group to access and process the large amount of data necessary to assess risk. Information from in line inspection data, depth of cover data, class location, close interval survey data and land use must all be considered when evaluating risk and remediation measures on segments of the pipeline.
- A significant and growing percentage of landbase and asset data are generated and exchanged in digital form. Many new initiatives require information in digital format.
- The solutions to deficiencies documented in the Transmission Operations System Review (TOSR) require more sophisticated data management strategies to ensure the efficient, ongoing management of the pipeline system. Preliminary investigation shows that AM/FM may provide a cost-effective tool in the future for management of these documented areas which include water crossings, bridge crossings, depth of cover, close interval survey and vegetation management data. Justification and implementation of these systems will occur in future business cases and is not part of this project.
- An AM/FM GIS will allow the Transmission group to more effectively manage its assets. In turn, this will also allow Terasen Gas to better meet BCUC, Oil & Gas Commission, Senior Management and other Departments' information requirements in a timely and efficient manner by providing a centralized repository of information.

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44.3 Please provide a breakdown of project costs, bidders and prices from each bidder for this project.

**Response:**

The Initial project costs were broken down as follows:

Consulting:	\$ 1,086.0K
Labour	\$ 447.0K
Hardware	\$ 7.0K
Software	\$ 15.0K
Expenses	\$ 39.0K
Contingency	\$ 319.0K
<b>Total</b>	<b>\$ 1,913.0K</b>

Subsequent to initial internal approvals, a project scope change document was approved in February 2005 which specified the expenditure of approx \$206,000 of the contingency funds. At that point the total forecast expenditures associated with this project were revised downward to \$1,800,000.

Since the AM/FM system was a well established application supporting the management of Distribution system assets, Terasen Gas had established a well defined support structure. This structure was utilized to support the implementation of AM/FM for Transmission assets. Eight different consulting groups were utilized to provide services throughout the project. No bids were solicited for these services as each group had already established its expertise in its area of responsibility, either as part of the initial implementation or as part of the ongoing support model.

It should be noted that as the project has progressed, more of the overall effort has been executed by in-house resources and the effort by third party consultants will be lower than was originally anticipated.

The breakdown of third party costs as of September 30, 2006 are as follows:

Spatial Consulting Group (project management)	\$ 302.0K
Fujitsu Consulting (development)	\$ 236.0K
Sol Consulting (User documentation)	\$ 87.0K
Peggy Schwartz Enterprises (Data conversion)	\$ 13.5K
BWA Consulting (Data conversion)	\$ 2.5K
Windsor Consulting (Change management)	\$ 8.0K
Triatholon Ltd (air-photo processing)	\$ 5.0K
Telus (Misc computer support)	\$ 3.0K
<b>Total</b>	<b>\$ 657.0K</b>



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Other project costs as of September 30, 2006 are as follows:

Labour	\$ 690.0K
Hardware	\$ 16.5K
Software	\$ 28.4K
Expenses	<u>\$ 19.1K</u>
Total	<b>\$ 754.0K</b>

Total Internal and External Costs to September 30, 2006, are approximately \$1.411 million.

44.4 Please justify the vendor ultimately selected.

**Response:**

No one vendor was utilized by this project. The software system was already established for years in Terasen Gas and the eight different consulting groups / outsourcing partners that were utilized all had experience in the initial implementation and/or with the ongoing support of the system. As noted in the response above, each consultant had already established its expertise in its area of responsibility, either as part of the initial implementation or as part of the ongoing support model.

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**45.0 Reference: IT Capital – Desktop and Laptop Refresh, Exhibit B-2 Application, Section B, page 10**

45.1 How was the vendor selection exercise carried out? Who were the bidders, the bid prices and why was the chosen vendor selected?

**Response:**

The vendor was selected based on an RFP issued in November 2004. Lenovo and HP responded to the RFP, and Lenovo has been awarded a 5-year contract based on a pre-defined set of evaluation criteria, including price and Total Cost of Ownership, Support and Service, Product Design and Quality and Performance.

The initial bid price in 2004 was \$944 per desktop and \$2,044 per laptop. The price has been subsequently lowered to \$855 and \$1,634 per unit respectively due to market trends.

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**46.0 Reference: IT Capital – IT Capital Café, Exhibit B-2 Application, Section B, page 10**

46.1 What is the business case for this project and why is it necessary?

**Response:**

It is important to note that the Customer Attraction Front End (CAFÉ) project commenced in late 2004 and was completed in 2006.

Café was designed so that Terasen Gas could increase customer attachments by better understanding and serving its potential customers. The Café application focused on enhancing business processes and delivering supporting technology, which resulted in better internal coordination between Marketing and Distribution for new customer attachments. The application has delivered new sales cycle management capabilities to the Company, including lead management.

Café has also enhanced order processing efficiency by providing functionality that was not available in the previously utilized SAP order processing front end. By adding this functionality into Café, it has enabled Terasen Gas to retire some legacy applications, thereby simplifying the sales and customer support model.

46.2 When will total costs be known?

**Response:**

This project was completed in 2006. Total costs for the implementation are \$1,801,918. Based on the allocation policy as referred to in Exhibit B-2, Section B, page 10, the cost attributed to TGI are \$1,441,535 with the remaining costs allocated to TGVI.

46.3 If this program is not approved, what will be the impact on TGI and its customers?

**Response:**

A key objective of the Commission, Interveners and Terasen Gas is to reduce costs borne by the ratepayer on a per customer basis. The intention of Café is to increase the number of customers attaching to the Terasen Gas system by better serving those customer's needs without sacrificing economic viability. As outlined in the response to 46.1, the Café program has focused on enhancing business processes and delivering supporting technology in support of this objective.

This program has followed the appropriate internal approval processes within Terasen Gas and has now been rolled out to the appropriate business units. If this program was not approved, Terasen Gas believe that this decision would send the wrong signal to



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Terasen Gas and other regulated companies in British Columbia who may be looking to invest in internal IT systems to meet the aforementioned objective.

Terasen Gas believes this program to be prudent and in the best interest of its customers.

The Settlement Agreement sets out the formula by which annual capital expenditures are determined for rate-setting purposes for the settlement period, with the exception of CPCN expenditures which are excluded from the formula. CPCN applications are not expected to be filed for projects below \$5 million. This project is well below the \$5 million threshold. Expenditures for capital projects such as this particular project are implicit in the approved formula driven capital expenditures. Accordingly, Terasen Gas does not understand the question, as the Settlement Agreement does not set out a mechanism for review and approval of specific projects for which the expenditures are implicitly approved as part of the formula driven capital expenditures and that do not require a CPCN. For clarity, Terasen Gas recognizes that expenditures are subject to after the fact prudency reviews by the Commission, however, in the case of this project the Company is of the view that this is a prudent expenditure.

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**47.0 Reference: IT Capital –SAP Core Application Upgrade, Exhibit B-2 Application, Section B, page 10**

47.1 Does it matter that vendor support of the current version of the SAP application (R3 v4.6C) expires since there is a consultant industry that supports SAP applications?

**Response:**

The consultant industry supports and/or supplements individual business resources in the configuration and maintenance of the SAP application for an organization based on how the organization wants to utilize the software. The support provided by the consultant industry is not a substitute for the support provided by SAP. The support provided by SAP is the base support for the detailed workings of the code, security, access, database and the definitive source of all SAP support. The consultant industry is as dependent on the support provided by SAP as their client companies.

47.2 What added benefits are provided in the upgrade or is it simply a matter of the current program being fully depreciated?

**Response:**

The benefit of the upgrade of the SAP application is not related to the company's depreciation policy. Upgrades occur when there is new functionality that is desired by the business or when the software vendor establishes an end date to the support of a particular version of their product. This is common throughout the software industry and is not unique to SAP. Staying on a supported version of the software ensures that support from the vendor is maintained. In certain situations when upgrades have not been done on a timely basis software vendors have required companies to repurchase the software. In this case the purpose of the SAP upgrade is primarily for vendor maintenance however the implementation of additional functionality provided by the new software will be evaluated as part of the upgrade planning process.

47.3 If this program is not approved, what will be the impact on TGI and its customers?

**Response:**

If this program is not approved, Terasen Gas will be not be in a position to ensure that the systems supporting all back office functions (Finance, Supply Chain, HR, Payroll) as well as it's Work Management, Meter Management and Preventive Maintenance processes for the distribution network can be maintained and stable. The license agreement is for software usage, not ultimate ownership of the software. Contractually, Terasen Gas is obligated to pay SAP ongoing maintenance fees. If Terasen Gas decided to not upgrade to a supported version of the software, SAP's obligation to



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support the version Terasen Gas remains on is voided but it does not relieve Terasen Gas's obligation to pay the annual licensing fees. Failure to do so may be interpreted by SAP as termination of the licensing agreement and Terasen Gas would be obligated to return all software to SAP and leaving Terasen Gas to find alternative software. While the costs of finding alternative software have not been quantified, Terasen Gas believes that the cost of this would greatly exceed \$10 million dollars.

Terasen Gas believes this program to be prudent and in the best interest of its customers.

The Settlement Agreement sets out the formula by which annual capital expenditures are determined for rate-setting purposes for the settlement period, with the exception of CPCN expenditures which are excluded from the formula. CPCN applications are not expected to be filed for projects below \$5 million. This project is well below the \$5 million threshold. Expenditures for capital projects such as this particular project are implicit in the approved formula driven capital expenditures. Accordingly, Terasen Gas does not understand the question, as the Settlement Agreement does not set out a mechanism for review and approval of specific projects for which the expenditures are implicitly approved as part of the formula driven capital expenditures and that do not require a CPCN. For clarity, Terasen Gas recognizes that expenditures are subject to after the fact prudence reviews by the Commission, however, in the case of this project the Company is of the view that this is a prudent expenditure.





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**48.0 Reference: Anticipated CPCN – Gateway Project, Exhibit B-2 Application, Section B, page 14**

“When Terasen Gas must alter facilities outside of lands under the jurisdiction of the MoT, it is often able to have the MoT assume responsibility for some or all of the costs. At this time, Terasen Gas is not in a position to neither fully validate nor quantify the extent to which the MoT will assume costs attributable to this project.”

48.1 In percentage terms, what has been the assumption of costs that have been assumed by MoT and what is the expectation for this project?

**Response:**

The response to this question is being filed Confidentially, and will be submitted under separate cover.

## **Attachment 2.1**



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**Interest rate forecasts**

As of October 2, 2006

%, end of quarter. The annual rate is the average of the year's end-of-quarter rates.

	Actual						Forecast				Act.	Fcst.	
	Q305	Q405	Q106	Q206	Q306	Q406	Q107	Q207	Q307	Q407	2005	2006	2007
<b>Canada</b>													
Overnight rate <sup>1)</sup>	2.75	3.25	3.75	4.25	4.25	4.25	4.25	4.25	4.25	4.00	2.75	4.13	4.19
3-month T-bills	2.90	3.38	3.86	4.30	4.15	4.25	4.15	4.15	4.10	4.05	2.83	4.14	4.11
2-year bonds*	3.35	3.82	3.99	4.40	3.89	4.05	4.00	3.95	3.85	3.75	3.34	4.08	3.89
5-year bonds*	3.63	3.89	4.16	4.49	3.88	4.05	4.00	4.00	3.95	3.85	3.64	4.14	3.95
10-year bonds*	3.97	3.94	4.26	4.61	3.99	4.20	4.15	4.10	4.05	4.00	4.03	4.27	4.08
30-year bonds*	4.24	4.03	4.27	4.66	4.08	4.25	4.25	4.15	4.10	4.10	4.34	4.31	4.15
Yield curve (2s-10s)	62	12	27	21	10	15	15	15	20	25	69	18	19
<b>United States</b>													
Fed funds rate	3.75	4.25	4.75	5.25	5.25	5.25	5.25	5.25	5.00	4.75	3.50	5.13	5.06
3-month T-bills	3.48	3.98	4.53	4.89	4.77	4.90	4.85	4.75	4.70	4.65	3.32	4.77	4.74
2-year bonds	4.15	4.38	4.82	5.21	4.67	4.90	4.85	4.75	4.60	4.45	4.00	4.90	4.66
5-year bonds	4.16	4.31	4.81	5.18	4.56	4.80	4.90	4.80	4.65	4.60	4.12	4.84	4.74
10-year bonds	4.30	4.35	4.85	5.22	4.62	4.85	5.00	4.95	4.90	4.80	4.29	4.89	4.91
30-year bonds	4.54	4.50	4.90	5.28	4.76	4.95	5.10	5.05	5.00	4.85	4.53	4.97	5.00
Yield curve (2s-10s)	15	-3	3	1	-5	-5	15	20	30	35	29	-2	25
<b>Yield spreads</b>													
3-month T-bills	-0.58	-0.60	-0.67	-0.59	-0.62	-0.65	-0.70	-0.60	-0.60	-0.60	-0.49	-0.63	-0.63
2-year	-0.80	-0.56	-0.83	-0.81	-0.78	-0.85	-0.85	-0.80	-0.75	-0.70	-0.66	-0.82	-0.77
5-year	-0.54	-0.43	-0.65	-0.69	-0.68	-0.75	-0.90	-0.80	-0.70	-0.75	-0.48	-0.69	-0.79
10-year	-0.33	-0.41	-0.59	-0.61	-0.63	-0.65	-0.85	-0.85	-0.85	-0.80	-0.27	-0.62	-0.84
30-year	-0.30	-0.48	-0.63	-0.62	-0.68	-0.70	-0.85	-0.90	-0.90	-0.75	-0.19	-0.66	-0.85

\*Government of Canada bonds

Source: Bank of Canada, Federal Reserve Board, Reuters, RBC Economics forecasts

1) Prime is overnight rate plus 1.75%

**Table 1—Key Economic Indicators**

(Forecast Completed: Sept. 18, 2006)

	2006:1	2006:2	2006:3	2006:4	2007:1	2007:2	2007:3	2007:4	2008:1	2008:2	2008:3	2008:4	2006	2007	2008
<b>GDP at market prices</b> (1997 \$ millions)	1,180,674 0.9	1,186,555 0.5	1,189,072 0.2	1,199,656 0.9	1,209,689 0.8	1,218,697 0.7	1,227,896 0.8	1,237,552 0.8	1,247,908 0.8	1,258,200 0.8	1,268,378 0.8	1,278,518 0.8	1,188,989 2.7	1,223,459 2.9	1,263,251 3.3
<b>Implicit price deflator— GDP at market prices</b> (1997=1.0)	1.208 0.0	1.205 -0.3	1.204 -0.1	1.207 0.2	1.212 0.5	1.217 0.4	1.224 0.6	1.231 0.6	1.237 0.5	1.242 0.4	1.247 0.4	1.253 0.4	1.206 1.8	1.221 1.3	1.245 1.9
<b>U.S. GDP at market prices</b> (1996 \$ billions)	11,316 1.4	11,398 0.7	11,480 0.7	11,531 0.5	11,574 0.4	11,637 0.5	11,719 0.7	11,799 0.7	11,878 0.7	11,968 0.8	12,062 0.8	12,154 0.8	11,431 3.5	11,682 2.2	12,016 2.9
<b>Consumer price index</b> (1992=1.0)	1.289 0.5	1.303 1.1	1.297 -0.5	1.301 0.3	1.305 0.4	1.312 0.5	1.318 0.5	1.325 0.5	1.332 0.5	1.339 0.5	1.345 0.5	1.352 0.5	1.297 1.9	1.315 1.4	1.342 2.0
<b>Total employment</b> (000s)	16,354	16,481	16,498	16,509	16,619	16,686	16,752	16,818	16,882	16,947	17,010	17,074	16,461	16,718	16,978
<b>Unemployment rate</b>	6.4	6.2	6.5	6.8	6.6	6.6	6.6	6.5	6.5	6.4	6.4	6.4	6.5	6.6	6.4
<b>Private non-farm average hourly earnings</b>	23.71 0.4	23.45 -1.1	23.74 1.3	23.98 1.0	24.07 0.3	24.21 0.6	24.36 0.6	24.51 0.6	24.66 0.6	24.81 0.6	24.97 0.6	25.13 0.6	23.72 1.6	24.29 2.4	24.89 2.5
<b>Disposable income</b> (1997 \$ millions)	718,010 3.1	710,481 -1.0	721,333 1.5	727,920 0.9	732,525 0.6	738,098 0.8	743,697 0.8	749,075 0.7	756,085 0.9	761,223 0.7	766,313 0.7	771,438 0.7	719,436 4.7	740,849 3.0	763,765 3.1
<b>Private non-farm productivity</b> (1997 \$ 000s)	46.21 0.3	45.52 -1.5	46.03 1.1	46.44 0.9	46.37 -0.2	46.49 0.3	46.63 0.3	46.78 0.3	46.97 0.4	47.15 0.4	47.33 0.4	47.52 0.4	46.05 0.4	46.57 1.1	47.24 1.5
<b>Federal government balance</b> (\$ millions)	13,348	11,460	3,882	3,545	5,758	4,885	6,520	8,133	4,444	4,356	5,735	7,025	8,059	6,324	5,390
<b>Corporate profits before taxes</b> (\$ millions)	195,268 -3.7	196,080 0.4	196,962 0.5	195,857 -0.6	198,005 1.1	199,670 0.8	203,328 1.8	207,730 2.2	212,505 2.3	216,050 1.7	219,893 1.8	223,840 1.8	196,042 3.5	202,183 3.1	218,072 7.9
<b>Housing starts</b> (000s units)	248	229	219	206	208	204	201	198	197	195	194	193	226	203	195
<b>Prime rate</b>	5.33	5.92	6.00	5.93	5.88	5.84	5.99	6.01	6.00	5.99	5.99	5.99	5.79	5.93	5.99
<b>Cdn. 3-month Treasury bill rate</b>	3.66	4.15	4.14	4.13	4.13			4.37	4.37	4.36	4.36	4.36	4.02	4.24	4.36
<b>U.S. 3-month Treasury bill rate</b>	4.50	4.83	5.03	5.00	4.95			4.31	4.28	4.26	4.23	4.22	4.84	4.56	4.25
<b>Exchange rate</b> (Canada/U.S.)	0.866	0.891	0.892	0.898	0.892			0.880	0.874	0.871	0.867	0.864	0.887	0.886	0.869
<b>U.S. federal funds rate</b>	4.46	4.91	5.21	5.21	5.17			4.47	4.47	4.47	4.47	4.47	4.95	4.72	4.47
<b>Merchandise terms of trade</b>	1.156	1.147	1.141	1.144	1.148			1.164	1.166	1.167	1.167	1.168	1.147	1.155	1.167
<b>Current account balance</b> (\$ millions)	32,712	16,776	17,397	18,089	19,130			24,564	26,114	27,300	28,477	29,935	21,244	21,125	27,956

White area represents forecast data.

All data are seasonally adjusted at annual rates, excluding interest rates, indices, and exchange rates.

Private non-farm productivity is the average output (thousands of 1997 dollars) per person-hour in all industries, excluding agriculture, non-commercial services, and public administration and defence.

Private non-farm average hourly earnings is the weighted average of average weekly wages and salaries in the other primary, manufacturing, construction and services industries divided by the corresponding average weekly hours. The weights employed are each industry's share of total non-farm employment.

Sources: The Conference Board of Canada; Statistics Canada; Bank of Canada; Canada Mortgage and Housing Corporation; Bureau of Economic Analysis.

## **Attachment 16**

## INTRODUCTION

Terasen Gas ("Terasen Gas" or "TGI") first introduced the Triple Point Project to the British Columbia Utilities Commission ("BCUC" or "The Commission") in the Terasen 2004 Annual Review Advance Materials on October 29, 2004. In the advance materials (2004 Annual Review Material, Exhibit B-4, p.1), Triple Point was explained to be a new method of testing high pressure meters using carbon dioxide ("CO<sub>2</sub>"). Terasen Gas was upgrading their meter testing facility in Penticton to perform this testing internally, as well as market this system externally. Terasen Gas also stated that they were applying for patents in Canada, the United States, and the European Union. In 2005, Terasen Gas provided a BCUC information response for the TGI 2005 Annual Review (Exhibit B-5, Q.12, p.20) explaining that they have partnered with two marketers who will sell Triple Point services to third parties across North America. Terasen Gas also indicated in another information response (Exhibit B-7, Q.12, p. 6) that Measurement Canada is working closely with the Terasen Gas to recognize the Triple Point facility, expected to be completed in 2006.

The Commission stated in the TGI 2006 Revenue Requirements and Delivery Rates Reasons for Decisions on December 9, 2006 Order No. G-132-05 that Terasen Gas is required to file a report with the Commission at the time that Measurement Canada approves the Triple Point assets for use, which is to include updates on: the two marketing partners of the Triple Point project, the cost and revenue sharing arrangements between Terasen Gas and the marketing partners, and an update on the patents owned and registered to Terasen Gas for the CO<sub>2</sub> technology. Terasen Gas respectfully submits the following report addressing the Commission's request.

## HISTORY OF TRIPLE POINT

Terasen Gas' measurement technologies group has developed a method of testing high pressure meters (referred to as "Triple Point" or "3P") using Carbon Dioxide ("CO<sub>2</sub>") in a closed loop at pressure up to 16 Bar. This process is different from the current standard measurement process using natural gas and is advantageous to current traditional methods in that Triple Point metering testing services can be provided at a lower cost and higher efficiency.

## MEASUREMENT CANADA APPROVAL

In order to be a recognized meter testing facility in Canada, Terasen Gas must be included in Measurement Canada's Bulletin G-16 Recognition of Test Data from Gas Meter Test Facilities. This bulletin outlines Measurement Canada's requirements related to the recognition of Gas Meter Test Facilities' abilities to provide valid test data for verifying and re-verifying turbine meters by Measurement Canada Inspectors. On August 4, 2006, Terasen Gas received confirmation from Measurement Canada that it has "demonstrated the capability of Triple Point, Medium Pressure Turbine Test Facility to meet Measurement Canada's requirements...", and that Triple Point has been added to Measurement Canada's Bulletin G-16 Recognition of Test Data from Gas Meter Test Facilities. In other words, the Triple Point turbine meter test facility now provides test data acceptable to Measurement Canada for the use in verification and re-verification of natural gas metering devices as prescribed by the Electricity and Gas Inspection Act, Regulations and Specifications. As such, Terasen Gas is able to test meters using the Triple Point measurement facility for both internal and external meters. The Measurement Canada approval letter is attached as Appendix A.

## **MARKETING PARTNERS AND REVENUE SHARING ARRANGEMENTS**

In order to assist Terasen Gas in marketing the Triple Point test facility, a select number of third party firms have been approached to assist in these types of services. To date, the two marketing partners of the Triple Point project are CB Engineering, located in Calgary, AB, and Corix Multi Utility Services Inc. (formally Terasen Utilities Services Ltd.), located in Vancouver, BC. A contract was executed between CB Engineering and Terasen Gas on June 5, 2006, and a contract is currently in the process of being signed between Corix Multi Utility Services Inc. and Terasen Gas.

Terasen Gas incorporated a two-tier pricing approach in the agreements with the marketing partners (resellers). Under this executed two-tiered approach, the first cost to resellers is based on Terasen Gas' actual cost to service to provide the testing service plus a mark up for the services. This is the price that the reseller will get invoiced for work that they bring in and for which Terasen Gas performs testing services. The second price is the retail rate which is the price that Terasen Gas will sell its meter testing service to end use customers. This price would be similar to the price that the reseller charges its customers. The reseller will set their own retail rate, depending on the client relationship and volume of work being done, and this rate may be equal to or less than Terasen Gas' retail rate. Terasen Gas will not regulate or enforce the rate that the reseller charges its customers. Terasen Gas will direct any customer inquiries to its resellers but will not enforce these sales channels at the expense of customer satisfaction. Within the terms of the contracts Terasen Gas has with CB Engineering and Corix Multi Utility Services Inc., it is included that Terasen Gas may enter into similar agreements (reseller) with other resellers of our services whether or not such resellers compete with existing resellers. The resellers also acknowledge that Terasen Gas reserves the right to compete directly with them.

## **CANADIAN PATENT**

Terasen Gas applied for a Canadian Patent with the Canadian Patent Office on July 21, 2006. Prior to the Canadian Patent application, the Triple Point invention was protected by a Patent Cooperation Treaty ("PCT") application (file number 240149.00144), filed with the World Intellectual Property Organization ("WIPO") on January 20, 2005 under the Paris Convention. It is expected that the Canadian Patent application (national phase) will be examined by a Canadian Patent examiner within a period of the next two years. During this review stage, the patent examiner will raise issues regarding the validity of the invention. A patent application will be allowed once the examiner is satisfied that the invention meets all of the conditions governing the issuance of a patent.

## **UNITED STATES PATENT**

The United States patent for Triple Point was filed with the United States Patent Office on January 23, 2004. Terasen Gas was granted United States Patent rights under application number 10/762,549 on September 14, 2006, pending payment of fees prior to December 5, 2006. Most of the claims in the application were allowed, however one part of the application that was disallowed. The United States patent examiner expressed concerns regarding the process cooling method for controlling the test loop temperature. The United States patent

examiner's opinion is that the cooling method is a unique and different invention, and must be filed as such separately. Terasen Gas' opinion is that the approved patent will provide sufficient protection of the invention as is, therefore no action for filing for a second patent has been initiated. Terasen Gas intends to pay the outlined fees on prior to December 5, 2006, and then the official patent will be issued within 30 days after a final payment fee is received. The United States patent approval letter is attached in Appendix B.

## **EUROPEAN PATENT**

Terasen Gas applied for a European Patent with the European Patent Office on September 4, 2006. Prior to the European Patent application, as with the Canadian Patent application, the Triple Point invention was protected by a Patent Cooperation Treaty application filed with the World Intellectual Property Organization on January 20, 2005. A patent application will be allowed once the examiner is satisfied that the invention meets all of the conditions governing the issuance of a patent, which is expected within a period of two years.

## **TERASEN GAS AND THIRD PARTY METER TESTING**

Terasen Gas has performed meter testing, both internally and for third parties, at the Triple Point testing facility for the following companies:

- Terasen Gas Inc.
- Duke Energy Corporation (C/O Westcoast Energy Inc.)
- Kinder Morgan Inc.
- Process Measurement & Controls Inc.

The testing included round robin testing done in co-operation with other recognized research and testing faculties including Trans-Canada Calibration and South West Research Institute. In addition, other types of meters were also put into the system to determine if they will work in a CO<sub>2</sub> environment, most notably, ultra sonic meters. This testing that has occurred to date has been to test the Triple Point equipment. To date, Terasen Gas has not tested any internal or external meters purely for the expressed purpose of validating that meter being tested. Terasen Gas is forecasted to calibrate approximately 50 Terasen Gas meters per year using the Triple Point facility, beginning in 2007.



## Appendix A



Measurement  
Canada

Mesures  
Canada

An Agency of  
Industry Canada

Un organisme  
d'Industrie Canada

August 4, 2006

Terasen Gas  
Suite 601, 4180 Lougheed Hwy.  
Burnaby, BC V5C 6A7

Attn: Mr. Kevin Harms  
Production Manager

**Re: Evaluation of Terasen Measurement's Triple Point, Medium  
Pressure Turbine Test Facility for inclusion in Measurement Canada's Bulletin G-16.**

Dear Mr. Harms:

The purpose of this letter is to inform you that Terasen Measurement has demonstrated the capability of Triple Point, Medium Pressure Turbine Test Facility to meet Measurement Canada's requirements related to the recognition of Gas Meter Test Facilities to provide valid test data for use in the verification, reverification of turbine meters by Measurement Canada inspectors.

This recognition does not grant Terasen Measurement the authority to seal and certify devices pursuant to the *Electricity and Gas Inspection Act* and Regulations. The latter authority can only be gained through the Measurement Canada accreditation program.

The recognition also applies to test data which may be used by Measurement Canada Laboratories for the generation of certificates of calibration or for conducting device approval evaluation.

This recognition is subject to the following conditions and limitations:

- a) Measurement Canada will accept flow test data from the Terasen Gas Triple Point facility at flow rates ranging from 20 to 6500 m<sup>3</sup>/h for turbine meters.
- b) This recognition is conditional on Terasen's continued participation in measurement comparison programs with one or more other facilities that Measurement Canada has recognized. Evidence and results of participation in such intercomparisons shall be provided to Measurement Canada as they become available.
- c) This recognition is conditional on Terasen Measurement's continuing to meet Measurement Canada's requirements for recognition as they may be amended from time to time.
- d) Terasen shall affix a status indicator to devices which have been calibrated on Measurement Canada's behalf. In the case of devices which are under dispute, or which are to be presented to

.../2

Canada

Fair Measure  
For All



La mesure juste  
pour tous

Measurement Canada for verification or reverification, the status indicator(s) shall be arranged so as to prevent access to all means of adjustment of the metrological characteristics of the device.

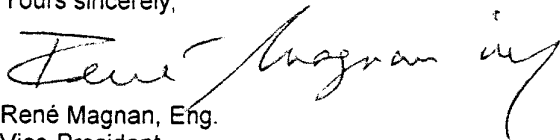
e) This recognition is effective as of the date of this letter.

This recognition is subject to periodic review and maybe withdrawn in the event of non-compliance with the conditions and limitations.

This letter is being issued to provide interested parties with timely notification of Measurement Canada's willingness to accept test data from Terasen Measurement's Triple Point Test Facility. Measurement Canada Bulletin G-16 will be updated to reflect this decision in due course.

In closing, we would like to extend our congratulations to all those involved in the operation of your facility.

Yours sincerely,

A handwritten signature in black ink, appearing to read "René Magnan", with a stylized flourish at the end.

René Magnan, Eng.  
Vice-President  
Engineering and Laboratory Services Directorate  
Measurement Canada  
Industry Canada

Attachments

cc: Senior Management Committee Members  
Patrick J. Hardock, P.Eng.



Measurement  
Canada  
Fair Measure For All

Mesures  
Canada  
La mesure juste pour tous

**Evaluation of  
Terasen Measurement, Triple Point  
Medium Pressure Turbine Meter Test Facility  
for Providing Test Data for  
Verification and Re-verification Purposes.**

**July 26, 2006**

## **1.0 Scope**

This technical evaluation will assess the ability of Terasen Measurement's, Triple Point medium pressure, turbine meter test facility to provide flow test data acceptable to Measurement Canada for the use in verification and re-verification of natural gas metering devices as prescribed by the Electricity and Gas Inspection Act, Regulations and Specifications. The criteria used in this evaluation are those set out in Measurement Canada's Bulletin, G-16 rev 3, *Recognition of Test Data From Gas Meter Test Facilities*, 2006.

This evaluation does not include a review of the facility's management system and as such is not an evaluation under Measurement Canada's Accreditation Program LMB-EG-05.

## **2.0 Introduction**

Terasen Measurement's Triple Point Turbine test facility is located in Penticton British Columbia. The facility is designed to test and calibrate meters used for measuring natural gas at medium pressures using carbon dioxide (CO<sub>2</sub>) as a test medium. This is achievable based on the understanding that turbine meter flow behavior is reliably correlated using performance - Reynolds number relationships. This observation also forms the basis for the recommendations now contained in the 2006 version of AGA 7.

Carbon dioxide was chosen as a test medium because of its predictable properties and its ability to achieve comparable Reynolds numbers to medium pressure natural gas at significantly reduced pressures. The commercially available gas also provides refrigeration and temperature control in the flow loop.

In order to experimentally establish the metering error versus Reynold's number relationship between natural gas and CO<sub>2</sub>, Terasen Measurement contracted Southwest Research Institute in 2003 to perform turbine meter calibration with both CO<sub>2</sub> and natural gas at various operating pressures. The result of this study was published in a report entitled "Dual Fluid Test Program for Turbine Meter Calibrations". The report showed that:

"In summary, the calibration of these turbine meters in carbon dioxide agreed with calibrations in natural gas at the same densities and Reynolds numbers, generally to within 0.15%. It can be concluded that turbine meters calibrated in carbon dioxide can be used in natural gas applications. Measurement errors associated strictly with the difference in calibration factor between a meter calibrated in carbon dioxide and the same meter calibrated in natural gas would be well within the maximum uncertainty allowed by American Gas Association Report No. 7, Measurement of Natural Gas by Turbine Meters, provided that densities and Reynolds number were matched between calibration and field conditions."

### 3.0 Capacities and Ranges Evaluated

Terasen Measurement proposes that its facility meets the requirements of G-16 with capacities ranging from to 20 m<sup>3</sup>/h to 6500 m<sup>3</sup>/h with test pressures ranging between 0 and 1,655 kPa-gauge. A summary of the submitted information is presented in the table below.

Table 1: *Summary for Triple Point Facility.*

Name	Terasen Gas Inc., Penticton, B.C., Canada Triple Point Turbine Meter Calibration Facility
Scope	Pipeline meters used for the trade of natural gas, and, Calibration of reference meters for measuring apparatus
Recommended G-16 Listing	G-16 Appendix D: Laboratories/Test Facilities which have been Accredited or Recognized under some other existing Accreditation Program
Type of meter (s)	Turbine meters
Intended use	Trade meters and reference meters
Flow Range(s)	4-inch, 8-inch, and 12-inch reference meters: 76 to 6500 m <sup>3</sup> /h (2,700 to 230,000 acfh) 2-inch or 3-inch reference meters: 20 to 280 m <sup>3</sup> /h (700 to 10,000 acfh) Reynolds numbers: 100,000 to 8,000,000
Pressure	2-inch to 8-inch: 0 to 1,655 kPa-gauge (0 to 240 psig) 12-inch: 0 to 965 kPa-gauge (0 to 140 psig)
Temperature	4.5 °C to 40 °C (40 °F to 104 °F) - controlled
Expanded uncertainty	± 0.27% (k = 2, level of confidence 95%)
Size of Meters	Pipe size: NPS 2" to 12" (DN 50 to 300) Flange class: ANSI 150, 300, 600
Medium for tests	Carbon Dioxide Gas (CO <sub>2</sub> )
Existing accreditations	Measurement Canada S-A-01, certificate number A-043
Reference agency or NMI	Nederlands Meetinstituut (NMI).

### 4.0 Assessment

#### 4.1 Design and Construction of the Test Equipment

The facility employs a bank of four 8-inch and one 4-inch Instramet X-Series turbine meters as references. There are three test runs, of nominal sizes twelve, eight, and four inches. The reference and test runs are located in a building with environmental control, while the CO<sub>2</sub> storage, temperature control arrangements, injection system, and compressor are located outdoors.

The Triple Point documentation illustrates the locations and type of temperature and pressure transmitters, the type of data acquisition system used, and the installation of the meter under test. Consistency with Measurement Canada specifications Engineering Recommendations and AGA Report No. 7, is also evident.

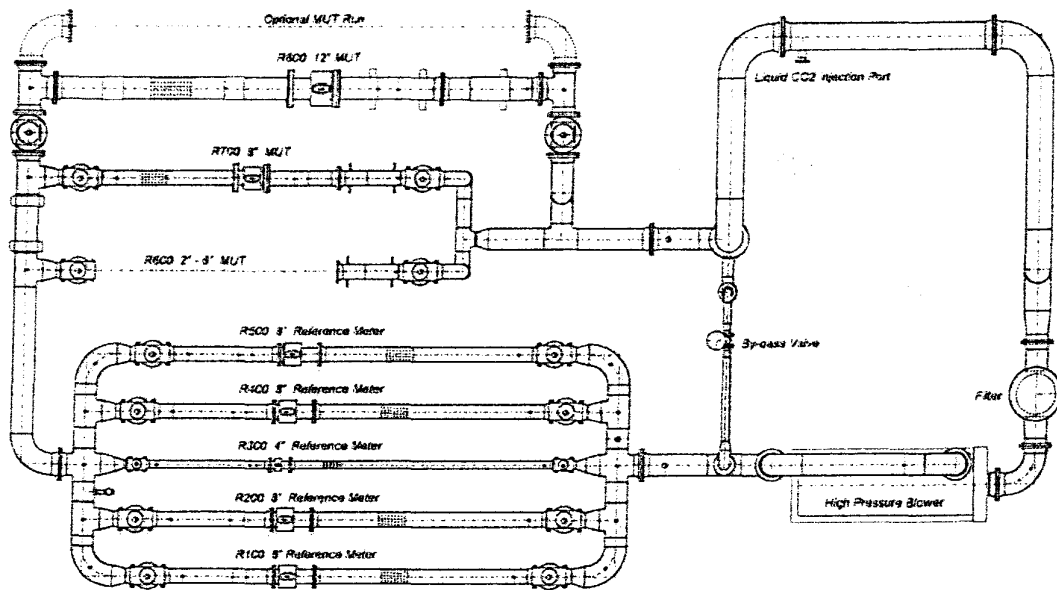


Figure 1: Schematic of Triple Point Facility. (Reference 2)

## 4.2 Test Procedures

The technical aspects of the organization's test and operating procedures were reviewed and found to be consistent with the established measurement uncertainty.

### 4.2.1. Format of Test Reports

Sample Excel spread sheet reports forms were supplied and reviewed. The spread sheet form provides meter identification information, date of test, identification of the references used and as found flow data. The final form and format should be acceptable for Measurement Canada's usage as required by Measurement Canada's Bulletin, G-16 rev 3, *Recognition of test Data From Gas Meter Test Facilities*, 2006. The form should be reviewed prior to the next assessment of the facility.

## 4.3 Establishment of Traceability Chain

The turbine reference meters at Triple Point have been calibrated at three facilities operated by the Netherlands Meetinstituut (NMI) in the Netherlands: Silvolde on atmospheric air, Utrecht on 7.6 bar natural gas, and Bergum on 18 bar natural gas. This approach was necessary in establishing traceability to a national standards over the required Reynolds range.

The facility is also being evaluated using air as a transfer medium following standard procedure and methods imploded by Measurement Canada for atmospheric transfer provers. Please refer to Measurement Canada certificate of certification once this process is complete.

During this process the installation effects of the facility were evaluated by comparing each reference meter

run to a single control meter.

Traceability and accuracy of the pressure and temperature transmitters used at the facility was evaluated by comparing them to reference equipment calibrated and certified by Measurement Canada.

#### **4.4 Measurement Uncertainty**

The information contained in the document *Measurement Uncertainty Analysis the Triple Point Turbine Meter Testing Facility* demonstrates Triple Point's Technical Expert's understanding of the concepts and principles associated with the determination of the uncertainty of their measurement process. The approach to calculating the uncertainty is consistent with ISO GUM methods and the methods outlined in *Measurement Canada Engineering Recommendations for the Determination of Measurement Uncertainty in Two Meter Comparisons*. As the long term stability of the reference meters has yet to be established, Terasen Measurement has chosen to estimate the overall uncertainty in a conservative manner.

Within the proposed range the documentation demonstrates the capability of the facility to evaluate the performance of gas meters within the established Measurement Canada tolerance of  $\pm 1\%$  of rate while maintaining an overall uncertainty of less than 0.33%, at the 95% confidence interval ( $K=2$ ).

#### **4.5 Maintenance of Test Results Accuracy**

Terasen Measurement proposes to demonstrate the measurement reliability of Triple Point by instituting a program of check meter monitoring. Initial data is being collected at this time and should be provided to Measurement Canada for review at a later date. This data will also be used to establish the long term reproducibility of the reference meters.

Measurement Canada requires intercomparison of measurement results, involving one or more artifacts, between the candidate test facility and test facilities already recognized by Measurement Canada to produce acceptable test data. Participation in such activities insures that systematic errors introduced by different traceability chains can be identified and qualified. Triple Point is arranging to test an artifact which was used in the recent intercomparison of high-pressure gas calibration facilities conducted under the auspices of the Working Group on Fluid Flow.

Additionally, the six meters used in the dual fluid research program have been used to compare the facility's measurements with those made in 2003 at the Meter Research Facility (MRF) at Southwest Research Institute. These results compare favorably however the MRF is not presently recognized by Measurement Canada.

#### **5.0 Conclusions and Recommendations**

Terasen Measurement has demonstrated that its Triple Point facility has the capability of meeting current Measurement Canada requirements related to recognizing an organization's abilities to provide valid test data for use in the verification and reverification of turbine flow meters.

It is therefore recommended that this facility be included in Appendix D of the bulletin which lists laboratories or test facilities which have been accredited or recognized under some existing accreditation program.

This recognition applies to test data which may be used by Measurement Canada in the verification and reverification of inferential flow meters and does not grant Triple Point the authority to seal and certify devices pursuant to the Electricity and Gas Inspection Act and Regulations.

#### **6.0 Conditions and Limitations**

This recognition is subject to the following conditions and limitations:

- a) This recognition is conditional on Triple Point's participation in Measurement Comparison Programs (MCP)

with one or more facilities that Measurement Canada has recognized. Evidence and results of participation in MCPs shall be provided to Measurement Canada.

b) The organization will continue to meet the requirements for recognition as established by Measurement Canada.

c) Triple Point shall affix a status indicator on devices which have been calibrated and are to be presented to Measurement Canada for verification or reverification in Canada. In instances where a device can be sealed Triple Point will affix a seal that preserves measurement integrity.

d) This recognition does not delegate or confer any legal authority upon the operator of the facility to certify measuring apparatus or to verify meters pursuant to the Electricity and Gas Inspection Act (the Act).

e) For the purposes of satisfying the requirements of the Act, the use of data generated by recognized test facilities is limited to Measurement Canada. Accredited meter verifiers may not use data from recognized test facilities which they do not operate to discharge their responsibilities under the Act.

## **7.0 Reference Documents**

1. *Measurement Uncertainty Analysis the Triple Point Turbine Meter Testing Facility*, Version 1.11, Paul W.Tang, P.Eng. Specialist Engineer, Terasen Gas, Vancouver, B.C.;
2. *Triple Point: A New Calibration Facility for turbine Gas Meters*, H.L Fraser P.Eng and Paul W. Tang P.Eng, presented at the Fluid Flow Measurement 6th Int'l Symposium, May 16-18-2006;
3. *Carbon Dioxide as a Test Fluid for Calibration of Turbine Meters*, George, D. L., Fraser, H. L., M., Tang, P. W., American Gas Association Spring Conference 2004, American Gas Association, Washington, D.C., May 2004;
4. *Dual Fluid Test Program for Turbine Meter Calibrations*, Eric Kelner, P.E., Metering Research Facility Southwest Research Institute, January 2004;
5. *Recommendations for the Determination of Measurement Uncertainty in Two Meter Comparisons*, P.J. Hardock P.Eng, Measurement Canada, Ottawa, Ontario, March, 2006;
6. *Bulletin G-16-E (Rev.2 and 3), Recognition of Test Data From Gas Meter Test Facilities*, Measurement Canada, Ottawa, Ontario, July 2006;
7. *Measurement of Natural Gas by Turbine Meters*, American Gas Association, Washington, D.C., AGA Report #7: 2006;
8. *Guide to the expression of uncertainty in measurement, first edition, ISO 1993. BIPM/IEC/IFCC/ISO/IUPAC/IUPAP/IOIML (1993)*



A handwritten signature in black ink, appearing to read 'P. Hardock', with a large, stylized initial 'P' and a long, sweeping horizontal stroke at the end.

Prepared By:  
Patrick J. Hardock P.Eng,  
Senior Engineer - Gas Measurement  
Engineering and Laboratory Services  
Measurement Canada

## Appendix B

Fasken Martineau DuMoulin LLP  
Barristers and Solicitors  
Patent and Trade-mark Agents

www.fasken.com

66 Wellington Street West  
Suite 4200, Toronto Dominion Bank Tower  
Box 20, Toronto-Dominion Centre  
Toronto, Ontario, Canada M5K 1N6

**FASKEN  
MARTINEAU** 

416 364 8381 Telephone

Armand M. Benitah  
Direct 416 888 3470  
abenitah@tor.fasken.com

September 21, 2006  
File No.: 240148.00622

**VIA FACSIMILE  
(Confirmation Copy by Mail)**

Ms. Sarah Lerner-Neiman  
Terasen Inc.  
3700 2nd Avenue  
Burnaby, B.C.  
V5C 6S4

Dear Ms. Lerner-Neiman:

**Re: United States Patent Application No. 10/762,549**  
**Title: MEDIUM, METHOD AND SYSTEM FOR PROVING**  
**A TURBINE METER**  
**Applicant: Terasen Gas Inc.**  
**Inventor: TANG, Paul W.**

---

**(1) Notice of Allowance**

We are pleased to report that following the response to the official action that was filed on June 16, 2006, the subject application has now been allowed. Please find enclosed for your records a copy of the official Notice of Allowance received from the United States Patent and Trademark Office.

**(2) Payment of Issue Fee**

Prosecution of this case is now complete and the issue fee must be paid by the due date of **December 5, 2006** in order for the application to issue to patent. If you wish to proceed with the payment of the issue fee, please provide us with a retainer in the amount of **\$2700.00 CAD** to cover the cost of the fee prior to the due date of December 5, 2006.

**(3) Amendment After Allowance**

We would ask you to review the application and advise us immediately should any amendments be deemed necessary. In the event that the application is to be amended, a suitable Amendment After Allowance may be prepared and filed. Please note that, in most cases, amendments to the application are not possible once the issue fee is paid.

DM\_TOR/240148-00622/2038926.1

**(4) Divisional Filing**

During prosecution of the subject application, we withdrew claims 21 to 24 to comply with a restriction requirement issued by the Examiner. These withdrawn claims are directed to a method for cooling a test medium. If the subject matter of claims is important to you, you may wish to file a divisional application to pursue claims 21 to 24. Any such divisional application must be filed before the patent issues and more preferably, before the issue fee is paid. Additionally, you may wish to review the application to determine whether there is any other subject matter for which one or more divisional applications may be filed. In light of the foregoing, please advise as soon as possible whether you wish to file any divisional applications.

We look forward to receiving your instructions regarding payment of the issue fee and the filing of any divisional applications well prior to the due date. Please do not hesitate to contact us should any information be required.

Yours truly,

**FASKEN MARTINEAU DuMOULIN LLP**

Armand M. Benitah

AMB/es

Enc. - Notice of Allowance

cc. Paul W. Tang - Terasen Gas Inc. *(By Facsimile-Confirmation Copy by Mail with Enc.)*

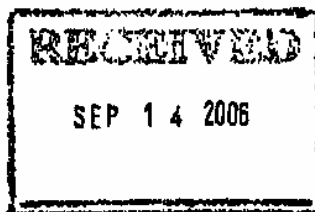


# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

## NOTICE OF ALLOWANCE AND FEE(S) DUE

27419 7590 09/05/2006  
FASKEN MARTINEAU DUMOULIN LLP  
4200 TORONTO DOMINION BANK TOWER  
BOX 20 TORONTO-DOMINION CENTRE  
TORONTO, ON M5K 1N6  
CANADA



EXAMINER	
BELLAMY, TAMIKO D	
ART UNIT	PAPER NUMBER
2856	

DATE MAILED: 09/05/2006

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/762,349	01/23/2004	Paul Tang	2031231.0002	3203
TITLE OF INVENTION: MEDIUM METHOD AND SYSTEM FOR PROVING A TURBINE METER				

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	\$1400	\$300	\$0	\$1700	12/15/2006

THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. **PROSECUTION ON THE MERITS IS CLOSED.** THIS NOTICE OF ALLOWANCE IS NOT A GRANT OF PATENT RIGHTS. THIS APPLICATION IS SUBJECT TO WITHDRAWAL FROM ISSUE AT THE INITIATIVE OF THE OFFICE OR UPON PETITION BY THE APPLICANT. SEE 37 CFR 1.313 AND MPEP 1308.

THE ISSUE FEE AND PUBLICATION FEE (IF REQUIRED) MUST BE PAID WITHIN **THREE MONTHS** FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. **THIS STATUTORY PERIOD CANNOT BE EXTENDED.** SEE 35 U.S.C. 151. THE ISSUE FEE DUE INDICATED ABOVE DOES NOT REFLECT A CREDIT FOR ANY PREVIOUSLY PAID ISSUE FEE IN THIS APPLICATION. IF AN ISSUE FEE HAS PREVIOUSLY BEEN PAID IN THIS APPLICATION (AS SHOWN ABOVE), THE RETURN OF PART B OF THIS FORM WILL BE CONSIDERED A REQUEST TO REAPPLY THE PREVIOUSLY PAID ISSUE FEE TOWARD THE ISSUE FEE NOW DUE.

### HOW TO REPLY TO THIS NOTICE:

#### I. Review the SMALL ENTITY status shown above.

If the SMALL ENTITY is shown as YES, verify your current **SMALL ENTITY** status:

A. If the status is the same, pay the **TOTAL FEE(S) DUE** shown above.

B. If the status above is to be removed, check box 5b on Part B - Fee(s) Transmittal and pay the **PUBLICATION FEE** (if required) and twice the amount of the **ISSUE FEE** shown above, or

If the SMALL ENTITY is shown as NO:

A. Pay **TOTAL FEE(S) DUE** shown above, or

B. If applicant claimed **SMALL ENTITY** status before, or is now claiming **SMALL ENTITY** status, check box 5a on Part B - Fee(s) Transmittal and pay the **PUBLICATION FEE** (if required) and 1/2 the **ISSUE FEE** shown above.

II. **PART B - FEE(S) TRANSMITTAL**, or its equivalent, must be completed and returned to the United States Patent and Trademark Office (USPTO) with your **ISSUE FEE** and **PUBLICATION FEE** (if required). If you are charging the fee(s) to your deposit account, section "4b" of Part B - Fee(s) Transmittal should be completed and an extra copy of the form should be submitted. If an equivalent of Part B is filed, a request to reapply a previously paid issue fee must be clearly made, and delays in processing may occur due to the difficulty in recognizing the paper as an equivalent of Part B.

III. All communications regarding this application must give the application number. Please direct all communications prior to issuance to Mail Stop **ISSUE FEE** unless advised to the contrary.

**IMPORTANT REMINDER:** Utility patents issuing on applications filed on or after Dec. 12, 1980 may require payment of maintenance fees. It is patentee's responsibility to ensure timely payment of maintenance fees when due.

# **PART B - FEE(S) TRANSMITTAL**

**Complete and send this form, together with applicable fee(s), to:** **Mail** **Mail Stop ISSUE FEE**  
**Commissioner for Patents**  
**P.O. Box 1450**  
**Alexandria, Virginia 22313-1450**  
**or Fax (571)-273-2885**

**INSTRUCTIONS:** This form should be used for transmitting the **ISSUE FEE** and **PUBLICATION FEE** (if required). Blocks 1 through 5 should be completed where appropriate. All further correspondence including the Patent, advance orders and notification of maintenance fees will be mailed to the current correspondence address as indicated unless corrected below or directed otherwise in Block 1, by (a) specifying a new correspondence address: and/or (b) indicating a separate "FEE ADDRESS" for maintenance fee notifications.

**CURRENT CORRESPONDENCE ADDRESS** (Note: Use Block 1 for any change of address)

Note: A certificate of mailing can only be used for domestic mailings of the Fee(s) Transmittal. This certificate cannot be used for any other accompanying papers. Each additional paper, such as an assignment or formal drawing, must have its own certificate of mailing or transmission.

## **Certificate of Mailing or Transmission**

I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below.

(Depositor's name)
(Signature)
(Date)

27419 7590 09/05/2006  
**FASKEN MARTINEAU DUMOULIN LLP**  
**4200 TORONTO DOMINION BANK TOWER**  
**BOX 20 TORONTO-DOMINION CENTRE**  
**TORONTO, ON M5K 1N6**  
**CANADA**

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/762,549 01/23/2004 Paul Tang 2031231.0002 3203

**TITLE OF INVENTION:** MEDIUM, METHOD AND SYSTEM FOR PROVIDING A TURBINE METER

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
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nonprovisional NO \$1400 \$300 \$0 \$1700 12/05/2006

EXAMINER	ART UNIT	CLASS-SUBCLASS
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BELLAMY, TAMIKO D 2856 073-001270

- 1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363).**
- ☐ Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached.
- ☐ "Fee Address" indication (or "Fee Address" indication form PTO/SB/47; Rev 03-02 or more recent) attached. Use of a Customer Number is required.

- 2. For printing on the patent front page, list**
- (1) the names of up to 3 registered patent attorneys or agents OR, alternatively,
- (2) the name of a single firm (having as a member a registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed.

1	_____
2	_____
3	_____

## **3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type)**

**PLEASE NOTE:** Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment.

(A) NAME OF ASSIGNEE (B) RESIDENCE: (CITY and STATE OR COUNTRY)

Please check the appropriate assignee category or categories (will not be printed on the patent): ☐ Individual ☐ Corporation or other private group entity ☐ Government

## **4a. The following fee(s) are submitted:**

- ☐ Issue Fee
- ☐ Publication Fee (No small entity discount permitted)
- ☐ Advance Order - # of Copies \_\_\_\_\_

## **4b. Payment of Fee(s): (Please first reapply any previously paid issue fee shown above)**

- ☐ A check is enclosed.
- ☐ Payment by credit card. Form PTO-2038 is attached.
- ☐ The Director is hereby authorized to charge the required fee(s), any deficiency, or credit any overpayment, to Deposit Account Number \_\_\_\_\_ (enclose an extra copy of this form).

## **5. Change in Entity Status (from status indicated above)**

- ☐ a. Applicant claims **SMALL ENTITY** status. See 37 CFR 1.27. ☐ b. Applicant is no longer claiming **SMALL ENTITY** status. See 37 CFR 1.27(g)(2).

**NOTE:** The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant, a registered attorney or agent, or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office.

Authorized Signature \_\_\_\_\_

Date \_\_\_\_\_

Typed or printed name \_\_\_\_\_

Registration No. \_\_\_\_\_

This collection of information is required by 37 CFR 1.311. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, Virginia 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number.



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UNITED STATES DEPARTMENT OF COMMERCE  
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www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/762,549	01/23/2004	Paul Tung	2031231.0002	3203
27419	7590	09/05/2006		
FASKEN MARTINEAU DUMOULIN LLP 4200 TORONTO DOMINION BANK TOWER BOX 20 TORONTO-DOMINION CENTRE TORONTO, ON M5K 1N6 CANADA				
EXAMINER DELLAMY, TAMIKO D				
ART UNIT		PAPER NUMBER		
2856		DATE MAILED: 09/05/2006		

**Determination of Patent Term Adjustment under 35 U.S.C. 154 (b)**  
(application filed on or after May 29, 2000)

The Patent Term Adjustment to date is 169 day(s). If the issue fee is paid on the date that is three months after the mailing date of this notice and the patent issues on the Tuesday before the date that is 28 weeks (six and a half months) after the mailing date of this notice, the Patent Term Adjustment will be 169 day(s).

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Adjustment is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (<http://pair.uspto.gov>).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571)-272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at 1-(888)-786-0101 or (571)-272-4200.

**Notice of Allowability**

Application No.

10/702,549

Examiner

Tamiko D. Bellamy

Applicant(s)

TANG, PAUL

Art Unit

2856

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS. This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 5/19/06.
2. ☒ The allowed claim(s) is/are 25-61.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some\* c) ☐ None of the:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_\_

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application. THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
- (a) ☐ Including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
- 1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_\_.
- (b) ☐ Including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_\_.
- Identifying indicia such as the application number (see 37 CFR 1.84(a)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

**Attachment(s)**

1. ☒ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☐ Information Disclosure Statements (PTO-1449 or PTO/SB/08), Paper No./Mail Date \_\_\_\_\_
4. ☐ Examiner's Comment Regarding Requirement for Deposit of Biological Material
5. ☐ Notice of Informal Patent Application (PTO-152)
6. ☐ Interview Summary (PTO-413), Paper No./Mail Date \_\_\_\_\_
7. ☐ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other \_\_\_\_\_



## DETAILED ACTION

### *Allowable Subject Matter*

1. Claims 25-61 are allowed.
2. The following is an examiner's statement of reasons for allowance:

Re claims 25 and 42, the independent claim includes " the test medium be a gas other than air having a Reynlods number greater than the Reynolds number of natural gas at a given pressure " in combination with the remaining claim limitation is not taught and/or made obvious by the prior art. See remarks, pages 12, received 6/19/06.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

### *Conclusion*

3. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Tamiko D. Bellamy whose telephone number is (571) 272-2190. The examiner can normally be reached on Monday - Friday 7:30 AM to 3:30 PM.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hezron Williams can be reached on (571) 272-2208. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Application/Control Number: 10/762,549  
Art Unit: 2856

Page 3

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Tamiko Bellamy  
T.B.  
August 30, 2006

  
HEZRON WILLIAMS  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 2800

<b>Notice of References Cited</b>	Application/Control No. 10/762,549	Applicant(s)/Patent Under Reexamination TANG, PAUL	
	Examiner Tamiko D. Bellamy	Art Unit 2856	Page 1 of 1

#### U.S. PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Name	Classification
*	A	US-1,579,347	04-1928	BULLINGER FREDERIC H	338/150
	B	US-			
	C	US-			
	D	US-			
	E	US-			
	F	US-			
	G	US-			
	H	US-			
	I	US-			
	J	US-			
	K	US-			
	L	US-			
	M	US-			

#### FOREIGN PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Country	Name	Classification
	N					
	O					
	P					
	Q					
	R					
	S					
	T					

#### NON-PATENT DOCUMENTS

*		Include as applicable: Author, Title Date, Publisher, Edition or Volume, Pertinent Pages)
	U	
	V	
	W	
	X	

\*A copy of this reference is not being furnished with this Office action. (See MPEP § 707.06(a).)  
Dates in MM-YYYY format are publication dates. Classifications may be US or foreign.

## **Attachment 19**

## **SQUAMISH GAS ARRANGEMENTS TERMINATION AGREEMENT**

**THIS AGREEMENT** is made the 5<sup>th</sup> day of October, 2006,

**AMONG**

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the Minister of Energy, Mines and Petroleum Resources

(**"British Columbia"**);

**AND:**

**TERASEN GAS (VANCOUVER ISLAND) INC.**, a company duly incorporated under the laws of the Province of British Columbia with an office at 16705 Fraser Highway, Surrey, British Columbia (formerly Pacific Coast Energy Corporation)

(**"TGVI"**);

**AND:**

**TERASEN GAS (SQUAMISH) INC.**, a company duly incorporated under the laws of the Province of British Columbia with an office at 16705 Fraser Highway, Surrey, British Columbia

(**"TGS"**);

**AND:**

**TERASEN GAS INC.**, a company duly incorporated under the laws of the Province of British Columbia with an office at 16705 Fraser Highway, Surrey, British Columbia

(**"TGI"**);

### **WHEREAS:**

A. TGS (formerly Squamish Gas Company Limited) is the holder of a disposition order pursuant to the *Utilities Commission Act* dated August 6, 1991, authorizing the construction and operation of a gate station and related natural gas distribution facilities for the distribution of natural gas in the District of Squamish;

B. British Columbia and TGS entered into an agreement entitled "Squamish Rate Stabilization Agreement" as of the 9<sup>th</sup> day of July, 1992, as amended by agreement made effective as of June 19, 2000 (collectively, the "RSA"), which provides for the stabilization of

the retail prices at which gas is sold to consumers in the area served by the gas distribution system operated by TGS;

C. British Columbia and TGS wish to terminate the RSA on the terms and conditions contained herein;

D. Her Majesty the Queen in Right of Canada represented by the Minister of Natural Resources (formerly the Minister of Energy, Mines and Resources), British Columbia and TGVI (formerly Pacific Coast Energy Corporation) entered into an agreement made as of the 3<sup>rd</sup> day of November, 1989, and amendments thereto dated as of the 9<sup>th</sup> day of October, 1990 and as of the 4<sup>th</sup> day of March 1992 (collectively, the "Binding Agreement"), under which Her Majesty the Queen in Right of Canada represented by the Minister of Natural Resources (formerly the Minister of Energy, Mines and Resources) and British Columbia agreed to provide certain financial assistance for the construction and operation by TGVI of a natural gas transmission pipeline system extending from Coquitlam, British Columbia to various points on Vancouver Island, including a rate stabilization facility for the stabilization of the retail prices at which gas delivered to TGS by TGVI through such pipeline is sold to consumers in the area served by the gas distribution system operated by TGS (the "RSF");

E. The Binding Agreement was terminated effective December 31, 1994, but British Columbia and TGVI agreed as between themselves to continue the RSF thereafter, and entered into an agreement entitled "Rate Stabilization Facility Continuation Agreement" dated as of the 14<sup>th</sup> day of December, 1995 (the "RSFCA") in that regard;

F. British Columbia and TGVI wish to terminate the RSFCA on the terms and conditions contained herein;

G. TGS committed to pay to British Columbia certain amounts in respect of any increased funding required under the RSF resulting from TGS's main extensions to Brackendale and the Garibaldi Highlands (the "Main Extension Obligations") pursuant to certain communications among TGS, British Columbia and the British Columbia Utilities Commission (the "Commission") in 1997 and 1998, including a letter dated November 17, 1997 pursuant to which TGS applied to the Commission for approval to extend natural gas service to Brackendale and Garibaldi Highlands, a letter dated July 15, 1998 from the Assistant Deputy Minister of the Ministry of Energy and Mines to the Commission, and a letter dated July 16, 1998 from the Commission to TGS (collectively, the "1997 and 1998 Communications");

H. TGS and British Columbia wish to terminate the Main Extension Obligations on the terms and conditions contained herein;

I. TGS and TGI intend to amalgamate and to continue under the name Terasen Gas Inc. ("Amalgamated TGI");

J. TGS and TGVI entered into a Transportation Service Agreement dated April 1, 1990, under which TGVI agreed to transport and deliver gas to TGS (the "TSA"); and

K. TGS and TGVI wish to amend the TSA to provide for transportation of gas by TGVI to Squamish for Amalgamated TGI.

IN CONSIDERATION of the mutual promises contained in this Agreement, the parties agree as follows:

## SECTION 1 INTERPRETATION

**1.1        Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the parties to this Agreement submit and attorn to the exclusive jurisdiction of the Courts of the Province of British Columbia.

**1.2        Headings.** The headings in this Agreement are inserted for convenience of reference only and shall not affect the interpretation of this Agreement.

**1.3        Entire Agreement.** This Agreement constitutes the entire agreement among the parties and supersedes all prior agreements and understandings, oral or written, by and among the parties with respect to the subject matter of this Agreement.

**1.4        Severability.** Should any provision of this Agreement be void or unenforceable it shall be severed from this Agreement and the remainder of this Agreement shall remain in full force and effect and shall be interpreted and construed as if the stricken provision had never formed part of this Agreement.

**1.5        Schedules.** The following are the Schedules attached to and forming a part of this Agreement:

Schedule "A"	Special Direction No. 3
Schedule "B"	Amendment to Special Direction 1510
Schedule "C"	Regulation stating that section 53 of the <i>Utilities Commission Act</i> does not apply in respect of TGS or TGI in relation to an amalgamation of those two corporations

## SECTION 2 TERMINATION AND AMENDMENT OF SQUAMISH GAS ARRANGEMENTS

**2.1        Termination of RSA.** British Columbia and TGS hereby agree to terminate the RSA effective as of January 1, 2007 (the "Effective Date").

**2.2        Termination of the RSFCA.** Except as provided herein, British Columbia and TGVI hereby agree to terminate the RSFCA effective as of the Effective Date. The obligations of British Columbia and TGVI pursuant to sections 3.03, 3.04, 3.05 and 3.06 of the RSFCA, to the extent those obligations relate to or arise from Unit Toll Payments paid by, or Unit Toll Receipts received by, TGVI for gas transported to TGS on or before December 31, 2006 will continue and are not released by termination of the RSFCA.

**2.3            Termination of the Main Extension Obligations.** British Columbia and TGS hereby agree to terminate the Main Extension Obligations effective as of the Effective Date.

**2.4            Amendment of TSA.** TGVI and TGS agree to amend the TSA, effective as of the Effective Date, as follows:

- (a) The definition of "Unit Toll" in Section 1.01 is deleted and replaced with the following: "Unit Toll" means \$1.05 per gigajoule';
- (b) Section 5 is deleted in its entirety;
- (c) Sections 6.01 is deleted and replaced with the following: "The term of this Agreement shall commence on the date that Gas is taken by Shipper at any one or more of the Delivery Points and shall continue until the later of (i) the date upon which the balance of the Revenue Deficiency Deferral Account of TGVI has been reduced to zero, and (ii) the date upon which the Commission establishes a new rate for the transportation of Gas to Shipper.";
- (d) Section 10.01 is deleted and replaced with the following: "Statements and payments shall be in accordance with Section 8 of the TGVI Transmission Transportation Service tariff.";
- (e) Section 16.03 is deleted and replaced with the following:  
  
"The address for both parties hereto for the purpose of giving notice is: 16705 Fraser Highway, Surrey, B.C., V4N 0E8"; and
- (f) Sections 10.02, 10.03, 10.04 and 10.05 are deleted.

### **SECTION 3 TERMINATION PAYMENTS**

**3.1            Main Extension Obligations.** TGS hereby agrees to pay to British Columbia the amount of \$1.75 million by December 31, 2006. TGS and British Columbia acknowledge that this amount represents the difference between the Main Extension Obligations and the post December 31, 2006 obligations of British Columbia related to the supply and transportation of natural gas to TGS under the operation of the RSA and the RSFCA.

### **SECTION 4 RELEASES**

**4.1            Release of Main Extension Obligations.** British Columbia hereby releases TGS of and from any and all actions, causes of action, claims, demands and damages howsoever arising which the releasor now has or may hereafter have against the releasee by reason of any cause, act, deed, matter, thing or omission in connection with the Main Extension Obligations.



## SECTION 5 ORDERS IN COUNCIL

**5.1           Orders in Council.** Subject to Section 5.1, British Columbia hereby agrees to issue, on or before November 30, 2006 and effective as of the Effective Date, Special Direction No. 3, the amendment to Special Direction 1510, and a Regulation, as set out in Schedules “A”, “B” and “C” respectively (collectively the “Orders in Council”).

**5.2           Indemnity.** Nothing in this Agreement shall obligate British Columbia to issue the Orders In Council or preclude British Columbia from making further or other amendments to Special Direction 1510. In the event:

- (a) British Columbia does not issue the Orders in Council on or before the date set out in Section 5.1;
- (b) Special Direction 1510 is amended, cancelled, superseded or in any other way altered, including without limitation, an alteration that results from the Province giving any other direction to the Commission; or
- (c) Special Direction No. 3 or the amendment to Special Direction 1510 is determined by a court of competent jurisdiction, as a result of proceedings brought by some person not a party to this Agreement, to contain directions that the Commission is not legally obligated to comply with ,

such that in any case, any or all of TGS, TGVI and TGI are adversely affected, British Columbia shall indemnify any or all of TGS, TGVI and TGI, as the case may be, from and against all costs, expenses and losses suffered or incurred by any or all of TGS, TGVI and TGI, as the case may be, and arising or resulting from the failure to issue the Orders in Council as described in (a), alteration as described in (b) or determination as described in (c) to the same extent as if such failure, alteration or determination were a breach of contract by British Columbia giving rise to a claim for damages by any or all of TGS, TGVI and TGI, as the case may be. British Columbia represents that it has received all necessary approvals under the *Guarantees and Indemnities Regulation* to the indemnities contained in this Section.

**5.3           Lower Mainland Service Area.** As soon as reasonably practicable after Special Direction No. 3 comes into effect, amalgamated TGI will request that the Commission amend the definition of “Lower Mainland Service Area” contained in the General Terms and Conditions of the Terasen Gas Inc. Tariff to include “Squamish”.

## SECTION 6 GENERAL

**6.1           Enurement.** This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors.

**6.2           Time of the Essence.** Time is expressly declared to be of the essence of this Agreement.

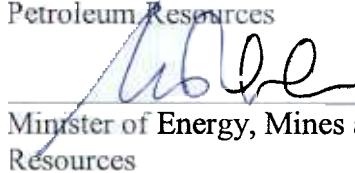
**6.3**            **Waiver.** Any waiver by a party or any failure on a party's part to exercise any of its rights in respect of this Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or in any way otherwise affect the rights or remedies of such party.

**6.4**            **Further Assurances.** The parties agree to execute and deliver all such other and additional instruments or documents and to do all such other acts and things as may be necessary to give full effect to this Agreement.

**6.5 Counterparts.** This Agreement may be executed in one or more counterparts or by facsimile transmission and if so executed such counterparts or facsimile transmissions shall be read and construed together as if they formed one document.

**IN WITNESS WHEREOF** the parties have executed this Agreement on the date first above written.

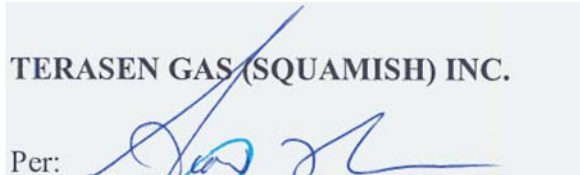

Signed on behalf of **HER MAJESTY THE  
QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the Minister of Energy, Mines and  
Petroleum Resources

  
Minister of Energy, Mines and Petroleum  
Resources

**TERASEN GAS (VANCOUVER  
ISLAND) INC.**

  
Authorized Signatory  
  
Authorized Signatory

**TERASEN GAS (SQUAMISH) INC.**

Per:   
Authorized Signatory  
Per:   
Authorized Signatory

**TERASEN GAS INC**

Per:   
Authorized Signatory  
  
Authorized Signatory

**SCHEDULE “A”**  
**SPECIAL DIRECTION NO. 3**

PROVINCE OF BRITISH COLUMBIA

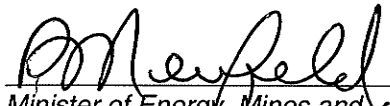
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 768 , Approved and Ordered NOV - 2 2006

  
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that, effective January 1, 2007, the attached Special Direction is made.

  
Minister of Energy, Mines and  
Petroleum Resources  
Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Vancouver Island Natural Gas Pipeline Act, R.S.B.C. 1996, c. 474, s. 7 (3) and (4)

Other (specify):-

September 29, 2006

935 /2006/7

# VANCOUVER ISLAND NATURAL GAS PIPELINE SPECIAL DIRECTION NO. 3 TO THE BRITISH COLUMBIA UTILITIES COMMISSION

## Definitions

- 1 In this Special Direction:
  - “**Act**” means the *Vancouver Island Natural Gas Pipeline Act*;
  - “**amalgamated TGI**” means the amalgamated entity resulting from the amalgamation of TGI and TGS;
  - “**amended TSA**” means the SGTSA as amended by the Termination Agreement;
  - “**commission**” means the British Columbia Utilities Commission;
  - “**PBR**” means the settlement agreement approved by the commission under order G-51-03;
  - “**SGTSA**” means the Squamish Gas Transportation Service Agreement dated April 1, 1990 and made between Pacific Coast Energy Corporation and Squamish Gas Co. Ltd.;
  - “**Special Direction 1510**” means the Vancouver Island Natural Gas Pipeline Special Direction issued to the British Columbia Utilities Commission by Order in Council 1510/95;
  - “**Termination Agreement**” means the Squamish Gas Arrangements Termination Agreement dated October 4, 2006 and made between Her Majesty the Queen in right of the Province of British Columbia, TGVI, TGS and TGI;
  - “**TGI**” means Terasen Gas Inc.;
  - “**TGS**” means Terasen Gas (Squamish) Inc.;
  - “**TGVI**” means Terasen Gas (Vancouver Island) Inc.;
  - “**Unit Toll**” has the same meaning as in the amended TSA.

## Application

- 2 This Special Direction is issued to the commission under section 7 (3) and (4) of the Act.

## TGVI tolls for service

- 3 The commission must, for so long as the amended TSA remains in effect, fix the rate that may be charged by TGVI to amalgamated TGI for services provided under the amended TSA at the Unit Toll.

## Amended TSA

- 4 For the purposes of section 3, the commission must consent to the amendment of the SGTSA as provided for in the Termination Agreement.

## Revenue derived from TGVI tolls for service

- 5 For so long as the amended TSA remains in effect, the commission must treat the rate paid by amalgamated TGI under section 3 of this special direction as the only revenues

received by TGVI in recovery of its cost of service with respect to the transportation and delivery of gas under that agreement.

**Treatment of toll payments**

- 6 In regulating and fixing rates for amalgamated TGI, the commission must treat, as a cost appropriately recorded in the Midstream Cost Reconciliation Account of amalgamated TGI, all rates paid by amalgamated TGI to TGVI under the amended TSA and recorded by amalgamated TGI in that account.

**Rates to be regulated in accordance with PBR**

- 7 Subject to this special direction, the commission must, for so long as the PBR remains in effect, regulate and fix rates for amalgamated TGI in accordance with the PBR.

**Application of tariffs**

- 8 In regulating and fixing rates for amalgamated TGI, the commission must apply the Terasen Gas Inc. Tariff and must not apply the Terasen Gas (Squamish) Inc. Gas Tariff.

**Amendment of General Terms and Conditions**

- 9 In regulating and fixing rates for amalgamated TGI, the commission must treat the area served by TGS as at December 31, 2006 as being within the "Lower Mainland Service Area" as defined in the General Terms & Conditions of the Terasen Gas Inc. Tariff.

**Characterization of assets**

- 10 Assets of TGS that on the amalgamation of TGS and TGI become assets of amalgamated TGI are to be treated by the commission as being, at the effective date of the amalgamation, used and useful assets of amalgamated TGI.

**Rate base**

- 11 The commission must, for so long as the PBR remains in force, treat the rate base of amalgamated TGI as being,
  - (a) on January 1, 2007, an amount equal to
    - (i) TGS's rate base as at December 31, 2006, plus
    - (ii) TGI's rate base, as determined under the PBR, as at December 31, 2006, and
  - (b) after that, the amount referred to in paragraph (a) as adjusted under the PBR.

**Customers**

- 12 The commission must treat the number of customers of amalgamated TGI as being, on January 1, 2007, the number equal to
  - (a) the number of TGS's customers as at December 31, 2006, plus
  - (b) the number of TGI's customers as at December 31, 2006.

### **Operating and maintenance expenses**

- 13 For so long as the PBR remains in effect, the commission must determine the operating and maintenance expense of amalgamated TGI in accordance with the PBR, and, for that purpose, the number of customers of amalgamated TGI that must be taken into account for any calendar year is the number of customers, including customers in the area served by TGS as at December 31, 2006, that has been forecast for amalgamated TGI, and accepted by the commission, for that calendar year.

### **Rate base deferral account**

- 14 (1) For the purposes of subsection (2), the commission must approve the establishment by amalgamated TGI of a rate base deferral account to record
- (a) the expenses that the commission accepts were incurred by TGI, TGS and amalgamated TGI to effect the amalgamation of TGI and TGS and to address issues relating to that amalgamation, and
  - (b) for each year the PBR remains in effect, the difference between
    - (i) the operating and maintenance expenses that TGS would have been allowed in 2007 in its cost of service, had it not amalgamated with TGI, based on the number of customers of TGS as at December 31, 2006, and
    - (ii) the operating and maintenance expenses that, under the PBR, are allowed to amalgamated TGI in 2007 for that same number of customers.
- (2) If amalgamated TGI establishes a rate base deferral account in accordance with subsection (1), the commission must, after the expiry of the PBR, fix the rates for amalgamated TGI in such a way as to allow amalgamated TGI to recover from its customers, in the manner and over the period considered appropriate by the commission, the amounts recorded in that account.

### **Treatment of capital structure**

- 15 (1) In this section, “**differential**” means the positive difference between
- (a) the weighted average, based on the relative rate bases of TGI and TGS, of
    - (i) the appropriate common equity component allowed in the capital structure of TGI by order G-14-06, and
    - (ii) the appropriate common equity component allowed in the capital structure of TGS for 2006, and
  - (b) the appropriate common equity component allowed in the capital structure of TGI by order G-14-06.
- (2) For the purpose of regulating and fixing rates for amalgamated TGI, the commission must, unless and until it determines otherwise in a review of the capital structure of amalgamated TGI, treat, as the appropriate common equity component in the capital structure of amalgamated TGI, the total of
- (a) the appropriate common equity component allowed in the capital structure of TGI by order G-14-06, plus
  - (b) the differential.



### **Treatment of return on equity**

**16** (1) In this section:

**“benchmark”** means, for any year, the return on equity approved by the commission for that year for a benchmark low risk utility;

**“differential”** means the positive difference between

- (a) the weighted average, based on the relative rate bases of TGI and TGS, of
  - (i) the approved return on equity of TGI that would have been allowed for ratemaking purposes in 2007 if the amalgamation of TGI and TGS had not occurred, and
  - (ii) the approved return on equity of TGS that would have been allowed for ratemaking purposes in 2007 if the amalgamation of TGI and TGS had not occurred, and
- (b) the approved return on equity of TGI that would have been allowed for ratemaking purposes in 2007 if the amalgamation of TGI and TGS had not occurred.

(2) For the purpose of regulating and fixing rates for amalgamated TGI, the commission must treat, as the approved return on equity for amalgamated TGI in any year, the benchmark applicable to that year plus the differential.

### **Conflict**

**17** Nothing in this Special Direction affects Special Direction 1510 except that, if there is a conflict between this Special Direction and Special Direction 1510, this Special Direction prevails.

### **Expiry of special direction**

**18** This Special Direction ceases to have any application when Special Direction 1510 ceases to have any application.

**SCHEDULE "B"**  
**AMENDMENT TO SPECIAL DIRECTION 1510**

PROVINCE OF BRITISH COLUMBIA


ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No.

767

, Approved and Ordered

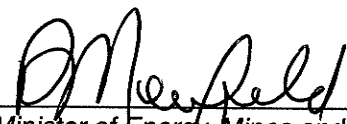
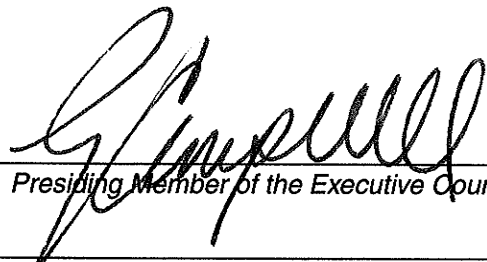
NOV - 2 2006

  
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that effective January 1, 2007, the Vancouver Island Natural Gas Pipeline Special Direction issued to the British Columbia Utilities Commission by Order in Council 1510/95 is amended

- (a) *by repealing the definitions of "Rate Stabilization Facility", "Rate Stabilization Facility Continuation Agreement" and "Squamish Rate Stabilization Agreement",*
- (b) *by repealing sections 3.1 (d), 3.3 and 3.8,*
- (c) *in section 3.7 by striking out ", 3.3", and*
- (d) *by repealing Part 5.*

  
Minister of Energy, Mines and  
Petroleum Resources  
Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Vancouver Island Natural Gas Pipeline Act, R.S.B.C. 1996, c. 474, s. 7 (3) and (4)

Other (specify):- \_\_\_\_\_

September 27, 2006

934/2006/7

**SCHEDULE "C"**  
**REGULATION STATING THAT SECTION 53 OF THE *UTILITIES COMMISSION ACT***  
**DOES NOT APPLY IN RESPECT OF TGS OR TGI IN RELATION TO AN**  
**AMALGAMATION OF THOSE TWO CORPORATIONS**

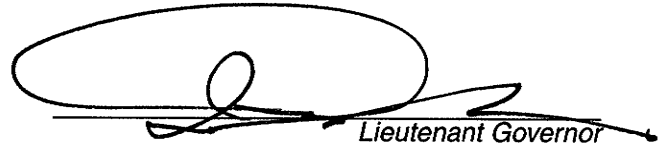
PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No.

766

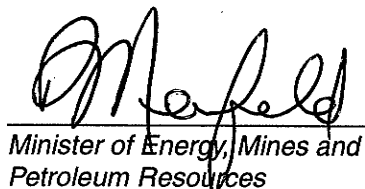
, Approved and Ordered NOV - 2 2006



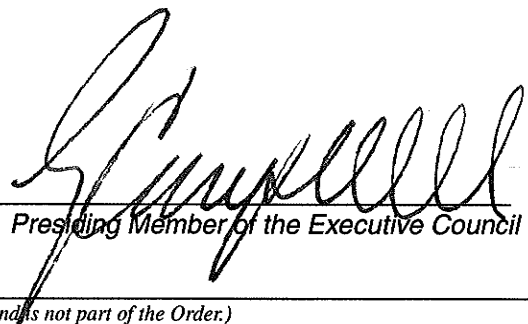
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that section 53 of the *Utilities Commission Act* does not apply in respect of Terasen Gas (Squamish) Inc. or Terasen Gas Inc. in relation to an amalgamation of those 2 corporations.



Minister of Energy, Mines and  
Petroleum Resources



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Vancouver Island Natural Gas Pipeline Act, R.S.B.C. 1996, c. 474, s. 7 (2)

Other (specify):-

September 27, 2006

936/2006/7

## **Attachment 22.1**

AGREEMENT

BETWEEN

BC GAS UTILITY LTD.

AND

LOCAL 213 OF THE INTERNATIONAL BROTHERHOOD  
OF ELECTRICAL WORKERS (GAS)

THIS AGREEMENT made and entered into this  
11th Day of October 2001

by and between

BC Gas Utility Ltd., hereinafter designated and  
known as "BC Gas", or the "Company"

and

LOCAL 213 of the INTERNATIONAL BROTHERHOOD  
OF ELECTRICAL WORKERS (GAS), hereinafter  
designated and known as "I.B.E.W." or the  
"Union".

**EXPIRY DATE: MARCH 31, 2006**

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## 1. GENERAL

- 1.01 The management and the operation of, and the direction and promotion of the working force is vested exclusively in the management, subject to the terms of this Agreement. Any changes in practice not specifically covered by the Agreement shall be the subject of discussion and/or negotiation during the life of this Agreement, as long as they are within the control of the Company.
- 1.02 The following working conditions shall take effect upon the ratification of this Agreement and be binding upon the parties hereto and shall govern all employees of BC Gas referred to herein.
- 1.03 Letters or memoranda of understanding which may be written are to be signed by the Company and the Union and are effective for the duration of the current Collective Agreement. Upon expiry they may be extended by mutual agreement between the parties in writing.
- 1.04 Deleted in 1989.
- 1.05 The operation of Section 66(2) of the Industrial Relations Act RSBC, Chapter 212 amended is hereby excluded pursuant to Section 66(3) of the said Act.
- 1.06 This Agreement expires 31 March 2006. Notwithstanding, the Agreement shall continue thereafter until a new Agreement is signed; or, until 72 hours following strike or lockout notice, at which time the Collective Agreement will cease to apply.
- 1.06.1 Either party may at any time give to the other party "four" months' or more written notice of its intention to re-open the Agreement on the day of expiry or any day thereafter. The Agreement shall be re-opened on the date specified in such notice.
- 1.07 BC Gas will indemnify and hold harmless the Company employees from legal liabilities imposed upon them arising from their normal course of employment. The Company does not and cannot be expected to assume risk from mistakes by employees which are made by going beyond the scope of their employment or which arise from grossly negligent conduct. (Formerly L.O.U. #22)
- 1.08 **Regular Employee:** One who holds a permanent, posted job, and does not include a new employee serving his initial probationary period.
- 1.09 Where the singular or masculine is used in this Agreement, these words shall be construed as meaning the plural or feminine where the context requires. Conversely, the reverse is equally true.
- 1.10 Seniority is a date and not an accrued period of employment. Service is an accrued period of employment and it includes credit for all paid time off and approved leaves of absence.

**2. RECOGNITION OF UNION**

2.01 BC Gas recognizes the Union and will not discriminate against any employee because of his connection with it.

2.01.1 The Company agrees that all employees affected by this Agreement shall, within one month after appearing on the payroll, become and remain thereafter members of the Union in good standing as a condition precedent to continued employment with BC Gas.

2.01.2 Properly qualified officers of the Union shall be recognized by BC Gas for the purpose of discussing any grievance of any employee.

2.02 Check Off

The Company shall forward the names of all new employees affected by this Agreement to the Secretary of the Union within fourteen days from the first day such employees begin work, and agrees to deduct an amount equal to the prevailing Union dues from such employees' pay cheques on their first full pay period and thereafter. The Company further agrees to deduct from the employees' pay cheques any assessment which may be made against any member of the Union.

2.03 Union Representative

The Company will furnish a pass to each representative of the Union to the Company's plants and shops.

2.03.1 An employee elected or appointed to office in the Union which requires his absence from employment shall retain his seniority rights, and shall upon his retirement from such office return to employment.

2.04 It shall be a requirement that representatives of the Union shall notify the Company of any representatives' intentions to visit any work location. Such notification may be given by telephone to the Manager or Supervisor concerned. The Human Resources Department will advise the Union as to the Manager or Supervisor in each area to contact.

2.05 In case the Union suspends or expels any of its members for reason of misconduct, the Company agrees to suspend or dismiss from its service any employee so affected upon presentation of satisfactory proof of such misconduct.

**3. CONDITIONS OF EMPLOYMENT**

3.01 It is a condition of employment that, subject to the shift work provisions of the Agreement, all employees shall accept shift work when efficient operation or service requirements necessitate.

3.02 Deleted in 1989.

- 3.03        Moved to Article 7.02.2 b.
- 3.03.1     Moved to Article 7.02.2 c.
- 3.03.1.1   Moved to Article 7.02.2 d.
- 3.03.1.2   Moved to Article 7.02.2 e.
- 3.03.1.3   Moved to Article 7.02.2 f.
- 3.03.2     **Seasonal or Temporary Layoff (Interior Only)**
- 3.03.2.1   Moved to Article 7.04
- 3.03.2.2   Moved to Article 7.04
- 3.03.2.3   Moved to Article 7.07.
- 3.04        Employees who are terminated will discontinue their participation in the employee benefits and concessions covered in Articles 13, 14, 15, 16, 17, and 39 subject to the provisions of the respective plans.
- 3.04.1     Moved to Article 7.03.(9).
- 3.05        Temporary employees may be hired for a period of six months or less. The Union shall be advised in writing of the names of all temporary employees and the period for which each is hired. Temporary employees shall not accumulate seniority nor be eligible for pension, MSP, extended health, group life, dental, or long-term disability benefits.
- 3.05.1     Temporary employees are not eligible for the benefits described in Articles 20.04, 24.02.1, 24.03, 24.04, 24.05.
- 3.05.2     Summer students may be hired for up to five months. They shall not be engaged in the installation of mains or services, nor shall they work with escaping gas. Summer students shall be paid basic entry rate (student rate) for all work performed.
- 3.06        Employees will carry wallet size plasticized I.D. cards with photograph while on duty.
- 4.           PROBATIONARY PERIODS**
- 4.01        **New Employees**
- All new regular employees shall be placed on probation for a period of twelve (12) months exclusive of all time on layoff. During this probationary period the Company may terminate employment of a new employee, without the necessity of providing any reason for doing so provided the Union may raise as a grievance the question whether or not there was discrimination. Where a new employee is not notified of termination of employment before the end of his probationary period it is understood that his application for employment has been approved. This probationary period shall not be affected by changes in classification.

**Employees Who Transfer To A New Classification**

Any employee who is transferred to a new classification at his request or as a result of selection in a job competition shall be considered as a probationary employee in the new classification for a period of twelve (12) months except for employees transferring into the following classifications who shall be on probation for a period of three (3) months:

Utility Assistant  
Equipment Operator I and II  
Shop Assistant  
Material Handler  
Painter  
Materials Receiver

Materials Truck Driver  
Clean-Up Truck Driver  
Recycling Mechanic  
Truck Driver  
Labourer

- 4.02.1 During this probationary period, the employee may choose to return to his previously-held classification or he may be directed by the Company to return to his previously-held classification should management consider him unsuitable for the new classification. Should he return to his previously-held classification under these circumstances he will do so without loss of seniority in his previously-held classification, but shall forfeit seniority in the new classification.
- 4.02.2 An employee selected and transferred to another classification prior to completing his probationary period shall not lose classification seniority as a result. However, if he returns to such a classification for any reason he will have to complete the remainder of the probationary period. The only exception to this would be in the following classifications, wherein probation in the lower classification will not have to be finished upon completion of probation in the higher classification:

L.N.G. Plant Operator 1/2	Fitter Welder 1/2/3	Commercial S&ST/Sr S&ST/S&
Station Mechanic 1/2	Dist Mech 1/DM/DA	Measurement Technician
Utilization Technician 1/2	Shop Mechanic 1/2	Measurement Mechanic
Electronic Control Technician I/II/III	Welder 1/Crew Ldr/DM/DA	System Operations Assistant 1/2

- 4.02.3 Upon completion of such probationary period, an employee may no longer choose to return to his previously-held classification.

## 5. CHANGES IN WORKING CONDITIONS

### 5.01 New Classifications

When the Company creates any new classification, the wage rate and working conditions, shall, if possible, be set by agreement before an employee starts work on the classification, but if no agreement is reached before work commences, the results of final settlement shall be retroactive to the time the new classification was set up.

- 5.01.1 If the parties fail to reach agreement with respect to the wage rate of the new classification, either party may refer the matter to Stephen Kelleher (or a substitute agreed to by the parties) for final settlement by final offer arbitration, within thirty days of the company's unilateral implementation of the new classification and wage rate. The arbitrator shall give equal weight to both internal and external wage rate comparisons in determining the appropriate rate for the new classification.

### 5.02 Maintenance of Wage Rate

When at the Company's convenience, and not because of lack of work, an employee is taken off a higher-paid classification and put on a lower-paid classification, he shall continue to receive the higher rate of pay.

- 5.02.1 When an employee's machine is under service and/or repair he shall receive his regular Equipment Operator's rate of pay for the remainder of that shift.

5.03           **Contractors**

If a regular employee or the employee's relief has to be demoted because of lack of work the employee will not retain the higher rate if contractors are not employed doing similar work to the demoted employee in that particular employee's section, unless the demoted employee has accumulated one year's seniority in the higher paid classification in which case the employee will retain the higher rate of pay for one month only.

5.03.1        If a regular employee or the employee's relief has to be demoted because of lack of work, the employee will retain the regular rate if contractors are still employed doing similar work to the demoted employee in that particular employee's section.

5.03.2        The Company shall not cause the layoff of a regular employee due to a shortage of work in a section by utilizing a contractor to do work in that section which is done by that employee classification.

5.04            (new 5.02.1)

5.05           **Redundancy Due To New Equipment Or Methods**

Employees who become redundant due to the introduction of new equipment or methods shall be eligible for training to equip them to use the new equipment, or for qualifying for new classifications.

5.06           **Severance Pay Upon Redundancy And For Health Cases**

BC Gas will provide one week's severance pay for each year of service to employees who, in the Company's opinion, become health cases to the extent that they may not continue in their classification, or become redundant due to the introduction of new methods, equipment or organization and who cannot be trained for new classifications.

5.06.1        Medical disputes related to severance pay may be referred to a medical consultant selected by the Company.

5.06.2        In both cases a minimum of five years' service is required.

**6.                GRIEVANCES**

6.01            Except as modified by Article 6.01.05, grievances shall first be presented to the immediate Manager concerned.

6.01.01       **Stage I:**

Failing settlement with the immediate Manager or Supervisor, the Union shall then present the grievance in writing to the Business Leader, at which point the grievance shall be submitted in writing, giving details of the alleged violation and the relevant Collective Agreement Article(s).



6.01.02      **Stage II:**

Failing settlement at Stage I, the grievance will be submitted in writing to the appropriate Vice President, with a copy to the Labour Relations Department.

6.01.03      **Stage III:**

Failing settlement at Stage II, the Union will submit the grievance in writing to the Senior or Executive Vice-President, and the Vice-President, Human Resources (or delegates).

6.01.04      Grievances which are committed to writing shall involve a two-week time limit for processing through the levels involved.

6.01.05      Grievances which allege that preference has not been given a job applicant pursuant to Article 8.01 must be presented to the selecting manager or supervisor, or to the Human Resources Department, within two weeks of the date of the Notice of Selection, unless the employee has not received the Notice within two weeks, in which case the grievance must be presented within five working days of receipt of the Notice.

6.02          **Arbitration**

Where a difference arises between the parties relating to the dismissal, discipline, or suspension of an employee, or the selection of an employee for a vacancy, or to the interpretation, application, operation, or alleged violation of this Agreement, including any question as to whether a matter is arbitrable, either of the parties, without stoppage of work, may, after exhausting any grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference to a Board of Arbitration. The said Board shall consist of three persons, one appointed by the Company, one by the Union, and a Chairperson who shall be chosen by the two appointees; or by mutual agreement it can consist of a single arbitrator chosen by the parties of this Agreement.

6.02.1      Should the parties fail to agree on the selection of a single arbitrator then the three-man Board of Arbitration will apply. Should the appointed members, in the case of a three-person Board, fail to agree upon a Chairperson, they shall request the Minister of Labour to appoint a person to fill the position.

6.02.2      The Union or the Company must refer the matter to arbitration within one month after its rejection by either party.

6.02.3      The decision of the Board of Arbitration shall be final and binding on both parties.

6.02.4      Each party shall pay the fees and expenses of its appointee and one-half the fees and expenses of the Chairman, or one half of the fees and expenses in the case of a single arbitrator.

6.02.5      The employees shall continue to work while the above outlined grievance procedure is in progress.

6.03 Notwithstanding all of the foregoing provisions of this Article, the procedure set out in Section 104 of the Labour Relations Code of British Columbia may be implemented by mutual agreement as follows:

"Where a difference arises between the parties relating to the dismissal, discipline, or suspension of an employee, or to the interpretation, application, operation, or alleged violation of this Agreement, including any question as to whether a matter is arbitrable, during the term of the Collective Agreement, Stephen Kelleher or a substitute agreed to by the parties, shall at the request of either party,

- a) investigate the difference;
- b) define the issue in the difference; and
- c) make written recommendations to resolve the difference within five (5) working days of the date of receipt of the request; and, for those five (5) working days from that date, time does not run in respect of the grievance procedure."

6.04 All disciplinary write-ups will be removed from an employee's record after a period two and one-half (2-1/2) years of working time, if requested by the employee, provided no further disciplinary action has been taken during that two and one-half (2-1/2) year period.

## **7. SENIORITY**

7.01 There are four different types of Seniority, defined as follows:

### **1. Union Seniority**

- a. Union Seniority is the date the employee was hired into BC Gas, Inland Natural Gas, Columbia Gas or any predecessor Company as a regular employee with I.B.E.W., Local 213 membership.
- b. Employees in the Metro and Fraser Valley Units who transferred from one Unit to another at the employee's request (not on a bulletin) prior to June 1, 1974 forfeited Union Seniority in their previous Unit(s) but only with regard to bulletining and bumping. (See 8.01.5)

### **2. Regional Seniority:**

- a. There are two Seniority regions in the Company:
  - Coastal Region is the Lower Mainland (defined as both Metro & Fraser Valley).
  - Interior Region is the Interior (defined as the ex-Inland, Columbia, and Fort Nelson Gas companies).
- b. Regional Seniority is the date of hire into a region on or before July 28, 1989. Employees hired after July 28, 1989 do not obtain Regional Seniority.
- c. Employees possessing Regional Seniority in one region who transferred to the other region between July 28, 1989 and June 2, 1991 also established Regional Seniority in the other region on the date of hire into the other region.

- d. Employees leaving a region after June 2, 1991 shall forfeit Regional Seniority in the region they are leaving.

7.01 3. **Unit Seniority:**

- a. There shall be three areas of Unit Seniority in the Company:
  - (i) Metro
  - (ii) Fraser Valley
  - (iii) Interior

Unit Seniority is the date of the employees' most recent selection letter to a Unit.

4. **Classification Seniority:**

- a. Classification Seniority is the date of an employee's selection letter to a classification. Prior to October 7, 1968, Classification Seniority was established on the date of commencement in the classification for employees selected to classifications in Metro and Fraser Valley.
- b. An employee may establish Classification Seniority in all Units.
- c. A Classification Seniority date, once established, shall not be affected by selection to another job, lay-off or bumping.
- d. An employee who returns to his previously-held classification pursuant to Article 4.02.1 shall forfeit seniority in his new Classification and the employee and the Union will be notified in writing.
- e. An employee who refuses recall to a classification on a seniority basis will forfeit his Classification Seniority in the seniority Unit.
- f. All Mechanical Foremen and Shop Mechanics will establish Classification Seniority within the sub-category described in their job descriptions.
- g. Employees hired into any Region of the Company after July 28, 1989 shall have common Union Seniority rights throughout the Company.
- h. Employees holding Classification Seniority in the following job categories shall be considered to hold Classification seniority in the lower levels of the same job category as specified below:

**Classification Seniority continued:**

Category	Category	Category	Category	Category
Mechanical Foreman	Materials Leader	Mechanical Foreman	Measurement Shop Leader	Station Mechanic 1
Fitter Welder 1	Stores Leader	Shop Mechanic 1	Measurement Technician	Station Mechanic 2
Fitter Welder 2	Senior Material Handler	Shop Mechanic 2	Measurement Mechanic 1	
Fitter Welder 3	Material Handler		Measurement Mechanic 2	

Category	Category	Category	Category	Category
Utilization Technician 1	Commercial Sales & Service Technician	Electronic Control Technician 1	System Operations Technician	<u>Welder 1</u> (Crew Leader (Arc))
Utilization Technician 2	Senior Sales & Service Technician	Electronic Control Technician 2	System Operations Apprentice	Crew Leader
	Sales & Service Technician	Electronic Control Technician 3	Station Mechanic 2	Distribution Mechanic <u>DMX</u>
	Sales & Service Technician 3			Distribution Apprentice

- i. Shop Assistants, Utility Assistants and Distribution Apprentices shall have common Classification Seniority, so that seniority established in one classification shall be deemed to have also been established in the other classifications.

7.02 **APPLICATION OF SENIORITY**

1. **Job Bulletins:**

Union Seniority and Regional Seniority shall be taken into consideration when an applicant is being considered for a bulletined job. (See Article 8.01.1.1)

2. **Layoff**

- a. In core level classifications (Labourer; Shop Assistant; Utility Assistant; Distribution Apprentice), in which a layoff occurs, the employee with the least **Union Seniority** within a Coastal Unit or an Interior Headquarters will be the first to be laid off. In all other classifications, in which a layoff occurs, the employee with the least job Classification Seniority within a Coastal Unit or an Interior Headquarters will be the first to be laid off, except in Interior Headquarters with less than three employees where ability, skill set and efficiency, as indicated by the employee's general record with the Company may determine the order of layoff.

- b. A regular employee who is designated for permanent layoff shall be given (2) weeks' written notice provided that he has completed a period of employment of at least (6) consecutive months. Notice will increase to (3) weeks on completion of a period of employment of (3) consecutive years; thereafter, (1) additional week's notice for each subsequent completed year of employment up to a maximum of (8) weeks' notice. The period of notice shall not coincide with an employee's annual vacation.
- c. The Company will pay the following portion of the layoff notice as severance pay:

NOTICE REQUIRED	MINIMUM SEVERANCE PAY	BALANCE OF NOTICE
2 weeks	1 week	1 week
3 weeks	1 week	2 weeks
4 weeks	2 weeks	2 weeks
5 weeks	2 weeks	3 weeks
6 weeks	3 weeks	3 weeks
7 weeks	3 weeks	4 weeks
8 weeks	4 weeks	4 weeks

- d. The Company retains the right to pay the balance, or a portion thereof, as additional severance pay in lieu of notice.
- e. Employees being bumped are not entitled to layoff notice, but will receive the minimum severance pay specified by .03.1 above, if they revert to laid off status.
- f. For severance pay due to redundancy or for health cases, see Article 5.06.
- g. No regular employee in a District will be laid off while a contractor is being used for work normally performed by that employee, except contractors completing a specific project or specific out-of-town assignment may continue to work for a maximum of 15 working days.

7.02     3. **Bumping**

- a. Bumping is a process used by regular employees to avoid lay-off by displacing an employee with less **Classification or Union Seniority**. The laid-off employee's wage rate will be the same as the classification bumped and he may choose one of following five options. Once an option has been chosen, the employee must bump into the first available location (*which will be identified by the Company*) in the numerical sequence specified. For example, if an employee in Williams Lake chooses option 2 and the employee with the least Classification Seniority in his District is in Chetwynd, then he has no further options and must go to Chetwynd.

**Option #1    Bumping into a lower level of current job category:**

An employee may bump down into the lower levels of your same job category as specified in Article 7.01.4 h., displacing the employee with the least **Classification Seniority** at each level: first, in his current Interior Headquarters; second, in his current Interior District or Coastal Unit; third, in his current Interior Unit; fourth, in his former Coastal Unit and fifth, in his former Interior Unit; or

**Option #2    Bumping into the same level of current classification:**

An employee may bump the employee in his current classification with the least **Classification Seniority**: first, in his current Interior District; second, in his current Interior Unit; third, in his former Coastal Unit and fourth, in his former Interior Unit; or

**Option #3    Bumping into the most recent previously held classification:**

If an employee has previously held other classifications, he may bump the employee in his most recent previously held existing classification with the least **Classification Seniority**: first, in his current Interior Headquarters; second, in his current Interior District or current Coastal Unit; third, in his current Interior Unit; fourth, in his former Coastal Unit; and fifth, in his former Interior Unit; or

**Option #4    Bumping into a core level classification:**

An employee may bump the employee with the least **Union Seniority** in the core level classifications; Labourer, Shop Assistant; Utility Assistant; Distribution Apprentice in the following numerical sequence; first, in his current Interior Headquarters; second, in his current Interior District or current Coastal Unit; third, in his current Interior Unit; fourth, in his former Coastal Unit, fifth, in his former Interior Unit and sixth, Company-wide: and, only if no bumps are available in the above four classifications, he may bump a Distribution Mechanic at each stage of the sequence. **For example, First; core level if available, then DM in his current Interior Headquarters; Second; core level if available, then DM in his current Interior District or Current Coastal Unit, etc.**

**Option #5    Recall List:**

If an employee is unable, or chooses not to exercise any of the above options, he will be laid off to the recall list pursuant to Article 7.03.1.

7.02 3. **Bumping cont'd.**

- b. In cases of equal Classification Seniority, Union Seniority shall govern. In cases of equal Classification and equal Union Seniority, Unit Seniority shall govern. In cases of equal Classification, equal Union and equal Unit Seniority, the employee(s) with the least points, based on their most recent performance review, will be laid off. To determine the number of points, the Company will assign points for each category of the fourteen standard performance measures, as below:

	Unsatisfactory	Developing Towards	Achieving
Productivity	1 or 2	3 or 4	5 or 6
Quality of Work	1 or 2	3 or 4	5 or 6
Job Knowledge	1 or 2	3 or 4	5 or 6
Work Attitude	1 or 2	3 or 4	5 or 6
Safety	1 or 2	3 or 4	5 or 6
Judgement	1 or 2	3 or 4	5 or 6
Interpersonal Skills	1 or 2	3 or 4	5 or 6
Coping Ability	1 or 2	3 or 4	5 or 6
Public Relations	1 or 2	3 or 4	5 or 6
Housekeeping	1 or 2	3 or 4	5 or 6
Personal Appearance	1 or 2	n/a	5 or 6
Communication	1 or 2	3 or 4	5 or 6
Attendance	1 or 2	Marginal 3 or 4	Satisfactory 5 or 6
Punctuality	1 or 2	n/a	Satisfactory 5 or 6

- c. The employee will notify his Manager in writing of his bumping option selection within five (5) working days of receiving his layoff notice and bumping options, or he will relinquish all bumping rights.

7.03 **Recall for Regular Employees:**

1. A laid off employee shall retain recall rights for twelve (12) months from the date of layoff and will be eligible for recall in order of **Classification Seniority** to any previously held classification, first, to his Interior Headquarters or Coastal Unit; second, to his Interior District or Coastal Region; third, to his Interior Unit; fourth, to his former Coastal or Interior Unit and fifth, to any core level classification, Company-wide, as specified in Article 7.02.3 a., Option 4, in order of **Union Seniority**.
2. Employees recalled within twelve (12) months will not be considered new hires. Employees who have not been recalled within twelve (12) months will be terminated.

3. If a recalled employee refuses a permanent position within his Interior Headquarters or Coastal Unit, he shall forfeit all seniority and right to recall, except if he is in continuous, unbroken, full-time attendance at an educational institution in British Columbia to a maximum of five (5) continuous, unbroken years from the date of layoff.
4. Recall to temporary positions shall not exceed three months cumulative and will not result in an extension to the twelve (12) month recall period.
5. Employees who cannot be recalled due to an accident or illness, confirmed by a medical certificate from a mutually-agreed physician, will have their twelve (12) month recall period extended for the period of the illness or disability to a maximum of an additional six (6) months.
6. Contractors will not be engaged to perform work within the classification or job description of laid-off employees, except when the duration of the work is less than twenty (20) working days.
7. Subject to qualifications, no new employees will be hired until all eligible laid-off employees have been recalled from the recall list.
8. Employees who are laid off shall leave their current address and telephone number with the Human Resources Department and the Union. The onus shall rest with the employee to immediately notify the Human Resources Department and the Union in writing of any change of address or telephone number.
9. Employees on permanent layoff who remain on the recall list may continue in the welfare benefit plans for the period of time which they are on the recall list (maximum 12 months) providing they are not employed elsewhere. The Company will pay for such participation.

7.04 **Temporary Layoff, Bumping and Recall**

1. Article 7.04 supersedes the terms, conditions and provisions of Articles 3.03.2.1, 3.03.2.2.
2. No less than two weeks prior to the anticipated last day of work, the supervisor shall meet with the employees to formulate a schedule which maximizes the use of employee SWYL and Supplementary vacations if applicable to avoid or postpone layoff.
3. The time off/layoff schedule can be revised by mutual agreement as may be warranted by weather, workload, or other relevant consideration.
4. If the employee's SWYL and Supplementary Vacation if applicable, are exhausted before it is necessary to recall the employee, s/he will be laid off.



5. From time to time it may be necessary to lay off employees in the following classifications: Welder 1 (CREW LEADER (ARC)); CREW LEADER; DISTRIBUTION MECHANIC; DMX; EO/DM ; EQUIPMENT OPERATOR 'P'; DISTRIBUTION APPRENTICE; OPERATIONS TECHNICIAN; OR CLASSIFICATIONS DERIVED FROM OR SUBSTANTIALLY IDENTICAL TO THESE CLASSIFICATIONS on a temporary [*herein defined as not exceeding one hundred and twenty-two (122) continuous calendar days*] basis for a variety of weather, workload or business reasons. [NOTE: IF THE LAYOFF EXCEEDS 122 CONTINUOUS CALENDAR DAYS, THE EMPLOYEE WILL BE PERMANENTLY LAID OFF PURSUANT TO ARTICLE 7.02 (b) AND RETAIN FULL 12 MONTH RECALL RIGHTS FROM THE DATE OF PERMANENT LAYOFF PURSUANT TO ARTICLE 7.03.1].
  6. Employees shall receive 10 working days written notice of layoff along with their bumping options. The employee will notify his manager in writing of his bumping option selection within (5) working days of receiving his layoff notice and bumping options, or he will relinquish all bumping rights.
  7. Employees in the following job categories: Crew Leader, Welder 1 (Crew Leader (Arc)), EODM, Operations Technician, Equipment Operator "P" receiving temporary layoff notice may exercise their bumping rights for the period of temporary layoff by temporarily bumping the Distribution Mechanic with the least Union Seniority and, only if no bumps are available in that classification, they may bump into the core classifications (Labourer, Shop Assistant; Utility Assistant; Distribution Apprentice). In both instances, the sequence will be: first, in his current Interior Headquarters or Coastal Unit, second, in his current Interior District or Current Coastal Region; third, in his current Interior Unit.
- Employees in the following job categories; Distribution Mechanic, DMX and core level classifications; receiving temporary layoff notice may exercise their bumping rights for the period of temporary layoff by temporarily bumping the employee with the least Union Seniority in the core classifications: (Labourer, Shop Assistant, Utility Assistant, Distribution Apprentice). The sequence will be: first, in his current Interior Headquarters or Coastal Unit, second, in his current Interior District or current Coastal Region; third, in his current Interior Unit.
- a. His wage rate will be the same as the classification bumped and he will not be entitled to any moving, travel, or board and lodging expenses.
  - b. He must continue to work at the other headquarters until he is laid off or recalled to his regular headquarters;
  - c. District status will not accrue at any temporary headquarters, for the purpose of applying for temporary job postings.
8. A regular employee who is laid off to the recall list may qualify himself for temporary recall at any Interior Headquarters or Coastal Unit, Company-wide by notifying his Manager.

9. When all laid-off regular employees in a Coastal Unit have been recalled, all other regular laid-off employees who have qualified themselves for temporary recall shall be recalled in order of Union Seniority.
- When all laid-off regular employees in an Interior District have been recalled, employees in the Interior Unit who have qualified themselves for temporary recall shall be recalled in order of Union Seniority.
- Should there be an insufficient number of employees who have elected temporary recall within the Interior Unit, employees from other Units who have qualified themselves for temporary recall shall be recalled to the Interior Unit in order of Union seniority.
10. If an employee refuses recall to a temporary position in excess of ten (10) working days in his Coastal Unit or Interior District, he will lose his right of temporary recall for the duration of his temporary layoff.
11. An employee recalled to another District or Unit must continue to work there until he is laid off or recalled to his regular District or Unit.
- 7.05 The Company will provide the Union with a current seniority list once each calendar year.
- 7.06 Where an employee bumps to a classification in Option #4, Article 7.02.3, he shall pay his own moving expenses.
- 7.07 Regular employees on seasonal or temporary layoff in the Interior Region or Coastal Region, and who remain on the recall list may continue participation in the group life, health benefits, and dental plans at Company expense for a maximum of twelve (12) calendar months, unless they are employed elsewhere and eligible for these same types of benefits.

## **8. POSTING OF JOB VACANCIES**

### **8.01 Regular Positions:**

- 8.01.1.1 The Company will post bulletins on a company-wide basis. Subject to Article 8.01.1.5, the following seniority criteria shall be taken into consideration:
- (a) Selection will be based first by Regional Seniority and followed by Union Seniority, for all employees hired on or before July 28, 1989.
  - (b) For employees hired after July 28, 1989, selection will be based on Union Seniority.
- 8.01.1.2 The Company shall post bulletins advising all employees covered by this Agreement of any positions to be filled. All bulletins must conform to the Agreement, but where any position is created, Article 5.01 shall apply and such bulletins shall conform to the new job as agreed upon.
- 8.01.1.3 All regular employees covered by this Agreement shall have the right to apply for bulletined positions. Except for applicants applying for a promotion or for a lateral move within the same classification, an employee will not be eligible to compete for bulletined positions during his probationary period in the job he currently holds. For purposes of this clause "promotion" means applying for a position which pays a higher normal base rate than the base rate of the employee's regular job.
- 8.01.1.4 All job bulletins are to be posted at least two weeks before closing date to allow for receipt of applications. Copies of such bulletins will be mailed to employees who do not report daily to headquarters where bulletins are posted.
- 8.01.1.5 Subject to ability and efficiency, Union and Regional seniority shall be the governing factors in promotions. (See Article 8.01.1.1.) For the Mechanical Foreman/Shop Leader classification, selections shall be made on the basis of merit, efficiency and seniority. For the Instructor classification, the final responsibility for selection rests with the company, subject to the company's decision not being arbitrary or discriminatory.
- 8.01.1.6 The Company's history of an employee's general record shall determine the employee's ability and efficiency.
- 8.01.1.7 The Company will inform the Union of the names and seniority date of all applicants to posted bulletins.
- 8.01.1.8 The Company will review any applicant which the Union Business Agent believes deserves special consideration before the applicants are notified, but the ultimate responsibility of selection shall be the Company's and it shall be sole judge in this matter.
- 8.01.2 Bulletins for regular positions to be filled permanently shall be posted as expeditiously as possible and selections shall be made within six weeks. During the six week interim period the Company may select relief or other qualified employees to perform the work without accruing regular seniority.

- 8.01.3 An employee who moves to another unit will be considered to be junior in classification seniority in the position to which the employee was selected. The employee will then accrue job classification seniority in the standard way.
- 8.01.4 If as a result of a job bulletin, the transfer of employees from a "section" should leave that "section" with a depleted work force so that operation requirements would be adversely affected, the Company may delay the transfer of such employees until their respective trained replacements are available. Any such employee retained by a "section" as described above would not lose any job classification seniority in their new position.
- 8.01.4.1 If the employee's transfer on a promotion is delayed by more than three weeks for the company's convenience, the employee will nevertheless receive the regular wage rate of the new position effective the first day of the fourth week following the date the employee signs the Letter of Acceptance.
- 8.01.5 Effective June 1, 1974, job bulletining was introduced on a Coastal region-wide basis. Employees who had transferred, at their own request, to a labourer's position in a different seniority unit prior to June 1, 1974 shall have thereby relinquished all previous Union seniority and shall have established a new Union seniority date for job selection purposes.
- 8.01.5.1 The Union seniority date of such employees for job selection purposes is the unit seniority date they established on transfer to the labourer's position in the different seniority unit.
- 8.02 **Relief Positions: (Coastal Only)**
- See Agreement with respect to temporary vacancies (LOU No. 31)**
- 8.02.1 The Company shall post relief bulletins and make selections to provide normal relief requirements in the various classifications.
- 8.02.2 Relief bulletins shall be required to fill temporary vacancies when it is known the duration of the vacancy will exceed six weeks. Relief bulletins shall not be required to fill vacancies of a six week or lesser duration.
- 8.02.3 Relief bulletins shall be posted in the seniority unit in which such relief vacancies occur except for relief vacancies in the L.N.G. Plant which shall be posted throughout the Coastal Region.
- 8.02.4 Employees selected by bulletin to relief positions shall accrue seniority in the relief classification only.
- 8.02.5 If there are no qualified applicants on bulletined relief positions, the Company shall appoint junior qualified employees to fill such vacancies.
- 8.03 **Moving Expenses- General**
- Moved to Article 9.**

- 8.04        **Moving Expenses: (Coastal Region)**
- Moved to Article 9.**
- 8.05        **Moving: (Interior Region)**
- Moved to Article 9.**
- 8.06        **Temporary/Relief Posting: (Interior Only)**
- See Agreement with respect to temporary vacancies (LOU No. 31).**
- 8.06.1      A job vacancy in a regular classification (except Distribution Mechanic Apprentice) of more than 3 consecutive months or 5 accumulated months but of less than 10 months in any 12 month period (including earned vacation and shorter work year leave), allowing for unpaid leave of absence and sickness, will be considered temporary.
- 8.06.2      A temporary job vacancy will be posted only in the District within which it exists and all employees usually employed in that District shall have the right to apply for such a position.
- 8.06.3      A job vacancy not described in Clause 8.06.1 may be filled by appointment without considering seniority, when, in the Company's opinion, it is impractical to consider seniority.
- 8.06.4      A temporary job posting shall expire automatically if the employee holding it does not work in it for 12 consecutive months.
- 8.06.5      When an employee has been awarded a regular job as a result of a temporary/relief job posting, the Company shall be exempt from all moving costs except as outlined in Clause 8.05.
- 8.06.6      Employees holding temporary job postings may be demoted to their regular classifications, without notice, when there is no work in the temporary classification. The Company is excused from recalling such employees if the work in the temporary job posting is of an unforeseen, incidental nature of very short duration.
- 8.07        **Sales and Service Technician Postings: (Interior)**
- 8.07.1      Deleted in 1991.
- 8.07.2      A full-time requirement for a Sales and Service Technician may occur in a town where more than one fully ticketed Sales and Service Technician already holds a bulletined job. In that case, a Sales and Service Technician position will be posted, but non-ticketed employees would also be invited to apply.

- 8.07.3 If there is no ticketed person available (either an existing employee or one from outside the Company), then non-ticketed applicants will be given consideration. The Company will normally not consider applicants with less than two (2) years' service. If a suitable candidate with the proper ability and efficiency and working experience has applied, then a Sales & Service Technician 3 position would be awarded to the successful non-ticketed applicant.
- 8.08 **Special Situations: (Interior)**
- 8.08.1 Situations may arise where there is a full-time requirement for short periods of time for a Distribution Mechanic Apprentice to perform other work assignments. In filling such a job, a Distribution Mechanic Apprentice capable of performing the necessary work may be hired or kept on to perform that work even though another Distribution Mechanic Apprentice with more seniority who is not capable of performing that work is on lay-off.
- 8.08.2 In determining whether or not an employee is capable of performing the "necessary work", his previous ability and efficiency will be considered. When the "necessary work" requires a special skill or experience such as welding, equipment operating, etc., the person selected to perform such work will have previously demonstrated a related level of performance that is acceptable to the Company. Except to overcome operational or personnel difficulties, when the "necessary work" does not require an easily identified skill or experience requirement, the Company must, prior to recalling an employee to work, discuss a potential selection with the local Shop Steward. The selection shall be subject to the grievance procedure. When the requirements for utilizing those special skills or experience ceases, then normal seniority provisions governing lay-off and recall would prevail.
- 8.08.3 Deleted in 1991.
- 8.08.4 Deleted in 1991.
- 8.09 Deleted in 1991.
- 8.10 **Branch Managers: (Interior)**
- 8.10.1 Whenever a Branch is operated by one (1) employee, which employee is classified as a "Branch Manager", such employee may carry on work that would ordinarily come within the jurisdiction of the Union.
- 8.10.2 Staffing with respect to one (1) employee Branches is the sole responsibility of the Company until such time as the one (1) employee can no longer handle the duties that fall within the jurisdiction of Local 213, PROVIDED, HOWEVER, when such one (1) employee towns exceed one thousand (1,000) or more active gas meters the Company will add an additional Sales and Service Technician to carry out the work that would normally fall within the jurisdiction of the Union.
- 8.10.3 The class of employees used in each of the towns is the responsibility of the Company. Neither 8.10.1 nor 8.10.2 above shall be used to reduce the numbers of employees nor the classifications currently in effect in their towns.

- 8.10.4.1 Only an I.B.E.W. Sales and Service Technician may replace a Branch Manager of a one (1) employee town, while he is on vacation or on sick leave.

9. **MOVING EXPENSES**

- 9.01 The Company will pay moving expenses where an employee is selected for a bulletined regular job in another unit (Coastal Region) or another headquarters (Interior Region) and where the employee moves to his new Unit or headquarters as applicable, under the following conditions:
- (a) where the employee is promoted;
  - (b) where a lateral transfer or demotion is involved providing the employee has more than four years' service and has not been moved at the Company's expense within the previous four years;
  - (c) where an employee successfully applies for a bulletined regular job of a continuing nature and where the job disappears after the employee has assumed it;
  - (d) where the Company directs an employee to move (eg. pursuant to Articles 4.02 or 29.01), or where the Company requests an employee to fill a job which requires the employee to move.
- 9.02 Moving expenses are defined as standard packing and moving charges and transportation costs for the employee and his resident family plus incidental expenses up to \$350. Incidental expenses would include such items as housecleaning and disconnecting and reconnecting of appliances and utilities.
- 9.02.1 Up to three days off with pay will be allowed for purposes of moving and establishing in the new location.
- 9.02.2 All expense claims must be supported by receipts.
- 9.03 Where an employee is directed by the Company to change his headquarters to fill a job, the Company will pay moving expenses as defined above.
- 9.04 The Company will pay all costs for moving, pursuant to the provisions of Article 9.01, on a one-time basis, resulting from "demotions" arising due to restricted work or due to failing physical ability, wherein the employee affected exercises his rights under the Agreement either by way of seniority or alternatively, as the successful applicant for a bulletined job.
- 9.05 Should it not be possible to obtain suitable living quarters at the new location immediately, the Company will pay for reasonable accommodation and a meal allowance per calendar day for a period not to exceed 30 calendar days, at the option of the employee, as follows:
- a) \$32.00 meal allowance per day if the employee stays in a housekeeping unit,
  - b) \$42.00 meal allowance per day if the employee stays in a non-housekeeping unit.

- 9.06 The Company will not pay moving expenses where:
1. A regular employee transfers to another headquarters permanently at his own request.
  2. An employee on probation is choosing to return to his previously-held classification pursuant to Article 4.02.
  3. An employee is recalled to his previous region after having bumped pursuant to Article 7.02.3.
- 9.07 Where an employee bumps to the Labourer or Distribution Mechanic Apprentice classification under Article 7.02.3.4, he shall pay his own moving expenses.
- 9.08 Notwithstanding any other provision of this Agreement, when successive vacancies result from an initial vacancy being filled by bulletin; and employees have received paid moves on two consecutive bulletins pursuant to the successive vacancies; the company is not liable for moving expenses on any other successive selections, unless such move is into the other Region.
- 10. JOB INTERCHANGE - CONSTRUCTION AND MAINTENANCE TO CUSTOMER SERVICE AND TO MEASUREMENT SHOP (Coastal Only)**
- See Agreement with respect to temporary vacancies (LOU No. 31)**
- 10.01 To meet seasonal and other work load fluctuations and unplanned temporary absences in Metro and Fraser Valley Customer Service Sections, the Company can interchange employees to those sections from the Construction and Maintenance, Transmission Operations, System Operations and Operations Support sections, as well as from lower paid classifications in the respective Customer Service Sections. This Article shall also apply to the interchange of employees from the Metro Construction and Maintenance and Operations Support Section to the Measurement Shop.
- 10.01.1 Notwithstanding the above, Shop Mechanics, Stores Leader, and all classifications paid above the rate for Crew Leader and UT 1 will not be eligible for interchange.
- 10.02 Customer Service vacancies for interchange positions shall be bulletined separately within Metro and Fraser Valley Units so that interchange will be confined within each Unit.
- 10.02.1 Measurement Shop vacancies for interchange to the classification of Measurement Mechanic shall be bulletined in the Metro Unit only.
- 10.03 Call lists of employees designated for interchange shall be compiled separately for the Metro and Fraser Valley Units.
- 10.03.1 Under normal operating conditions, approximately ten employees shall be named on the Metro call list, and approximately five employees shall be named on the Fraser Valley call list, and approximately ten employees shall be named on the Measurement Mechanic Metro Interchange call list, but these numbers may be increased at the discretion of the Company.
- 10.04 Seniority shall not apply to the temporary category.



- 10.05 An interchanged employee shall receive either the rate of his permanent job or the rate of the Interchanged Position, whichever is the greater.
- 10.06 Before an employee is interchanged to Customer Service he shall have received prior training in residential Class 3 service calls, residential meter and regulator changes and routine surveys.
- 10.06.1 Before an employee is interchanged to the classification of Measurement Mechanic he shall have received at least 3 days prior training in the overhauling, repairing and adjusting of meters and regulators.
- 10.07 Whenever practical the Company will give 24 hours notice of an interchange.
- 10.08 In the Fraser Valley Unit only, it is agreed that three (3) headquarters will be established, these are: Fraser Valley Operations Centre, the serviceman's home, or any Gas Compound, within his municipal headquarters.
- 10.08.1 Servicemen will be notified the previous day as to which headquarters they shall report.
- 10.08.2 They shall report to the headquarters at the normal starting time.
- 10.08.3 Use of service vehicles shall be according to existing practices within the Customer Service Section.
- 10.09 Deleted in 1991.
- 10.10 In addition to the foregoing, the Company can recruit larger numbers of employees for emergency work resulting from large outages, extreme weather conditions, etc.
- 10.11 Interchange Utilization Technicians and Measurement Mechanics shall move to the Customer Service Sections and Measurement Shop on the basis of Company seniority with the most senior moving first.
- 10.11.1 They shall return to their regular positions on the basis of Company seniority with the least senior returning first.
- 10.12 No penalty premium or extra pay for different starting and finishing times will be paid to day workers whose normal or negotiated hours of work differ from the normal or negotiated hours of work of their interchange destination.

**11. ACCREDITED SERVICE**

- 11.01 Accredited service means the total of all periods of service as a regular or temporary employee of BC Gas, or as an employee of a predecessor company or organization. For employees hired after April 1, 1991, accredited service means the total of all periods of service as a regular or temporary employee of Inland Natural Gas or Columbia Natural Gas or their subsidiaries or predecessors, or as an employee of the former B. C. Hydro Gas Division.
- 11.01.1 Up to 31 December 1964, periods of layoff less than six months' duration were included in the determination of accredited service.
- 11.01.2 From 1 January 1965, periods during which an employee is laid off are not recognized in the calculation of accredited service.
- 11.01.3 Accredited service is not related to the calculation of classification or Union seniority.

**12. INTERCHANGE (Interior Only)**

**See Agreement with respect to temporary vacancies (LOU No. 31)**

- 12.01 The Company may utilize employees from one Department to another provided such employees are qualified to do the necessary work.
- 12.02 Any employee of one Department who is being utilized in another Department shall receive the higher of his existing wage rate or the wage rate applicable to the work he will be doing.
- 12.03 To overcome operational or personnel difficulties such as seasonal, or other work load fluctuations, a regular Employee may carry out work for which he is qualified and which may be part of work normally carried out by other Employees (in any Department) as long as no other regular Employee is displaced by the process.
- 12.04 Employees may be used for unskilled functions in the Warehouse, Meter Shop and Service Department. These unskilled functions would, among other things, include meter reading and hanging pre-set domestic meters. For clarification purposes it is agreed that a Distribution Mechanic Apprentice, under Interchange, may at any time, perform unskilled functions normally carried out by a Department other than Operations and Construction. Under these circumstances, his seniority will continue to accrue as a Distribution Mechanic Apprentice in the Operations and Construction Department.
- 12.05 Interchange will not be used to reduce the number of **Regular** employees, except by attrition, in either department.

**13. GROUP LIFE INSURANCE**

- 13.01 The Company and employees who are covered by this Agreement shall continue with the benefits of group life insurance as provided under the terms of the policy with Maritime Life Assurance Company, Policy No. 4517, Div 60-600, dated January 1, 1998, and amendments thereto.
- 13.02 All employees certified under this Agreement must join the group insurance plan as provided by the Company.
- 13.03 The Company shall contribute one hundred percent (100%) of the cost of the policy.
- 13.04 Group life insurance benefits shall be calculated twice yearly. An employee's basic wage rate in effect on January 1st shall be annualized by multiplying by 2087 hours (coastal) and 1,956.7 hours (interior). The product shall determine the life insurance coverage for the period January 1 to June 30.
- An employee's base wage rate in effect on July 1 shall be annualized by multiplying by 2087 hours (coastal) and 1,956.7 hours (interior). The product shall determine life insurance coverage for the period July 1 to December 31.
- 13.05 The life insurance benefit is equal to two (2) times the employee's annual salary, rounded to the next higher \$1000, if not already a multiple of \$1000.
- 13.06 Life insurance is payable in the event of an employee's death from any cause. The benefit is payable in a lump sum to the employee's designated beneficiary.
- 13.07 An employee who retires and draws an immediate BC Gas pension will be covered for 50% of the insurance in effect immediately prior to retirement. The amount will be reduced annually by 10% of the insurance in effect immediately prior to retirement until a minimum of \$2,500 is reached. This minimum shall remain in effect for the remainder of the retired employee's life.
- 13.08 An employee receiving Long Term Disability benefits under Article 17 shall remain covered for the Life Insurance coverage in effect immediately prior to the disability.

**14. HEALTH BENEFITS**

- 14.01 The Company and the eligible employees who are covered by this Agreement shall continue with the Medical Services Plan of British Columbia and the Extended Health Benefits Plan. The Company will pay the full cost of the premium of the plans.
- 14.02 The Medical Services Plan (MSP) covers such things as medical, surgical, obstetrical and optometric services.
- 14.03 The Extended Health Benefits Plan pays for some services not covered by MSP. The Plan will pay 100% of all eligible expenses in excess of a \$25 deductible per person or family each calendar year. The maximum benefit payable during the lifetime of any family member is \$1,000,000.

Extended Health Benefits Plan to include standard vision care to a maximum of \$150 every two years per person enrolled in the plan.

**15. DENTAL PLAN**

15.01 All employees as hereinafter defined are eligible to enroll in the Company's Dental Plan currently in effect with Pacific Blue Cross. The plan includes:

Plan A - 100% payment of fees  
Plan B - 65% co-insurance (effective 92.04.01)  
Plan C - 50% co-insurance to a maximum of \$3,000 lifetime benefits per person enrolled in the plan.

15.02 Payment of benefits under the Plan is based on the B.C. College of Dental Surgeons' Schedule of Fees. Regular employees are eligible for enrollment when they have accumulated more than six (6) months of Company service or after three (3) months of continuous service.

15.03 An employee being placed on lay-off status will be given the option of maintaining Dental Plan benefits, pursuant to Articles 3.03.2.3 and 3.04.1.

15.03.1 An employee electing to maintain dental benefits who is not covered pursuant to Article 3.03.2.3 must pay the full one hundred percent (100%) monthly premium cost, in advance, for the period of lay-off. If the period of lay-off extends longer than anticipated, the employee must make arrangements to pre-pay the full one hundred percent (100%) monthly premium for the extended period of lay-off.

15.03.2 When an employee who has maintained Dental Plan benefits during lay-off is recalled to work, the company will begin contributing towards his Dental Plan benefit premiums beginning the first day of the month coincident with, or following, the date of recall to work.

15.03.3 An employee electing not to maintain dental benefits during lay-off, will have that coverage cease on the last day of the month coincident with, or following, his date of lay-off.

15.03.4 When an employee who has not maintained Dental Plan benefits during lay-off is recalled to work, the benefit will be restored on the first day of the month coincident with, or following, one (1) month after recall.

15.04 The Company shall pay one hundred percent (100%) of the Dental Plan premium.

15.05 Deleted in 1991.

**16. PAID SICK LEAVE ALLOWANCES**

16.01 An employee becomes eligible for paid sick leave benefits after accumulating three (3) months of service with the Company.

16.02 Employees who are unable to work as a result of a disability caused by an off-the-job sickness or accident will be eligible to receive the following paid sick leave.

PERIOD OF SERVICE WITH THE COMPANY AT PREVIOUS JULY 1			PAID SICK LEAVE ALLOWANCE PER PLAN YEAR	
			NO. OF WEEKS	
			FULL	70%
3 mos	-	1 yr less 1 day	1	14
1 yr	-	2 yrs less 1 day	2	13
2 yrs	-	3 yrs less 1 day	3	12
3 yrs	-	4 yrs less 1 day	4	11
4 yrs	-	5 yrs less 1 day	5	10
5 yrs	-	6 yrs less 1 day	6	9
6 yrs	-	7 yrs less 1 day	7	8
7 yrs	-	8 yrs less 1 day	8	7
8 yrs	-	9 yrs less 1 day	9	6
9 yrs	-	10 yrs less 1 day	10	5
10 yrs	-	11 yrs less 1 day	11	4
11 yrs	-	12 yrs less 1 day	12	3
12 yrs	-	13 yrs less 1 day	13	2
13 yrs	-	14 yrs less 1 day	14	1
14 yrs or more			15	0

Employees who were not with the Company at the previous July 1st, will have their period of service determined as the period of time from the date their employment with the Company commenced until the date of their disability.

16.03 A plan year is defined as a twelve (12) month period beginning on July 1, and ending on June 30.

16.04 For purposes of this Article, "regular earnings" means the hourly wage rate in effect at the date of disability, for the employee's normal job classification, multiplied by 7.5 hours per day (37.5 hours per week) or 8 hours per day (40 hours per week) as appropriate.

16.05 When the entitlement at full regular earnings has been exhausted, employees will be eligible to receive further paid sick leave benefits of seventy percent (70%) of regular earnings for the balance of a fifteen (15) week period.

- 16.06 Any unused days of paid sick leave allowance at full regular earnings cannot be carried over from one plan year to the next. If a disability continues into a new plan year, the amount of benefits at full regular earnings for that disability in the new plan year will be the balance of what is left from the previous plan year's full regular earnings entitlement.
- 16.07.1 Wherever possible, employees should schedule medical and dental appointments outside of normal working hours.
- 16.07.2 Where it is not possible for an employee to schedule such appointments outside of normal working hours, the employee will not have the first hour of any such leave deducted from their sick leave and their pay.
- 16.07.3 The second hour of such leave will be deducted from the employee's overtime bank, or if the employee has no overtime bank, will be without pay.
- 16.08.1 If an employee has received fifteen (15) weeks of paid sick leave benefits and returns to active duty, the employee will have his entitlement as at the previous July 1, reinstated after one (1) months service in the case of a new disability, and after three (3) months service in the case of the same or a related disability.
- 16.08.2 If a disabled employee has exhausted his paid sick leave benefits prior to the expiry of the 15 - week elimination period for Long Term Disability, he shall be paid seventy percent (70%) of regular earnings for the balance of the elimination period.
- 16.09.1 Benefits under this plan will be reduced by any benefits an employee may be eligible to receive under any government sponsored plan, other than Employment Insurance. Income benefits from any individual disability policy which has been purchased by an employee will not be considered in determining benefit entitlement under this plan.
- 16.09.2 BC Gas SICK LEAVE BANK: Employees in the Coastal Region as at September 30, 1989, and who have banked sick leave entitlement on that date, will establish a non-renewable BC Gas Sick Leave Bank equal to two-thirds (2/3) of that entitlement. This Bank shall be used as a supplement to earnings while the employee is in receipt of sick leave or of Long Term Disability payments at 70% of regular earnings. Payout of the BC Gas Sick Leave Bank will be thirty percent (30%) of regular earnings and will cease when the disability is over or when the Bank is exhausted.
- 16.09.2.1 Coastal employees on paid sick leave on September 30, 1989 will establish their sick leave bank as at the date on which they are authorized to return to work.

- 16.09.2.2 When the sick leave bank is exhausted, or in the case of employees who do not have a sick leave bank, the employee's other time banks shall be used to supplement earnings as above, in the following order:
1. Deferred Bank (time earned, but not taken, the previous year)
  2. Overtime Leave Bank
  3. Shorter Work Year Leave
  4. Annual Vacation
  5. Early Retirement Bank
- 16.10 Employees absent from work for any of the following reasons will not be eligible for paid sick leave benefits:
- 16.10.1 disabilities which occur while on an unpaid leave of absence, except where the unpaid leave of absence has been granted for Union business if such leave does not exceed fourteen (14) days;
- 16.10.2 disabilities which occur while an employee is locked out, on strike, walk-out or other work stoppage;
- 16.10.3 disabilities which occur while the employee is on maternity leave;
- 16.10.4 disabilities covered by any Workers' Compensation Act;
- 16.10.5 disabilities caused by intentionally self-inflicted injuries or disease; while serving in the Armed Forces; while participating in a riot, war or civil disobedience; or while committing a criminal offence or serving a prison sentence.
- 16.11 When an employee is given notice of lay-off and the employee subsequently becomes disabled within two (2) months of the effective date of the lay-off, the paid sick leave benefits will terminate on the effective date of the lay-off.
- 16.12 Employees with health problems will be considered for severance pay providing the employee is not receiving long term disability benefits.
- 16.12.1 Subject to agreement of the union, the company may refer an employee to a vocational health practitioner with the goal of improving the employee's health and/or work environment; the objective being a sustained return to work and/or improved attendance.
- The referral and discussion with the practitioner shall be coordinated by the Human Resources Department, and the usual confidentiality surrounding medical issues shall apply.
- 16.12.2 Any accommodation of employee disability is subject to discussion with the union.
- 16.12.3 The referral is at company expense and compensation for time off shall be covered by sick leave, LTD payments, or WCB payments as appropriate.

- 16.13 At the request of the Company, employees will provide a medical certificate from a licensed physician substantiating any disability extending beyond five (5) consecutive days, or to substantiate frequent absences (in excess of four (4) occurrences in any twelve (12) consecutive months).
- 16.14 It is understood that the Plan may be altered or amended from time to time in order that the Plan will continue to meet the standards of the Employment Insurance Regulations and thereby qualify the Company for a full premium reduction.
- 17. LONG TERM DISABILITY PLAN**
- 17.01 The principle of the Plan will be to provide, subject to the terms of the contract with the underwriter, benefits at the rate of seventy percent (70%) of regular earnings (to a maximum benefit of \$3000/month) while sick or disabled. Effective April 1, 2003, the maximum monthly benefit for new claims will increase to \$4000. The Plan will commence in the sixteenth (16th) week of continuous disability. The employer shall pay one hundred percent (100%) of the cost of the policy. All employees certified under this agreement must join this group insurance plan.
- 17.02 While the benefits of this Plan include payments by government plans, such as Canada Pension and Workers' Compensation, the initial benefit under this Plan will not be reduced even if there are subsequent increases in government plans' payments.
- 17.03 Effective January 1, 1992, the benefits payable from the Plan will increase at the rate of increase of the Consumer Price Index to a maximum of 3% per year, pursuant to the terms and conditions of the contract with Maritime Life Assurance Company.
- 18. PROLONGED ILLNESS**
- 18.01 Deleted in 1991.
- 18.02 If, through sickness or accident, an employee is incapable of taking over his customary job, he may work at some other suitable job until he is physically fit to resume his customary work. In doing so he will not lose any seniority on his customary job.
- 18.03 In the event of an employee becoming partially handicapped physically to the extent of his not being able to perform all aspects of his job satisfactorily, the Company will exert its best efforts towards placing the employee on other available work as near to the level of his previous rate as possible, bearing in mind vacancies available and qualifications required.
- 18.04 In certain cases, the Company and the Union may be able to make certain changes in shift sign-ups, seniority provisions, etc. to alleviate such cases, and these will be discussed between the parties and acted upon if there is mutual consent.
- 18.05 While it is the intent of the Company to assist wherever possible in the types of instances mentioned above, the Company is not obliged to "find work" when productive vacancies are not available.



**19. ACCIDENTS AT WORK**

- 19.01 If an employee is injured at work, such employee shall receive full pay for the day of his injury if unable to carry out his duties assigned to him.
- 19.02 In cases where employees are receiving Workers' Compensation Board "Wage Loss Benefits" and provided such employees are not laid off, the Company will pay the difference between the employee's actual income and eighty-five percent (85%) of the employee's normal weekly straight time wages and the Company will bear its normal share of the cost of enrollment in all benefit plans.
- 19.03 For the purpose of this Article, "actual income" is defined as income from the Workers' Compensation Board, Canada Pension and the Company's long term disability plan.
- 19.04 The Workers' Compensation Supplement will not be greater than that required to give the employee an aggregate income, not including income from individual or private sources, equal to the employee's normal weekly straight-time wage after the deduction of income tax.
- 19.05 Employees receiving the Workers' Compensation supplement will apply for long term disability benefits and/or Canada Pension Plan benefits if requested to do so by the Company.
- 19.06 Deleted in 1991.

**20. LEAVE OF ABSENCE**

- 20.01 Officers of the Union shall be granted leave of absence on Union business insofar as the regular operation of the service will permit and shall be given precedence over any other application for leave on the same day. The Company will invoice the Union for wages paid to employees on leave of absence for Union business.
- 20.01.1 Reasonable written notice to the Company must be given; and if this is not done, reliefs will be made at straight-time rates only.
- 20.01.2 The Union will bear the costs of overheads when employees of the Coastal Region are on leave for Union business. Their overheads shall amount to 30% of base rate.
- 20.02 Employees shall be granted leave of absence on application to their respective manager or supervisor where such leave of absence does not exceed fourteen days insofar as the proper operation of the service will permit.
- 20.02.1 All applications for a longer period shall be made through the Business Agent of the Union and taken up with the proper official of the Company and dealt with in accordance with the priority of the application.
- 20.02.2 Three months' absence shall be granted if desired after one year's service insofar as the proper operation of the service will permit.
- 20.02.3 No leave of absence for more than fourteen days will be recognized unless jointly approved by the Company and the Union.

- 20.02.4 No leave shall be granted for the purpose of entering other occupations.
- 20.02.5 Leave granted for the business of the Union shall not be included in this clause.
- 20.03 When the Company requires employees covered by this Agreement to attend meetings, it shall make up any lost time and the same shall apply when a shop steward takes up a grievance.
- 20.03.1 This provision will not apply, however, in the case of meetings called at the request of the Union or any meeting required to negotiate a new Agreement.
- 20.04 Leave of absence with pay will be granted an employee for jury duty or to appear in court as a subpoenaed witness.
- 20.04.1 Any compensation received from the court for this service will be forwarded to the Company.
- 20.04.2 In cases where an employee's private affairs have occasioned a court appearance, such leave to attend court will be without pay.
- 20.05 Leave of absence for sickness or any purpose up to a total of three months in any period (excluding paid vacation) shall not reduce the annual vacation an employee would otherwise qualify for.
- 20.05.1 Where a leave exceeds three months, his annual vacation with pay shall be reduced by 1/9 for each full month of absence in excess of three months.
- 20.06 Compassionate leave of absence from the Company of up to five (5) days (one (1) day of which shall be to attend the funeral) with pay shall be granted an employee upon application, in the event of the death of a spouse (including common-law spouse), mother, father, step-parents, sister, brother (including step-sister or step-brother), son, daughter (including common-law or step-children), mother-in-law, father-in-law, brother-in-law, sister-in-law, or grandparents, provided, however, such leave as granted in excess of three (3) days up to a maximum of five (5) days shall be charged to the banked time of such employee.
- 20.06.1 In the event that such additional time cannot be charged to banked time, an employee may elect to have such leave of absence in excess of three (3) days up to a maximum of five (5) days without pay.
- 20.07 Absences due to W.C.B. will not reduce subsequent annual vacation entitlement during the first twelve (12) consecutive months of absence. No vacation entitlement shall accrue for the remaining period of the absence.
- 20.07.1 Vacation accumulation in excess of an annual entitlement will be cashed out.
- 20.07.2 When the employee returns to work, he shall take the current year's vacation accrual in the current year, and the annual entitlement which was carried forward shall be taken in the following calendar year.

20.08 An employee who is granted leave of absence from the Company, with or without pay, shall not lose any type of seniority.

## **21. STATUTORY HOLIDAYS**

21.01 When the word "holidays" appears in this Agreement, it shall be deemed to mean New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, and Boxing Day, or days in lieu of as declared by the Provincial or Federal Governments and any additional holiday not related to the above gazetted by the Provincial or Federal Governments.

21.02 All employees covered by this Agreement who are on the payroll at the time shall receive the foregoing eleven statutory holidays with pay per year.

21.02.1 Employees on the payroll shall be interpreted to mean all employees on the payroll who do not miss a particular statutory holiday on account of leave of absence from the Company's service.

### **21.03 Statutory Holiday Compensation for Day Workers and Rotating Shift Workers**

#### **21.03.1 Employees not scheduled to work:**

- 21.03.1.1
- a) Holiday falls Monday through Friday: one day's pay at straight-time.
  - b) Holiday falls Saturday or Sunday: When a holiday falls on a Saturday or Sunday and another day is not declared in lieu thereof by the Provincial or Federal Government in accordance with 21.01, a day off in lieu thereof will be designated by the Company either on the last working day immediately preceding or the first working day immediately following the weekend on which the statutory holiday falls.
    - i) Employees shall be notified of days so designated for the following year not later than 30 September of the preceding year.
    - ii) Any changes to the posted schedule shall be by mutual agreement.
    - iii) If mutual agreement is not reached with respect to holidays falling on the weekend, the following shall apply:
      - a) Holiday falls Saturday - previous Friday off with pay.
      - b) Holiday falls Sunday - following Monday off with pay.

#### **21.03.1.2 Day Workers scheduled to work:**

- a) Holiday falls Monday through Friday:
  - i) One day's pay at straight-time.
  - ii) Double time for hours worked, paid for straight-time hours worked, premium time to overtime bank.
- b) Deleted in 1994

21.03.1.3 Employees providing weekend coverage (days, afternoons or nights) will also provide coverage on statutory holidays or days designated in lieu by BC Gas immediately preceding or following the weekend.

- a) It is agreed that where an employee provides weekend coverage on a Monday, the Monday will not be considered in determining the rotation for weekend coverage and shifts.
- 21.03.2 Deleted in 1991.
- 21.03.3 Employees who are not scheduled to work a statutory holiday and are called to work shall be paid for straight and premium time when two hours or less has been worked.
- 21.03.3.1 When more than two hours are worked, the conditions outlined in 21.03.1 and 21.03.2 shall apply in proportion to number of hours worked.
- 22. ANNUAL VACATION**
- 22.01 Definitions
  - "Year" shall mean calendar year.
  - "Calendar Year" shall mean the twelve month period between January 1st and December 31st inclusive.
  - "Service" shall mean accredited service as defined in Article 11.
  - "Day(s)" shall mean working day(s).
- 22.02 An employee shall EARN his annual vacation entitlement for any calendar year only when he reaches his anniversary, although he may TAKE his annual vacation anytime during that calendar year, except employees in the Interior Region who were employees prior to August 1, 1989, whose anniversary date for the purposes of this Article is defined to be July 1.
- 22.02.1 Vacation entitlement will be advanced in January of the calendar year it is earned, and it will be prorated for new hires based on the year of hire service.
- 22.02.2 Deleted in 2001.
- 22.02.3 Deleted in 2001.
- 22.03 Employees who complete the years of service shown under column (1) shall have the number of days of Annual Vacation with pay during that year and subsequent years as provided in column (2):

22.03.1 IN THE COASTAL REGION:

(1)	(2)
1 year of service	15 days of vacation
10 years of service	20 days of vacation
18 years of service	25 days of vacation
30 years of service	30 days of vacation

22.03.2 IN THE INTERIOR REGION:

(1)	(2)
1 year of service	15 days of vacation
8 years of service	20 days of vacation
18 years of service	25 days of vacation
30 years of service	30 days of vacation

22.04 **Vacation Scheduling**

22.04.1 For the purpose of scheduling annual vacation, it is understood that each employee's vacation entitlement shall be granted between the first day of January and the following first day of January.

22.04.2 All employees with sufficient annual vacation entitlement shall receive 15 days (or longer where work load permits) on the regular summer write-up which extends from 1 May to 30 September each year.

22.04.2.1 During the summer write-up 15% of the work force in any classification (or greater where work load permits) in any given section shall be entitled to be on annual vacation at any one time.

22.04.3 The Company will confirm each period of signed-up annual vacation at least fifteen days before it begins.

22.04.3.1 If the Company requires an employee to change his signed-up vacation period and the employee can prove that he has suffered financial loss as a result, the Company shall recompense the employee for such loss.

22.04.4 The Company reserves the right to determine whether or not it is practicable for an employee to take more than three weeks of vacation consecutively.

22.05 Deleted in 1991.

22.05.1 An employee returning from an unscheduled absence of longer than 15 weeks (eg. LTD, WCB) is entitled to vacation time off to a maximum of one week for each full calendar month remaining in the calendar year, unless the time off had been scheduled and approved prior to the absence. (For example, an employee returning during September may schedule a maximum 3 weeks for the balance of the year). Any remaining vacation time shall be cashed out.

22.06           **Callback to Work When on Vacation:**

An employee who has begun his annual vacation and is called back to work by the Company shall be paid at overtime rates for the remaining portion of his vacation during which he has had to work, and within a reasonable period of time he will also receive the remaining portion of his scheduled annual vacation without further vacation pay.

22.07           **Calculation of Vacation Pay:**

Payment for Annual Vacation will be based upon straight time earnings during the second last complete pay period prior to vacation or at the applicable rate of 6%, 8%, 10%, or 12% of the current calendar year's earnings, whichever is greater.

22.07.1           Deleted in 2001.

22.07.2           Deleted in 2001.

22.08           If an employee becomes disabled as a result of sickness or accident before his vacation is due and his disability continues throughout the rest of the vacation year, vacation privileges shall be carried over only to the following year, if the employee so decides.

22.09           Regardless of an employee's vacation entitlement by service, he shall only receive that portion of vacation entitlement earned in the current year based on the total time worked during the current "year".

22.10           Annual Vacation Sign-up  
Construction Maintenance (Coastal Only:)

A master sign-up sheet showing personnel names in order of rotation shall be posted in a conspicuous location in the respective departments and employees shall participate in the construction and maintenance annual vacation sign-ups.

22.11            **Supplementary Vacation (Interior Only)**

- a) On the date an employee attains five (5) years' service with the Company, he shall be credited with five (5) days' supplementary vacation which may be taken at any time prior to the employee attaining ten (10) years' service.
- b) On the date an employee attains ten (10) years' service with the Company, he shall be credited with ten (10) days' supplementary vacation which may be taken at any time prior to the employee attaining fifteen (15) years' service.
- c) On the date an employee attains fifteen (15) years' service with the Company, he shall be credited with five (5) days' supplementary vacation which may be taken at any time prior to the employee attaining twenty (20) years' service.
- d) On the date an employee attains twenty (20) years' service with the Company, he shall be credited with ten (10) days' supplementary vacation which may be taken at any time.
- e) Annual vacation scheduled pursuant to Clauses 22.01 to 22.04 shall take precedence over the scheduling of supplementary vacation.
- f) Supplementary vacation shall not conflict with essential departmental requirements.
- g) Supplementary vacation shall be paid at the wage rate in effect at the time the vacation is actually taken.
- h) Supplementary vacation is a non-cumulative time-off entitlement only and no payment will be made in lieu of supplementary vacation not taken during the specified five (5) year period.

**23.            REST BREAKS**

23.01            Employees will be allowed a 15 minute rest break twice daily.

23.01.1            It is understood that rest breaks must not inconvenience the public or expose anyone to hazard, nor will members of construction or maintenance crews be permitted to leave the job site.

23.01.2            Rest breaks are to be taken as close to mid-morning and mid-afternoon as is practical without detracting from operating efficiency.

**24.            GLOVES, TOOLS, AND CLOTHING**

24.01            Clothes, gloves, work tools, etc. shall be provided free of charge to all employees covered by this Agreement, wherever required.

24.01.1            Deleted in 1994

24.01.02            Employees shall turn in worn-out clothes, tools, gloves, equipment, etc., before receiving new issues of any article provided by the Company.

24.02            Workers' Compensation Board (WCB) Regulations require that certain employees wear properly-fitted eye protection under prescribed work conditions.

24.02.1            Where corrective lenses are required in safety spectacles, the Company will reimburse each employee requiring corrective safety spectacles an amount of \$100.00 providing that the spectacles conform to Canadian Standards Association (CSA) Standard Z94 3-M1982.

- 24.02.2 Reimbursement provisions apply only for corrective safety spectacles.
- 24.03 When safety footwear and Company approved rainwear is advisable on the job and approved by the manager or supervisor, the employee will be reimbursed as follows:
- 24.03.1 - reimbursed for 50% of the cost of up to two sets of rainwear to a maximum of \$100 per calendar year, or 50% of the cost of insulated, fire-retardant coveralls.
- 24.03.2 - reimbursed for 50% of the cost of up to three pairs of CSA approved footwear or 100% of the cost of repairs to two pairs of CSA approved footwear in a calendar year OR a combination of either in a calendar year, to a maximum of \$150.00/yr.
- 24.04 Utilization Technicians, Sales and Service Technicians, Leak Survey Technicians, and System Survey personnel shall be supplied with a standard uniform and a common winter jacket as required and on return to the Company of worn out garments.
- 24.04.1 Deleted in 1994
- 24.05 One insulated vest shall be issued to all field personnel except those specified in Article 24.04.
- 24.05.1 Replacement vests shall be issued, as required, on return of the worn out vest.
- 24.05.2 Cleaning and repair of vest will be the employee's responsibility.
- 24.06 All classifications will be supplied with tailored coveralls.
- 24.06.1 A clean pair will be supplied as required, but normally not more often than once per week.
- 24.06.2 Under certain circumstances uniforms will be protected by conventional coveralls supplied by the Company.
- 24.07 Clothing which is destroyed in the course of employment by means other than by normal use shall be replaced at the expense of the Company.
- 24.07.1 It is understood that clothing which can be cleaned or otherwise rehabilitated cannot be considered to be destroyed.

## **25. DRIVING VEHICLES**

- 25.01 Any employee competent to do so shall, upon request, drive any vehicle assigned to him by the Company.
- 25.01.1 If this duty involves the necessity for such an employee to hold other than a Class 5 license, the Company shall bear the cost of such licenses and associated expenses, excluding point penalty premiums.

25.02 Deleted in 1994



25.02.1 All employees are required to hold a valid Class 5 driver's license, except for disabled new employees who may not qualify to drive a company vehicle if such is not a requirement of the job.

25.02.2 Employees are required to notify their manager or supervisor in the event of loss or suspension of their driver's license. The company and the union shall endeavour to accommodate such employees by placing them in positions where a driver's license is not a critical, day-to-day requirement, so long as this can be achieved without cost to the company.

25.03 An Equipment Operator I will be required to be the holder of a valid Class 1 Driver's License with an Air-Brake Endorsement for entry into and/or retention of the classification unless formally excused from these requirements by the Company.

## **26. SAFETY PRACTICES**

26.01 Working practices shall be in line with current rules and regulations of the Workers' Compensation Board of the Provincial Government of British Columbia insofar as they may apply.

26.01.1 Each employee undertakes to comply with the W.C.B. Industrial Health & Safety Regulations and the Industrial First Aid Rules & Regulations, and the Company will orient each new employee to these rules and regulations.

26.02 Where existing regulations are inadequate, working practices shall be discussed by a Safety Practices Committee consisting of four members chosen by the Union and four members chosen by the Company.

26.02.1 This Safety Practices Committee shall meet at the request of either party.

26.02.2 If the Committee cannot reach a decision, the matter shall be referred to the Workers' Compensation Board for a ruling.

26.03.3 The decisions of the Safety Practices Committee shall become part of the Company's Safety Practices Manual.

## **27. SHOW-UP TIME**

27.01 When employees are required to report for work at their regular starting time and there is no work available, they shall be paid two hours time for such show-up.

## **28. HEADQUARTERS PROCEDURES**

### **METRO UNIT**

28.01 Metro Unit employees may be assigned outside of the Metro boundaries subject to the terms of Articles 28, and 29.

28.02

### **Headquarters - Metro**

A headquarters is defined as a municipal area within a District, consisting of a city, town, municipal district or an unorganized territory, or a combination of the above. Headquarters are established by the Company to provide the personnel necessary to meet the work requirements in the various population centers throughout Metro. Headquarters and their boundaries shall be subject to adjustment by the Company as growth patterns, work loads, population densities and other related operating conditions require. An outline of the boundaries will be provided to all employees concerned by separate work bulletins.

#### **Metro District**

1. Vancouver City and U.E.L.
2. Municipality of Burnaby and City of New Westminster
3. Port Moody, Port Coquitlam, Coquitlam and Anmore
4. West Vancouver
5. North Vancouver City and District
6. Municipality of Richmond

28.03

### **Mustering Points (Metro)**

Locations within a headquarters at which an employee or crew starts and stops the working day. Mustering points are established and designated by the Company. The Company may designate the work site as a mustering point when crew strength is comprised of four or more employees and the job is expected to last longer than two days. Four employees shall include the crew leader, all Company employees and all equipment operators and welders functioning as a member of the crew. The Company will provide one or more mustering points of a permanent nature to serve each headquarters area.

28.04

### **Assignment of Headquarters (Metro)**

28.04.1

All regular employees will be assigned one headquarters, with the exception of .2, .3, .4, .5, .6 below.

28.04.2

New employees with less than 12 months service and temporary employees shall not be assigned a permanent headquarters. They shall be assigned to work in any headquarters within the unit as required.

28.04.3

A Labourer shall not be assigned a permanent headquarters. He shall report for work to any headquarters within the Unit as required. A regular labourer must be given notice on the previous day for a change in headquarters.

- 28.04.4 A Distribution Mechanic Apprentice shall report for work to any headquarters within the Region as required. On completion of one year of service, a Distribution Mechanic Apprentice may elect:
- Headquarters Group A: Vancouver, University Endowment Lands, and Richmond;
- Headquarters Group B: Burnaby, New Westminster, Port Moody, Port Coquitlam, Coquitlam and Anmore; or
- Headquarters Group C: Burnaby, New Westminster, West Vancouver, and North Vancouver City and District,
- within which he shall be assigned to work in any headquarter as required.
- The Company will designate the number of positions available for election within each of these headquarters groups.
- 28.04.5 Personnel employed on System Survey shall not be assigned a permanent headquarters. They shall report for work to any headquarters within the Metro area as required.  
(Formerly 28.04.4)
- 28.04.6 Fitter Welders, Ditch Maintenance crews and Pressure Control crews shall normally report to Lochburn or may be assigned to a muster point within the headquarters area of their residence or headquarters immediately adjoining the headquarters area of their residence. In the case of employees residing outside of the Metro area, assignment may be made to a headquarters area within Metro adjoining or closest to the employee's area of residence.
- 28.04.7 Employees in .4, .5, and .6 must be given notice on the previous day of a change in headquarters.
- 28.04.8 An employee selected to a bulletined position is subject to a change of section and assigned headquarters to meet the requirements of the position.
- 28.04.9 When additions or replacements are selected through the bulletining process, employees holding seniority in those classifications shall have first opportunity to elect a change of headquarters or District through the annual election process.
- 28.04.10 The Company will issue an election form annually on 1st December to all regular employees to state headquarters preferences for the coming calendar year. During the calendar year election forms may be withdrawn but a new election form may only be completed if the employee changes his permanent address or if his headquarters is changed for reasons other than a change elected under the Article. The Company shall not be responsible for moving or other costs incurred by employees relocating under this Article.

- 28.04.11 When conditions require an employee to work in a District or Unit or headquarters to which he is not assigned the employee shall travel on Company time, and transportation shall be provided by the Company, unless the travel time from the employee's home to the temporary headquarters is no greater than normal travel time to the employee's permanent headquarters, in which case both time and transportation shall be the responsibility of the employee. When travel time and/or expenses are paid, these shall only be for the additional travel to the temporary headquarters, and travel time shall be at premium rates.
- 28.04.12 Deleted in 2001. Article 29.08 applies.
- 28.04.13 Assignment to the interior Region shall be on a voluntary basis only.
- 28.05 Industrial and Utilization Technicians 1 and 2 in Metro shall normally be assigned to Lochburn or may be assigned to an elected headquarters as determined by workload requirements.
- 28.05.1 When a vacancy occurs, employees in these classifications shall have an opportunity to elect a new headquarters on the basis of classification seniority.
- 28.05.2 The last vacancy(ies) will be filled by section bulletin or by appointment(s) in order of reverse seniority should there be no response to the bulletin.
- 28.06 Deleted in 1989 (Now Obsolete)
- 28.07 Should any area of conflict exist between Metro Headquarters Procedure in Articles 28.01 to 28.06 and Change of Headquarters Article 29.01 as it applies to Metro, the Metro Headquarters Procedure shall take precedent.
- 28.08 Deleted in 1989. (Victoria)
- 28.09 Deleted in 1994
- 28.10 **FRASER VALLEY UNIT**
- 28.10.1 The Fraser Valley Unit employees may be assigned outside the boundaries of the Fraser Valley service area as required to meet installation, operating and maintenance needs on the transmission system, rights-of-way and other related functions subject to the terms of Articles 28 and 29.

## 28.10.2 **Headquarters - Fraser Valley**

A headquarters is defined as a municipal area within a District consisting of a city, town, municipality, or an unorganized territory, or a combination of the above. Headquarters are established by the Company to provide the personnel necessary to meet the work requirements in the various population centers throughout the Fraser Valley. Headquarters and their boundaries shall be subject to adjustment by the Company as growth patterns, work loads, population densities, and other related operating conditions require. An outline of the boundaries will be provided to all employees concerned by separate work bulletin.

Headquarters:

1. Delta
2. Surrey
3. Langley
4. Matsqui - Abbotsford
5. Chilliwack
6. Hope
7. Maple Ridge
8. Mission - Dewdney
9. Nicomen
10. Kent

## 28.10.3 **Mustering Points** (Fraser Valley)

28.10.3.1 Locations within a headquarters at which an employee or crew starts and stops the working day. Mustering points are established and designated by the Company (usually these are crew compounds or buildings. For Utilization Technicians, a mustering point could also be their homes.)

28.10.3.2 Employees who muster from their homes shall start the working day there but shall stop work at any location within their assigned headquarters area, or if they are working elsewhere they shall stop work at their headquarters boundary. The Company may designate the work site as a mustering point when crew strength is comprised of four or more employees and the job is expected to last longer than two days. Four employees shall include the crew leader, all Company employees and all equipment operators and welders functioning as a member of the crew.

28.10.3.3 Present mustering points are:

### **Valley East District:**

Chilliwack Headquarters	-	Sardis Compound
Abbotsford Headquarters	-	Morey Road
Maple Ridge Headquarters	-	Albion
Langley Headquarters	-	Production Way

### **Valley West District:**

Surrey Headquarters	-	F.V. Gas Centre
	-	Roebuck Road Compound
	-	Sunnyside
Delta Headquarters	-	Goudy Road Station

## 28.10.4 **Assignment of Headquarters** (Fraser Valley)

- 28.10.4.1 All regular employees will be assigned one headquarters, with the exception of .4.2 and .4.3 below.
- 28.10.4.2 New employees with less than twelve months service and temporary employees shall not be assigned a permanent headquarters. They shall be assigned to work in any district and headquarters as required.
- 28.10.4.3 A Distribution Mechanic Apprentice shall report for work to any headquarters within the Region as required. On completion of one year of service a Distribution Mechanic Apprentice may elect a permanent headquarters, except that the nine (9) Distribution Mechanic Apprentices with least seniority in the Fraser Valley unit shall not be assigned a permanent headquarters, and shall report to any headquarters within the district as required.
- A labourer shall not be assigned a permanent headquarters. He shall report for work to any headquarters within the district as required. A regular labourer must be given notice on the previous day for a change in headquarters.
- 28.10.4.4 An employee selected to a bulletined position is subject to a change of district and assigned headquarters to meet the requirements of the position.
- 28.10.4.5 When additions or replacements are selected through the bulletining process, employees holding regular seniority in those classifications shall have first opportunity to elect a change of headquarters or district. In the Construction and Maintenance Section this opportunity will be given by use of the annual election process as described in 28.10.4.6.
- In the Customer Service Section employees will be notified when headquarter vacancies occur. This will provide the opportunity for senior employees to elect a change of headquarters prior to posting of the vacancy.
- 28.10.4.6 The Company will issue an election form annually on 1 December to all regular Construction and Maintenance field employees to state district and headquarter preferences for the coming calendar year. During the calendar year election forms may be withdrawn but a new election form may only be completed if the employee changes his permanent address or if his headquarters is changed for reasons other than a change elected under this article. The Company shall not be responsible for moving or other costs incurred by employees relocating under this Article.
- 28.10.4.7 When conditions require an employee to work in a district or unit or headquarters to which he is not assigned the employee shall travel on Company time and transportation shall be provided by the Company, unless the travel time from the employee's home to the temporary headquarters does not exceed normal travel time to the permanent headquarters, in which case time and transportation shall be the employee's responsibility. When travel time and/or expenses are paid, these shall only be for the additional travel to the temporary headquarters, and travel time shall be at premium rates.
- 28.10.4.8 Deleted in 2001. Article 29.08 applies.
- 28.10.4.9 Assignment to the Interior Region shall be on a voluntary basis only.

28.10.4.10 Should any areas of conflict exist within "Fraser Valley Headquarters Procedure" Article 28.10 and "Change of Headquarters" Article 29.01 as it applies to the Fraser Valley, the Fraser Valley Headquarters Procedure shall take precedence. (Formerly 28.10.4.8)

28.10.5 Deleted in 1994

28.10.5.1 Deleted in 1994

## 28.11 **INTERIOR UNIT**

28.11.1 The Interior service area will be comprised of four Divisions and eight Districts as follows:

Northern Division - Prince George District  
- Fort Nelson District

Central Division - Kamloops District

Okanagan Division - Vernon District  
- Kelowna District  
- Penticton District

Kootenay Division - Trail District  
- Cranbrook District

### 28.11.2 **Headquarters** (Interior)

- a) The Company shall designate a headquarters for each employee and the employee shall report to his headquarters at the beginning of his working day or shift except as otherwise specified in this Agreement.
- b) A headquarters is defined as a municipal area within a District consisting of a city, town, municipal district or an unorganized territory, or a combination of the above.  
Headquarters are established by the Company to provide the personnel necessary to meet the work requirements in the various population centers throughout the Region.  
Headquarters and their boundaries shall be subject to adjustment by the Company as growth patterns, work loads, population densities and other related operating conditions require.

### 28.11.3 **Mustering Points** (Interior)

Designated buildings or other locations within a headquarters at which an employee or crew starts and stops the working day. Mustering points are established and designated by the Company. The Company agrees that Mustering Points will adhere to reasonable standards of safety, security, cleanliness and good order in keeping with the purposes for which they are intended. This includes appropriate washroom and change-room facilities.

- 28.11.4
- a) The Company shall have the right to establish rallying points, which will be locations to which employees will report directly and be ready to commence and stop work at the usual working hours. It is understood that a rallying point shall not be more than twenty (20) kilometers from the normal crew headquarters and that a rallying point will be established only where a job is expected to last longer than two (2) days.
  - b) It will be the responsibility of the Company to provide return transportation from the rallying point to the normal crew headquarters on the first day the new job site is designated, and also the Company will be responsible for returning any employees to the rallying point, should they require such transportation, upon conclusion of the job. At the beginning of the first day and at the conclusion of the last day, all travel between the rallying point and regular headquarters shall be during normal working hours or at overtime rates.
  - c) Travel to and from the rallying point, except as noted in Paragraph (b) above, will be the responsibility of the employee.
- 28.11.5 Employees shall travel to their working places from the designated headquarters of the Company on Company time and return on Company time except as noted in Paragraph (a) above.
- 28.11.6 Should any areas of conflict exist between Interior Headquarters Procedure Article 28.11 and "Change of Headquarters" Article 29 as it applies to the Interior, Article 28.11 shall take precedent.

## **29. CHANGE OF HEADQUARTERS**

- 29.01 The Company may designate a change of headquarters for any employee either on a temporary or a permanent basis providing notice is given during proper hours of the previous working day.
- For a temporary change of headquarters, transportation will be as outlined in Article 28 wherever reasonable.
- 29.01.1 When an employee is required to work out-of-town, or away from his permanent headquarters, all reasonable living expenses incurred by the employee will be paid by the Company provided it is unreasonable for the employee to return to his residence or permanent headquarters at the end of the day.
- 29.01.2 Temporary changes of headquarters shall not exceed one year in duration after which such change will become permanent.
- 29.01.3 Should the Company designate a permanent change of headquarters for an employee, the employee shall be notified that the change is permanent, and the Company shall pay the cost of moving the employee's personal effects and travelling expenses. (See Article 9.02.1)
- 29.02 In Metro, if, because of a shortage of work outside of the Company's control, an employee cannot be kept employed in his own headquarters he will be transferred to the nearest headquarters to his own in which work is available. Where the situation continues for a period in excess of five working days, the employee will be considered to have a change of headquarters and shall report daily to a muster point in the new headquarters at regular starting and quitting times, providing his own transportation. This provision will not apply if contractors are being used in the employee's permanent headquarters area.



- 29.03 No employee posted to a permanent job or given a permanent change of headquarters shall receive board and lodging unless the job or change of headquarters subsequently becomes temporary, in which event he shall receive board and lodging on a retroactive basis if he should qualify for it pursuant to the above. Board and lodging on a retroactive basis shall not apply when a permanent posting becomes temporary at the request of the employee concerned.
- 29.04 Should an employee resign, or be discharged for cause, while in the field he will be paid for all time worked and allowed travelling expenses back to either his regular headquarters or his point of hiring, as he may request.
- 29.05 Deleted in 1991.
- 29.06 Deleted in 1991.
- 29.07 Use of employee vehicles for business travel is not a condition of employment. When employees use their own vehicle for business travel, they will be reimbursed at the mileage rate in effect at that time, and the company will advise the Union of the current rate and changes thereto.
- 29.08 Employees will receive straight time equivalent for all travel outside of normal working hours for employee orientation, training, selection interviews, and purposes other than "work". Examples of purposes other than "work" include focus group meetings, cross company updates, safety meetings, etc. so long as attendance at these events is not compulsory.
- 29.08.1 Travel time is defined as actual time if surface (not to exceed air equivalent if employee chooses surface) or, if air, scheduled flying time plus one (1) hour, and, if from a distant branch office, normal surface time from home to airport.

29.09 Employees working on out-of-town assignments may choose either:

- (a) Company-paid room and board; or
- (b) Company-paid room only, plus \$36 (\$42 effective April 1, 2002) per day for meals and incidental expenses.
- (c) Employees travelling for purposes other than "work" (see Article 29.08) may claim \$45 (in lieu of room, board and incidentals), for every night they would otherwise have been entitled to a company-paid room.

When the per diem covers travel in the U.S. it will be paid in U.S. dollars.

### **30. RELIEF OF MANAGERS OR SUPERVISORS**

30.01 An employee temporarily relieving a Manager or Supervisor shall receive a ten percent (10%) differential over his normal rate of pay or a ten percent (10%) differential over the rate paid to the highest-paid category supervised, whichever is greater, except that a Coastal employee temporarily relieving a field manager or supervisor will function as a Mechanical Foreman or 7% above the highest-paid category supervised, whichever is greater. (Formerly 37.03)

After normal working hours the employee may revert to his regular classification.

### **31. HOURS OF WORK**

31.01 Eight working hours shall constitute a normal working day in the Coastal Region. Seven and one-half hours (7-1/2) shall constitute a normal working day in the Interior Region.

31.01.1 All employees shall be expected to be at their work location in their work clothes and shall commence work at the stated starting times at the beginning of the shift and following recognized meal and rest periods.

All employees shall be expected to remain at work until commencement of the stated meal and rest periods and at the end of the day until the stated quitting time.

31.01.2 Meal breaks taken on Company time shall not exceed thirty minutes.

#### **31.02 Posting of Schedules**

All schedules dealing with rotation cycles for standby or weekend coverage, late shift coverage, shift work, etc. in all departments will be posted seven calendar days in advance of such schedule going into effect or the usual overtime provisions will apply, but only to the shifts worked on the new schedule that fall within the seven day notice period.

31.02.1 Notwithstanding the foregoing, when the Company changes an L.N.G. Operator from day work to shift work with less than three days' notice he shall receive premium rates for the first shift only following the changeover.

31.02.1.1 No penalty will be paid when an L.N.G. Operator is changed from shift work to day work.

31.02.1.1.1 When an employee is scheduled to provide late or weekend coverage on Saturdays and/or Sundays he will be paid at prevailing straight-time rates.

31.03 **Day workers Relieving Shift Workers**

For the purpose of computing premium pay, a day worker who reports for shift work shall be considered to be a day worker for the first three shifts and thus for this period will be entitled to:

- (a) overtime rates for all time worked other than his normal working hours;
- (b) in addition, overtime rates for Saturday, Sunday and Statutory Holidays that fall within the first three shifts.

31.04 **Relief Work:**

For the purpose of computing premium pay, a relief worker who provides holiday or sickness relief shall be paid overtime rates for the first shift and for Saturday, Sunday and statutory holidays that fall within the first set of shifts (5, 6 or 7 days - whichever the shift consists of). Such premium will be paid for the first set of shifts following transfer from the employee's regular classification. It will not apply to subsequent shift changes which occur while the employee is acting in the relief capacity. However, a relief employee will not be required to work more than 2 complete sets of shifts without 2 days off.

31.04.1 When a change in shift is involved in order to assume the relief position, and the relief employee is required to work on two consecutive shifts, the second shift will be considered normal overtime. Under such circumstances the following relief shift will be considered the shift to which the "first" penalty applies.

31.04.2 Relief workers will assume the days off of the previous set of shifts worked. If they are called upon to work these days they shall be entitled to overtime rates of pay.

31.05 **Eighty-Hour Guarantee (Coastal Only)**

When an employee is required in any one period (ten days) to change from day work to shift work, or vice versa, and loses time thereby, he shall be guaranteed a minimum of eighty hours straight-time pay irrespective of actual number of hours worked for that period at the rate which is the weighted average of the two or more day or shift jobs at which he has been required to work.

31.06 **Day Work**

Except as otherwise provided, normal hours of work for day workers shall be from 0800 to 1630 hours, Monday to Friday, inclusive, on the Coast, and from 0800 to 1600 hrs., Monday to Friday inclusive, in the Interior. A one-half (1/2) hour unpaid lunch break will normally be taken at or near the mid-point of the shift.

31.06.1 Subject to agreement of the Union, starting times may be varied from day to day where mutual agreement can be reached between a group of employees and the Company, and neither the Union's nor the company's agreement will be unreasonably withheld.

31.06.2 Hours of work may be varied by up to one hour each way from an employee's normal start time when attending training courses.

31.07      **Exceptions to Normal Day Time Hours**

The normal working hours for all employees working in the Customer Service sections shall be 0830 to 1200 and 1230 to 1700, Monday through Friday on the Coast, and 0800 to 1200 and from 1230 to 1600 hrs., Monday through Friday in the Interior. Flexible start/finish times may be introduced in Coastal Customer Service as follows: the options are 0730-1600, 0800-1630, 0900-1730 and 0930-1800. The selection of the option shall be mutually agreed upon between the employee and the manager or supervisor in order that departmental work requirements and schedules are effectively accommodated. In the event of a conflict, normal working hours shall prevail.

31.07.1      Mechanical Foreman (Field) shall adopt the work hours of the employees they give direction to. Work hours may be scheduled between 0800 to 1700, Monday through Friday with one-half hour lunch period unless otherwise mutually agreed to.

31.07.2      In the Coastal Region the following exceptions may apply:

- (a) Truck Drivers and Materials Truck Drivers may be scheduled to work 0730 to 1130 and 1200 to 1600 according to present practice.
- (b) Work may also be scheduled on the basis currently in practice where Truck Drivers, Materials Truck Drivers, Machine Shop personnel (two employees) and distribution crew employed between 0700 and 1800 and these shifts shall be a straight eight hours with the lunch period being taken on Company time.

31.07.3      **Transmission Section**

To accommodate special needs such as forest closures and minimum shut-in times, these employees may be scheduled to work any eight consecutive hours, including a one-half hour paid lunch break, between 0600 and 1800. The Company will not unreasonably invoke this Clause.

31.07.4      **Sales and Service Technicians (Interior Region)**

Sales and Service Technicians may be scheduled to work 1030 to 1800, for a maximum of 30 working days per year, upon 7 days' notice, or the usual overtime provisions will apply, but only to those shifts which fall within the seven day notice period.

31.08      Deleted in 1991.

31.09      **Two Shift Operations**

Where two shift operations are carried out they shall alternate at the proper scheduled times as far as service requirements permit.

31.10      **Rotation Shifts - Stores Groups**

When rotating shifts are required in the Stores groups, the shift arrangement shall be as follows:

Day Shift:

0830 to 1700 hours 8-1/2 hours elapsed time,  
1/2 hour off for lunch.

Afternoon Shift:

1600 to 2400 hours 8 hours elapsed time,  
supper to be eaten on the job.

Night Shift:

2400 to 0800 hours 8 hours elapsed time,  
supper to be eaten on the job.

31.11      **SPECIAL SHIFT SCHEDULES**

The company, at its option, may introduce ten-hour shifts for SSTs and U/Techs.

Subject to the terms of Article 31.02 or by mutual agreement, SSTs may be scheduled any three consecutive ten-hour shifts in conjunction with a seven-and-one-half hour shift, Monday through Saturday. The ten-hour shift may end as late as 8:00 p.m., and the seven-and-one-half-hour shift may end as late as 4:00 p.m. The ten-hour shifts shall include a one-half hour paid lunch period, and the Saturday seven-and-one-half hour shift shall be paid a 10% shift premium for all straight-time hours worked. An SST will not be scheduled to work more than two consecutive Saturdays, and no more than 15 Saturdays in a calendar year, except by mutual agreement.

Subject to the terms of Article 31.02 or by mutual agreement, up to three U/Techs in each Coastal Unit may be scheduled any four consecutive ten hour shifts, Monday through Friday. The shifts may end as late as 8:00 p.m. and shall include a one-half hour paid lunch period. These shifts shall be offered on the basis of seniority and, in the event of insufficient volunteers, will be assigned in inverse order of seniority.

31.11.1      **Customer Service Section: 3 shift, 24 hour, 7 days a week coverage.**

Day	Afternoon	Night
Monday to Friday	1400 to 2200	
0830 to 1700	1600 to 2400	2400 to 0800
Saturday and Sunday		
0800 to 1600		
Statutory Holidays		
0800 to 1600	1600 to 2400	2400 to 0800

**Schedule: 2 shift, 7 days a week coverage.**

Day	Afternoon
Monday to Friday	1400 to 2200
0830 to 1700	1600 to 2400
Saturday and Sunday	1600 to 2400
0800 to 1600	1600 to 2400
Statutory Holidays	1600 to 2400
0800 to 1600	1600 to 2400

31.11.1.1 Some flexibility may be permitted by mutual agreement to meet seasonal work fluctuations. The company may designate any or all of the employees who are on 7 days a week, day-shift coverage to work 0800 - 1630 Monday through Friday.

31.11.1.2 **Rotation:**

Weekend and Statutory Holiday rotation to allow up to 15 shifts in any calendar year to be worked without penalty and may be scheduled consecutively with late shift during the regular summer write-up which extends from May 1 to September 30 each year.

31.11.1.3 Afternoon and night shifts – Afternoon shift rotation to allow up to seven shifts in any calendar year to be worked without penalty but no more frequent than three times a year for night shift.

31.11.1.4 **Work Weeks and Days Off**

Work Week	Days Off
Monday to Friday	Saturday and Sunday
Monday to Sunday	Monday and Tuesday or Thursday and Friday

31.11.2 **All Other Sections:**

Schedule: Afternoon and night shifts may be scheduled as follows:

Day	Afternoon	Night
Monday to Friday	1600 to 2400	2400 to 0800
Saturday and Sunday	1600 to 2400	2400 to 0800

31.11.2.1 **Rotation:**

The rotation cycle for both afternoon and night shifts shall be no more frequent than one week in any eight week period.

31.11.2.2 **Work Week and Days Off:**

The normal work week for both afternoon and night shifts shall be one of the following:

Work Week	Days Off
Monday to Friday	Saturday and Sunday

or Monday to Saturday  
or Monday to Sunday

Sunday and Monday  
Monday and Tuesday

31.11.2.3 **Measurement Shop - Metro**

Schedule: Afternoon shift may be scheduled as follows:  
Hours of Work

Monday to Friday 1600 to 2400

31.12 Any of the foregoing schedules for various shifts may be modified by mutual agreement.

31.13 **Shift Premium For Afternoon and Night Shift Work**

The shift premium for afternoon and night work shall be 10% of the normal pay rates. The 10% premium shall only be paid on the actual shift hours worked.

31.13.1 If the shift is extended by overtime, then the overtime payment of 200% will be based on the normal rates.

31.13.2 An employee who provides weekend, day-shift coverage as part of a seven-consecutive-day shift rotation shall receive a 10% premium for all straight-time hours worked on the Saturday and the Sunday.

31.14 **Peak Shaving/Standby Plants/Compressor Stations**

31.14.1 Shift work may be instituted by the Company when it is necessary in the operations of the Company's peak shaving and/or standby plants and/or the Company's compressor stations, except LNG Plants.

31.14.2 Conditions for working these shifts will be as follows:

Monday to Friday Inclusive

Day Shift	08:30 - 16:30 -	1/2 hour lunch, 7-1/2 hours' pay
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Afternoon Shift	16:30 - 00:30 -	8 hours work, 8-1/2 hours' pay and supper on job
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Night Shift	00:30 - 08:30 -	8 hours work, 9 hours' pay and supper on job
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31.14.3 The conditions below shall apply to any employee called upon to work shifts:

- a) Twenty-four (24) hours' notice must be given by the Company prior to commencement of the shift, or overtime pay will apply;
- b) If an employee is asked to extend his day shift, he shall receive the prevailing overtime rate;

- c) Any employee called out for shift work shall be guaranteed seven and one-half (7-1/2) hours' pay, providing, however, he has not worked seven and one-half (7-1/2) hours' during the preceding twenty-four (24) hours.

31.14.4 All employees working on peak shaving and/or standby plants and/or compressor stations who begin work on Saturday will receive double time. Employees called out on Sunday or a statutory holiday shall receive double time. Employees called out on Saturdays, Sundays, or statutory holidays will be paid only for hours actually worked but will be guaranteed a minimum of two (2) hours' pay at the prevailing rates.

## **32. WEEKEND COVERAGE AND STANDBY**

### **32.01 Definitions**

32.01.1 "Weekend Coverage" is a term used to denote Saturday and/or Sunday and statutory holiday work where personnel are employed on the job at regular work locations to do work as assigned within the hours of coverage provided.

32.01.2 "Standby" is the term used to denote service provided by an employee from his residence. Standby coverage is necessary in order to provide instant response to calls of an urgent nature.

32.01.2.1 Personnel on standby are required to be contactable by telephone at their residence or a nearby residence with telephone where operational conditions permit.

32.02 Deleted in 1989.

### **32.03 Utilization Technicians (Coastal Region)**

Weekend Coverage: Will be scheduled to provide weekend, day shift coverage on Saturdays, Sundays and statutory holidays.

32.03.1 The rotation cycle for weekend coverage shall be no more frequent than one week in any four-week period.

32.03.2 Deleted in 2001.

### **32.04 System Operations Technician/Employees in the Interior Region**

32.04.1 When scheduled by the Company, System Operations Technicians in the Metro Distribution Department, and employees in the Interior Region, will provide standby on weekends and statutory holidays, and shall be paid at prevailing standby rates for each weekend and statutory holiday as defined in 21.01, and which falls on other than a Saturday or a Sunday. In addition, Sales and Service Technicians in branch offices may be scheduled to provide standby in relief of the Branch Manager, as required.

32.04.2 For any time worked the standby worker shall be paid the prevailing overtime rates over and above the standby pay.

32.04.3 Weekend standby will commence at the end of the day shift on Friday and will end at the beginning of the day shift on Monday.



- 32.04.4 When a statutory holiday falls on either a Tuesday, Wednesday or Thursday, standby will commence at the end of the day shift on the preceding day and will terminate at the beginning of the day shift on the following day.
- 32.04.5 When a statutory holiday falls on a Friday standby will commence at the end of the day shift on Thursday and will terminate at the end of the day shift on Friday.
- 32.04.6 When a statutory holiday falls on a Monday standby will commence at the start of the day shift on Monday and will terminate at the start of the day shift on Tuesday.
- 32.04.7 In the event of two consecutive statutory holidays falling on weekdays with a separate standby man for each holiday, the total standby duty time will be equally divided between the employees.

32.05 **Weekend Coverage and Standby (Coastal Region)**

**Construction and Maintenance Section**

- 32.05.1 Weekend coverage on the day shift shall be provided from 0800 hours to 1600 hours for which eight hours will be paid.
- 32.05.1.1 The rotation cycle for weekend coverage shall be no more frequent than one week in any eight-week period.
- 32.05.2 Sunday and Monday will be the regular days off when Saturday coverage is worked; when Saturday and Sunday coverage is worked, Monday and Tuesday will be the regular days off.
- 32.05.2.1 Where an employee is eligible for Monday and Tuesday as days off, he may, with the consent of his manager or supervisor, work those days and take the following Thursday and Friday off, preceding the next weekend.
- 32.05.2.2 The crew providing weekend coverage will also provide coverage on the statutory holidays immediately preceding or following the weekend.
- 32.05.2.3 Where the weekend crew provides weekend coverage on a Statutory Holiday on a Monday, the Monday will not be considered in determining the rotation cycle for weekend coverage.
- 32.05.3 Crews scheduled for afternoon shift, 1600 to 2400 hours, Monday through Friday, shall following this shift, provide standby at prevailing rates from their homes to 0800 hours the following morning.
- 32.05.4 The Company shall provide an electronic paging device, in the areas where such equipment is available, to facilitate communications.
- 32.05.4.1 Personnel on standby shall use pagers as per local operating instructions and in such a manner as to insure continuity of communication.
- 32.05.4.2 Pagers must be activated during periods when the home telephone is engaged or out of repair and when travelling to and from the home at the beginning and end of the standby shift in a non-radio equipped vehicle.

32.05.5 Crews on weekend coverage day shift, Saturday and Sunday, will provide standby at prevailing rates from their homes from 1600 hours to 0800 hours the following morning.

32.05.6 Where an afternoon weekday shift is not scheduled, a day shift crew will provide standby at prevailing rates from their homes from 1630 to 0800 hours the following morning.

32.05.7 Deleted in 1989.

32.06 **Remuneration for Standby**

32.06.1 One and one-quarter hours (1-1/4) remuneration at the straight-time coastal rate will be paid for each eight hours or less of standby, except as modified by Article 32.06.3.

32.06.2 Deleted in 1991.

32.06.3 Remuneration on statutory holidays shall be one and one-quarter hours (1-1/4) for the night shift and one and one-quarter (1-1/4) hours for the afternoon shift plus one day off with pay during the following 30 days. This is in addition to statutory holiday pay as specified in Article 21.

32.06.4 Weekend and statutory holiday standby will commence at the end of the day shift preceding the weekend or holiday and will end at the beginning of the day shift following the weekend or holiday.

32.06.4.1 For any time worked during the standby period, overtime will be at the prevailing rates over and above the guaranteed standby pay.

32.07 The weekend coverage and/or holiday coverage as described in Articles 32.03 and 32.05 above may be cancelled and replaced by an employee on standby at prevailing rates. In the Coastal Region schedules shall be posted as per Article 31.02.

32.07.1 For any time worked during the standby period, overtime will be at the prevailing rates over and above guaranteed standby pay.

**33. OVERTIME**

33.01 **Overtime Rates**

All time worked on any day in excess of the hours specified by Article 31 shall be compensated at 200% of the straight-time hourly rate (Coastal) or 200% of base rate (Interior).

33.02        **Overtime - Shift Workers**

33.02.1       Time worked by shift employees in excess of normal hours in twenty-four shall be compensated for at overtime rates, but this provision shall not apply where a shift worker reverts to a regular day job.

33.02.2       Where a shift worker fails to report to work and a relief worker cannot be obtained, the employee on the job will be required to work at the proper overtime rates until relieved.

33.03        **Meal Breaks**

33.03.1       During overtime the Company shall compensate employees for meal breaks at overtime rates.

33.03.1.1     Meal breaks during overtime shall not exceed thirty minutes.

33.03.1.2     When unscheduled overtime is worked the Company will pay reasonable costs for meals.

33.03.1.3     Normally, the Company will make every reasonable effort to provide work crews on the job site with good quality and substantial quantities of food, however, if a restaurant exists within approximately 3.2 kilometers (two miles) or within ten minutes of driving time, the manager or supervisor may authorize a meal away from the job site.

33.03.1.4     Beverages shall be provided for employees at the work site at two hour intervals.

33.03.1.5     Employees working scheduled overtime will supply their own meals.

33.03.2       Jobs extending beyond normal working hours shall not involve a meal period during the first two hours of overtime. Following this, meals shall be provided at intervals of four hours of work. It is understood that when an employee is working overtime beyond normal working hours, and it is reasonable to expect the work to extend at least two hours beyond the end of the regular workday, the employee may take a beverage break at a reasonable point in time between the start of overtime and the overtime meal period.

33.03.3       Employees who have worked beyond a meal break period in order to complete the job may elect one half hour pay at overtime rates in lieu of a meal. This election can be made only for the last earned meal during overtime.

33.03.4       Employees must turn in a meal receipt for each meal to be refunded.

33.04        **Call Out Overtime**

33.04.1       An employee called out on emergency work shall be paid a minimum of two hours from time of call at the appropriate overtime rate.

33.04.2       When an employee commences work four hours or less prior to the start of his regular day or shift, he shall receive premium rates (200%) from the time of the call out to the starting time of his regular day or shift (regardless of time worked), after which he shall be compensated at the regular rate for time worked on his regular day or shift.

33.05        **Rest Time**

- 33.05.1 Where an employee commences overtime work earlier than four hours prior to his regular working day or shift, he shall not return to, nor continue into, his working day, or shift unless otherwise requested until he has had eight hours time off which shall be calculated from the time his overtime work finished.
- 33.05.1.1 He shall be paid for his regular working day or shift at straight-time until the eight hours rest time expires at which time he must return to work to qualify for the remainder of his working day or shift at straight-time rates.
- 33.05.1.2 Deleted in 1991.
- 33.05.2 Notwithstanding the above, if the eight hour rest period expires four hours or later after the normal starting time of the shift, an employee will not be required to return to work to qualify for the remainder of the working day at straight-time rates.
- 33.05.2.1 Article 33.05.2 does not apply if two hours or less expires between the time the employee is called out and the employee returns home.
- 33.05.3 Where an employee is requested to return to work before he has completed his eight hour rest period he shall continue to be compensated at the overtime rate for all time worked, plus straight-time for the difference between the portion of the rest period taken and eight hours.
- 33.05.3.1 Where an employee is requested to continue to work into his working day or shift without rest time he shall continue to be compensated at the overtime rate for all time worked, plus straight-time for his regular day or shift.
- 33.05.4 Where an employee returns to work on a regular day or works into a regular day without rest time, and without his manager's or supervisor's authorization to do so, the overtime provision of this article shall not apply.
- 33.06 **Interior Only**
- 33.06.1 When construction crews are scheduled to stay overnight at a location away from their own headquarters for period in excess of two (2) working days, and when required work is available in that location, then one and one-half (1-1/2) hours of overtime will normally be assigned each regular working day unless otherwise determined by the company.
- 33.06.2 When overtime work is required within an employee's own branch or headquarters, and when the overtime work is within the scope of the work normally performed, then qualified employees who have indicated they would be available for such overtime work will be given first opportunity for call-outs.
- 33.06.2.1 Prior to implementing the above, a Manager or Supervisor may take corrective action to overcome operational or personnel difficulties and make a situation safe.

**34. OVERTIME BANK**

- 34.01 While all overtime is compensated at 200% pursuant to Article 33.01, the dollar amount of the overtime premium shall be deposited into an overtime bank.
- 34.01.1 Deleted in 1991.
- 34.02 The balance of each employee's overtime bank shall be enhanced by any applicable general increases effective on the same date as the general increase.
- 34.02.1 It is the intent of this clause that the balance of each employee's bank shall be shown on the paystub. Furthermore, it is intended that the amount of time off for each employee in any calendar year shall be subject to a reasonable limit so that the competence and effectiveness of the employee, his work unit, and the operation is adequately maintained in keeping with the demands of a gas utility.
- 34.03 Notwithstanding the other provisions of this clause, the Union agrees to cover all emergency work required by the company.
- 34.03.1 The scheduling of any time off shall be subject to operational requirements as determined by the Company.
- 34.04 An employee may be granted time off from the Overtime Bank on the prior understanding that he can be recalled to work a normal schedule at regular straight time rates of pay and thus the leave may be so cancelled without penalty to the Company.
- 34.05 Deleted in 1991.
- 34.06 Deleted in 1991.
- 34.07 Employees may cash out any portion of their Overtime Bank by completing the prescribed form supplied by the company, or take paid leave of absence subject to the balance available in the Overtime Bank and the conditions set out in this Article.
- 34.07.1 All banked overtime leave is paid at the employee's regular classification.
- 34.08 The amount and date of time off from the Overtime Bank shall be subject to agreement by the employee and his manager or supervisor.
- 34.09 Deleted in 1991.
- 34.10 Deleted in 1991.
- 34.11 Deleted in 1994.
- 34.12 Deleted in 1991.
- 34.13 Deleted in 1989.
- 34.14 Deleted in 1994.

34.15        **Interior Only:**

Deleted in 1991.

34.16        It is understood that time off will be taken during such working periods which will not require the company to replace the absent employee (Interior only).

**35.            SHORTER WORK YEAR LEAVE**  
**(Coastal Only : Articles 35.01 to 35.05)**

35.01        **Definition**

35.01.1      "Shorter Work Year Leave" is a form of compensation which is based on service during the preceding year. There are varying methods of compensation for SWYL. These are paid leave, pay, or early retirement.

35.01.2      By November 1 of each year each employee shall elect from the following options:

- (a)    first 15 days of earned SWYL must be taken as time off with pay or deposited in the early retirement bank in a proportion elected by the employee.
- (b)    the remainder of earned SWYL may be taken in pay, as time off with pay, or placed in an early retirement bank in a proportion elected by the employee

35.01.3      All time off with pay shall be scheduled at the discretion of the Company.

35.02        **Entitlement**

35.02.1      The work week is the equivalent of a 35 hour week.

35.02.1.1    Employees shall work a 40 hour week and based on service during the preceding year shall earn Shorter Work Year Leave entitlement of 32 days.

35.02.2      Compensation for the days paid shall be on the first pay period in January the following year. Where compensation is taken as paid leave, it must be taken in the following year according to the leave schedule of the employee's department.

35.02.3      Employees who enter or leave service during a calendar year will receive a proration of SWYL entitlement based on each full calendar month of service calculated to the nearest full day. (One month to be interpreted as greater than 15 calendar days).

35.02.4      Shorter work year leave entitlement will be reduced by 1/9 for each full month of absence in excess of three months' absence in the preceding year.

35.02.4.1    For the purpose of this proration "absence" shall not include time off work for annual vacation, shorter work year leave, and vacation overtime (including training leave and lay-off covered by V.O.).

35.03        **Election to Bank Shorter Work Year Leave**

As outlined in 35.01 above the employee has three methods of compensation for SWYL. The decision must be made in writing by each employee on the appropriate form provided by BC

Gas, and is irrevocable. Time banked toward early retirement may be used for the following purposes only:

- (a) for time off work immediately preceding retirement date. An employee who is on early retirement leave shall continue his membership in employee benefit plans in effect prior to the commencement of his leave with the exception of long-term disability and will not be eligible to receive sick leave and long-term disability benefits.
- (b) to offset loss of straight-time earnings resulting from work lay-off.
- (c) to offset loss of straight-time earnings during a leave of absence for the purpose of training at a recognized education institute (subject to staffing requirements).

**35.04 Calculation of Shorter Work Year Leave Rates of Pay**

- 35.04.1 Regular Employees - Employees holding regular positions shall be paid at the straight-time rate of their current regular classification for all shorter work year leave taken regardless of the purpose.
- 35.04.2 Relief Employees - Employees who relieve for six months or less during the twelve months prior to taking shorter work year leave shall be paid at straight-time rates for their previous or regular classification while they are taking Shorter Work Year Leave.
  - 35.04.2.1 Relief employees who relieve for more than six months during the twelve months prior to taking or receiving payout of shorter work year leave shall be paid at the highest classification worked.
  - 35.04.2.2 Article 35.04 also applies to employees who are being terminated or permanently transferred out of the bargaining unit.
- 35.04.3 Temporary Employees - On termination temporary employees shall be paid SWYL at the straight-time rate for the classification in which they were hired.
- 35.04.4 Early Retirement - Payment for SWYL taken off as early retirement shall be made as outlined in .04.1 above and will reflect any general wage increases during the period of absence with pay when such increases become effective.
- 35.04.5 On Termination - in the event that a regular employee's service with the Company is terminated, cash payment based on straight-time earnings of the employee's current classification will be made for the balance of the unused SWYL and for the balance of time in the early retirement bank. This will also apply when an employee permanently transfers out of the bargaining unit to which this agreement applies.

35.05      **Callback to Work When On Shorter Work Year Leave**

An employee who has begun his Shorter Work Year Leave and is called back to work by the Company shall be paid at overtime rates for the remaining portion of his Shorter Work Year Leave during which he has had to work, and within a reasonable period of time he will also receive the remaining portion of his scheduled Shorter Work Year Leave without further pay.

35.06      **Interior Only:**

35.06.1      Shorter Work Year Leave (SWYL) is a leave of absence with pay, based on service during the preceding calendar year.

35.06.2      All hourly rated employees shall work a seven and one-half (7-1/2) hour day, five (5) days per week. One-half (1/2) hour per working day shall be credited to each employee's account.

35.06.3      Shorter work year leave entitlement will be reduced by one-ninth (1/9th) for each full month of absence in excess of three (3) months absence in the preceding year. For the purpose of this proration "absence" shall not include time off work for annual vacation or shorter work year leave.

35.06.4      SWYL may be taken:

- a)      in advance during the year in which it is being earned. In this case the SWYL will be at the sole discretion of the Company and will be scheduled during the period beginning at the first Monday of the week in which September 1 falls to the last Friday in the week in which December 31 falls. In addition, special consideration will be given by the Company to extraordinary requests for SWYL to be taken in advance between May 1st and September 1st during the year in which it is being earned.
- b)      in the year following the year in which the SWYL is earned but during a period beginning at the last Friday of the week in which November 30 falls to the last Friday in the week in which March 31 falls. In this case, the leave will be scheduled at a time mutually agreeable between the employee and the Company. All SWYL earned in the previous year must be scheduled off and be finished by the last Friday in the week in which March 31st falls. Customer Service technicians are exempt from the "March 31st" deadline.

35.06.5      Where scheduling conflicts arise, inverse order of seniority will prevail, i.e. employee with the least amount of seniority will have the first opportunity to schedule SWYL.

35.06.6      No less than five (5) days must be taken at any one time unless where mutually acceptable to the Company and the employee.

35.06.7      The work week shall be the equivalent of a thirty-five (35) hour week. Employees shall work a thirty-seven and one-half (37-1/2) hour week and based on service during the preceding year shall earn shorter work year leave entitlement to a maximum of seventeen (17) days.

35.06.7.1      Employees who receive greater than their regular rate of pay for more than 50% of the preceding year shall be paid for SWYL at the enhanced rate most frequently received.



**36. DEFINITIONS, DUTIES AND JURISDICTIONS**

- 36.01 Any classifications which appear on the classifications lists for Metro, but which do not appear for the Interior or for the Fraser Valley, and which may be established in the Interior or the Fraser Valley shall carry the rates set out on the Metro list.
- 36.02 When a portable compressor is delivered to a job and there is no recognized operator, any classification at or above the Equipment Operator II rate can operate same.
- 36.03 When crews are renewing or enlarging a service, they shall complete the job by connecting the service to an existing meter.
- 36.04 Where minor alterations to a service are required, a Utilization Technician assisted by a Distribution Mechanic Apprentice shall complete the job as required.
- 36.05 Crew Composition - (Coast Only)

**BASIC CREW COMPOSITION**

**DUTIES**

AA, A and B superceded by LOU #56 and LOU #57

C. 1 - Distribution Mechanic

- Change stations pressure recorder charts.
- Operate system distribution valves on mains.
- Maintain system valves (lubricate, adjust, clear risers, etc.)
- Locate and clear service curb cocks.
- Carry out dew point surveys (using Elnor, Chandler or similar equipment).
- Conduct leakage surveys, including general survey procedure and;
  - available opening surveys
  - building inspections
  - premark and locate underground utilities (ahead of surveys, etc.)
  - repair sampling test insert points (A.T.I.'s)
  - make field gas analysis (using Davis ethane detector or similar equipment)
- Patrol areas of known high hazard leakage when repairs have been deferred (check for migration of gas. Carry out action required to keep safe.)
- Perform work of lesser skill if required.

D. 1 - Distribution Mechanic Apprentice

- Change station pressure recorder charts.
- Maintain station equipment, building and

grounds.

- Pump main and service drips.
- Rewrap or paint service risers or exposed pipe, including all operations, driving, excavation; check for leakage, etc.
- Perform work of lesser skill if required.
- Patrol transmission or trunk lines.

NOTE 1: Under no circumstances will a Distribution Mechanic Apprentice be used in relief of a Distribution Mechanic 1.

E. Station Mechanic 2

- Operate system distribution valves.
- Adjust City Gate and regulator station operating pressures.
- Relight station heaters.
- Repair minor leaks on station equipment.
- Perform work of lesser skill if required.

36.05.1 It is understood that the content of the job description and definitions for crew composition do not limit the actions of any gas employee or crew to attend emergencies and take remedial action within their capabilities to make safe.

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### CLEAN-UP TRUCK DRIVER

Shall perform work required to reinstate work locations to their original condition such as restoration of lawns and gardens; replacement of concrete walks; temporary repairs of paved areas; reconstruction of fences, walls, etc.

Shall deliver or pick up select materials and spoil at work sites.

Shall operate a truck for the transportation of required tools and materials.

May supervise the work of one other employee.

When two or more employees are being supervised the rate will be increased by 5%.

When required to drive a tandem-axle truck equipped with air brakes, he shall receive the Equipment Operator 1 rate.

### DISTRIBUTION MECHANIC 1

A Distribution Mechanic 1 shall direct the work of employees engaged in the construction and maintenance of the gas transmission and distribution systems so as to ensure that the work is carried out safely, efficiently and expeditiously. This shall include construction to Federal, Provincial, Municipal and Company standards of underground gas transmission and distribution systems, their gate stations and district regulation stations, control valves, line break operators and related ancillary controls and equipment.

Shall direct and carry out appropriate actions at emergency incidents involving the escape of gas where potential hazard to persons or property exists.

Shall direct and carry out maintenance on the transmission and distribution systems including leakage repair, Cathodic Protection plant, valves, etc.

Shall use tools and be responsible for the safe keeping and proper handling of all instruments, equipment and tools assigned to his crew.

Shall, if required, be certified or recertified for the prescribed B. C. Government pressure piping gas welding certificate.

Shall carry out heat fusion operations on plastic pipe systems and shall certify or recertify for the prescribed BC Gas Plastic Pipe Heat Fusion Certificate.

Shall make all necessary reports associated with work carried out, such as field reports, work orders, pressure test affidavits, "as constructed" field sketches, etc.

## DISTRIBUTION MECHANIC

A Distribution Mechanic shall use tools and procedures required for the construction, maintenance and operation of the gas transmission and distribution systems.

Shall assist in the installation of distribution pipe, fittings and related components and in carrying out repairs and alterations to mains and services.

Shall conduct system leakage and hazard surveys.

Will assist in the construction and maintenance of gate and district regulator stations.

Shall use the tools and instruments required on gas distribution work such as pneumatic, hydraulic or gasoline operated paving breakers, rock drills, vertical test hole drills, horizontal earth augers, compaction equipment, etc.

Shall use line stopper and hot tap pressure control and line break equipment electronic pipe and valve locators, dew point test equipment such as the Chandler and Elnor and combustible indicators of the hot wire of flameionization types.

Shall analyze gas samples in the field using an Ethane detector or similar equipment.

Shall do thermic and oxyacetylene welding and, if required, shall be certified or recertified for the prescribed B.C. Government pressure piping gas welding certificate.

Shall carry out heat fusion operations on plastic pipe systems and shall certify or recertify for the prescribed BC Gas Plastic Pipe Heat Fusion Certificate.

In conducting system leakage and hazard surveys the DM shall carry out all operations necessary in buildings or on the street to locate, classify, pinpoint and vent gas leakage to a safe condition pending repairs.

May direct the work of one other employee when engaged in carrying out system surveys including venting of leakage.

Shall be paid the rate of Distribution Mechanic 1 when directing the work of two or more men on leakage survey.

When conducting Leak Survey, shall assess and repair minor leaks as follows: limited to the use of light tools; no interruption of gas or regulator adjustment; and limited to residential services.

## ELECTRICIAN

The Electrician shall perform the full scope of electrical work which falls within the capability of a Journeyman Electrician.

Without limiting the generality of the foregoing, he shall install, test, adjust, modify, inspect, troubleshoot, maintain and repair main and auxiliary equipment and apparatus. This may include, but not necessarily be limited to work on: electric wiring, distribution panels, transformer connections, electronic components, electric motor servicing, motor control and related circuitry, HVAC control systems, communication and data circuits, fire alarm and security systems.

May also be assigned other building maintenance tasks which he is capable of performing.

May be required to perform electrical and other building maintenance work at any Company facility, including shops, yards, offices, musters, gate stations, regulator stations, etc.

### Qualifications

1. B. C. Journeyman Electrician trade qualification.
2. Minimum of two year's satisfactory industrial electrical maintenance experience at journeyman level.
3. Proficiency in reading electrical/electronic control diagrams.
4. Demonstrated ability to work independently and maintain a high level and quality of performance.
5. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis; must have safe driving record and be able to pass BC Gas driving tests.

## FITTER/WELDER 1

A Fitter/Welder 1 shall perform all operations in the shop necessary to fabricate (using gas metal arc, manual arc or oxy-fuel welding) the pressure piping and vessel systems used on gas transmission and distribution networks. This will include interpretation of engineering drawings, spool sheets, etc., laying out of the job, fit up and welding preparation of all components and the pressure testing of completed assemblies and sub-assemblies to determine weld and joint integrity. It will also include the fabrication of non-pressure components and the installation of pressure controlling devices, their associated instrumentation and control lines in prefabricated regulator vaults or similar assemblies.

In the field the F/W 1 shall do pipe line welding including hot tap welds, fire welds and leak repair welds on lines operating up to and including transmission line pressures.

In conformance with BC Gas Welder qualification tests and CSA Standard Z184 for Gas Transmission and Distribution Systems, a Fitter/Welder 1 shall be required to qualify and requalify when necessary, as prescribed by the Code for Welders welding on piping to operate at hoop stresses of 20% or more of the specified minimum yield strength.

Shall act as Lead Hand when authorized. A Lead Hand shall coordinate the work on projects where more than one tradesman (or higher paid classification) is employed.

Management will determine where Lead Hands are required.

Pay will be on a while-so-acting basis at plus 3% of his regular rate.

No seniority will accrue.

## FITTER/WELDER 2

A Fitter/Welder 2 shall perform all operations in the shop necessary to fabricate (using manual arc, gas metal arc or oxy-fuel welding) the pressure piping and vessel systems used on the gas transmission and distribution networks, insofar as his certificates of competency permit. This will include interpretation of engineering drawings, spool sheets, etc., laying out of the job, fit up and welding preparation of all components and the pressure testing of completed assemblies and sub-assemblies to determine weld and joint integrity. It will also include fabrication of non-pressure components and the installations of pressure controlling devices, their associated instrumentation and control lines in prefabricated regulator vaults or similar assemblies.

In the field he shall weld on the transmission and distribution systems within the scope of his certificate of competency including hot taps, fire welds and leak repair welds.

In conformance with Company welder qualification tests and CSA Standard Z184 for Gas Transmission and Distribution Systems, a Fitter/Welder 2 shall be required to qualify and requalify when necessary, as prescribed by the Code for Welders welding on piping to operate at hoop stresses of less than 20% of the specified minimum yield strength.

Upon satisfactory completion of 12 months' service in this position, the Fitter/Welder 2 will be reclassified to Fitter/Welder 1.



### FITTER/WELDER 3

The Fitter Welder 3 is a designated training position.

Employees selected for this training shall undertake practical and classroom training, instruction and practice in welding, fitting and associated skills and knowledge required to achieve the intermediate Level of the Program Content of Welder Training as published by VCC/VVI or PVI.

Training may take place in Company Welding Schools, Vocational Institutes or other suitable establishments. Some classes may be held outside normal day-work hours.

After initial training in welding, a Fitter Welder 3 shall perform assigned duties in the Welding Shops including the duties of a Shop Mechanic 2 (Welding Shop). In addition, a Fitter Welder 3 shall perform welding on pressure piping and systems within the scope of his welding qualifications and certification.

A Fitter Welder 3 shall display good aptitude and proficiency during training, noting that training may be terminated at the Company's discretion for insufficient aptitude, inadequate progress, insufficient application to training or studies or for misconduct.

#### Qualifications:

##### Must Have:

1. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis; must have a safe driving record and be able to pass Company driving tests.
2. Demonstrated a good mechanical aptitude.
3. Must possess or test and qualify in these tests to CSA Standard Z184 and the Company welding procedures: OAW-1, OAW-2, OAW-3, and in addition shall display above-average aptitude and proficiency in oxyacetylene welding.
4. Possess, as a Fitter Welder 3, all the educational qualifications for entry into Welder Training Programs as specified by the B.C. Ministries of Labour and Education and/or VCC/VVI or PVI.
5. Be physically agile and shall have good eyesight; shall not be subject or prone to respiratory problems or illnesses or allergic to the materials and conditions encountered in the practice of welding. A medical examination by BC Gas Health Services or its delegate may be required.
6. Shall display, in evaluation tests, sufficient learning ability, good manual dexterity and good mechanical aptitude.
7. Ability to work alone and maintain a high level and quality of performance.
8. Initiative and sense of responsibility.
9. Prior experience in gas system construction and maintenance for minimum of three (3) years.

#### Other Considerations:

1. Considerable bending and lifting.
2. Exposed to weather.
3. Working hours may vary to accommodate training class schedules; some evening classes may be involved that will require the employee(s) attendance on their own time. Evening classes will not normally exceed two (2) evenings per week for part only of the year.

### INDUSTRIAL TECHNICIAN

Merged in 1999 with PMT 1, 2 and 3, and Station Mechanic 1. See System Operations Apprentice/Technician - Article 36.06.3

### LABOURER

Shall perform unskilled work as assigned such as excavation, traffic control, backfilling, etc.

Shall also perform a variety of yard duties.

Labourers ferrying vehicles will receive the Truck Driver's rate of pay.

Labourers, while working in the Salvage Shop, will receive 105% of Labourer classification wage rate.

### LNG PLANT OPERATOR 1

An employee so classified shall meet the qualifications and perform all of the duties of an LNG Plant Operator 2.

Shall work without supervision, direct the work of other employees and contractors, and make decisions as required to achieve and maintain optimum plant operation.

Shall train the LNG Plant Operator 2 in all aspects of the operation of the plant, and in all maintenance procedures at the Plant.

## LNG PLANT OPERATOR 2

The LNG Plant Operator 2 shall operate the LNG Plant and perform required maintenance at the LNG Plant under the direction of an LNG Plant Operator 1 or the LNG Plant Superintendent. At times when the Plant is not liquefying or sending out, he shall operate auxiliary equipment and perform required maintenance without direct supervision.

Shall operate equipment and processes such as: LNG storage tank; cycle gas and boil off gas compressors; gas purification, liquefaction processes; send out equipment including LNG pumps, vaporizers, odorizer; nitrogen generator with associated equipment; cooling equipment; standby diesel generator; measurement, instrumentation, control and gas analysis equipment.

Shall operate the Plant equipment on manual control in the event of an equipment failure, particularly under critical circumstances.

Shall direct and carry out appropriate action during emergency incidents or fires until relieved by someone of higher authority.

Shall maintain a log of pressures, temperatures and volumes and make adjustments to control the operation and advise the oncoming operator of problems or unusual conditions.

Will load mobile LNG equipment as required.

Shall safely cool down equipment and maintain the Plant in a state of readiness, for peak shave sendout at short notice.

Shall maintain liaison with Gas Control for communication on send out and liquefaction.

Shall report all questionable conditions to the Plant Superintendent.

Shall do running repairs and general maintenance.

Shall do major repairs, overhaul, general maintenance, painting and grounds maintenance during periods when time and responsibilities permit.

Shall arrange for specialist maintenance service as required.

Shall perform duties as assigned, including preparation of reports, manuals and procedures; jobs in other sections of the Company; and operate a BC Gas vehicle.

LNG Operator 2 will be in the entry position. Progression from an LNG Operator 2 to an LNG Operator 1 will be dependent upon demonstrated competence to carry out all aspects of the job.

This will include successful completion of a prescribed training program from IGT, and a hands-on operating test to demonstrate proficiency.

Must obtain and hold a Refrigeration Operator Certificate or a Power Engineer's Certificate (Fourth Class) from the Boiler and Pressure Vessels Safety Branch of the Ministry of Municipal Affairs, Recreation and Culture (MOMARC).

Must be able to operate the Plant on his own under all conditions, except sendout, where two operators are normally required.

Progression from an LNG Plant Operator 2 to an LNG Plant Operator 1 may occur after one year. If he fails to progress to LNG Operator 1 within two years he shall revert to his previously-held position. In the case of relief operators, times will be considered cumulatively.

#### Qualifications

1. Must have a thorough knowledge of physics, chemistry, electricity and basic process control equivalent to one year post high school and must have the ability to acquire a thorough knowledge of the gas liquefaction process.
2. Should have experience with some or all of the following, or the ability to acquire thorough knowledge quickly: Flow meters; electronic and pneumatic instrumentation; large heavy-duty compressors with electric motor drives; LNG pumps and gas vaporizers.
3. Process plant operating experience and/or process plant maintenance experience at a journeyman level highly desirable.
4. Must be able to work under stress and work alone.
5. Must be able to maintain records and logs of Plant operation.
6. Must be capable of keeping abreast of new technology as it applies to Plant operation.
7. Must be in good physical condition, be able to climb ladders and have no fear of heights.
8. Must qualify to drive BC Gas vehicles.

#### Shift Coverage

Plant operators will work shifts as required\*. The operators will work day shift on a normal day shift basis at the LNG Plant on maintenance or overhaul or in other areas of the Company as required.

\*Rotating 12-hour shift presently 3-2, 2-3, 2-2.

## MACHINIST

Shall have served a recognized apprenticeship with a BCTQ equivalency or have a minimum of four years varied experience in the operation of machine tools such as lathes, planing, slotting, milling, shaping, and grinding machines.

Shall be qualified and capable of working from Engineering drawings or sketches and independently setting up, laying out, and successfully completing work of a journeyman calibre.

Shall use instruments and testing equipment associated with close tolerance machining and fitting operations such as measurement devices, plug, thread and other gauges, material hardness testers, etc.

Shall set up and direct operations on a range of machine tools for other operators.

Shall carry out machining and fitting operations required in overhaul of all sizes of four and two cycle internal combustion engines, hydraulic motors and drives, hydraulic jacking and pumping equipment, air compressors, water pumps, pneumatic equipment, line stopper, hot tap and pressure control equipment, welding equipment, and other equipment, used in Gas Distribution work.

Shall carry out heat treatment of materials as necessary.

Shall act as Lead Hand when authorized.

A Lead Hand shall coordinate the work on projects where more than one tradesman (or higher paid classification) is employed.

Management will determine where Lead Hands are required.

Pay will be on a while-so-acting basis at plus 3% of his regular rate. No seniority will accrue.

### MECHANICAL FOREMAN (FIELD)

Shall direct the work of the men in such a manner that the work may be carried out safely, efficiently and expeditiously.

Shall use tools as required.

The Mechanical Foreman shall be required to give technical direction and leadership to Company and contractor personnel involved in any aspect of installing, maintaining and abandoning gas distribution systems in the Construction and Maintenance operations; directs crews of tradesmen and other categories involved in metering and housepiping work in the Customer Services operation; carry out investigations of emergency and hazardous situations and initiate appropriate actions in compliance with codes and Gas Group requirements; promote safe practices in all aspects of the work performed and require strict adherence to established specifications, standards and codes, develop and implement formal classroom and field training programs.

Shall take initiative in providing specific training in the field where individual needs are indicated and shall make follow-up recommendations to applicable manager or supervisor for further training and/or course changes where indicated; represent the Gas Group with respect to the activities under his direction in dealing with customers, agents, plant engineers, municipal officials, fire and police officials and other utility bodies; carry out special assignments pertaining to his area of duties under general direction and terms of reference.

Must have a valid Provincial Grade B Gas Fitter's license when working in the Customer Service Section.

### MECHANICAL FOREMAN (MACHINE SHOP)

Shall direct the work of the men under his charge in such a manner that the work may be carried out safely, efficiently and expeditiously.

Shall give technical direction and leadership to tradesmen with respect to the fabrication, repair and operation of tools and equipment used in the shop operation and serviced or built by the shop for work on the gas transmission and distribution systems.

Will also supply technical guidance and training to field personnel in the mechanical operation and maintenance of equipment such as line stopper and line break control equipment.

Shall be familiar with laying out metal work from drawings and sketches including planning of tooling and fabrication sequences for bench and machine tool production to obtain optimum efficiency and to complete fabrication or repairs on schedule.

Shall be familiar with machine shop standards and with dimensional and other tolerances applicable to metal fabrication, and with the testing instruments and techniques used in the inspection of mechanical components machined or otherwise fabricated to close tolerances.

Shall use tools and be familiar with set-up procedures for common machine tools such as lathes, milling machines, radial drills, etc.

Shall be responsible for ensuring that records of loaned out equipment from the Shop Tool Room are accurately recorded, that inventories of tool and equipment repair parts and spares are kept up to standard. Shall report to his manager or supervisor where schedules cannot be met or where problems in the operation, repair or fabrication of tools and equipment come to his notice.

Shall keep records of repair work carried out and materials used in repair of units and prepare all other necessary written reports related to the operation of the shop.

**MECHANICAL FOREMAN (PREFABRICATION SHOP)**  
(Previously: Mechanical Foreman (Meter Assembly Shop))

Shall direct the work of the employees under his charge in such a manner that the work may be carried out safely, efficiently and expeditiously.

Shall give technical direction and leadership to tradesmen with respect to the fabrication, alteration, testing repair and operation of large volume metering and pressure regulating assemblies.

Shall provide a close control and ensure adequate supplies at all times of all shop materials, inventory requirements including stocks of new and repaired pressure regulators, assemblies and a wide variety of replacement parts having due regard for usage, obsolescence, lead time for deliveries and other factors affecting essential materials.

Shall be familiar with the related Federal, Provincial Governments Code requirements as well as BC Gas Policies and standards.

Shall schedule the work of the shop to meet planned completion dates.

Shall report to his manager or supervisor where problems arise in meeting completion dates for work.

Shall provide technical guidance and training for Utilization Technicians.

Shall inspect all completed work and witness pressure tests and proper settings of equipment.

Shall work with tools, carry out repair and assembly work.

Must hold a valid Provincial Grade B Gas Fitter's License.

### MECHANICAL FOREMAN (WELDING SHOP)

Shall direct the work of the men under his charge in such a manner that the work may be carried out safely, efficiently and expeditiously.

Shall give technical direction and leadership to Fitter Welders and Shop Mechanics with respect to welding standards, welding codes and welding procedures.

Shall be familiar with operating requirements and interpretation of welding regulations in various codes applicable to the work carried out, such as CSAZ184, ASME Part IX, API 1104, Gas Group Welding standard practice instructions, etc., and be familiar with non-destructive testing methods, such as radiographic, ultrasonic, dye penetrant and magnetic particle type inspections, their scope and limitations and their application in the day to day work in the shop.

Shall ensure that equipment and components for the gas transmission and distribution systems fabricated in the shop conform with design drawings, welding code requirements and testing procedures.

Shall schedule the work of the shop to meet planned completion dates by ensuring that all materials are on hand and fabrication sequences are established and adhered to.

Shall report to his manager or supervisor where problems arise in meeting completion dates for work.

Shall assist in training programs by demonstrating welding and shop tool operation.

Shall work with tools, carry out pressure welding and, if required, be certified or recertified in conformance to Company Welder qualification tests and CSA standard Z-184 for Gas Transmission and Distribution systems.

Shall inspect all completed work and witness that pressure tests, where required, have been carried out and documented and make all necessary written reports, and as constructed drawings of work completed, etc. as required.

### PAINTER

Shall prepare and paint any gas distribution piping, equipment or buildings using brush, roller or spray equipment and to specification provided.

Shall operate and use sand and glassbead high pressure blasting equipment.

Drive company vehicles as required.



### PAVING FOREMAN

Shall work on a paving crew and use the equipment and tools (trucks, heavy-duty tamper, pavement roller, rake, etc.) and supervise the work of men under his charge engaged in permanent (hot) paving repairs on roadways, driveways and other public and private properties so as to ensure that the work is carried out safely, efficiently, and expeditiously. This shall include that all repairs are carried out in accordance with Provincial, Municipal, and Company Standards.

Shall, when necessary, communicate as required to indicate that roadways under repair will be closed or restricted and take the necessary steps to barricade, flag and properly "sign" all work areas for guidance and protection of vehicular traffic and workmen.

Shall do the clerical work required.

### RECYCLING MECHANIC

Shall work in the recycling operation and shall supervise employees as assigned in carrying out the following duties: Sorting all items returned from the field into recoverable materials or scrap; scrap shall be properly sorted to maximize the value of disposal.

All recoverable items shall be restored to usable condition; restored items will be sorted by Stores folio numbers and returned to stock using the prescribed routines.

Shall be responsible for the efficient and effective operation of this section and will recommend methods and procedures that will achieve the highest possible dollar return from our change-out material.

Will report directly to the Manager or Supervisor of salvage operations.

#### Qualifications:

1. Demonstrated mechanical aptitude.
2. Demonstrated work leadership ability.
3. Demonstrated good written and verbal communication skills and interpersonal skills in dealing with external shops, etc.
4. Demonstrated initiative and sense of responsibility.
5. The ability to work independently with minimal direction.
6. Demonstrated safe work habits and efficient work history.

NOTE: When the current incumbent in the Recycling Mechanic classification leaves that classification it shall be eliminated.

### SENIOR SHOP MECHANIC 1 (BUILDINGS & UTILITIES)

Shall be responsible for the inspection and maintenance of Company buildings, their utilities and grounds within a designated area.

Shall ensure that heating, air conditioning and ventilation equipment, water, gas, electricity, sewerage, drainage, fire alarm and fire sprinkler systems, etc., are functioning properly.

Shall inspect the work of contractors maintaining, modifying and overhauling these buildings and utilities in order to ensure that work is satisfactorily completed.

Shall provide direction to personnel assigned to him and shall work with tools. He shall carry out minor maintenance and modification to buildings and their utilities of a general nature other than where prohibited by codes.

Shall carry out seasonal overhaul of air conditioning plant and heating plant including boilers, pumps, compressors, etc.

Shall complete all inspection reports and other documents required by the position.

#### Qualifications:

#### Must Have:

1. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis; must have safe driving record.
2. Minimum of two years building maintenance experience as a Shop Mechanic 1 (Building and Utilities).
3. Demonstrated leadership capabilities and ability to work with a minimum of supervision.
4. Thorough understanding of Lochburn building utility system.
5. Demonstrated ability to analyze system problems and prepare written reports and keep accurate records.
6. Ability to plan, organize and monitor the work of employees under his direction.

### SHOP ASSISTANT

A Shop Assistant shall carry out semi-skilled operations in a Shop such as uncrate, clean and prepare for assembly all parts, equipment, raw materials, etc. used for fabrication or repair in a Shop and/or field.

Shall clean items returned from the field using mechanical or hand operated equipment, carry out dismantling of designated tools and equipment to permit servicing and assist with the assembly of similar equipment.

Shall use hand and power operated tools such as hand drills, sanders, saws, impact wrenches, pipe threaders, power brushes and stud setters required to carry out his work.

Shall also use power operated machines such as pipe threading machine, hydraulic press, drill press, grinders, etc.

Shall carry out standard prefabricated assemblies and assist in the assembly of pipe and fittings during the construction and/or maintenance of prefabricated meter sets, regulator stations or similar assemblies.

Will work under direction as required by the nature and complexity of the job.

Shall operate all mechanized material handling equipment used in the shops such as cranes, electric shop trucks, forklifts and similar equipment.

Duties will include cleaning of shop tools and equipment and general housekeeping in the Shops.

(\*) Deleted Ref. to 'Common Seniority' in 1989.

### SHOP MECHANIC 1 (BUILDINGS & UTILITIES)

Shall be responsible for the inspection and maintenance of Company buildings, their utilities and grounds within a designated area.

Shall ensure that heating, air conditioning and ventilation equipment, water, gas, electricity, sewerage, drainage, fire alarm and fire sprinkler systems, etc. are functioning properly.

Shall inspect the work of contractors maintaining, modifying and overhauling these buildings and utilities in order to ensure that work is satisfactorily completed.

Shall direct the work of Utility Assistants assigned to him and will work with tools.

Shall carry out minor maintenance and modification to buildings and their utilities of a general nature other than where prohibited by codes.

Shall carry out seasonal overhaul of air conditioning plant and heating plant including boilers, pumps, compressors, etc.

Shall complete all inspection reports and other documents required by the position.

## SHOP MECHANIC 2 (BUILDINGS & UTILITIES)

Shall be responsible for the inspection and maintenance of Company buildings, their utilities and grounds within a designated area.

Shall ensure that heating, air conditioning and ventilation equipment, water, gas, electricity, sewerage, drainage, fire alarm and fire sprinkler systems, etc., are functioning properly.

Shall inspect the work of contractors maintaining, modifying and overhauling these buildings and utilities in order to ensure that work is satisfactorily completed.

Shall direct the work of Utility Assistants assigned to him and will work with tools.

Shall carry out minor maintenance and modification to buildings and their utilities of a general nature other than where prohibited by codes.

Shall carry out seasonal overhaul of air conditioning plant and heating plant including boilers, pumps, compressors, etc.

Shall complete all inspection reports and other documents required by the position.

After satisfactorily completing 12 months service in the position, shall be classified as Shop Mechanic 1.

### Qualifications:

#### Must Have:

1. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis, must have safe driving record and be able to pass Company driving tests.
2. Good mechanical aptitude including carpentry and blueprint reading.
3. Minimum of two years related industrial building maintenance experience.
4. Basic knowledge and experience in heating and ventilating.
5. Ability to work with minimum of supervision.
6. Ability to supervise work of Utility Assistants when required and to coordinate and inspect work of building contractors.
7. Experience in keeping and processing related records.

#### Other Considerations:

1. On feet most of day.
2. Considerable bending and lifting.

Automatic progression to Shop Mechanic 1 would occur upon the completion of 12 months satisfactory service.

### SHOP MECHANIC 3 (BUILDINGS & UTILITIES)

The Shop Mechanic 3 (B&U) is a designated training position.

Employees selected for this training undertake a program of study leading to certification by BOMA (Building Owners' and Managers' Association) as a Systems Maintenance Technician (SMT). The SMT program consists of five courses of study related to Building Maintenance plant and systems. Courses are taken on the employee's own time, either in BOMA's training facility in Vancouver or on a supervised home study program.

The Shop Mechanic 3 uses appropriate hand-and power-operated tools to perform a variety of duties such as preventative maintenance services; minor repairs and construction tasks involving carpentry, plumbing, mechanic and other trades; and assists other Shop Mechanics and Electrician in major construction, repair and overhaul projects.

Duties include cleaning and maintenance of shop tools and equipment and general housekeeping in the Building Maintenance Shop.

Drives company vehicles as required.

A Shop Mechanic 3 must demonstrate good aptitude and proficiency for this type of work during training.

Upon satisfactory completion of 12 months service in this position, the successful completion of two modules of the BOMA SMT program, and meeting the ability qualifications of the Shop Mechanic 2 classification, the employee shall be classified as a Shop Mechanic 2. If s/he fails to progress to Shop Mechanic 2 within 18 months, sh/e shall revert to her/his previously-held classification.

#### **Qualifications:**

##### **Must Have:**

1. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis.
2. A safe driving record and able to pass Company driving tests.
3. Demonstrated mechanic ability.
4. Physical fitness and agility to be able to perform all duties effectively and efficiently. Physical demands include working in restrictive locations and enclosures, considerable bending and lifting, climbing and working on ladders, and on feet most of the day.
5. Ability to work alone and maintain a high level and quality of performance.
6. Ability to complete two modules of the BOMA SMT program within 18 months.

### SHOP MECHANIC 1 (MACHINE SHOP)

A Shop Mechanic 1 shall be required to fabricate and repair a range of tools, instruments and equipment used in gas distribution work including modifications, binning and outfitting of work vehicles to suit gas distribution applications.

Shall direct the work of a Shop Mechanic 2 and Shop Assistants when assisting him.

Shall use manual and power operated hand tools and machine tools such as grinders, drill press and hydraulic press including set-up of these machines.

Shall operate lathes, milling machines, etc., including minor set-up work on these machines.

Shall carry out overhauls of all sizes of four and two cycle internal combustion engines, hydraulic motors and drives, hydraulic jacking and pumping equipment, air compressors, water pumps, pneumatic equipment, line stopper, hot tap and pressure control equipment, welding equipment, etc.

Shall do oxyacetylene welding and brazing and heat treatment required in repair and fabrication of tools, but shall not be required to possess pressure welding certificates.

Shall act as Lead Hand when authorized.

A Lead Hand shall coordinate the work on projects where more than one tradesman (or higher paid classification) is employed.

Management will determine where Lead Hands are required.

Pay will be on a while-so-acting basis at plus 3% of his regular rate. No seniority will accrue.

### SHOP MECHANIC 2 (MACHINE SHOP)

A Shop Mechanic 2 shall be required to fabricate and repair a range of tools, instruments and equipment used in gas distribution work including modifications, binning and outfitting of work vehicles to suit gas distribution applications.

Shall direct the work of Shop Assistants when assisting him.

Shall use manual and power operated hand tools and machine tools such as grinder, drill press, hydraulic press, etc., including set-up of these machines.

Shall carry out overhauls of all sizes of four and two cycle internal combustion engines, hydraulic motors and drives, hydraulic jacking and pumping equipment, air compressors, water pumps, pneumatic equipment, line stopper and hot tap and pressure control equipment, welding equipment, etc.

Shall do oxyacetylene welding and brazing required in repair and fabrication of tools, but shall not be required to possess pressure welding certificates.

After satisfactorily completing 12 months service in the position, shall be classified as Shop Mechanic 1.

### SHOP MECHANIC 1 (PREFAB SHOP)

A Shop Mechanic 1 shall be required to construct, fabricate, assemble, disassemble, alter, test and repair all types of Industrial/Commercial/ Residential meter sets, manifolds, and piping assemblies and shall bench test and adjust regulators and confirm function. Shall use manual and power operated tools, equipment and machinery. Shall use oxyacetylene equipment to heat pipe and fittings for alignment during the assembly of meter sets. The Shop Mechanic 1 (Prefab) must have a valid Provincial Grade B Gas Fitters License, and must have successfully completed the probationary period for the Shop Mechanic 2 (Prefab) or the Utilization Technician 2 positions.

#### Qualifications

1. Good mechanical aptitude and pipe fitting abilities.
2. Knowledge of meter sets, piping assemblies and industrial regulators and proficiency in the use of hand and power operated tools, equipment and machinery, including oxyacetylene equipment.
3. Proficiency in interpreting work orders, mechanical drawings, sketches and written instructions and be able to accurately record completed work.
4. Ability to work with minimum supervision and maintain a high level and quality of performance.
5. Ability to direct the work of Shop Mechanic 2's and Shop Assistants.
6. Demonstrated safe work habits and efficient work history.
7. Grade B Gas Fitter License.

#### SHOP MECHANIC 2 (PREFAB SHOP)

A Shop Mechanic 2 shall be required to construct, fabricate, assemble, disassemble, alter, test and repair all types of Industrial/Commercial/Residential meter sets, manifolds, and piping assemblies and shall bench test and adjust regulators and confirm function. Shall use manual and power operated tools, equipment and machinery. Shall use oxyacetylene equipment to heat pipe and fittings for alignment during the assembly of meter sets. The Shop Mechanic 2 (Prefab) will automatically be promoted to Shop Mechanic 1 (Prefab) upon attaining the Provincial Grade B Gas Fitters Licence and upon completion of the twelve months period of probation for the Shop Mechanic 2 (Prefab). Failure to obtain the Class B license within the twelve month period shall result in the employee being returned to his previously held classification.

#### Qualifications

1. Good mechanical aptitude and the ability to acquire pipe fitting skills.
2. Capable of acquiring a thorough knowledge of meter sets, piping assemblies and industrial regulators and become proficient in the use of hand and power operated tools, equipment and machinery, including oxyacetylene equipment.
3. Capable of becoming proficient in interpreting work orders, mechanical drawings, sketches and written instructions and be able to accurately record work done.
4. Initiative and sense of responsibility.
5. Ability to work with minimum supervision and maintain a high level and quality of performance.
6. Ability to direct the work of Shop Assistants.
7. Demonstrated safe work habits and efficient work history.

#### SHOP MECHANIC 1 (WELDING SHOP)

A Welding Shop Mechanic shall be required to fabricate and repair a range of tools and equipment used in gas distribution work and direct the work of Shop Assistants when required.

Shall use manual or power operated hand tools and machine tools, including combination punch and metal forming press, power rollers, power shears, metal bandsaw, punch press, nibblers, drop hammer, drill press, spot welder, hot forging equipment, etc.

Shall carry out electric arc and oxyacetylene welding, brazing and heat treatment of metals, but shall not be required to possess pressure welding certificates.

Shall do other semi-skilled work required in the shop.



## SHOP MECHANIC 2 (WELDING SHOP)

A Welding Shop Mechanic shall be required to fabricate and repair a range of tools and equipment used in gas distribution work and direct the work of Shop Assistants when required.

Shall use manual or power operated tools and machine tools, including combination punch and metal forming press, power rollers, power shears, metal bandsaw, punch press, nibblers, drop hammer, drill press, spot welder, hot forging equipment, etc.

Shall carry out electric arc and oxyacetylene welding, brazing and heat treatment of metals, but shall not be required to possess pressure welding certificates.

Shall do other semi-skilled work required in the shop.

After satisfactorily completing 12 months service in the position, shall be classified as Shop Mechanic 1.

### Qualifications:

#### Must Have:

1. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis; must have safe driving record and be able to pass Company driving tests.
2. Mechanical aptitude.
3. Ability to acquire a thorough knowledge of theory and operation of tools and equipment relating to the distribution system.
4. Ability to become proficient in the use of hand and power operated tools required in maintaining and overhauling mechanical equipment.
5. Ability to become proficient in carrying out complete overhaul of gasoline motors, pumps, pneumatic tools, line stopper equipment, and other tools used on the gas system.
6. Ability to become proficient in interpreting work orders, mechanical drawings, sketches and written instruction and record work done.
7. Initiative and sense of responsibility.
8. Ability to work independently and maintain a high level and quality of performance.

### Other Considerations:

1. On feet most of day.
2. Considerable bending and lifting.

Automatic Progression to Shop Mechanic 1 would occur upon the completion of 12 months satisfactory service.

## STATION MECHANIC 1

Merged with Industrial Technician and Pressure & Measurement Technician 1, 2 and 3 . New Job Title: System Operations Technician (LOU #57).

## STATION MECHANIC 2

The Station Mechanic 2 will assist in the operation and maintenance of all pressure and flow control stations including the Huntingdon Gate Station, Regulator Stations, City Gate Stations, Thermal and Turbine Power Generating Stations and any other stations or regulator vaults.

Shall assist in servicing, operating and adjusting odorization and station heater equipment.

Shall use all tools and instruments required to carry out maintenance work on station equipment including overhaul of pressure control and limiting devices such as self-actuated type regulators, filters, scrubbers, meters, valves and odorization equipment.

Shall adjust pressure control equipment and operate stations manually as required.

Shall work in conjunction with Instrument Shop personnel and the Gas Load Control Centre if required.

Shall change pressure, temperature and flow recorder charts as directed and check stations to ensure that all pressure control devices are in good operating condition and left at the designated set points.

Shall check for and repair minor station piping leaks.

Shall relight heater pilots and burners, adjust heater thermostats and carry out other minor checks and adjustments on station heaters.

Shall assist in the operation and maintenance of portable and satellite L.N.G. facilities.

Shall relieve as a System Operations Technician when required, and if qualified.

Will carry out the duties of a Distribution Mechanic 2, when required except those that he may be unqualified to perform, such as welding.

### Qualifications:

1. Must have Grade 12 education with Grade 11 Mathematics and Physics or equivalent.
2. Must have the ability to acquire a thorough understanding of the operating principles of gas pressure regulation, flow meters, pneumatic instrumentation.
3. Should have some experience in the operation and maintenance of gas metering and regulating stations.
4. Must complete courses of study in the basic principles of gas measurement and regulation, as requested by the Company.
5. Must have demonstrated an ability to evaluate and react appropriately to normal and/or emergency operating conditions.
6. Must be able to maintain good records and reports.
7. Must be able to carry out his duties with a minimum of supervision.
8. Must be capable of being trained to interpret engineering drawings, technical reports and operating manuals.
9. Must be in good physical condition.

### TIE-IN TECHNICIAN

Shall deliver, place, tie-in, remove or replace residential, commercial and industrial meter sets on customers' premises.

Shall perform tie-in welds to connect meter sets to the gas distribution system and shall be certified for the prescribed BC Gas, CSA approved oxy-fuel welding procedures.

Shall handle materials and use manual and power operated hand tools, drills, Hilti stud setters, pipe threaders, etc. Shall drive and operate forklifts and crane trucks when required in the course of his duties.

Shall work independently or under the direction of others depending on the nature and complexity of the job. Shall also direct the work of other employees assisting him.

When working on industrial meter sets with a System Operations Technician, or on non-industrial meter sets with either a System Operations Technician or a Utilization Technician, may assist in the purging, turn-on and gasification of metering equipment, connecting houselines and activating customers' gas appliances.

### Qualifications

1. Demonstrated mechanical aptitude.
2. Demonstrated work leadership ability.
3. Demonstrated initiative and sense of responsibility.
4. The ability to work independently and with minimal direction.
5. Demonstrated safe work habits and efficient work history.

### TRUCK DRIVER

Operates appropriate vehicles and equipment for the purpose of pick up and delivery of tools, equipment, materials and debris or spoil to and from the various worksites, muster points, and operations centres.

Required to load, unload and transport cargo in a safe and efficient manner.

Required to work alone or as part of a crew on worksite restoration such as repair of lawns and gardens, replacing concrete walkways, pavement repairs, fence or wall reconstruction and other related duties.

May be required to supervise the work of one or more employees.

Responsible for ensuring vehicle is clean and in safe operating condition.

Must be able to operate any vehicle which requires up to a Class 3 licence with air endorsement.

## UTILITY ASSISTANT

A Utility Assistant shall carry out semi-skilled operations on construction and maintenance work such as pavement cutting, excavation, water jetting, backfill and clean-up, etc. Shall use small tapping machines and shall cut and prepare pipe for fitting or welding, carry out thermic welding, wrap and coat pipe and fittings; pump drips; change pressure recorder charts; change interruptible customer charts and visually check their meter sets for general conditions; housekeep station, locate and clear curb cocks, repair or replace sampling test insert points, carry out patrol of transmission and trunk lines; use a pipe locator to locate underground pipe; maintain rights of way markers, buildings and compounds and shall apply sterilants and pesticides and when required be the holder of a Provincial applicator's license.

A Utility Assistant shall carry out semi-skilled operations on Customer Service work such as simple piping reconnects, simple piping assemblies, setting of residential sized meters and the relight of residential type equipment under the general direction of a higher classification.

Shall handle materials and use simple manual and power operated hand tools, drills, Hilti stud setter, pipe threaders, etc.

Shall act as a helper and deliver material to the tradesman.

Shall drive a vehicle when required in the course of his duties.

Shall, upon qualifying to do so, operate forklifts and crane trucks and shall be paid such rates as provided for in the Agreement, while so acting.

When required by the company shall be certified for the prescribed B.C. Government Pressure Piping Gas Welding certificate.

A Utility Assistant shall paint barricade board, flasher stands, valve boxes, valve markers, and soft ditch and similar signs.

A Utility Assistant, when required to hold a welding certificate, shall be given welding training equivalent to that of a DM.

A Utility Assistant with a welding certificate shall be required to weld only when acting in a relief capacity.

(\*) Deleted Ref. to 'Common Seniority' in 1989

## UTILIZATION TECHNICIAN 1

Must be competent in a variety of skilled functions related to public safety, consumer relations and the welfare of Company property.

This shall include service to a wide range of gas burning equipment and associated control media.

Must exercise judgement under general terms of reference in carrying out remedial action and/or suspending service with proper follow-up action under codes and other requirements.

Must construct, test and certify piping installations, metering and gas pressure regulating equipment on the Company's behalf to strict standards and governmental codes.

Must carry out follow-up maintenance programs.

The Utilization Technician 1 shall be required to provide repair and adjust service to all equipment indigenous to the residential and commercial field up to a maximum of 816 Megajoules (750,000 BTU's) per hour input with a flame guard safety such as a thermocouple, thermobulb or a bimetal element, and up to a maximum of 422 Megajoules (400,000 BTU's) per hour input with spark or resistance igniters and associated controls.

Shall install and field-maintain gas measurement and pressure regulation equipment for delivery pressures not exceeding 14kPa (2 psi) fed from any distribution system and equipped with an AL1000 or equivalent, diaphragm meter and single pan, non-pilot-loaded regulators which may include a fixed or portable bypass.

Shall install houselines, recesses, relief stacks or vent lines for any volume or delivery pressure, except that actual turn-on will be done by a System Operations Technician where loads or pressures listed in this Job Description are exceeded.

Shall carry out a variety of tests related to gas utilization involving the testing for and measurement of O<sub>2</sub>, CO<sub>2</sub> and other products and take such remedial action as is indicated.

Shall investigate, locate and categorize gas escape on an emergency basis on either the consumers' premises (regardless of appliance input) or the Company's system and take all necessary action to protect the public and eliminate hazard; and in the Fraser Valley Region shall carry out Industrial and Commercial trouble shooting to the limit of his abilities while he is on shift and coverage work.

Shall carry out a variety of other duties as required to assist other operational areas such as system pressure surveys, field work for Gas Supply Department, maintenance and operation of production plant, carry out surveys, installations and maintenance of all components of distribution system and gas burning equipment at remote Company installations and temporary Gas Group systems involved in the distribution of natural and other gases, act as a technician work leader for other distribution field personnel related to fitting, relighting or other work identified with his formal and technical qualifications; and handle emergency incidents such as fires, explosions, asphyxiations, unplanned outages and in so doing, take certain initiatives and also cooperate with fire, police and other authorities and other Company groups.

Shall be responsible for the operation of portable L.N.G. vapourization equipment including purging operations, liquid transfer, putting on and off line in a safe and efficient manner and for the overhaul of all mechanical components on such equipment.

In regard to consumer relations, shall offer current and potential customers technical and promotional advice on such matters as space heating, water heating, cooking, clothes drying, and the general heating and insulation requirements of their residence.

Shall be conversant with the relative advantages of natural gas for these uses.

Also acts as a technical work leader for other field personnel related to fitting, relighting or other work identified with his formal and technical qualifications.

The Utilization Technician 1 must have a valid Provincial Grade B Gas Fitter's license and one year's field experience in the Utilization Technician 2 classification.

## UTILIZATION TECHNICIAN 2

Must be competent in a variety of skilled functions related to public safety, consumer relations and the welfare of Company property.

This shall include service to gas burning equipment and associated control media.

Must exercise judgement under general terms of reference in carrying out remedial action under codes and other requirements.

Must construct and test minor piping installations not requiring a gas fitter's license, or assist a Utilization Technician 1.

The Utilization Technician 2 shall be required to provide repair and adjustment service to all equipment indigenous to the residential and commercial field up to a maximum of 816 Megajoules (750,000 BTU's) per hour input with a flame guard safety such as a thermocouple, thermobulb or a bimetal element, and up to a maximum of 422 Megajoules (400,000 BTU's) per hour input with spark or resistance ignitors and associated controls except flue gas analysis tests.

Shall install and field-maintain gas measurement and pressure regulation equipment for delivery pressures not exceeding 14 kPa (2 psi) fed from any distribution system and equipped with an AL1000 or equivalent, diaphragm meter and single pan, non pilot-loaded regulators which may include a fixed or portable bypass.

Shall install houselines, recesses, relief stacks, or vent lines for any volume or delivery pressure except that actual turn-on will be done by a System Operations Technician where loads or pressures listed in this job description are exceeded.

In regard to consumer relations, shall offer current and potential customers technical and promotional advice on such matters as space heating, water heating, cooking, clothes drying, and the general heating and insulation requirements of their residence. Shall be conversant with the relative advantages of natural gas for these uses.

Shall investigate, locate and categorize gas escape on an emergency basis on either the consumers' premises (regardless of appliance input) or the Company's system and take all necessary action to protect the public and eliminate hazard.

Shall carry out a variety of other duties as required to assist other operational areas such as system pressure surveys, field work for Gas Supply Department and carry out surveys. Assist a Utilization Technician 1 or System Operations Technician.

The Utilization Technician 2 will automatically be promoted to Utilization Technician 1 upon attaining the Provincial Gas Fitter's License Grade B and upon completion of the twelve month period of probation for the Utilization Technician 2. Failure to obtain the Provincial Gas Fitter's License Grade B within the 12 month period shall result in the employee being returned to his previously-held classification.

### YARD FOREMAN - (METRO)

The Yard Foreman shall direct the work of persons under his charge in such a manner that the work may be carried out safely, efficiently and expeditiously.

The Yard Foreman shall plan, organize, coordinate and direct yards work as directed by his manager or supervisor. This may include any and all facets of yards work required by the Metro Gas Distribution Department.

Areas of responsibility are to include any or all aspects of the Yard Operations.

The Yard Foreman shall liaise with and assist other areas and sections with labour and/or equipment and meet material handling needs as required.

The Yard Foreman will operate and do running maintenance on all types of support vehicles and equipment.

The Yard Foreman will train others as required, make all necessary written reports, prepare requisitions, sign for materials received and prepare time sheets for employees under his or her direction.

Is responsible for, and shall also perform the duties of the Recycling Mechanic.

#### Qualifications:

##### Must Have:

1. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis.
2. Must have safe driving record and be able to pass the Company driving tests.
3. Mechanical aptitude.
4. Practical experience in the use of wheeled material handling equipment, mobile cranes, front end loaders, forklifts, dump trucks, etc. Must have experience in basic preventive maintenance of these units.
5. Demonstrated work leadership ability.
6. Demonstrated good written and oral communication.
7. Initiative and sense of responsibility.
8. The ability to work independently under general direction and maintain a high level of quality of performance.

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## COMMERCIAL SALES AND SERVICE TECHNICIAN

An employee so classified shall be capable of testing, adjusting, servicing, conversion of and rendering advice on all types of equipment for all classes of customers in the area to which he is assigned, including commercial and industrial, and be capable of adjusting processing equipment and trouble-shoot flame scanning equipment.

Must be capable of performing the duties of a Senior Sales and Service Technician and a Sales and Service Technician.

1. Determines location and size of gas service lines and location of metering and regulating equipment.
2. Communicates with the Gas Safety Branch regarding requirements of the Gas Code.
3. Offers advice and recommendations to customers regarding energy requirements, equipment, and installation considerations.
4. Shall be capable of explaining the Company's promotional policies and finance plans.
5. Supports the Company's marketing program by prospecting and developing potential new customers and by assisting with the development and execution of promotional programs.

### Qualifications

1. Must possess a valid B. C. Driver's Licence.
2. Must have a current Provincial Grade "A" Gas Fitter's Licence.
3. Must be able to interpret mechanical system engineered drawings as they relate to HVAC; equipment specifications and code regulations; as well as prepare internal reports as required.
4. Extensive knowledge and understanding of natural gas energy systems in the existing and new construction market sectors.
5. Must be familiar with energy heating and cooling calculations for the purpose of offering assistance in equipment sizing and selection.
6. Minimum 3 years HVAC experience with demonstrable sales and promotional skills in the commercial and light industrial market place.
7. Must possess the ability to communicate written or oral presentations to designers, architects, developers, contractors, engineers, and other important decision-makers with a high degree of skill.

### Other Considerations

1. Be willing to travel extensively throughout the service area.
2. Be prepared to enter crawl spaces, boiler rooms, etc.

### CREW LEADER

The Crew Leader is responsible, under the general direction of a manager or supervisor, for the effective scheduling, completion, and documentation of the work of a crew engaged in the construction, maintenance, and operation of the gas transmission and distribution systems.

The Crew Leader shall also do plastic fusion, thermic welding and oxyacetylene welding and shall use the tools and instruments required on gas distribution work such as pneumatic, hydraulic or gasoline operated paving breakers, rock drills, vertical test hole drills, horizontal earth augers, compaction equipment, etc.

The Crew Leader shall use line stopper and hot tap pressure control and line break equipment, electronic pipe and valve locators and combustible indicators of the hot wire or flame ionization types.

The Crew Leader shall install distribution pipe, fitting and related components, and carry out repairs and alterations to mains and services, assist in the construction, maintenance, and operation of gate and district regulator stations, and analyze gas samples in the field using an ethane detector or similar equipment.

The Crew Leader shall be responsible for making as-built reports of work done and complete reports pertaining to the crew's day-to-day work.

### DEPENDENT CONTRACTOR METER READER

A person so classified shall read meters, record the reading and calculate consumption according to schedules and standards established by the Company. While reading meters, the Meter Reader shall observe the general condition of the Company's equipment, note any apparent problems and hazards and report them immediately. The Meter Reader shall be responsible for providing any vehicular transportation required, including proper licensing, insurance and, as well, any other licenses or permits required to carry on business as a Dependent Contractor Meter Reader.

## **ELECTRONIC CONTROL TECHNICIAN I**

An employee so classified shall meet the qualifications and be capable of performing all of the duties of an Electronic Control Technician II. Shall work without supervision and be capable of supervising the work of other employees. Shall be capable of keeping abreast of new technology as it applies to the electronic, control, telemetry and compressor fields.

Shall be capable of performing the installation, activation, adjustment, maintenance, trouble shooting and repair of all equipment associated with these fields, owned by the Company.

In the event there is insufficient work as outlined above or more urgent work elsewhere, he may be temporarily scheduled for work for which he is qualified in other Departments.

## **ELECTRONIC CONTROL TECHNICIAN II**

An employee so classified shall meet the qualifications and be capable of performing all of the duties of an Electronic Control Technician III. Shall be capable of working without direct supervision and through on-the-job training shall be capable of gaining the skills necessary to perform more skilled work in the electronic, control, telemetry, and compressor fields. Shall be capable of keeping abreast of changing technology as it pertains to these fields.

In the event there is insufficient work as outlined above or more urgent work elsewhere, he may be scheduled for other work for which he is qualified in other Departments of the Company.

In a headquarters where only one Electronic Control Technician position is posted, an Electronic Control Technician II, on completion of 24 months of satisfactory service as an Electronic Control Technician II, and subject to his demonstrated ability to perform the full range of duties of an Electronic Control Technician I, will progress to the position of Electronic Control Technician I. Lack of exposure to specific equipment through no fault of the employee, will not adversely affect progression.

## **ELECTRONIC CONTROL TECHNICIAN III**

An employee so classified shall have graduated from a recognized technical institute after completing a two year program in an appropriate technical field, or have equivalent training.

Shall be capable of learning the correct procedures for the installation, activation, adjustment, maintenance and repair of all pneumatic control and electronic control and telemetry equipment in use in the company's system. Shall be capable of keeping abreast of changing technology as it pertains to these fields.

Shall be capable of learning the correct operating and maintenance procedures for compressor units such as used for gas transmission and NGV.

Shall be capable of completing all necessary clerical work and records relative to his job. Shall be required to hold a valid B. C. Class 5 Driver's License.

In the event there is insufficient work as outlined above or more urgent work elsewhere, he may be scheduled for other work for which he is qualified in other Departments of the Company.

On completion of twelve (12) months satisfactory service he will automatically progress to the 12 months rate of pay. On completion of twenty-four (24) months of satisfactory service as an Electronic Control Technician III, and subject to his demonstrated ability to perform the full range of duties of an Electronic Control Technician II, he will automatically progress to the position of Electronic Control Technician II. Lack of exposure to specific equipment through no fault of the employee, will not adversely affect progression.

### **EQUIPMENT OPERATOR P**

An employee so classified shall, with minimum supervision, perform the duties of an Equipment Operator 1 and, as required, those involving the operation and maintenance of the Company's pipeline equipment used for both routine construction and emergency situations involving pipeline facilities.

Without limiting the generality of the foregoing, the duties of an Equipment Operator P include:

1. Operating and maintaining any of the following equipment: combination hydraulically operated backhoe and front end loader (four wheel drive type included); trenching machines of all sizes; portable or permanently mounted cranes, truck tractor units; lowbed, highboy or pole trailers; crawler tractors; sidebooms, bending machines; air compressors and like machines.
2. Operating and maintaining the Company's high pressure drilling and stopple equipment. This includes, but is not limited to, equipment such as drilling machines, plugging or line stopping machines, sandwich valves and hydraulic pumps.
3. Reviewing and maintaining the inventory levels of various items required for the Company's high pressure drilling and stopping machines and recommending any necessary changes.
4. Directing the work of employees who are acting as helpers in drilling or stopping machine operations.
5. Ensuring the safekeeping and proper handling of all instruments, equipment and tools assigned to him; including that all is carried out as per Company standards.
6. Performing all duties of an Equipment Operator I.
7. Performing other duties as required.

#### Qualifications

1. Holder of a current Class 1 British Columbia Driver's License with air endorsement.
2. Demonstrated ability to install, operate and maintain high pressure drilling and stopping equipment (i.e. T.D. Williamson & Mueller equipment).
3. Demonstrated ability to operate all other equipment required by duties 1, 2 and 6.
4. Demonstrated ability to work independently, with minimal supervision.
5. Demonstrated ability to direct the activities of other employees that are acting as helpers.
6. Capable of lifting, carrying and placing heavy material, equipment and supplies as required.
7. Ability to communicate verbally, and in writing, clearly and concisely.
8. Knowledge of the Company standards and policies directly affecting the assigned duties.
9. Demonstrated mechanical aptitude to perform the duties of this position correctly and safely.

#### Additional Information

1. The incumbent must be willing to travel extensively and be away from home on business for extended periods of time.
2. The incumbent will be expected to schedule annual vacations, and other time off, so that it does not conflict with peak construction periods (see Article 16.05).

### INSPECTOR

The minimum rate to be paid to any inspector will be that of a Crew Leader. In the event, however, that an employee is presently being paid a higher rate, then such employee will receive the rate of pay under which he is presently employed.

### LABOURER

An employee so classified must hold a current B.C. Class 5 Driver's License. Shall perform unskilled work under supervision as assigned, such as excavation, traffic control and manual backfilling. Shall be trained to use tools and equipment to allow him to progress to the Utility Assistant classification after a probationary period of twelve (12) months.

### LEAK SURVEY TECHNICIAN

An employee so classified must hold a current B.C. Class 5 Driver's License. Must be capable of carrying out routine leak surveys and operating pipe locators and combustible gas indicators of the hot wire or flame ionization type on distribution and transmission facilities and be capable of doing related minor maintenance work. Must be capable of working without direct supervision. May be required to operate light equipment and assist in the installation of distribution mains and services. Is not required to supervise the work of other employees when assisting in the installation of mains and services. May perform plastic fusion under the direction of a Crew Leader.

## OPERATIONS TECHNICIAN

### Duties and Responsibilities:

1. Performs valve operations, maintenance and repair on all valves including station valves and heaters.
2. Maintains and repairs buried and above-ground valves in D.P./I.P./T.P. piping; patrol and leak survey T.P. and I.P. piping systems; maintains transmission line right-of-way (e.g. slashing/clearing, marker posts); and perform cathodic and transmission/distribution rectifier readings.
3. Measures and fills odorant at all types of odorant facilities used by BC Gas; operates odorant transfer systems and equipment and provides ongoing maintenance of safety equipment (e.g. eyewash stations, fire extinguishers, breathing air apparatus, spill kits).
4. Accurately documents problems found by using as built drawings and pipeline mosaics; completes all paper work on jobs being performed.
5. directs employees working as part of a crew.
6. Drills out, stops off and completes pressure control fittings as required.

### Qualifications:

1. Valid Class 1 Driver's License with air brake ticket, if required.
2. Ability to obtain Transportation of Dangerous Goods Certificate.
3. Ability to use applicable tools, equipment and instruments.
4. Ability to understand and operate odorizing systems used by BC Gas (Wick/Bypass/Injection).
5. Ability to learn transferring and measuring procedures related to odorant work.
6. Ability to plan and direct the work of others in a safe, efficient, expeditious manner and the ability to provide technical training and work leadership.
7. Demonstrated ability to exercise judgment, act on own initiative and work independently maintaining a high level and quality of performance.
8. Ability to prepare summaries, reports and complete work orders, etc., quickly and accurately.
9. Demonstrated ability to communicate effectively in person and by radio.
10. Ability to understand, follow and retain verbal and written instructions.
11. Demonstrated safe work habits and adherence to safety regulations.
12. General good health, and adequate physical strength, agility and dexterity to perform duties in remote and isolated areas for extended periods. Exposed to extreme weather conditions and wildlife.

### PRESSURE AND MEASUREMENT TECHNICIAN 1

Merged in 1999 with Pressure and Measurement Technician 2 & 3, Industrial Technician and Station Mechanic 1. See System Operations Apprentice/Technician - Article 36.06.3

### PRESSURE AND MEASUREMENT TECHNICIAN 2

Merged in 1999 with Pressure and Measurement Technician 1 & 3, Industrial Technician and Station Mechanic 1. See System Operations Apprentice/Technician - Article 36.06.3

### PRESSURE AND MEASUREMENT TECHNICIAN 3

Merged in 1999 with Pressure and Measurement Technician 1 & 2, Industrial Technician and Station Mechanic 1. See System Operations Apprentice/Technician - Article 36.06.3

### SALES AND SERVICE TECHNICIAN

A Sales and Service Technician must be competent in a variety of skilled functions related to public safety, consumer relations and the welfare of Company property.

The SST investigates, locates and categorizes gas escape on the customer's premises or the distribution system, and takes all necessary action to protect public safety and eliminate hazard.

In regard to consumer relations, the Sales and Service Technician shall offer current and potential customers technical and promotional advice on such matters as their heating, water heating, cooking, clothes drying, the general heating requirements and insulation of their residence. Shall be conversant with the relative advantages of natural gas for the above mentioned uses.

The SST performs more routine aspects of gas fitting work in installing regulators, gas appliances and meters and be capable of learning the duties of Senior Sales and Service Technician.

Shall read meters.

Must be a holder of a current Provincial Class B Gas Fitter's License.



### SALES AND SERVICE TECHNICIAN 3

An employee so classified shall be capable of performing the duties of a Utility Assistant and must be capable of obtaining his Provincial Class B Gas Fitter's License. Shall perform his duties under the direction of a ticketed Sales and Service Technician but is not limited to carrying out only work assignments that he is qualified to handle. Shall be required to perform the routine aspects of gas fitting work in installing regulators, gas appliances and meters. Shall read meters.

A bulletined Sales and Service Technician 3, upon obtaining his ticket and completing twelve (12) months as a Sales and Service Technician 3, shall automatically progress to a Sales and Service Technician. A bulletined Sales and Service Technician 3 who does not obtain his ticket within twenty-four (24) months of his appointment will normally revert back to his old job in accordance with the seniority provisions of the Agreement. The Company will give consideration to extending the time limit if the employee has otherwise made satisfactory progress.

For the first twelve (12) months, a Sales and Service Technician 3 will receive the same pay as a Utility Assistant. Subject to the company being satisfied that the incumbent is making satisfactory progress towards obtaining the applicable gas ticket, the incumbent's rate of pay would, at the beginning of the thirteenth (13th) month, be increased to Sales and Service Technician 3 (12 months) rate of pay.

### SENIOR SALES AND SERVICE TECHNICIAN

The Senior Sales and Service Technician must qualify for all lower classifications in Sales & Service, and be able to perform all duties associated with those qualifications without supervision.

The Senior Technician is the day-to-day work leader for one or more distribution field personnel engaged in all work identified with the sales and service function. As such, the Senior Technician is responsible, under the general direction of a manager or supervisor branch manager, for orientation and training, for effective scheduling, for on-the-job direction, for all related documentation, and for reporting to the supervisor/manager.

The Senior Technician must be able to carry out the duties of this classification under only general direction and with a minimum of supervision, and must be able to relieve a branch manager when so assigned.

The Senior Technician must be able to service the full range of gas burning equipment and associated control media in the residential and commercial fields; exercise judgement under general terms of reference in carrying out remedial action and/or suspending service with proper follow-up action under codes and other requirements; construct, test and certify piping installation metering and gas pressure regulating equipment to BC Gas standards and government codes; and carry out follow-up maintenance programs.

The Senior Technician offers current and potential customer technical and promotional advice on all matters relating to their requirements, including matters of utilization (such as efficiency, conservation and insulation), and participates in the company's merchandise sales program.

The Senior Technician must be able to repair, adjust and service all equipment in the residential and commercial fields to the full extent of the B ticket; maintain in-the-field gas measurement and pressure regulating equipment; carry out a variety of tests related to gas utilization involving the testing for and measurement of oxygen and carbon dioxide and other products and take remedial action as required; carry out a variety of duties in support of other departments (e.g. system pressure surveys, marketing programs, etc.); act as a technical resource for other distribution field personnel related to fitting, relighting and other Sales & Service work; and take responsibility for directing response to major emergency incidents such as fires, explosions, asphyxiation, and unplanned outages, and in so doing take all necessary initiatives, including direction of fire police and other authorities, as well as other BC Gas personnel.

This classification requires a high degree of technical organizational leadership and communication skills. It is filled by appointment by the Company based on ability and seniority.

### UTILITY ASSISTANT

A Utility Assistant shall carry out semi-skilled operations on construction and maintenance work, such as pavement cutting, excavation, water jetting, backfill and cleanup, etc. Shall use small tapping machines and shall cut and prepare pipe for fittings, pump drips, change recorder charts, housekeep stations, locate and clear curb cocks, repair or replace sampling test, insert points, carry out patrol of transmission and intermediate pressure lines, maintain rights-of-way markers, buildings and compounds and shall apply sterilants and pesticides and when required be the holder of a Provincial Applicator's License.

A Utility Assistant shall carry out semi-skilled operations on customer service work such as simple piping reconnects, simple piping assemblies, setting of residential sized meters and relight of residential type equipment under general direction of a higher classification. Shall handle materials and use simple manual and power operated hand tools, drills, hilti stud setter, pipe threaders, and shall read meters.

Shall act as helper to a tradesman. Shall hold a valid B.C. Class 5 Driver's License and drive a vehicle when required in the course of his duties. Shall, upon qualifying to do so, operate forklifts and crane trucks and shall be paid such rates as provided in the Agreement, while so acting. The Utility Assistant classification will be a Construction position.

Job classifications of Pressure and Measurement Technician 3 and Measurement Mechanic will be similar to Utility Assistant but they will be required through training to use the tools, instruments and equipment to become proficient in their jobs so that they can progress to the next step up in their job stream, e.g. Measurement Mechanic and Pressure and Measurement Technician 2.

For clarification purposes, it is understood that a Utility Assistant with a ticket, in the O & C would not automatically progress to Sales and Service Technician.

## WELDER 1

A Welder 1 shall perform all operations in the shop necessary to fabricate (using gas metal arc, manual arc or gas welding), pressure piping and vessel systems used on gas transmission and distribution networks. This will include interpretation of engineering drawings, spool sheets, etc., laying out of the job, fit up and welding preparations of all components and the pressure testing of completed assemblies and sub-assemblies to determine weld and joint integrity. It will also include the fabrication of non-pressure components and installation of pressure controlling devices, their associated instrumentation and control lines in prefabricated regulator vaults or similar assemblies. In the field shall do pipe line welding including hot tap welds, fire welds and leak repair welds on lines operating up to and including transmission line pressures. Shall be required to hold a minimum B welding qualifications registered in his/her log book; registered with the Boiler and Pressure Vessels Branch of B. C.; and must be able to obtain Company oxy-acetylene welding ticket. Will be responsible for running a crew for the installation and maintenance of transmission and distribution mains and services, regulator and meter sets. Will be responsible for making as-built drawings and completing the routine reports called for in his day-to-day work.

May be required to operate high pressure tapping and stopping equipment, propane plants, and mainline compressors, and carry out routine operating and maintenance duties in gate stations. Shall be responsible to the designated Manager or Supervisor for the operation of a town distribution system.

Shall direct and carry out appropriate actions during emergency incidents involving the escape of gas where potential hazard to persons or property exists.

This employee will act as a crew leader as required, as well as carry out welding functions with the crew.

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## **BUILDING OPERATIONS AND MAINTENANCE LEADER**

**02/05/03**

1. Ensures the efficient operation and maintenance of company buildings by performing all duties required for this purpose, or as assigned by the manager or supervisor.
2. Directs the work of the employees and contractors under his/her charge in such a manner that the work may be carried out safely, efficiently and expeditiously.
3. Gives technical direction and leadership to Company and contract trades and other categories involved in any aspect of inspection, maintenance and operations of company buildings, their utilities and grounds.
4. Schedules and assigns work related to the operation and maintenance of company buildings, their utilities and grounds including establishing work priorities.
5. Assists in the development, implementation, and instruction of training programs.
6. Applies the related Federal and Provincial Government Code requirements as well as BC Gas Policies and Standards as they relate to the operation and maintenance of company buildings.
7. Ensures that heating, air conditioning and ventilation equipment, water, gas, electricity, sewage, drainage, security systems, fire alarm and fire sprinkler systems, interior and exterior finishing etc., are functioning optimally.
8. Inspects the work of employees and contractors maintaining, modifying and overhauling buildings and utilities in order to ensure that work is completed to company standards.
- 9. Works with tools and carries out maintenance and modification to buildings and their utilities of a general nature other than where prohibited by codes.**
10. Completes all inspection reports and other documents required by the position.

### **Qualifications:**

#### **Must Have:**

1. Completion of:
  - BOMI SMA (Systems Maintenance Administrator) program, or equivalent, or,
  - Recognized TQ/SMT (Trade Qualification/System Maintenance Technician) plus the following three BOMI SMA courses (or three directly related, equivalent courses from a recognized post-secondary educational institute):
    - Building Design and Maintenance
    - Administration
    - Environmental Health and Safety Issues
2. Minimum of five years directly related relevant building maintenance experience including 2 years as a Shop Mechanic 1 or related equivalent.
3. Demonstrated leadership and decision making capabilities and ability to work effectively with a minimum of supervision.
4. Demonstrated ability to communicate verbally, and in writing, clearly and concisely.
5. Intermediate understanding of Preventative Maintenance Programs.
6. Demonstrated ability to plan, organize, train and monitor the work of employees under their direction.
7. Demonstrated ability to effectively analyze system problems, prepare written reports and keep accurate records.
8. Intermediate understanding of systems used to maintain and operate company buildings, utilities and grounds.
9. Demonstrated safe work habits and adherence to safety regulations and practices on a sustained basis; must have class 5 drivers licenses and a safe driving record.

# COMPRESSION & CONTROLS TECHNICIAN

## Duties & Responsibilities\*:

1. Shall perform all duties associated with transmission compressor stations and control, SCADA, and electronic measurement facilities including, but not limited to, the following: the installation, programming, activation, trouble shooting, operation and maintenance of mechanical, pneumatic, hydraulic, electrical, electronic, control and computer equipment.
2. Shall ensure that the predictive analysis and preventative maintenance schedules are developed and maintained.
3. Shall provide comprehensive documentation of construction, inspection, commissioning, operation and maintenance work.
4. Shall provide supervision to other employees and contractors as it relates to compression and control activities.
5. Shall ensure efficient operation of the workgroup, including work group planning and scheduling as it relates to these duties and responsibilities.
6. Shall keep abreast of changing technology as it relates to the "Duties and Responsibilities".
7. In the event there is insufficient work as outlined above or more urgent work elsewhere, s/he may be temporarily scheduled for work for which s/he is qualified in other departments.

## Progression:

On completion of satisfactory service and subject to demonstrated ability and competency to perform the full range of duties at each level of a CCT, progression will be as follows:

CCT 4 – After two years of service as a CCT 4 will progress to a CCT 3.

CCT 3 – After two years of service as a CCT 3 will progress to a CCT 2.

CCT 2 - After one year of service as a CCT 2 will progress to a CCT 1.

CCT 1 – End Classification.

1. Demonstrated ability is the ability of the employee to progressively perform all aspects of the work identified within the CCT job description.
2. Appropriate competency requirements for progression are being developed as part of the CCT training profile. The training profile will be adjusted subject to changing competency requirements.
3. An employee shall not be denied progression due to lack of training or exposure to equipment, which is not attributable to the employee.

## Implementation

Effective Monday, December 4, 2000:

1. All ten incumbent ECTs associated with compression and controls will be reclassified to CCT1. They are: Dale Babb, Troyce Beglaw, Stuart Bolland, Mark Cerina, Nelson Cobra, Wes Dann, Allen Dermody, Jim Howe, Barry Kleven, and Ed Rilkoff.
2. For purposes of this reclassification only, and without prejudice to any future issue involving these or other employees, or any other reclassification or reorganization, each of these ten named employees is deemed presently qualified as a CCT1, even though all do not meet all of the formal qualifications.
3. For purpose of this reclassification only, and without prejudice to any future issue involving these or other employees, or any other reclassification or reorganization, those employees who are already at the ECT1 classification (namely: Dale Babb, Troyce Beglaw, Mark Cerina, Allen Dermody, and Barry Kleven) will continue to receive the ECT1 rate of pay until the CCT1 rate surpasses the ECT1 rate, at which time they will receive the CCT1 rate of pay (they are being red circled).
4. Those employees currently at the ECT2 classification (namely: Stuart Bolland, Nelson Cobra, Wes Dann, Jim Howe, and Ed Rilkoff) will be paid the CCT1 rate effective Monday, December 4, 2000.
5. Each employee's classification seniority as a CCT shall be the date of his reclassification or selection to the CCT classification (December 4, 2000 for the ten employees being reclassified).

## **DISTRIBUTION MECHANIC/EXCAVATOR (DMX)**

(See LOU #56)

The DMX will function as a DM/A in every respect, and in addition will operate various excavation equipment such as Bobcats, mini-excavators and mini-backhoes, and other equipment of similar or lesser complexity. Equipment such as "walk-along-plows" and "vac-trucks" are not considered excavation equipment in this context and will therefore be operated by DM/A's as well as DMX's.

The DMX will be treated as a unique classification (e.g. for purposes of headquarter selection) but with common classification seniority with the DM. Employees bumping a DMX based on DM classification seniority must be able to operate the excavation equipment in a productive, safe and competent manner with a reasonable amount of appropriate training. If the bumping employee cannot meet this standard s/he must bump a regular DM.

## **DISTRIBUTION & SERVICE TECHNICIAN**

(See LOU #62)

The company and the Union have agreed to introduce the new classification of Distribution and Service Technician. At this time, this classification is to be utilized in 100 Mile House and Fort Nelson only. Should the company decide to expand this classification into other headquarters, it shall do so only after consultation with the union.

The Distribution and Service Technician will function as a Sales and Service Technician or Crew Leader in every respect and, in addition, may operate excavation equipment if trained to do so.

The Distribution and Service Technician will be a separate classification with separate classification seniority. A DST does not establish classification seniority as an SAST or a Crew Leader by virtue of being awarded this classification.

## **EQUIPMENT OPERATOR I**

(Merged with Machine Operator 1 in 1991)

An Equipment Operator 1 shall operate and provide running maintenance on any of the following or similar equipment: backhoes, front-end loaders, trenching machines, portable cranes, crawler tractors, side booms, direct bury plowing machines or any equipment which requires up to a Class 1 Driver's License (with air endorsement).

May be assigned responsibility for the operation, maintenance, and housekeeping of the pipe yard, as well as all administrative duties required of that function, and will receive a 3% increase to his hourly rate for this responsibility.

### **EQUIPMENT OPERATOR II**

(Merged with Machine Operator II in 1991)

An employee so classified shall operate and provide running maintenance on the following equipment: compressors, power operated barholing units, front-end loaders, forklifts, or any other small equipment they may be required to operate.

In the Interior employees so classified shall be capable of learning the correct procedures for operating and maintaining heavy and light equipment. On completion of 6 months cumulative service as an Equipment Operator 2 and obtaining a Class 1 Driver's License (with air endorsement) they will qualify for the Equipment Operator 1 rate of pay when assigned to work as an Equipment Operator 1.

## **EQUIPMENT OPERATOR/DISTRIBUTION MECHANIC (EODM)**

(See LOU #56)

The EODM will function as a DM or DMX in every respect, and in addition will operate equipment associated with the EO1 classification and other equipment of similar or lesser complexity.

In the Interior, EO1's will be promoted to EODM subject to their ability to perform all of the duties of the DMX in a productive, safe and competent manner with a reasonable amount of appropriate training. EODM will be a separate classification with separate classification seniority.

### **INSTRUCTOR**

1. Develops and presents training courses and other presentation material for use inside and outside the Company.



2. Instructs and trains individuals or groups in the classroom or on the job in all aspects of gas system construction, operation and maintenance, including:
  - (a) Analytical skills, trouble shooting and problem-solving diagnosis.
  - (b) Applicable Provincial and Federal Codes and Regulations, internal policies and current standards.
  - (c) Customer and public relations techniques.
  - (d) Principles of leadership, organization and administration.
  - (e) Safety practices and procedures.
4. May be required to investigate emergency or hazardous situations and submit reports on causes and recommended remedial action.

### MATERIAL HANDLER

(Replaces Storeman and Shipper Receiver - Machine Shop)

Receives, unloads, inspects, records, stores, issues, loads, and ships equipment and materials as required or assigned.

Takes inventory; performs housekeeping duties; minor maintenance, repairs and assembly; operates material handling equipment; and performs administrative duties as required or assigned.

May be required to contact suppliers.

## **MATERIALS LEADER – CENTRAL WAREHOUSE**

The Materials Leader is responsible for a number of administrative duties associated with the operation of the Central Warehouse and Inter-regional Distribution System, and ensures the efficient operation of the Central Warehouse by performing all duties required for this purpose or assigned by the Materials Supervisor, including:

1. Training and directing the work of Material Receivers, Material Handlers, Material Truck Drivers, and others as required or assigned;
2. Maintaining an adequate workforce by reviewing staff requirements and time off requests, and making recommendations to the Materials supervisor;
3. Scheduling and rescheduling work in response to rapidly changing workload, and prioritizing receipt and delivery of goods in response to critical requirements;
4. Acting as liaison between the Central Warehouse and Purchasing, Accounts Payable, Regional warehouses, and other departments as required or assigned;
5. Providing procedural expertise with regard to the inventory control system and material acquisition requirements to all client groups throughout the distribution system;
6. Monitoring and maintaining control or receipts of manufactured stock;
7. Coordinating inventory checks, counts, and controls as required or assigned by the Material Supervisor;
8. Maintaining source document files, e.g. Purchase orders, receipts, return to vendor, etc.

### MATERIALS SHIPPER/RECEIVER

(Replaces Materials Receiver and Senior Storeman)

Coordinates and performs all duties associated with the receiving and shipping function of the Company's central warehouse.

May be required to perform the duties of a Material Handler.

**MATERIALS TRUCK DRIVER**

(Replaces Stores Truck Driver)

Loads, unloads, and transports materials and equipment in a safe and efficient manner.

Utilizes and operates all material and equipment required in the performance of the job.

Takes inventory, fills orders when assigned and performs administrative duties required of the job.

Is responsible for good housekeeping, stocking and safekeeping of all materials and equipment in compounds and stores, and on stores trucks.

Operates any vehicle which requires up to a Class 3 licence with air endorsement.

## MEASUREMENT MECHANIC

(Merged with Meter Repairman 1, 2 and 3)

### **Preamble:**

The company and the union have agreed to address a unique situation in the Measurement Shops by establishing this classification to encompass the Measurement Mechanic 1 and Measurement Mechanic 2 job classifications. Incumbents will learn the principles and practices of gas measurement and regulation, and the skills and techniques required to perform the duties of the job, by training and hands-on experience over a 30-month period.

The job posted will be that of Measurement Mechanic, and applicants will be considered in the following order:

1. Those who meet the required qualifications and are judged immediately able to satisfactorily perform all of the duties of the Measurement Mechanic job description. Any such applicants hired will receive the Measurement Mechanic 1 rate of pay;
2. Those who meet the required qualifications and are judged immediately able to satisfactorily perform all of the duties associated with the Measurement Mechanic 2 rate of pay;
3. All other applicants who meet the required qualifications.

In instances where departmental requirements are such that skilled applicants are required, selection may be based only on criteria #1, or criteria #1 or #2, and the job bulletin will state such requirement.

During the first 18 months on the job, incumbents will be paid at the Shop Assistant rate of pay and their work will be under the general direction of a Measurement Mechanic 1, or higher classification. Subject to satisfactory completion of the required training, and demonstrated ability to perform at least those duties associated with domestic and small commercial regulators and meters up to and including the 28 cu.m/h (1,000) series (including assembly of sub-assemblies), booking in meters, and duties of lesser skill, incumbents will progress to the Measurement Mechanic 2 rate of pay after 18 months of service in the classification.

Subject to satisfactory completion of any further training, and demonstrated ability to perform all aspects of the Measurement Mechanic job without direct supervision, incumbents will progress to the Measurement Mechanic 1 rate of pay after 12 months of service at the Measurement Mechanic 2 rate of pay, at which time they will be expected to take responsibility for all duties associated with the Measurement Mechanic job description.

Exceptions: Shop Assistants who have held a regular, bulletined position in the Measurement Shop for at least 12 months immediately prior to selection will progress to Measurement Mechanic 2 rate after 12 months in the Measurement Mechanic classification.

Applicants from a classification equal to or higher than Measurement Mechanic 2 on the wage schedule, will be paid at Measurement Mechanic 2 rate for 24 months before progressing to Measurement Mechanic 1 rate.

Acceleration to the MM2 rate may also be possible for an applicant judged to have relevant and related mechanical or measurement experience. Typically, related mechanical experience could reduce the time for progression to MM2 rate to 12 months, and related measurement experience could reduce the time of progression to 6 months.

**Job Description:**

Subject to the terms of the preamble during the incumbent's training phase, the Measurement Mechanic will perform all of the following duties without direct supervision, as well as all other duties associated with the operation of the Measurement Shop which are of an equal or lesser skill level as the duties listed:

1. Repair, adjust, prove, maintain and issue all classes of meters, auxiliary devices and regulators;
2. Understand and operate all measurement apparatus used to maintain metering and regulation devices;
3. Analyze all data derived from proof and other tests, and make proper determination as to type and scope of repairs and adjustments so as to ensure continued accurate performance with due regard to repair cost controls;
4. Adhere to all requirements for the shop Quality Assurance program;
5. Assemble metering and regulation sub-assemblies;
6. Accurately and neatly complete all documentation;
7. Assist the Measurement Technician and the Measurement Shop Leader as required, with duties of equal or lesser skill than those required of a Measurement Mechanic.
8. As a fully training incumbent, provide assistance in training those who are still in the training phase of the classification.

**MEASUREMENT SHOP LEADER**

(Replaces Mechanical Foreman (Measurement Shop))

Performs all of the duties associated with the operation of the Coastal or Interior Measurement Shop.

Directs and trains Measurement Mechanics and other classifications as required or assigned.

Ensures the efficient operation of the Measurement Shop by performing all of the duties required for this purpose, or assigned by the Supervisor or Manager.

Acts as liaison between the Measurement Shop and other company departments as required.

Assists the Manager or Supervisor in the development of long-term strategies for the Measurement Shop.

**MEASUREMENT TECHNICIAN**

(Replaces Senior Measurement Mechanic and Senior Meter Repairman)

Performs all of the duties of the Measurement Mechanic classifications, including the repair and maintenance of auxiliary devices and measurement devices.

Provides work leadership and training to the Measurement Mechanics and other classifications as required or assigned.

Carries out duties related to the Quality Control and Quality Assurance functions required for Shop Accreditation.

Installs, operates and maintains all test and proving equipment associated with computerized facilities, and meter and regulator operation.

Assists the Measurement Shop Leader as required.

**SENIOR MATERIAL HANDLER**

(Replaces Warehouseman)

Performs all of the duties associated with the operation of a warehouse and its delivery system.

Directs other employees who may be assigned to the warehouse.

Is responsible for taking inventory, and performing all administrative duties required by the job.

## **STORES LEADER**

(Replaces Stores Foreman and Material & Equipment Man)

Performs all of the duties associated with the operation of the stores and delivery system.

Trains and directs the work of Material Handlers and others as required or assigned.

Ensures the efficient operation of the stores by performing all duties required for this purpose, or assigned by the manager or supervisor.

Acts as liaison between stores and other company departments as required or assigned.

# SYSTEM OPERATIONS APPRENTICE AND SYSTEM OPERATIONS TECHNICIAN-18

(Replaces Industrial Technician, Station Mechanic 1 and Pressure & Measurement Technician 1, 2 and 3)

A System Operations Apprentice shall be trained in all job skills identified within the System Operations Technician job description, and shall progressively perform all aspects of this work without supervision as stipulated by the System Operations Apprentice Program.

## Technical Qualifications:

### Must Have:

- Possession of a valid Provincial Class B Gasfitter's License
- Grade 12 education with math 12 and Physics 12, or equivalent
- Post secondary training in pneumatic and electronic process instrumentation, equivalent to 6 units of the BCIT Electrical and Electronic Technology curriculum or another equivalent, recognized post secondary curriculum;

OR

- Possession of a valid Provincial Class A Gasfitter's License
- Post secondary training in pneumatic and electronic process instrumentation, equivalent to 6 units of the BCIT Electrical and Electronic Technology curriculum or another equivalent, recognized post secondary curriculum;

OR

- A Technologist Diploma in Instrumentation or a field related to the natural gas industry.

### Progression:

After a total of thirty-six months satisfactory performance, and subject to demonstrated ability to perform all core competency job skills identified in the System Operations Apprentice Dacum job profile, and subject to possession of a valid Provincial Class A Gasfitter's License or, in the case of an apprentice with a Technologist Diploma have successfully passed the exam of the Provincial Class A Gasfitter's License program, a System Operations Apprentice shall progress to System Operations Technician.

Progression to the 18-month rate is also subject to meeting the appropriate competency requirements which are being developed as part of the SOA Program.

An employee shall not be denied progression due to lack of internal training opportunities which are not attributable to the employee.

### SYSTEM OPERATIONS TECHNICIAN (SOT)

(Replaces Industrial Technician, Station Mechanic 1 and Pressure & Measurement Technician 1, 2 and 3)

A System Operations Technician shall, without direct supervision:

- install, activate, maintain and repair all equipment used in flow control/gate/regulation/ valve and customer metering stations, including but not limited to pressure control, measurement, telemetry and odorant systems; and all classes of gas utilization equipment, including satellite propane and LNG facilities, and NGV compressor and dispenser systems.
- operate mobile LNG transport and vaporization systems.
- direct the work of others, who are acting as helpers or providing support services on job sites.
- perform other duties of a similar or lesser complexity as required.

### Technical Qualifications:

Must successfully complete the System Operations Apprentice program, and possess a valid Provincial Class A Gasfitter's License, or in the case of an employee with a Diploma of Technology, have successfully passed the exam of the Provincial Class A Gasfitter's License program.

**37. WAGE SCHEDULE**

- 37.01 The basic rate for all employees shall be hourly, unless otherwise mutually agreed.
- 37.02 An employee shall be paid the rate for the job which he is doing on an hourly basis, except that where an employee puts in four or more hours in a day on a higher-paid job, he shall be paid eight hours (or for all time worked if less than eight hours is worked in a day) at the rate for the higher-paid category, excluding bonus payments.
- 37.03 Deleted in 1994





## IBEW WAGE SCHEDULE

	2% 2001 Apr 1		1% 2002 Apr 1		3% 2003 Apr 1		3% 2004 Apr 1		3% 2005 Apr 1	
CLASSIFICATION	Coastal	Interior*	Coastal	Interior*	Coastal	Interior*	Coastal	Interior*	Coastal	Interior*
*Rate for 1st 7.5 hours										
Materials Leader – <u>Central Stores</u> Measurement Shop Leader Mechanical Foreman/Shop Leader	28.58	30.49	<u>28.87</u>	<u>30.80</u>	<u>29.74</u>	<u>31.73</u>	<u>30.63</u>	<u>32.68</u>	<u>31.55</u>	<u>33.66</u>
<u>Building Operations &amp; Maintenance Leader;</u> <u>Compression &amp; Controls Technician 1;</u> Instructor; LNG Plant Operator 1	28.03	29.91	<u>28.31</u>	<u>30.21</u>	<u>29.16</u>	<u>31.11</u>	<u>30.03</u>	<u>32.04</u>	<u>30.93</u>	<u>33.00</u>
Commercial Sales & Service Technician Electrician; Electronic Control Technician 1; Fitter Welder 1; System Operations Technician; Welder 1	27.13	28.95	<u>27.40</u>	<u>29.24</u>	<u>28.22</u>	<u>30.11</u>	<u>29.07</u>	<u>31.02</u>	<u>29.94</u>	<u>31.95</u>
Electronic Control Technician 2 Fitter Welder 2; LNG Plant Operator 2; Machinist; Measurement Technician; Senior Sales and Service Technician; Senior Shop Mechanic; System Operations Technician 18	25.91	27.65	<u>26.17</u>	<u>27.92</u>	<u>26.96</u>	<u>28.77</u>	<u>27.77</u>	<u>29.63</u>	<u>28.60</u>	<u>30.52</u>
<u>Compression &amp; Controls Technician 2</u>	<u>25.23</u>	<u>26.92</u>	<u>25.48</u>	<u>27.19</u>	<u>26.24</u>	<u>28.00</u>	<u>27.03</u>	<u>28.84</u>	<u>27.84</u>	<u>29.71</u>
Crew Leader Distribution Mechanic 1; <u>Distribution &amp;</u> <u>Service Technician</u> ; Equipment Operator "P";	24.93	26.60	<u>25.18</u>	<u>26.87</u>	<u>25.94</u>	<u>27.68</u>	<u>26.72</u>	<u>28.51</u>	<u>27.52</u>	<u>29.36</u>

Measurement Mechanic 1; Operations Technician; Sales and Service Technician; Shop Mechanic 1; Stores Leader; Tie-In Technician; Utilization Technician 1 Yard Foreman										
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2%  
**2001**  
**Apr 1**

1%  
**2002**  
**Apr 1**

3%  
**2003**  
**Apr 1**

3%  
**2004**  
**Apr 1**

3%  
**2005**  
**Apr 1**

Painter Paving Foreman; Senior Material Handler; Station Mechanic 2; System Operations Apprentice	24.36	25.99	<u>24.60</u>	<u>26.25</u>	<u>25.34</u>	<u>27.04</u>	<u>26.10</u>	<u>27.85</u>	<u>26.88</u>	<u>28.68</u>
<b>Compression &amp; Controls Technician 3</b>	<u>23.83</u>	<u>25.42</u>	<u>24.06</u>	<u>25.68</u>	<u>24.78</u>	<u>26.44</u>	<u>25.53</u>	<u>27.23</u>	<u>26.29</u>	<u>28.05</u>
Equipment Operator/Distribution Mechanic (EODM)	23.80	25.39	<u>24.04</u>	<u>25.65</u>	<u>24.76</u>	<u>26.42</u>	<u>25.50</u>	<u>27.21</u>	<u>26.27</u>	<u>28.03</u>
Distribution Mechanic/Excavator (DMX)	23.34	24.90	<u>23.57</u>	<u>25.15</u>	<u>24.28</u>	<u>25.91</u>	<u>25.01</u>	<b>26.69</b>	<u>25.76</u>	<b>27.49</b>
Distribution Mechanic 2 Electronic Control Technician 3; Equipment Operator 1; Fitter Welder 3; Leak Survey Technician; Materials Shipper/Receiver; Measurement Mechanic 2 (18 mos); Recycling Mechanic; Sales & Service Techn 3 (12 mos); Shop Mechanic 2; Utilization Technician 2	22.88	24.41	<u>23.11</u>	<u>24.66</u>	<u>23.80</u>	<u>25.39</u>	<u>24.51</u>	<u>26.15</u>	<u>25.25</u>	<u>26.94</u>
<b>Compression &amp; Controls Technician 4</b>	<u>22.42</u>	<u>23.93</u>	<u>22.64</u>	<u>24.16</u>	<u>23.32</u>	<u>24.88</u>	<u>24.02</u>	<u>25.63</u>	<u>24.74</u>	<u>26.40</u>
Material Handler Materials Truck Driver; Truck Driver	22.15	23.63	<u>22.37</u>	<u>23.87</u>	<u>23.04</u>	<u>24.58</u>	<u>23.73</u>	<u>25.32</u>	<u>24.44</u>	<u>26.08</u>
Clean-Up Truck Driver Electronic Control Technician 3 (start); Equipment Operator 2;	21.58	23.03	<u>21.80</u>	<u>23.26</u>	<u>22.45</u>	<u>23.95</u>	<u>23.12</u>	<u>24.67</u>	<u>23.81</u>	<u>25.41</u>

Measurement Mechanic 2 (start); Pressure and Meas Techn 3 (start); Shop Assistant; Shop Mechanic 3 (B&U)										

2%  
**2001**  
**Apr 1**

1%  
**2002**  
**Apr 1**

3%  
**2003**  
**Apr 1**

3%  
**2004**  
**Apr 1**

3%  
**2005**  
**Apr 1**

Sales & Service Technician 3 (start) Utility Assistant	20.73	22.12	<u>20.94</u>	<u>22.34</u>	<u>21.57</u>	<u>23.02</u>	<u>22.22</u>	<u>23.71</u>	<u>22.89</u>	<u>24.42</u>
Labourer	19.93	21.27	<u>20.13</u>	<u>21.48</u>	<u>20.73</u>	<u>22.12</u>	<u>21.35</u>	<u>22.78</u>	<u>21.99</u>	<u>23.46</u>
Student Rate	17.16	18.31	<u>17.33</u>	<u>18.49</u>	<u>17.85</u>	<u>19.05</u>	<u>18.39</u>	<u>19.62</u>	<u>18.94</u>	<u>20.21</u>

### SCHEDULE A

#### Distribution Apprentice

	<b>Apr 1,2001</b>		<b><u>Apr 1,2002</u></b>		<b><u>Apr 1,2003</u></b>		<b><u>Apr 1,2004</u></b>		<b><u>Apr 1,2005</u></b>	
			<b><u>1%</u></b>		<b><u>3%</u></b>		<b><u>3%</u></b>		<b><u>3%</u></b>	
	<b>Coastal</b>	<b>Interior*</b>	<b>Coastal</b>	<b>Interior*</b>	<b>Coastal</b>	<b>Interior*</b>	<b>Coastal</b>	<b>Interior*</b>	<b>Coastal</b>	<b>Interior*</b>
Start Rate (75% of DM2 rate)	17.16	18.31	<u>17.33</u>	<u>18.49</u>	<u>17.85</u>	<u>19.05</u>	<u>18.39</u>	<u>19.62</u>	<u>18.94</u>	<u>20.21</u>
End of Year 1 (82% of DM2 rate)	18.76	20.02	<u>18.95</u>	<u>20.22</u>	<u>19.52</u>	<u>20.83</u>	<u>20.11</u>	<u>21.46</u>	<u>20.71</u>	<u>22.10</u>
End of Year 2 (90% of DM2 rate)	20.59	21.97	<u>20.80</u>	<u>22.19</u>	<u>21.42</u>	<u>22.86</u>	<u>22.06</u>	<u>23.54</u>	<u>22.72</u>	<u>24.24</u>
End of Year 3 (100% of DM2 rate)	22.88	24.41	<u>23.11</u>	<u>24.66</u>	<u>23.80</u>	<u>25.39</u>	<u>24.51</u>	<u>26.15</u>	<u>25.25</u>	<u>26.94</u>

### SCHEDULE B

#### Compression & Controls Technician

	<b>Apr 1,2001</b>		<b><u>Apr 1,2002</u></b>		<b><u>Apr 1,2003</u></b>		<b><u>Apr 1,2004</u></b>		<b><u>Apr 1,2005</u></b>	
			<b><u>1%</u></b>		<b><u>3%</u></b>		<b><u>3%</u></b>		<b><u>3%</u></b>	
	<b>Coastal</b>	<b>Interior*</b>	<b>Coastal</b>	<b>Interior*</b>	<b>Coastal</b>	<b>Interior*</b>	<b>Coastal</b>	<b>Interior*</b>	<b><u>Coastal</u></b>	<b><u>Interior*</u></b>
Compression & Controls Tech 1 (100%)	<u>28.03</u>	<u>29.91</u>	<u>28.31</u>	<u>30.21</u>	<u>29.16</u>	<u>31.11</u>	<u>30.03</u>	<u>32.04</u>	<u>30.93</u>	<u>33.00</u>

Compression & Controls Tech 2 (90%)	<u>25.23</u>	<u>26.92</u>	<u>25.48</u>	<u>27.19</u>	<u>26.24</u>	<u>28.00</u>	<u>27.03</u>	<u>28.84</u>	<u>27.84</u>	<u>29.71</u>
Compression & Controls Tech 3 (85%)	<u>23.83</u>	<u>25.42</u>	<u>24.06</u>	<u>25.68</u>	<u>24.78</u>	<u>26.44</u>	<u>25.53</u>	<u>27.23</u>	<u>26.29</u>	<u>28.05</u>
Compression & Controls Tech 4 (80%)	<u>22.42</u>	<u>23.93</u>	<u>22.64</u>	<u>24.16</u>	<u>23.32</u>	<u>24.88</u>	<u>24.02</u>	<u>25.63</u>	<u>24.74</u>	<u>26.40</u>

**SCHEDULE C:**

	<b><u>APR 1, 2002</u></b>	<b><u>APR 1, 2003</u></b>	<b><u>APR 1, 2004</u></b>	<b><u>APR 1, 2005</u></b>
<b>DEPENDENT CONTRACTOR</b>				
<b>METER READERS:</b>				
Outside Meters (Cents/Meter)	<u>53.0</u>	<u>55.0</u>	<u>57.0</u>	<u>59.0</u>
Inside Meters (Cents/Meter)	<u>61.0</u>	<u>63.0</u>	<u>65.0</u>	<u>67.0</u>
Pickup Meters (Cents/Meter)	<u>67.0</u>	<u>69.0</u>	<u>71.0</u>	<u>73.0</u>
Hourly Rate	<u>17.84</u>	<u>18.38</u>	<u>18.93</u>	<u>19.50</u>

**SCHEDULE D:**

		<b><u>Apr 1, 2003</u></b>	<b><u>Apr 1, 2004</u></b>	<b><u>Apr 1, 2005</u></b>
<b>DEPENDENT BACKHOE</b>				
<b>OPERATORS:</b>				
Contractor/Operator (per hr)	<u>49.13</u>	<u>50.60</u>	<u>52.12</u>	<u>53.68</u>
Overtime (per hr)	<u>74.00</u>	<u>74.00</u>	<u>74.00</u>	<u>74.00</u>
Trailer (per hour) (if required)	<u>5.60</u>	<u>5.60</u>	<u>5.60</u>	<u>5.60</u>
Hoepack (per hr; if required)	<u>11.25</u>	<u>11.25</u>	<u>11.25</u>	<u>11.25</u>
Grinder Sweeper (per hr; if required)		25.00	25.00	25.00

**DEPENDENT DUMP-TRUCK**  
**OPERATORS:**



Regular Rates	<u>39.44</u>	<u>40.62</u>	<u>41.84</u>	<u>43.10</u>
Overtime (per hr)	<u>59.00</u>	<u>59.00</u>	<u>59.00</u>	<u>59.00</u>

37.05 **BONUS ALLOWANCES**

37.05.1 Deleted July 1, 1995.

37.05.2 All employees who are openly exposed to odorant or apply pesticides and sterilants shall receive a bonus of one dollar sixty cents (\$1.60) per hour. The minimum bonus allowance shall be two (2) hours and the Company shall also provide plastic aprons, gloves and rubber boots for odorant tank filling.

37.05.3 Deleted in 1994

37.05.4 The Company shall pay costs and provide reasonable training time for all welder qualification tests.

37.05.4.1 The Company shall pay costs of fitter licenses and renewal fees.

37.05.5 Deleted in 1991.

37.05.6 An employee directed to provide instruction to a group of employees shall receive his regular rate or 105% of the gas tradesman rate, whichever is the greater.

37.05.7 Deleted in 1994

37.05.8 When the Clean-up Truck Driver supervises two or more employees, his rate will be increased by 5%. When required to drive a tandem-axle truck equipped with air brakes, he shall receive the Equipment Operator 1 rate of pay.

While acting as an Equipment Operator and supervising two or more employees, his rate will be increased 5% above the Equipment Operator 1 rate.

37.05.9 If a crew is composed of seven or more employees, excluding the Crew Leader or System Operations Technician, the Crew Leader or System Operations Technician in charge of the crew shall be paid at 110% of his rate.

37.05.10 When a Distribution Mechanic is directing the work of two or more employees on leakage survey he shall be paid the rate of Crew Leader.

37.05.11 Deleted in 1989.

37.05.12 Deleted in 1989.

37.05.13 Deleted in 1991.

37.05.14 When a Fitter Welder 1, Shop Mechanic 1 (Machine Shop), Shop Mechanic 1 (Buildings and Utilities), or Machinist is required by the Company to act as a Lead Hand, he shall be paid 3% above his regular rate while so acting.

37.05.15 Deleted in 1991.

37.05.16 Deleted in 1994

**38. PAY DAYS**

38.01 Employees shall be paid every two weeks. Payment shall be made by cheque every other Friday for all wages due up to and including the Thursday of the week previous to pay day. The Company may change the latter day to Wednesday at such a time as it is to become general practice. If a regular pay day falls on a holiday, all employees shall be paid on the preceding working day.

All employees are encouraged to choose direct payroll deposit. All new hires will be on direct payroll deposit as a condition of employment.

**39. PHASED RETIREMENT (Coastal Only)**

Deleted in 2001.

**40. DOG SAFEGUARDS**

The Company shall encourage and be receptive to suggestions regarding any devices, methods or procedures which may deter or prevent dog attacks. Such devices, methods or procedures shall be approved by the Safety Practices Committee before use.

**41. CUSTOMER SERVICE TECHNICIANS ENTERING UNATTENDED PREMISES**

41.01 In situations where Customer Service Technicians (SST's, UT's) anticipate an element of risk or hazard, s/he will provide the address of the premises, and advise Service Centre to contact his supervisor in the event s/he fails to call back within a pre-arranged time.

AS WITNESS the hands of the parties hereto.

BC Gas Utility Ltd

LOCAL 213 OF THE INTERNATIONAL  
BROTHERHOOD OF ELECTRICAL WORKERS

\_\_\_\_\_  
Daryle Britton

\_\_\_\_\_  
Lance Arnett

\_\_\_\_\_  
Randy Jespersen

\_\_\_\_\_  
Brian Deevy

\_\_\_\_\_  
Bob Samels

\_\_\_\_\_  
Rick Dowling

\_\_\_\_\_  
Franz Scherubl

\_\_\_\_\_  
Greg Kyle

\_\_\_\_\_  
Randy Loski

\_\_\_\_\_  
Glenn McKay

\_\_\_\_\_  
Tony Sadowski

Dated at Vancouver, B.C. this 24 day of July, 2002.

July 10, 1989

**LETTER OF UNDERSTANDING NO. 1**

Deleted in 1999.

July 10, 1989

**LETTER OF UNDERSTANDING NO. 2**

1. When employees bump into another section, to avoid permanent layoff, BC Gas agrees to protect employees from "bumping through" (as per the Larson Award) in the receiving section, by agreeing not to lay off Utility Assistants if contractors are employed doing similar work to that classification in that section.
2. The Union recognizes that from time to time BC Gas will re-organize its structure for reasons of corporate efficiency. This may result in changes to boundaries of sections referred to in Article 5.03.

BC Gas will make all reasonable efforts to minimize the impact on individual employees with respect to Article 5.03 when changes in section boundaries become necessary.

A section is defined as a sub-group of a Department or Division in the Coastal Region (eg. C & M, CS, Transmission sections), and a District within the Interior Region.

For BC Gas Inc.

For I.B.E.W. Local 213

\_\_\_\_\_  
Franz Scherubl  
Senior Labour Relations Officer

\_\_\_\_\_  
Rick Dowling  
Assistant Business Manager

July 10, 1989

**LETTER OF UNDERSTANDING NO. 3**

Deleted in 1999.

## **LETTER OF UNDERSTANDING NO. 4**

### **12-HOUR SHIFTS AT LNG PLANT**

BC Gas and Local 213 of the IBEW will continue to be bound by the current collective agreement. However, commencing pay period 25, November 13, 1987, the shift rotation for LNG Plant Operators will be a 3-2-2 configuration (3 on, 2 off, 2 on, 3 off . . ) with a day shift from 08:00 to 20:00 and a night shift from 20:00 to 08:00. It is understood that this shift rotation shall not result in increased costs to BC Gas, nor shall it result in decreased benefits to members of the Union. Therefore, all relevant Articles of the Agreement will be interpreted, with reference to LNG Plant Operators, so as to maintain the same costs and benefits contained in the current Agreement.

It is agreed that Operators will be paid in the following manner:

#### **Sick Leave**

Days will be converted into their hourly equivalent. Employees will be kept on their shift schedule and paid 12 hours per scheduled working day absent.

#### **Long Term Disability**

Employees will continue to be paid 70% of normal earnings based on a 40 hour work week.

#### **WCB**

Employees will continue to be paid 85% of normal earnings based on a 40 hour work week.

#### **Leave of Absence for Jury Duty**

Employees will be kept on their shift schedule and paid 12 hours for each scheduled working day absent.

#### **Paid Leave of Absence Compassionate**

Days will be converted into their hourly equivalent to a maximum of 24 hours.

#### **Statutory Holidays**

Each statutory holiday listed in Article 21.01 results in 8 hours being placed in each Operator's Statutory Holiday Time Bank.

An Operator not scheduled to work a Statutory Holiday will be paid 8 hours of straight time from the Statutory Holiday Time Bank.

An Operator scheduled to work shall receive double time for the hours worked. In addition, Operators who work the statutory holiday may choose to be paid 8 hours straight time or take time off from the Statutory Holiday Time Bank. Time off is taken in 12 hour days with the year-end balance paid out in cash.

### **Annual Vacation**

Annual Vacation entitlement pursuant to Article 22.03 will be converted into its hourly equivalent and put into a bank. Time off can then be taken in 12 hour days with remaining partial days paid out in cash.

Any operator who completes a full year of service on the 12-hour shift schedule shall receive 112 hours vacation with pay in the succeeding year in addition to whatever entitlement he is eligible to receive under Article 22.03.

Such operator shall receive at least 96 hours on the summer write up as described in Article 22.04.

An operator with less than a full year's service on the 12-hour shift schedule shall receive in the succeeding year that proration of 112 hours shift vacation as determined by the number of days worked during the preceding year on a 12-hour shift divided by the total number of days which would have been worked on a normal 12-hour shift.

### **Posting of Schedules**

Pursuant to Article 31.02.1 an operator will receive overtime premium for the first 8 hours of the shift notwithstanding the fact that the Operator's first shift is 12 hours long.

### **Penalty Pay**

Days will be converted into their hourly equivalent and the maximum penalty pay will remain 24 hours.

### ***Overtime***

All references to an 8 hour day shall be substituted with a 12 hour day. The Union and BC Gas agree to make joint application to the Director of Employment Standards for a variance of hours application.

### **SWYL**

SWYL will be converted into its hourly equivalent and put into a bank. Time off can then be taken in 12 hour days.

### **Phased Retirement**

Deleted in 2001.

### **Twenty-Four Hour Coverage**

When service requirements necessitate twenty four hour coverage, normal hours of work for shift workers shall be from 08:00 to 20:00 hours, Day Shift and from 20:00 to 08:00, Night Shift. Shift work shall be scheduled on a rotating basis and the period of schedule shall be a 3,2,2 configuration or an agreed to derivative. Shift times or the length of schedule may be changed when mutually agreed between BC Gas and the employees concerned in any one operation. BC Gas shall provide adequate relief at all times.

### **Shift Coverage**

Plant Operators will work a 3,2,2, configuration when Plant requirements necessitate 24 hour coverage. The Plant may require 24 hour coverage for a portion of the year only. When 24 hour coverage is not required the Operators will work day shift or a shift cycle basis at the LNG Plant on maintenance and overhaul or they will work in other areas of the Coastal Region on a five and two basis.

In keeping with the spirit of this Letter of Understanding, any other Article of the Agreement which doesn't contemplate a 12 hour shift rotation will be interpreted, where necessary, in such a way as to maintain the integrity of the agreement by neither increasing costs nor decreasing benefits to the parties to the agreement.

Either party may terminate this Letter of Understanding by giving written notice of not less than 2 pay periods. Reversion to an eight hour day will not result in any additional cost to the Company. Removal of the consent of either party terminates this Letter of Understanding.

\_\_\_\_\_  
R. Dowling

\_\_\_\_\_  
F. Scherubl

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



**LETTER OF UNDERSTANDING NO. 6**

RE:    RETIRED EMPLOYEES

Employees who retire on an immediate BC Gas pension after ten years service may continue to be covered by MSP and EHB at Company expense. Effective January 1, 2002, EHB increased to a lifetime maximum of \$100,000.

For BC Gas Inc.

For IBEW, Local 213

\_\_\_\_\_  
Franz Scherubl  
Senior Labour Relations Officer

\_\_\_\_\_  
Rick Dowling  
Assistant Business Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**LETTER OF UNDERSTANDING NO. 7**

RE:    TRAVEL ACCIDENT INSURANCE

The present policy of providing Travel Accident Insurance for employees travelling on company business, or a policy providing equivalent benefits, will remain in effect.

For BC Gas Inc.

For IBEW, Local 213

\_\_\_\_\_  
Franz Scherubl  
Senior Labour Relations Officer

\_\_\_\_\_  
Rick Dowling  
Assistant Business Manager

\_\_\_\_\_  
Date

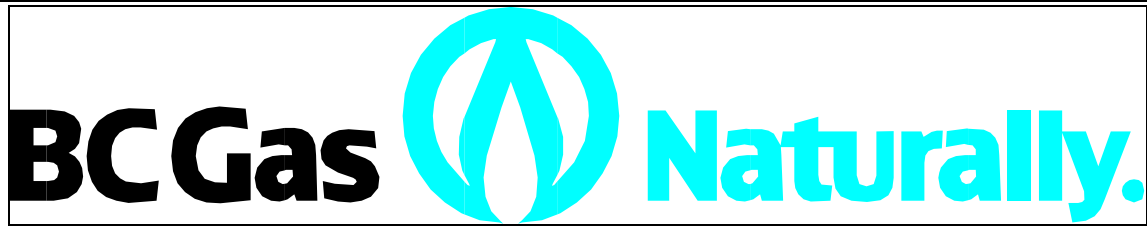
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Date

**LETTER OF UNDERSTANDING NO. 11**

Deleted in 1994

**LETTER OF UNDERSTANDING NO. 16**

Deleted in 1999



**LETTER OF UNDERSTANDING # 16A**  
(Supercedes LOU #16 signed 14 August 1975)

*between*

*BC Gas Utility Ltd.*  
*and*  
*International Brotherhood of Electrical Workers, Local 213*

**Industrial Gas Fitting Training Course**

Grade A training courses are available to employees through night school or college. This training course totals approximately 160 hours and requires an additional 80 hours with approximately 40 hours of theoretical and 40 hours of field training. This additional 80 hours of daytime training will be provided by BC Gas and the Company will pay the employee forty hours at regular straight-time rates. The employee will absorb the remaining 40 hours through annual vacation, vacation overtime leave or other banked time.

If training is not practical during normal working hours due to operational requirements, then the equivalent training time shall be provided after normal working hours. The maximum of 40 hours straight-time paid by the Company will still apply.

For: BC Gas Utility Ltd.

For: I.B.E.W., Local 213.

\_\_\_\_\_  
Fred Green  
Labour Relations Officer

\_\_\_\_\_  
Rick Dowling  
Assistant Business Manager

Date Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

November 9, 1979

**LETTER OF UNDERSTANDING NO. 17**  
(Coastal Only)

This will confirm the understanding reached during 1979 negotiations that Customer Service personnel will no longer be required to make collections on overdue customer accounts.

November 9, 1979

**LETTER OF UNDERSTANDING NO. 18**

The Union recognizes the Company's need to utilize contractors to carry out portions of its work. The Company recognizes the union's concerns regarding maintenance of its membership.

It is the Company's position to maintain a basic IBEW work force to match a predictable base load of work, and not to limit the long-term growth of Local 213 membership through the use of contractors, under normal system expansion.

Both the Union and the Company recognize that from time to time, work in excess of normal growth or normal expansion levels becomes necessary. When this occurs, the use of contractors, or Local 213 members, or both, shall be determined by operating requirements.

## **LETTER OF UNDERSTANDING NO. 21**

### **Training of Fitter Welders**

It is understood and agreed by both Parties that the Company will provide training for IBEW (213) Gas employees to qualify as Fitter Welders, by use of Company welding schools, by use of Vocational or similar institutes, or by suitable combinations of these, to assist in meeting Company Fitter Welder requirements. This arrangement shall not preclude the hiring of Fitter Welders from any other sources.

The progression of Fitter Welder trainees through the program will be as follows:

Fitter Welder 3 0 - 24 months  
Fitter Welder 2 24 - 36 months

At the time of selection to the program a Fitter Welder 3 may receive up to six months' credit based on management's assessment of the recruits prior experience and qualifications. After 12 months as a Fitter Welder 3 (or proportionately less time if advance credit is given) a Fitter Welder 3 will be paid at the Fitter Welder 2 rate while performing production work on pressure piping or fittings. Upon attaining Fitter Welder 2 status, the trainee will be considered as a probationary employee until he completes the program.

During the training period attendance at evening classes may be required; this time will be unpaid. Transportation to and from training classes must be provided by the employee.

Details of the selection procedures and other matters will be as follows:

1. Selection of Trainees:

Selection of Fitter Welder 3's shall be by the Company. The selection may include the following factors and procedures, not necessarily in this sequence or order of importance:

- 1.1 Verification of work performance and duties performed during previous employment both within and outside the Company.
- 1.2 Satisfactory physical fitness, which may be verified by medical examination by BC Gas Health Services or its delegate, including: eyesight, agility, respiratory problems or illnesses, allergies to welding materials, etc.
- 1.3 Verification of education.
- 1.4 Good safety record, both personal and vehicle, must have demonstrated sustained safe work habits and adherence to safety regulations and practices; must be able to pass Company driving tests.
- 1.5 Practical tests and examinations in welding school or shops, which may include: an oxyacetylene welding test job, a test piece to mark out and prepare by working from a drawing, a test run on SMAW work after demonstration and instruction and other items related to a Fitter Welder's work.
- 1.6 Interview by a selection panel of two to five selectors.
- 1.7 Seniority shall not be a major consideration in the selection.

2. Rights of Withdrawal from Program:

- 2.1 A Fitter Welder 3 may revert to his previous Job Classification at his own request at any time before the expiry of three calendar months from the day of commencement of his training. Seniority in the previous Job Classification shall recommence from the seniority held on the day of commencement of training; time spent as Fitter Welder 3 shall not be included.
- 2.2 A Fitter Welder 3 may not voluntarily withdraw from the training program at any time between the day after three months from the day of commencement of training and promotion to Fitter Welder 2. Such voluntary withdrawal may only be by resignation from the Company employment.
- 2.3 A Fitter Welder 3 may withdraw from the training program at any time for reasons of health, as confirmed by BC Gas's Health Services Department, and shall then be eligible for any other Job Category for which he is qualified by previous training and/or experience and current state of health, but shall not have the right to resumption of the previously-held Job Category after the first three months of the program.
3. Rights to Bid on Other Jobs During and After This Course:
  - 3.1 A Fitter Welder 3 may bid on non-welder jobs during the period when he may withdraw from training in accordance with 2.1 only and at no other time.
  - 3.2 A Fitter Welder 2 who was trained as a Fitter Welder 3 for more than 12 months in all, may not bid on other than Fitter Welder positions until he has completed a minimum of two years' service as Fitter Welder 2 and 1 in total.
4. Rights on Successful Completion of Course:
  - 4.1 On completion of training and qualification as Fitter Welder 2 the employee shall be offered any Fitter Welder vacancy before any hiring from other than Fitter Welder Job Classifications or from outside the Company may be considered.
  - 4.2 The Fitter Welder 3 program is intended to assist in meeting BC Gas Fitter Welder requirements but it does not exclude hiring Fitter Welders from any other sources after Clause 4.1 above has been observed.
5. Appointment to Vacancies after Completion of Course:
  - 5.1 After qualifying as Fitter Welder 2, the employee shall be required to accept any Fitter Welder position at any location with Gas Transmission & Distribution Division or its successors; if the employee declines this position, he shall be treated as in 5.2 below.

5.2 After completion of training, if there is no requirement for a Fitter Welder 2 anywhere within Gas Transmission and Distribution Division, the newly-qualified Fitter Welder 2 shall be employed and paid in the Job Categories listed below. The Job Categories are listed in descending order of choice as work is available; such work availability shall be determined by BC Gas:

- (i) Shop Mechanic 1 (Welding Shop)
- (ii) Distribution Mechanic 1  
(if so employed before training as Fitter Welder 3)
- (iii) Utilization Technician  
(if so employed before training as Fitter Welder 3)
- (iv) Distribution Mechanic/Distribution Apprentice  
(if so employed before as Fitter Welder 3)
- (v) Utility Assistant

Should no work be available in any of these Categories, the employees shall be declared redundant in accordance with Article 7.05 of the Agreement dated 1979 April 1.

6. Numbers to be trained:

- 6.1 The intent of the Fitter Welder 3 training program is to provide sufficient trained and competent Fitter Welders to assist in meeting the Company's foreseen needs for such employees.
- 6.2 It is agreed that this training program must not raise false hopes, nor must it train people for whom there will be no requirement later.
- 6.3 The number of Fitter Welder 3's selected and trained shall be based upon the Company's prediction of its future need for Fitter Welders and shall be entirely at Company discretion.

**AGREEMENT WITH RESPECT TO GAINSHARING:**

The Gainsharing Program, as amended by the parties so as to provide optimum line of sight for employees, shall continue during the term of this memorandum.

January 12, 1995

**LETTER OF UNDERSTANDING NO.28**

Employee Rotation

Deleted in 1999.

January 12, 1995

**LETTER OF UNDERSTANDING NO.29**

Employee Diversity

Deleted in 1999.

January 12, 1995

**LETTER OF UNDERSTANDING NO. 30**

**Seasonal or Temporary Layoff (Interior Only)**

Deleted in 2001.

January 12, 1995



### **LETTER OF UNDERSTANDING NO. 31**

#### **Re: Temporary Vacancies (Also known as "Relief" and "Interchange")**

This LOU is intended to merge the concepts of "Relief Positions" (Article 8.02), "Temporary/Relief Posting" (Article 8.06), and "Interchange" (Articles 10 and 12).

1. Except as otherwise detailed in this LOU, temporary vacancies shall first be filled by qualified employees within the work group.
  - 1.01 the definition of "work group" varies according to local practice, eg. in Fraser Valley C&M the crew is the work group, whereas in Metro C&M the muster is the work group.
  - 1.02 in the Interior, all positions reporting to a first-line supervisor/manager constitute a work group, except that the Utility Assistant classification is deemed to be a Construction position.
2. If qualified employees are not available within the work group, or additional resources are required from outside the work group for more than six consecutive weeks, bulletins shall be posted in accordance with Article 8.01.1, except that, notwithstanding Article 8.01.1.1., temporary bulletins shall be posted within the District.
  - 2.01 temporary vacancies for LNG Plant Operator, Instructor and Interior Pipeline Crew shall be posted throughout the company.
  - 2.02 employees travelling and/or relocating to fill a temporary vacancy shall do so on their own time and expense.
3. Temporary bulletin holders shall be called when a temporary vacancy exceeds six consecutive weeks, or when it is filled from outside the work group.
4. Release for temporary demotion is at company discretion.
5. A temporary bulletin automatically expires when the bulletin holder has not worked in the temporary classification for a period of twelve consecutive months, unless the employee was denied work in the temporary classification at company convenience.
6. A temporary bulletin holder may decline transfer pursuant to that bulletin only if he is working outside of his regular classification at the time, and the transfer would be to a lower-paying classification than the one he is currently occupying.
7. Employees may hold only one temporary bulletin at any one time, except that employees who hold both relief and Interchange bulletins on the effective date of this LOU shall be entitled to retain both bulletins subject to the other conditions of the LOU.

June 23, 1993

**LETTER OF UNDERSTANDING NO. 32**

**Senior Sales and Service Technician**

The company shall continue to employ the current, regular Senior Sales and Service Technicians at each headquarters where there are one or more Sales and Service Technicians in addition to the Senior. These Senior SSTs shall receive the entitlements of LOU #53 (new Article 7) if/when their position is discontinued.

January 12, 1995

**LETTER OF UNDERSTANDING NO. 33**

**Joint Consultative Committee (JCC)**

The parties agree to establish a joint consultative committee as follows:

1. The JCC shall consist of at least three management members who shall be vice-presidents or directors, and at least three union members, as well as the Assistant Business Manager from the IBEW and a labour relations representative from the Utility.
2. The purpose of the JCC is to promote the cooperative resolution of workplace issues, to anticipate, respond and adapt to changes in the Utility's business, to foster the development of work related skills, to promote workplace productivity, and to continue to work on standardizing the collective agreement throughout the company.
3. The JCC shall meet initially at the request of either party, and set a date for subsequent meeting(s) prior to adjournment.
4. Both parties shall submit agenda items no later than ten days prior to each meeting, and each member of the JCC shall receive a copy of the complete agenda no later than seven days prior to the meeting;
5. The JCC shall approach issues from a "mutual gains" perspective;
6. The JCC is not a substitute for the grievance procedure.

The parties agree, as part of the resolution of the 1994 to 1998 collective bargaining agreement, that the JCC shall meet a minimum of once per year for the purpose of reviewing the Utility's work (activity) projections. Part of this review shall be discussion of in-house versus contractor work.

Employee-members of the JCC shall continue to receive their regular, straight time wages for all time associated with JCC work, and the Utility shall reimburse travel and accommodation costs for those travelling to a meeting.

# **LETTER OF UNDERSTANDING #34**

*between*

*BC Gas Utility Ltd. (the Company)*

*and*

*International Brotherhood of Electrical Workers, Local 213, (the Union)*

*(hereinafter referred to as the Parties)*

## **WORK SHARING - DEPENDENT BACKHOE CONTRACTORS (DBC)**

### **SOUTHERN AND WESTERN REGIONS**

#### **1. Definition**

Worksharing is defined as dividing all the functions of a full-time DBC position between two current DBC's, each of whom works part-time in a manner that provides full-time coverage for the position. A full-time DBC position can only be work-shared with the approval of the Manager, Regional Business Leader, Human Resources and the Union. The Manager is responsible for communicating the requirements of the work sharing to both DBC's.

It is the intent that the time worked by the two work sharing DBC's will equate to that of a full-time DBC. Neither of the DBC partners in a work-share relationship shall work less than 50% of the normal hours of work of the full-time DBC position unless one of the DBC partners is unable to work because of an illness or disability.

#### **2. General**

- (a) The Parties agree that all terms and conditions of Appendix A of the Collective Agreement in force and effect shall apply unless specifically altered herein.
- (b) Work sharing partnerships shall be restricted to DBC's between the ages of 55 and 65, who live within commuting distance of the muster compound where the work-share position exists.
- (c) The DBC position left vacant when two DBC's work share may or may not be filled, at the sole discretion of the Company, and if filled, will only be filled on a temporary basis for the six (6) month trial period outlined in Clause #4, and thereafter at the sole discretion of the Company.
- (d) Article 6.03 does not apply to work-sharing DBC's.
- (e) The Company will only pay WCB assessments for each work sharing DBC on the basis of gross assessable earnings while the DBC partner is working for the company.
- (f) The Company may invite the non-working DBC partner to come to work if he is available and willing, in lieu of inviting an independent contractor.

3. **Procedure**

- (a) DBC's wanting to work share may request the Manager to consider a proposal for a work sharing arrangement. In making a submission it is important that both DBC's realize they are entering partnership. Minimum work sharing blocks must be of two (2) consecutive pay periods in duration. Details which must be considered in the submission included:
- (i) Which months or part months will be worked by which DBC partner.
  - (ii) Contact telephone number or address where non-working DBC partner can be reached within 48 hours.
  - (iii) Any other information required by the Manager.
- (b) Proposed work sharing arrangements will be discussed with the appropriate Human Resources Officer and for each work sharing arrangement there must be written understanding signed by each DBC partner, the employee's manager, Human Resources and the Union.

4. **Registration**

DBC's who wish to work share should submit a proposal to their manager and the Human Resources Office. It is the responsibility of the DBC to arrange for a willing DBC partner.

5. **Trial Period**

- (a) In order to allow the parties a reasonable time to test the suitability of the individual work sharing arrangement, a six (6) calendar month trial period will be in effect at the beginning of each work sharing arrangements.
- (b) During the trial period, either party or either DBC partner may terminate the work share with thirty (30) calendar days written notice.
- (c) In the event that the work share is terminated during the trial period, both DBC partners will revert back to their former DBC positions and status in all respects.

6. **Seniority**

- (a) All matters of seniority will be determined on the basis of the seniority of the senior DBC in the work share.
- (b) On the termination or retirement of one DBC, the remaining DBC will return to a full-time position based on his previous seniority and compound selection or,
- (c) Enter into another work sharing arrangement in accordance with all the terms of this Letter of Understanding, if approved pursuant to Article 1.

7. **Filling a Work-Share Vacancy**

In the event one of the DBC partners quits, retires or is terminated, the remaining DBC partner must return to the full-time position with 7 calendar days. Where the parties and the remaining DBC partner agree a work-share should continue, the vacancy will be dealt with as follows:

The remaining DBC partner has thirty (30) calendar days from the notice date of termination of the original DBC partner to find a replacement DBC partner.

If no suitable DBC partner can be found, the remaining DBC partner will have the option of filling the position on a full-time basis or retiring.

8. **Invoicing and Union Dues**

- (a) Each DBC partner will invoice only for the time he works, as indicated on the time slips.
- (b) Each DBC partner will pay Union Dues based on whether they were working or unemployed as per Union by-laws.

9. **Termination of Job Sharing Arrangement**

- (a) Individual work sharing arrangements may be terminated by the Manager or either party with thirty (30) days written notice to the affected DBC partner(s).
- (b) If the Manager, or either party terminates the work-share and neither DBC partner voluntarily quits or retires, both DBC partners will be terminated and be subject to Articles 5.06 and 5.07.

10. **Discontinuation of Job Sharing Letter of Understanding**

Either party may discontinue this Letter of Understanding on twenty-four hours notice to the other party, following which work-share partnerships in the trial period will be immediately discontinued. Existing work-share partnerships past the trial period will be grandparented.

For BC Gas Utility Ltd.

For I.B.E.W., Local 213

\_\_\_\_\_  
Fred Green  
Labour Relations Officer

\_\_\_\_\_  
Rick Dowling  
Assistant Business Manager

Date Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

## **DBC WORK SHARING AGREEMENT**

This document records the specific terms and conditions which will be applicable to the work sharing arrangement between:

\_\_\_\_\_  
DBC Partner A

\_\_\_\_\_  
DBC Partner B

\_\_\_\_\_  
Compound/Muster

1. DBC Partner **A** will work from \_\_\_\_\_ to \_\_\_\_\_  
(Date) (Date)  
and from \_\_\_\_\_ to \_\_\_\_\_  
(Date) (Date)
2. DBC Partner **B** will work from \_\_\_\_\_ to \_\_\_\_\_  
(Date) (Date)  
and from \_\_\_\_\_ to \_\_\_\_\_  
(Date) (Date)
3. The work sharing arrangement will commence on \_\_\_\_\_  
(Date)
4. The method of termination and other terms and conditions of this work sharing arrangement are as detailed in Letter of Understand #34.

\_\_\_\_\_  
DBC Partner **A** Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
DBC Partner **B** Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Manager's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Human Resources Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
IBEW, Local 213 Union Signature

\_\_\_\_\_  
Date

## **LETTER OF UNDERSTANDING #35**

*between*

***BC Gas Utility Ltd.***

**APPLICATION OF FORCE MAJEURE**

1. Force majeure is an event or effect that cannot reasonably be anticipated or controlled, like an Act of God. For the purposes of Article 5.05 of Appendix A of our Collective Agreement, a force majeure layoff will be interpreted to be any layoff of Dependent Backhoe Contractors by the Company deemed necessary for any of the following reasons: earthquakes; floods; snow of such a depth or quantity that local authorities are requesting citizens to stay off the roads, except for emergencies; severe ice conditions; white-outs; hurricanes; tornados; frost or prolonged sub-zero temperatures when the frost level is of such a depth that backhoe excavation has been suspended by other Utilities and/or Municipalities.
2. Any disagreement as to whether or not Dependent Backhoe Contractors have been improperly laid off under Article 5.05 will be dealt with pursuant to Article 3.01. Failing settlement at the Manager or Business Leader level, the disagreement will be resolved pursuant to Section 103 of the Labour Relations Code with Stephen Kelleher or a mutually agreed substitute.

**For: BC Gas Utility Ltd.**

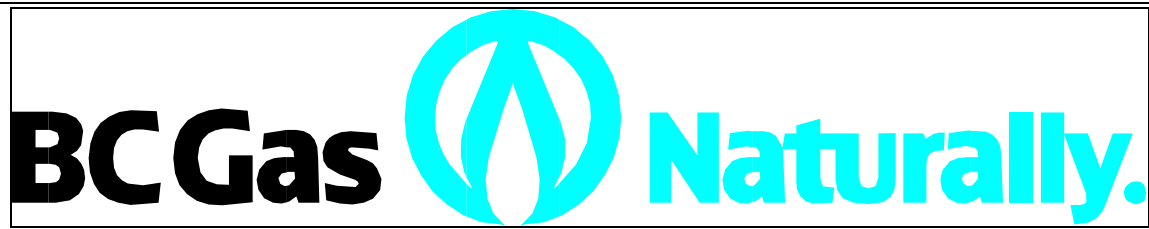
**For: I.B.E.W., Local 213**

\_\_\_\_\_  
Fred Green  
Labour Relations Officer

Rick Dowling  
Assistant Business Manager

Date Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_



**LETTER OF UNDERSTANDING # 36A**

*between*

*BC Gas Utility Ltd. (the Company)*

*and*

*International Brotherhood of Electrical Workers, Local 213 (the Union)*

*(hereinafter referred to as the Parties)*

**STANDBY COVERAGE IN THE INTERIOR**

Deleted in 2001 – Substitute with new LOU #60.

**LETTER OF UNDERSTANDING NO.37**

Temporary Time-Frame Extension to Article 28.04.4

Deleted in 1999.



## **Letter of Understanding No. 38**

between  
BC Gas Utility Ltd.  
and

International Brotherhood of Electrical Workers, Local 213

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### **Job Site Mustering - Metro and Fraser Valley Technicians**

**Preamble:** This Letter of Understanding supersedes the Home Muster Pilot document signed by Messrs. Pullman and Dowling dated February 25, 1988. It is effective on the date of signing and will expire on June 1, 1999 unless otherwise agreed by the parties in writing and requires that the parties meet as often as necessary, at the request of either party, to discuss any matter or issue that requires clarification or resolution.

1. Job-Site mustering is on a voluntary, but irrevocable, basis.
2. All Metro Industrial and Utilization Technicians and Fraser Valley Technicians not on Home Muster, choosing job-site mustering will:
  - a) Take a Company vehicle home or park it in a location approved by the Company [see Clause 6] and
  - b) Travel on their own time to and from their first and last call within 20km as the crow flies from their residence. For example: An employee living in Coquitlam would leave home in sufficient time to arrive at his first call at 0830 hours [or other scheduled starting time], and leave for home from his last call at 1700 hours [or other scheduled quitting time]. If his first or last job is beyond 20 km, the extra distance to the first job or from the last job is travelled on Company time
3. Fraser Valley Technicians choosing to stay on Home Muster will:
  - a) Continue to take a Company vehicle home and
  - b) Travel on their own time to arrive at their first call in their current established work areas by 0830 hours [or other scheduled starting time], and leave from their last call in their work area to arrive home at 1700 hours [or other scheduled quitting time].
4. Metro and Fraser Valley Technicians who do not choose to job-site muster may subsequently apply for job-site mustering which may be approved by their Manager, subject to operational requirements.

5. To ensure adequate coverage, if a home-site or job-site mustered employee re-locates his residence subsequent to June 1, 1998, he will return his Company vehicle and muster out of his current designated compound, subject to operational requirements.
6. No employee who job-site musters may park his Company vehicle outside a designated BC Gas service area.
7. All employees, if available, accept the requirement to respond to after-hours call outs. In the event of a major disruption, such as earthquake, flood, hurricane, general system outage, etc., all employees must radio or phone in their availability as soon as possible.
8. The Company vehicle is not to be operated for personal use or to transport people or items, other than on BC Gas business.
9. When the vehicle is parked, all doors, windows and bins must be closed and locked. Items likely to be the target of theft must be hidden from view as much as practical. Employees assume all risks associated with personal property left in the vehicle.
10. The vehicle must be kept clean and orderly at all times. The employee is responsible for making arrangements with Fleet Services for mechanical maintenance. Fueling and cleaning of the vehicle (including washing) must be done during non-working hours.
11. The Manager may require that the vehicle be returned to a mustering point for all absences exceeding 5 calendar days.
12. A Technician who job-site musters and does not comply with the above rules will be directed by his Manager to return his Company vehicle and muster from his designated compound.
13. The special conditions detailed in the letter of Green to Dowling dated June 15, 1998 (attached) are incorporated in this Letter of Understanding.

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Fred Green  
Labour Relations Officer  
BC Gas Utility Ltd.

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Rick Dowling  
Asst. Business Manager  
I.B.E.W., Local 213

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Date

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Date

**LETTER OF UNDERSTANDING NO. 39**

**BETWEEN**

**LOCAL 213, I.B.E.W.**

**AND**

**BC GAS UTILITY LTD**

**Preamble:** Whereas changes in business conditions in the Lower Mainland leads to fluctuations of the work load in the Distribution Services Department, and the move towards minimizing burner tip service in the Customer Services Department has resulted in a reduction in manpower and further potential layoffs, the parties hereby agree to the following amendments to the Collective Agreement to attempt to prevent further negative implications.

**Change of Headquarters within a Lower Mainland Unit (Distribution Services)**

If fluctuations in the workload occur within a mustering point work area, employees may be transferred on a temporary basis to an adjacent muster, without penalty to the Company providing the transfer is for a period in excess of five consecutive working days, except when in relief of unscheduled absence of another employee. Transfers will be based on reverse seniority. Transfers without penalty will not be allowed if contractors are working the affected work area.

**Change of Headquarters between Lower Mainland Units (Distribution Services)**

**Articles 28.04.11 and 28.10.4.7**

Notwithstanding the provisions contained in the above Articles, employees may be transferred because of fluctuations in the workload in their muster work areas, without penalty to the company under the following conditions:

- a) Coquitlam muster employees may be transferred on a temporary basis to Maple Ridge muster and vice versa.
- b) Richmond muster employees may be transferred on temporary basis to Goudy muster and vice versa.
- c) There shall be no contractors used within these work areas while transfers (per a and b above) are in effect.
- d) This arrangement will not be used to reduce the combined number of employees assigned to the four mustering points.
- e) Transfers between musters shall be by reverse seniority.

\_\_\_\_\_  
Fred Green  
Labour Relations Officer  
BC Gas Utility Ltd.

\_\_\_\_\_  
Rick Dowling  
Assistant Business Manager  
I.B.E.W., Local 213

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**LETTER OF UNDERSTANDING NO. 39A**

**BETWEEN**

**LOCAL 213, I.B.E.W.**

**AND**

**BC GAS UTILITY LTD**

**Preamble:** Whereas changes in business conditions in the Lower Mainland leads to fluctuations of the work load in the Distribution Services Department, and the move towards minimizing burner tip service in the Customer Services Department has resulted in a reduction in manpower and further potential layoffs, the parties hereby agree to the following amendments to the Collective Agreement to attempt to prevent further negative implications.

**Change of Headquarters between Lower Mainland Units due to the reductions in or redeployment of employees within specific classifications**

If there is a need to reduce the number of employees within a classification in one Unit and layoffs can be avoided by absorbing these employees into the other Unit on a lateral transfer basis, **without increasing the combined total of employees within the classification**, these transfers can be accomplished without bulletins being posted under the following provisions:

- a) The employees in the receiving Unit shall exercise their headquarters selection rights prior to transfers taking place.
- b) The transferred employees shall not establish Unit seniority in the receiving Unit without being selected on a bulletin.
- c) Any additional positions within a classification must be bulletined.
- d) Transfers shall be based on classification seniority. Any employee within a classification who does not have sufficient classification seniority to avoid a forced transfer, can reject the transfer option and exercise his/her rights under Article 7.02.
- e) Transfers which exceed one year, or are deemed to be permanent prior to one year shall entitle the employees to moving expenses as defined in Article 9.
- f) Employees transferred in accordance with these provisions shall not be entitled to travel expenses.

\_\_\_\_\_  
Fred Green  
Labour Relations Officer  
BC Gas Utility Ltd.

\_\_\_\_\_  
Rick Dowling  
Assistant Business Manager  
I.B.E.W., Local 213

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Letter of Understanding #40**

**Continuous Bargaining Process**

Deleted in 1999.

**Letter of Understanding No. 53**

between

BC Gas Utility Ltd.

and

International Brotherhood of Electrical Workers, Local 213

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**Revised Language - Seniority / Layoff / Bumping / Recall**

Deleted in 2001. Incorporated as new Article 7.

**Letter of Understanding No. 54**

**Job Site Mustering - Kamloops District Pressure Measurement Technicians**

Deleted in 1999.

## **Letter of Understanding No. 54A**

**between**

**BC Gas Utility Ltd.**

**and**

**Local 213, International Brotherhood of Electrical Workers**

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### **Job Site Mustering - Interior Unit**

For an employee to commence job-site mustering requires mutual agreement between the employee and the manager. It will normally occur only in situations where there is a demonstrable increase to an employee's effectiveness in performing his/her job.

1. For an employee, the agreement to job-site muster is voluntary, and irrevocable.
2. An employee choosing job-site mustering will:
  - (a) Take a Company vehicle home and park it in a location approved by the Company and
  - (b) Travel on his own time to and from his first and last call within a 30 km radius from his residence. If his first or last job is beyond the 30 km radius, the extra distance is traveled on Company time.
3. To ensure adequate coverage, if a job-site-mustered employee relocates his residence subsequent to entering into job-site mustering, mutual agreement between the employee and the manager (per the preamble) will be required to continue with job-site mustering.
4. No employee may job-site muster outside a designated BC Gas service area.
5. All employees accept responsibility for responding to after-hours callouts and will normally make themselves available for such callouts. In the event of a significant disruption, due to earthquake, fire, flood, hurricane, general system outage, etc., all employees must radio or phone in their availability as soon as possible.
6. The Company vehicle must not be operated for personal use or to transport people or items, other than on BC Gas business.
7. When the vehicle is parked, all doors, windows and bins must be closed and locked. Items likely to be the target of theft must be hidden from view as much as practical. Employees assume all risks associated with personal property left in the vehicle.

**Letter of Understanding No. 54A**

8. The vehicle must be kept clean and orderly at all times. The employee is responsible for making arrangements for mechanical maintenance. Cleaning of the vehicle (including washing) must be done during non-working hours.
9. The manager may require that the vehicle be returned to a BC Gas compound for all absences exceeding 3 calendar days.
10. When an employee will be commuting between home a BC Gas compound for 3 or more consecutive days, s/he may be required to leave the vehicle at the compound.
11. A job-site mustered employee who does not comply with the foregoing will be directed by his manager to return the Company vehicle and muster from his designated compound.
12. This Letter of Understanding expires on March 31, 2001 unless renewed by the parties in writing.

For BC Gas Utility

For Local 213 of the IBEW

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Franz Scherubl  
HR Corporate Governance

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Randy Loski  
Business Representative

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Date

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Date

**LETTER OF UNDERSTANDING NO. 55**

**between**

**LOCAL 213 OF THE  
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**

**and**

**BC GAS UTILITY LTD.**

**Regarding Reductions in the Number of  
Dependent Backhoe Contractor/Operators**

Deleted in 2001.



**LETTER OF UNDERSTANDING NO. 56**

**between**

**LOCAL 213 OF THE  
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**

**and**

**BC GAS UTILITY LTD.**

**Regarding the various roles of Construction and Maintenance (C&M) Crews**

Fielding the appropriate resources for the various types of work undertaken by C&M crews is in the best interests of the company, the employees and the union.

The IBEW classifications currently engaged in C&M work are Welder 1 (Interior), Crew Leader/Distribution Mechanic 1 (Crew Leader), Distribution Mechanic/Apprentice (DM/A), Equipment Operator 1 (EO1) and Dependent Backhoe Contractor/Operator (DBC).

This LOU establishes two new classifications: Distribution Mechanic/Excavator (DMX) and Equipment Operator/Distribution Mechanic (EODM).

The DMX will function as a DM/A in every respect, and in addition will operate various excavation equipment such as Bobcats, mini-excavators and mini-backhoes, and other equipment of similar or lesser complexity. Equipment such as “walk-along-plows” and “vac-trucks” are not considered excavation equipment in this context and will therefore be operated by DM/As as well as DMXs.

The EODM will function as a DM or DMX in every respect, and in addition will operate equipment associated with the EO1 classification and other equipment of similar or lesser complexity.

The rate of pay for DMX will be \$22.88 (Coastal) and \$24.41 (Interior).

The rate of pay for EODM will be \$24.89 (Interior) and \$23.33 (Coastal).

This LOU supercedes Article 36.05 with regard to A and B crews.

Crews appropriate to the task at hand will be made up by the Area Manager in consultation with the Crew Leader.

The key principles for crew makeup are:

- (1) the crew can perform the task(s) safely;
- (2) the crew can perform their day’s work efficiently; and
- (3) the crew is made up of employee(s) in appropriate classifications:

- a) a Crew Leader with any combinations of C&M classification(s) properly trained for the required work (DA's competencies are confirmed in their log books), or
- b) a single employee consisting of a DM or higher classification performing the duties of C or D crews, or duties of similar or lesser complexity (Article 36.05).

The DMX will be treated as a unique classification (e.g. for purposes of headquarter selection ) but with common classification seniority with the DM. Employees bumping a DMX based on DM classification seniority must be able to operate the excavation equipment in a productive, safe and competent manner with a reasonable amount of appropriate training. If the bumping employee cannot meet this standard s/he must bump a regular DM.

The key principle in transitioning from the current state to the new state is to be as non-disruptive as possible.

The company will declare the number of new classifications which will initially be established at each muster or location\*, and promotion to DMX will be offered to DMs at that location in order of union seniority subject to their ability to being able to operate the excavation equipment in a productive, safe and competent manner with a reasonable amount of appropriate training. DMs have the right to decline the promotion, however this may result in junior DM(s) being displaced by a DMX from another muster or location as the result of a headquarter selection process which will occur at the time of implementation..

\*Location is defined as the Headquarters in the Interior Unit (28.11.2), the Headquarters Group in the Metro Unit (28.04.4), and the District in the Fraser Valley Unit (28.10.3.3).

In the Interior, EO1s will be promoted to EODM subject to their ability to perform all of the duties of the DMX in a productive, safe and competent manner with a reasonable amount of appropriate training. EODM will be a separate classification with separate classification seniority.

As EO1 or EODM vacancies occur at an Interior location, the company may, providing it is not increasing the total number of DMs, EOs and EODMs at that location, adjust the ratio of DM, DMX and EODM at that location through internal promotion (at that location). The same selection criteria as above will apply.

This LOU does not in any way compromise the company's rights with respect to contracting out.

This LOU will be implemented in a timely manner as soon as appropriate training for the new classifications is developed and available.

During the transition phase, each DMX and EODM will be paid the new rate upon being fully competent in her/his new classification.

Effective the date of signing of this LOU and up to and including November 30, 2000 the company agrees not to lay off to the recall list any C&M employee as a direct consequence of the implementation of this LOU. The union agrees that this commitment is only possible if the company has the right to assign these employees to any available work outside of their regular work areas in order to avoid temporary layoff.

An employee can choose layoff to recall as an alternative to transferring to the location at which the company can keep her/him employed.

On behalf of BC Gas Utility

On behalf of Local 213 of the IBEW

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Franz Scherubl

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Rick Dowling

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Date

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Date

**LETTER OF UNDERSTANDING NO. 57**

**between**

**LOCAL 213 OF THE  
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**

**and**

**BC GAS UTILITY LTD.**

**Regarding the new job classifications of System Operations Technicians,  
and System Operations Apprentice**

The parties agree to replace the current classifications of Industrial Technician, Pressure and Measurement Technician 1, 2, and 3, and Station Mechanic 1 with the merged classification of System Operations Technician (SOT).

Job Description:     **A System Operations Technician** shall, without direct supervision:

- install, activate, maintain and repair all equipment used in flow control / gate / regulation / valve and customer metering stations, including but not limited to pressure control, measurement, telemetry and odorant systems; and all classes of gas utilization equipment, including satellite propane and LNG facilities, and NGV compressor and dispenser systems.
- operate mobile LNG transport and vaporization systems.
- direct the work of others, who are acting as helpers or providing support services on job sites.
- perform other duties of a similar or lesser complexity as required.

**Technical Qualifications:**

Must successfully complete the System Operations Apprentice program, and possess a valid Provincial Class A Gasfitter's License, or in the case of an employee with a Diploma of Technology have successfully passed the exam of the Provincial Class A Gasfitter's License program.

The parties also agree to create an internal System Operations Apprentice (SOA) Program to encourage the promotion of employees from within the bargaining unit.

Job Description: A **System Operations Apprentice** shall be trained in all job skills identified within the System Operations Technician job description, and shall progressively perform all aspects of this work without supervision as stipulated by the System Operations Apprentice Program.

Technical Qualifications: Must have:

Possession of a valid Provincial Class B Gasfitter's License, and  
Grade 12 education with Math 12 and Physics 12, or equivalent, and  
Post secondary training in pneumatic and electronic process instrumentation, equivalent to 6 units of the BCIT Electrical and Electronic Technology curriculum or another equivalent, recognized post secondary curriculum;

or,

Possession of a valid Provincial Class A Gasfitter's License, and  
Post secondary training in pneumatic and electronic process instrumentation, equivalent to 6 units of the BCIT Electrical and Electronic Technology curriculum or another equivalent, recognized post secondary curriculum;

or,

A Technologist Diploma in Instrumentation or a field related to the natural gas industry.

Wage rate:

Based on the pay rates in effect in the 1994 - 1998 collective agreement:

	Coastal	Interior
Start rate	\$23.88	\$25.48
18-month rate	\$25.40	\$27.10
End rate	\$26.60	\$28.38

Progression:

After a total of thirty-six months satisfactory performance, and subject to demonstrated ability to perform all core competency job skills identified in the System Operations Apprentice Dacum job profile, and subject to possession of a valid Provincial Class A Gasfitter's License or, in the case of an apprentice with a Technologist Diploma have successfully passed the exam of the Provincial Class A Gasfitter's License program, a System Operations Apprentice shall progress to System Operations Technician.

Progression to the 18-month rate is also subject to meeting the appropriate competency requirements which are being developed as part of the SOA Program.

An employee shall not be denied progression due to lack of internal training opportunities which are not attributable to the employee.

The company shall develop appropriate non-technical qualifications and consult with the union in the usual manner prior to bulletining a System Operations Technician or Apprentice vacancy.

1. The company's Trades Training Group, in consultation with the Progressional Training Advisory Board (PTAB) shall finalize a Dacum chart and establish an appropriate training program for Apprentices
2. Incumbent Industrial Technicians, Station Mechanic 1s, and Pressure & Measurement Technician 1s and 2s who currently meet all the qualification requirements for System Operations Technician, except for the six units of BCIT or equivalent, shall be reclassified to System Operations Technician at the end rate effective the first complete pay period following official notice of ratification of this LOU. Incumbent employees who possess a Technologist Diploma are not required to write the exam of the Provincial Class A Gasfitter's License program in order to be reclassified to the end rate.
3. Incumbent Station Mechanic 1s and Pressure & Measurement Technician 1s and 2s who do not currently meet all the qualification requirements for System Operations Technician as described in the preceding paragraph shall be held at the 18-month rate of the System Operations Technician classification until such time as they obtain those qualifications in the future. These incumbent employees are not required to obtain the additional qualifications, but they will not progress past the 18-month rate without the additional qualifications.
4. Incumbent Pressure and Measurement Technician 3s shall be reclassified to System Operations Apprentice and advance to the 18-month rate and/or to the end rate of Systems Operations Technician at the appropriate time (including their time as PMT3) subject to the requirements specified under "Progression" above.
5. Reimbursement for the Class A Gasfitter course shall be in accordance with the company's Administrative Instruction HMR 400-1, and incumbent SOTs and Station Mechanic 2s(SM2s) shall be deemed to have the highest relevance (reimbursement at 100%).
6. Incumbent Industrial Technicians shall be red circled at \$27.48 per hour and Article 24.04 will no longer apply to them. Red circled means their hourly rate shall be held at \$27.48 until the SOT hourly rate exceeds \$27.48, at which time they shall receive the higher SOT hourly rate.

### Seniority:

Regional and Unit Seniority are unaffected by this LOU.

Future System Operations Technicians shall establish Classification Seniority in the usual manner.

An incumbent's Classification Seniority as System Operations Technician shall be the date of his classification seniority in his current classification (i.e. I/Tech, PMT, SM1), except incumbent PMT3's will establish classification seniority as System Operations Technician on the date of their progression to the end rate.

In the event of future layoff of employees now being reclassified to System Operations Technician by operation of this LOU, the order of layoff shall be based on their existing classification seniority in the predecessor classifications (I/Tech, PMT1/2/3, SM1). For example: if the reduction is a result of changes to Gate Station or Regulator Vault maintenance frequencies, the reduction will occur in the following order:

1. Lowest System Operations Tech. seniority (those who are not among the currently reclassified incumbent I/Techs, PMTs or SM1s)
2. Lowest SM1 in affected unit (even though he may be senior to another Technician who is a former Industrial Tech, for example).

Employees holding classification seniority in any of the predecessor classifications shall retain bumping rights into those classifications. They would bump firstly the junior System Operations Tech in the Unit hired subsequent to this merger, and secondly the junior employee in terms of classification seniority in the predecessor classification. The principle is that an employee cannot gain or lose job security by this merger.

An employee bumping in is subject to the same competency requirements and pay progression as the incumbents being reclassified by this LOU.

Employees holding recall rights to any of the predecessor classifications shall be treated in the same manner as employees holding bumping rights.

### Agreement with respect to incumbent SM2s:

This LOU supercedes the AA Crew of Article 36.05. However it is understood that the relationship between the current SM2s and the group formerly known as SM1 (now part of SOT) shall not be prejudiced by this restructuring:

- This agreement is not an attempt to compromise the safety or effectiveness of employees engaged in Station work or any other work performed by SOTs, SOAs or SM2s.
- The company will continue the current practice of current SM2s working with SOTs to perform certain Station work on the Lower Mainland.

- Going forward, the company will assign the number and classification of employees appropriate to any System Operations work at hand (per the first bullet above).

Incumbent SM2s shall have right of first refusal, in order of seniority, to provide relief for SOTs on the Lower Mainland. Their relief hourly rate shall be at the 18 month rate or the end rate commensurate with the individual SM2's qualifications (per paragraphs 3 and 4 under Progression).

Incumbent SM2s shall be deemed to be qualified for future SOT bulletins and their hourly rate as SOT determined pursuant to paragraphs 3 and 4 under Progression.

This merger shall not result in the layoff of any current incumbent in the merged classifications, nor any current incumbent SM2. This commitment expires on November 30, 2000.

On behalf of BC Gas Utility Ltd.  
IBEW

On behalf of Local 213 of the

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Franz Scherubl

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Randy Loski

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Date

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Date



**LETTER OF UNDERSTANDING NO. 58**  
**between**  
**LOCAL 213 OF THE**  
**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**  
**and**  
**BC GAS UTILITY LTD.**

This Letter of Understanding applies to the following Interior Region employees only:

- Electronic Control Technicians
  - Operations Technician
  - System Operations Technician/Apprentice
  - Employees when engaged in system survey
  - Employees when engaged in transmission line patrol
1. These employees may, by mutual agreement with their manager, work a four-day-week when scheduled out-of-town for an entire calendar week;
  2. They will work three ten-hour days (Monday through Wednesday), followed by a seven-and-one-half hour day (Thursday), followed by Friday off;
  3. No overtime will be paid for the normal working hours described above;
  4. If a statutory holiday occurs during the week, the four-day work-week can be scheduled only if the stat falls on the scheduled seven-and-one-half hour work day (the Thursday);
  5. Productivity - as measured by number of activities, time per activity, and unit cost per activity - must be maintained or improved;
  6. Customer satisfaction must be maintained or improved;
  7. Safety record must be maintained or improved;
  8. Work must be completed according to procedures and policies;
  9. There can be no additional cost to the company (including additional management time to administer this LOU).

On behalf of Local 213 of the IBEW:

On behalf of BC Gas Utility:

\_\_\_\_\_  
Randy Loski

\_\_\_\_\_  
Franz Scherubl

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**LETTER OF UNDERSTANDING NO. 60**  
**between**  
**LOCAL 213 OF THE**  
**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**  
**and**  
**BC GAS UTILITY LTD.**

**EMERGENCY RESPONSE & STANDBY**

**Preamble:**

BC Gas Utility must provide for safe and reliable emergency response throughout its service area at all times. In greater Vancouver and the Fraser Valley, large numbers of employees and managers provide a substantial resource pool from which to draw employees for emergency response. In the towns throughout the remainder of the province the much smaller local resource pools necessitate that employees provide formal standby to ensure reliable emergency response at all times.

**Terms and conditions:**

1. As a group, the Sales and Service Technicians (SSTs) in the Interior Unit shall provide standby and emergency response on a 24x7x365/366 basis.
2. In towns employing classifications other than SSTs, other qualified employees may volunteer to join the standby pool to the extent that capacity will allow (e.g. if the SSTs are covering all the standby among them, there will be no capacity for others to join the standby pool). These other employees must commit to the standby pool for periods of not less than one calendar year.
3. Failing agreement on some alternate arrangement, all SSTs in a standby pool are expected to provide standby equally over the course of a year. In the event of an unscheduled absence by an employee who is scheduled to provide standby coverage, another employee from the standby pool shall cover the period of absence and shall be compensated at the appropriate standby premium rate.
4. In all one-employee-towns, the SST must provide not less than 40 complete calendar weeks of standby coverage each calendar year. Normally a SST in a one-employee-town will schedule "off-standby" only in one-calendar-week blocks.
5. A SST on standby has the option of handing off parts of weeks to other qualified, company-authorized resources within the town. This hand-off is the responsibility of the SST and must be formally documented.

6. Within each of the following six geographic areas, all SSTs are expected to share out-of-town standby equitably within their own geographic area:
- Chetwynd to Williams Lake
  - 100 Mile House to Merritt
  - Salmon Arm to Revelstoke (including Vernon)
  - Kelowna to Princeton (including Osoyoos)
  - Grand Forks to Trail (including Nelson)
  - Creston to Sparwood
7. The standby premiums shall be as follows:
- |   |                                    |
|---|------------------------------------|
| Monday to Friday:                               | \$30/day                           |
| Saturday and Sunday (24-hour standby):          | \$75/day                           |
| Saturday (when day shift coverage is provided): | \$50/day                           |
| Days observed as statutory holidays:            | \$30 plus one paid day off in lieu |
8. There is no requirement for the company to dispatch a second SST into a one-employee-town unless the regular SST in that town is on time off. Therefore the SSTs in one-employee-towns shall bank their days in lieu of stats for the purpose of taking time off in one week blocks.
9. All employees may deposit their standby premiums into their overtime bank.
10. An SST in a one-employee-town may book off the week of Christmas no more than once every three years.
11. Out-of-town coverage for the week of Christmas shall be rotated among all the SSTs in their standby pool.

On behalf of BC Gas Utility

On behalf of Local 213 of the IBEW

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Franz Scherubl

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Randy Loski

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# Letter of Understanding No. 61

## JCC Proposal for Metro Intra-crew Relief

### For consideration by Metro Unit Employees with DM1 and DM/DMX classifications within Operations Management:

For trial purposes and without prejudice in 2002 in the Metro Unit the "work group" previously defined in LOU 31 1.01 as the "Muster", will now be considered the "Crew". This in effect is a one year trial of intra crew relief in the Metro Unit.

This proposal will create:

18 crew pairings

- 7 base crews
- 11 construction crews
- DM relief pool

Relief will be provided from within each crew

Construction crews are re-headquartered as a unit

Increased summer time off

#### Company Plus

Truck, job/work ownership  
Better tool inventory control  
Job continuity  
More equitable division of relief  
100% truck utilization  
Improved job scheduling

#### Employee Plus

Truck, job/work ownership  
More consistent tool availability  
Job continuity  
More equitable division of relief  
Increase of summer sign up from 15% to 22%

#### Employee Negative

Less up time for the senior DMs

For each type of crew the identified pros and cons are:

## Base Crew Plus

Preferred location

Truck ownership

Increase of summer time off  
from 15% to 22%

## Construction Crew Plus

Truck ownership

Increase of summer time off from 15% to 22%

Except where other relief applies DM's will  
bonus up when partner Crew Leader is absent

DM's matched up with partner with same  
location preferences

## Base Crew Negative

No concurrent time off with  
partner

## Construction Crew Negative

No concurrent time off with partner

### Relief Pool Plus

### **Relief Pool Negative**

*More openings for vacation time (no partner*

*restriction)*

Increased opportunities to fill vacancies in preferred locations

*Little opportunity for up  
time*

### **Crew Selection within the Construction Workforce**

*In order to establish the crew match up in the construction force a location preference sign up will be issued to all construction personnel. Crew Leader and DM will be matched by selection preference based on seniority. The DM will maintain the option of opting for the relief pool. The crew will then be assigned as a unit for work in their preferred area based on seniority of the Crew Leader. Vacancies filled by members of the relief pool will be assigned based on seniority and area preference. Altering temporary headquarter assignments will not be considered if there is a penalty incurred to the Company either with regard to work continuity or travel time expenses. Assignment to areas not to the crews benefit (i.e. not closer to home) will be based on reverse seniority of the Crew Leader and at no cost to the company in keeping with LOU 39.*

## **Enhanced Relief Opportunities for DM's Laid Off from DM1 Classification**

In order to facilitate the the implementation of the proposed compound and crew selection (intra crew relief) in Metro for 2002 we propose that the 3 laid off Crew Leaders (Metro), Graeme Mounce, Mike Cooper, Rob Favaro, and 1 bumped Crew Leader (Fraser Valley) Mark Robinson will be provided relief Crew Leader opportunities on the following basis, once the crew pairings have been established:

The above named DM's ...

1. Must fill their partners vacancies either scheduled or unscheduled (in 1 week blocks or greater).

2. Can fill scheduled Crew Leader vacancies in blocks of 1 week or more that appear on the Master Vacation Schedule. This is a one time opportunity to be exercised once the schedule is complete.
3. The relief will follow any changes to the vacation schedule, where practical, that do not conflict with point one.
4. Relief of unscheduled absences will be by intra-crew relief
5. Article 7.03.4 does not apply
6. This will be at no cost to the company: ie No travel time expenses will be paid for relocations of DM's to accommodate this relief process

## **Acceptance**

*We propose an information meeting for all affected employees (exclusive of dump truck, and backhoe operators, company and contractor) where the JCC will present the proposal and answer all reasonable and appropriate questions. Upon completion of this session a secret ballot supervised and scrutinized by the IBEW will be held. A simple majority of those voting will be required for ratification.*

*The ballot will read:*

***“I agree to accepting the proposal.”***

**Yes ☐**

**No ☐**

***This proposal will expire on February 28, 2003 until otherwise agreed by the parties.***



## LETTER OF UNDERSTANDING NO. 62

### New Job Classification – Distribution & Service Technician

The company and the Union have agreed to introduce the new classification of Distribution and Service Technician. At this time, this classification is to be utilized in 100 Mile House and Fort Nelson only. Should the company decide to expand this classification into other headquarters, it shall do so only after consultation with the union.

The Distribution and Service Technician will function as a Sales and Service Technician or Crew Leader in every respect and, in addition, may operate excavation equipment if trained to do so.

The Distribution and Service Technician will be a separate classification with separate classification seniority. A DST does not establish Classification seniority as an SST or a Crew Leader by virtue of being awarded this classification.

The rate of pay will be \$26.87 per hour (Interior) – April 1, 2002 rate.

### **BUMPING**

In the event of an SST job closure in a HQ with a DST, the incumbent SST in that location may bump the DST in that location only provided s/he has more classification seniority as an SST than does the DST. The incumbent bumping a DST based on SST classification seniority must be immediately capable of obtaining a valid company OA2 welding ticket through normal internal training.

If the incumbent SST cannot meet this standard, s/he will not be able to bump into this position. In that event, the normal bumping options of Article 7 apply.

In the event of a DST job closure, the DST shall have the right to bump an SST or a Crew Leader, pursuant to Article 7, only if s/he has sufficient classification seniority in those classifications.

On behalf of BC Gas Utility

On behalf of Local 213 of the IBEW

\_\_\_\_\_  
Franz Scherubl

\_\_\_\_\_  
Randy Loski

Date

Date

**Letter of Understanding No. 63**

**Between**

**BC Gas Utility Ltd.**

**And**

**International Brotherhood of Electrical Workers, Local 213**

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**Overtime Leave Bank for Employees Subject to Seasonal Layoff:**

This Letter of Understanding confirms the agreement reached at the Joint Consultative meeting on July 17, 2002. It applies only to employees in classifications/locations subject to seasonal layoff as determined by BC Gas.

For such employees, article 34.01 is amended to allow the entire 200% overtime compensation to be deposited into their overtime bank.

Employees who make such election agree to use part of their overtime bank for purpose of postponing or avoiding seasonal layoff. The equivalent of the first ten days pay deposited into the employee's overtime bank each year shall be made available for scheduling time off, at the discretion of the company, in order to postpone or avoid seasonal lay-off.

Amounts greater than the equivalent of 10 days pay each calendar year may be cashed out at the discretion of the employee.

Eligible employees may participate in this process through an annual election co-ordinated by the BC Gas Human Resources Department. Normally the election will occur near mid-year.

On behalf of BC Gas Utility

On behalf of Local 213 of the IBEW

\_\_\_\_\_  
Franz Scherubl

\_\_\_\_\_  
Randy Loski

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## **APPENDIX A**

### **DEPENDENT BACKHOE CONTRACTOR/OPERATORS**

(Coastal Only)

#### **1. General Provisions**

##### **1.01 Application**

All terms and conditions set out in the Collective Agreement are expressly excluded except those detailed herein. The expiry date of this Appendix will coincide with the expiry date of the Collective Agreement. Any backhoe contractors employed by the Company during the term of this agreement for a period in excess of six months in any twelve month period will become a dependent backhoe contractor subject to this Appendix.

The Company may engage the services of a dependent backhoe contractor provided that the dependent backhoe contractor signs a copy of Appendix "B" attached hereto and forming part of this agreement prior to the dependent backhoe contractor performing any services for the Company. A signed copy of Appendix "B" shall be forwarded to the Union.

##### **1.02 Management Rights**

The Union recognizes and agrees that except as specifically abridged, delegated, granted or modified by this Appendix, all of the rights, powers and authority which the Company had prior to the signing of this Appendix are retained solely and exclusively by the Company, and remain without limitation within the rights of management.

#### **2. Union Dues**

2.01 The Company recognizes the Union and will not discriminate against any dependent backhoe contractor because of his connection with it. The Company agrees that all dependent backhoe contractors shall within one month of engagement become and remain thereafter members of the Union in good standing as a condition precedent to continued engagement with the Company. Properly qualified officers of the Union shall be recognized by the Company for the purpose of discussing any grievance of any dependent backhoe contractor.

2.02 Upon receipt of a written assignment of earnings signed by the dependent backhoe contractors, the Company will deduct from the dependent backhoe contractors pay the amount of the required monthly dues and assessments and transmit that amount to the Union, once per month, together with a list of dependent backhoe contractors from whom such deductions have been made.

2.03 The Union agrees to indemnify the Company for any claims made against it arising out of deductions made under this Article.

2.04 If there are insufficient earnings owing to a dependent backhoe contractor in the period for which dues deduction should be made, the Company is not required to make a deduction or to transmit any payment to the Union in respect of that dependent backhoe contractor.

### **3. Grievances**

- 3.01 Grievances shall first be presented to the immediate supervisor concerned. Failing settlement, the Union shall then present the grievance to the Business Leader in writing. Failing settlement at that level, the grievance will be submitted in writing to the Director or Vice President as appropriate, with a copy of such notification sent to the Department Manager and to the Labour Relations Officer. Failing settlement at that level, the Union will submit the grievance in writing to the Executive Vice-President, Operations, and the Vice-President, Human Resources (or delegates). Grievances submitted verbally shall be subject to a one week time limit and grievances submitted in writing shall be subject to a two week time limit for processing through the levels involved.
- 3.02 Where a difference arises between the parties relating to the dismissal or discipline of a dependent backhoe contractor, or to the interpretation, application, operation, or alleged violation of this Appendix, including any question as to whether a matter is arbitrable, either of the parties, without stoppage of work, may, after exhausting the grievance procedure established by this Appendix, notify the other party in writing of its desire to submit the difference to Arbitration, and the parties shall agree on a single Arbitrator. The Union or the Company shall refer the matter to Arbitration within one month after its rejection by either party or the matter shall be deemed to be withdrawn. The decision of the Arbitrator shall be final and binding on both parties and any dependent backhoe contractor affected by it. Each party shall pay one-half the fees and expenses of the Arbitrator. The dependent backhoe contractors shall continue to work while the above outlined grievance procedure is in progress.

### **4. Technological Change**

- 4.01 The Company shall provide two month's notice in writing to the Union of its intention to introduce any technological change which will result in a termination of the contract for services for a dependent backhoe contractor.
- 4.02 In the event there is a dispute relating to this Article, the matter may be submitted as a grievance at the Business Leader's level of the grievance procedure for resolution.

### **5. Seniority**

- 5.01 Seniority shall accrue on a departmental basis only, i.e. Metro and Fraser Valley.
- 5.02 Seniority is established by the date of hire into a department, i.e. the date the dependent backhoe contractor actually reports to work for the department.
- 5.03 Reduction in the number of dependent backhoe contractors will be in the reverse order of seniority, last on, first off.

The current complement of Dependent Backhoe Operators (DBO's) in the Fraser Valley and Metro Units will be reduced from thirty-two (32) to the following:

- (a) Eighteen (18) DBO's classified as full-time regular operators, not subject to the layoff provisions described in 1(b) below;
- (b) Five (5) DBO's allocated to the three construction crew hubs (i.e. Abbotsford, Langley, and 2nd/Boundary) who may be subject to layoff upon five (5) days notice, due to shortages of work.

These twenty-three (23) DBO's will not be laid off, or replaced, by the use of hourly or casual backhoe contractors.

This does not guarantee that BC Gas will always maintain the complement of 18/5 DBO's.

- 5.04 A minimum thirty days notice will be required prior to termination of a dependent backhoe contractor. However, the Company retains the right to terminate for cause without notice.
- 5.04.1 Dependent backhoe contractors shall not be terminated for lack of work while casual backhoe contractors are still working in the department.
- 5.05 Short-term layoffs of less than one month duration which are occasioned by force majeure are not termination and do not require notice. The conditions of the force majeure shall be evaluated on a muster-by-muster basis and shall include input from the IBEW safety rep on site. Conditions shall be re-evaluated on a daily basis and contractors recalled when the conditions no longer justify the layoff.
- 5.05.1 If the contractor has reported to work at the regular starting time and is being laid off pursuant to 5.05, he shall be paid no less than 4 hours at straight-time rate for the day.
- 5.05.2 Layoffs of up to five working days shall be in inverse order of departmental seniority within each muster.
- 5.05.3 Layoffs of greater than five working days shall be in inverse order of seniority within each department.
- 5.06 A dependent backhoe contractor's department seniority will be placed on a common seniority list at termination for the purpose of determining the order of eligibility for re-engagement except in cases of voluntary termination or termination for cause.
- 5.07 A former dependent backhoe contractor will be given first consideration for re-engagement in any department for a period of twelve months following termination except in cases of voluntary termination or termination for cause.
- 5.08 When the company adds a dependent backhoe contractor or fills a vacancy, those contractors already employed shall have the right to transfer to the location of the vacancy on a seniority basis by department. This clause does not negate the company's right to reassign contractors to headquarters based on need.

## **6. Hours of Work**

- 6.01 Dependent backhoe contractors will normally work between the hours of 0800 and 1630 hours Monday to Friday inclusive. They will be entitled to a one-half (1/2) hour unpaid lunch break and two (2) fifteen (15) minutes paid rest periods each day, which they will take at the same time the crew or employees, with whom they are working, take theirs.
- 6.02 To compensate for travel to/from Hope, Kent, Mission and Harrison municipalities, dependent backhoe contractors will be paid a travel allowance of one additional hour at straight time pay per round trip. A backhoe contractor mustered in any of these municipalities is not covered by this clause.
- 6.03 All DBO's will schedule a minimum of four (4) weeks off per year during mutually-agreeable periods, to help minimize seasonal layoffs, and terminations pursuant to 5.04. This leave will be without penalty and at a time agreed to between the Company and the dependent backhoe contractor and will be subject to workload requirements. Special requests for leave beyond four weeks per year shall be given due consideration.
- 6.04 When a dependent backhoe contractor is working with a crew and that crew receives rest time, the dependent backhoe contractor shall, at his option, receive the same rest time off with pay.

## **7. Schedule of Rates**

- 7.01 Rates as set out herein shall be for the All-Found Rental of Backhoe/Front End Loaders with operator. The rates will be paid only for the number of hours during which the equipment and operator are ready and able to perform the work for which they were engaged.

Rate -     \$49.13 per hour effective April 1, 2002  
              \$50.60 per hour effective April 1, 2003  
              \$52.12 per hour effective April 1, 2004  
              \$53.68 per hour effective August 1, 2005

- 7.02           When the dependent backhoe contractor works in excess of eight (8) hours per day or on a Saturday, Sunday or Statutory Holiday, the overtime rate will be paid.  
Overtime rate - \$64.00 per hour effective April 1, 1995 (\$74.00 per hour effective April 1, 2002). DBO's will be paid the equivalency of Statutory Holiday Pay (i.e. 4.4%) on their hourly rate schedule.
- 7.03           Dependent Backhoe Contractors who have been requested by the Company to provide a truck and trailer for transporting their backhoe shall have an additional \$5.00 per hour (\$5.60 per hour for truck and trailer effective April 1, 2002) added to the rate in Article 7.01. Overtime rates will not apply to the truck and trailer rate.
- 7.03.1.     Deleted in 2001.
- 7.03.1.1   COMPENSATION:

a) Dependent Backhoe Contractors who have been requested by the company to purchase and have provided a hoepack shall have an additional \$2.00 per hour added to the rate in Article 7.01.

b) Dependent Backhoe Contractors instructed by the company to use their hoepack shall have an additional \$3.50 per hour added to the rate in Article 7.01 for each day the hoepack is used.

Note: Overtime rates will not apply to the hoepack rate.

c) The Dependent Backhoe Contractor shall assume complete responsibility for the total cost of the operation and maintenance of the hoepack.

7.03.2 Use of a Grinder Sweeper shall add \$25.00 per hour to the rate in Article 7.01, with a minimum of four hours pay on days used.

7.04 Dependent Backhoe Contractors will be required to perform secondary work from time to time. In consideration of this, the Company will pay the Workers' Compensation assessment for Dependent Backhoe Contractors. It is clearly understood that WCB coverage under this provision is valid only while performing work for the Company.

7.04.1 Secondary work includes any tasks which the contractor can safely perform in aid of the crew, and is in addition to operation of the backhoe.

7.04.2 The Company will provide coveralls, safety boots, safety vest, and rain gear, on the same basis as provided for regular members of the crew.

7.05 The dependent backhoe contractor shall assume complete responsibility for the total cost of operation of the backhoe including the insurance on the equipment and all required licenses.

7.06 When a dependent backhoe contractor is working with a crew that is provided with a meal, the dependent contractor shall also receive a meal.

7.07 Dependent backhoe contractors will invoice the Company biweekly and payment will be delivered through the internal Company mail. Any adjustments made by the Company will be shown on a statement accompanying payment.

7.08 The Company will deduct on a biweekly basis, \$1.45 per hour from the rates specified in Article 7.01, to provide Health and Welfare coverage for Dependent Backhoe Operators and remit this amount to I.B.E.W., Local 213 Health and Welfare Department by the 10th day of the month following deductions. The amount deducted may be amended by written notification from the Union.

## **8. Indemnity**

8.01 BC Gas will indemnify and hold harmless dependent backhoe contractors from legal liabilities imposed upon them arising out of work performed by them directly relating to their contractual relationship with BC Gas. However, BC Gas shall have no liability with respect to the foregoing where the legal liabilities result from the grossly negligent, reckless or wilful acts or omissions of a dependent backhoe contractor. This clause does not negate the obligation of dependent backhoe contractors to obtain proper vehicle and business insurance.



**9. Retirement**

- 9.01 As a condition of employment, each dependent backhoe contractor is required to supply the Company with proof of age.
- 9.02 A dependent backhoe contractor's contract will be terminated on the first day of the month which coincides with or immediately follows the contractor's 65th birthday.

**MISCELLANEOUS**

Dependent backhoe contractors, except those on layoff status, may add \$1,000 to their first invoice following official notice of ratification.

Dependent backhoe contractors, except those on layoff status, may add \$500 to their first invoice following April 1, 2002.

**APPENDIX B**

**DEPENDENT BACKHOE CONTRACTOR/OPERATORS**

BETWEEN:

BC Gas

AND:

Dependent Backhoe Contractor/Operator \_\_\_\_\_

Address \_\_\_\_\_

1. The Company agrees to retain the services of the backhoe contractor/operator, named above, with backhoe hereafter described:

**MAKE:** \_\_\_\_\_ **MODEL:** \_\_\_\_\_

**LICENCE NUMBER:** \_\_\_\_\_

**Hoe Mount Side/Center** \_\_\_\_\_

**Aux. Transport Truck/Trailer** \_\_\_\_\_

SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19 \_\_\_\_\_

AT \_\_\_\_\_, B. C.

WITNESS \_\_\_\_\_

DEPENDENT BACKHOE CONTRACTOR/OPERATOR \_\_\_\_\_

BC GAS \_\_\_\_\_

REVISED: 05 SEPT. 1989

**APPENDIX C**

The Company shall update the list of Dependent Backhoe Contractors by date of hire on January 1 and July 1 of each year. A copy of the list will be forwarded to the Union in a timely manner.

## **APPENDIX D**

### **DEPENDENT CONTRACTOR METER READERS**

(Interior Only)

#### **1. Scope**

- 1.01 This Article governs the terms and conditions of employment for Dependent Contractor Meter Readers only and has no application in respect of any other employee or classification of employee.
- 1.02 Whenever the term "Meter Reader" is used in Appendix D, it shall mean "Dependent Contractor Meter Reader".
- 1.03 Unless specifically included within this Appendix, no other term or provision of the Collective Agreement shall apply to Meter Readers. The following Articles, terms and provisions do apply and wherever applicable the word "employee" shall be deemed to include "Meter Reader":

#### Preamble of Agreement

Articles 1.01 - 1.07	- General
Articles 1.09 - 1.10	- General
Article 2	- Recognition of Union
Article 4	- Probationary Periods
Article 6	- Grievances
Article 7	- Seniority
Article 8.01	- Posting of Job Vacancies (General)
Article 11	- Accredited Service
Article 13	- Group Life Insurance
Article 14	- Health Benefits
Article 15	- Dental Plan
Article 16	- Paid Sick Leave Allowances
Article 17	- Long Term Disability Plan
Article 18	- Prolonged Illness
Article 19	- Accidents at Work
Article 20.01&.02	- Leave of Absence
Article 26	- Safety Practices
Article 36.06.2	- Job Descriptions/Interior
Article 40	- Dog Safeguards
Appendix D	- Dependent Contractor Meter Readers
"Schedule "B"	- Compensation for Meter Readers

- 1.04 If any entitlement is stated to be subject to proration, the following method of calculation shall be used.
- a) If the Meter Reader is assigned 4,000 meters per month or more, proration equals 100%.
- b) If the Meter Reader is assigned less than 4,000 meters per month, proration equals the ratio of meters assigned to 4,000, expressed as a percentage to one decimal point. Example: 3,250 meters read; proration equals  $3,250/4,000$  equals .8125 equals 81.3%.

#### **2. Headquarters**

- 2.01 The Company shall establish a headquarters for each meter reading route and it shall be the responsibility of the Meter Reader to pick up and deliver meter books and other documents at the headquarters.
- 2.02 Unless otherwise directed by the Manager, the Meter Reader may go directly to the appropriate route(s) and is not required to report to the headquarters upon completion of work.

### **3. Hours of Work**

- 3.01 Meter Readers are on a flexible time schedule and may start and stop work, within limits established by the Company, as they deem appropriate.
- 3.02 Notwithstanding Clause 3.01, Meter Readers are not expected to work more than thirty-five (35) hours per week on the average. If a Meter Reader finds his time consistently exceeds thirty-five (35) hours per week, he should refer the matter to the Manager for appropriate action.

### **4. Overtime**

- 4.01 Because of the Meter Readers' flexible work schedule and in consideration of the limit on the total number of meters assignable to any Meter Reader, the parties agree that if any meters are read on an overtime basis, they shall be compensated for at the base rate per Schedule "B".
- 4.02 Meter Readers shall not be assigned to read more than 6,000 meters per month without the consent of the Union and the Meter Reader.
- 4.03 Should the Company assign a Meter Reader to work by the hour, at the hourly rate, all of the terms contained in Article 31 and Article 33.1 will apply.

### **5. Seniority and Service**

- 5.01 Service is subject to proration. Meter Readers will establish seniority as defined and in the manner described by Clause 7.01.
- 5.02 Meter Readers employed by the Company on January 28, 1983 shall establish seniority from that date and Meter Readers hired after that date shall establish seniority from their first day of physical employment.
- 5.03 Meter Readers will establish Classification Seniority as Meter Readers as of their first day of employment.
- 5.04 The Company shall prepare a seniority and service list for Meter Readers effective December 31 each year with a copy sent for posting to each headquarters and to the Union. Unless an objection is raised within thirty (30) calendar days of the posting of such lists, the seniority and service contained thereon shall be considered final.
- 5.05 Service proration will be based on the number of meters permanently assigned. Once established, the proration will remain the same until there is a permanent addition or reduction in the number of meters read.

### **6. Assigning of Meter Routes**

- 6.01 Full Time Meter Readers are defined as Meter Readers assigned 4,000 or more meters per month, on average, and Part Time Meter Readers as those assigned fewer than 4,000 meters per month.
- 6.02 The Company agrees to provide a full time job wherever practical. However, where the number of meters in a headquarters assigned to be read by Meter Readers exceeds 8,500 per month, the Company agrees to appoint at least one full-time Meter Reader. An additional full-time Meter Reader will be appointed for each additional increment of 8,500 meters per month so assigned in a headquarters. Notwithstanding the foregoing, in the case of incumbent Meter Readers or by the mutual consent of the Company and the Meter Readers in a headquarters, this Clause can be waived.
- 6.03 When the Company decides that a block of meter reading work (other than relief reading) will be performed by incumbent Meter Readers such work will be offered or reassigned to incumbents in that headquarters reading fewer than 5,000 meters per month on average. The block of available work will be awarded to the applicant with the most District Seniority and in cases of equal District Seniority to the applicant with the most Company Seniority or years of service, in that order, subject to ability and efficiency.
- 6.03.1 At the request of the union, the Branch/Office Manager shall meet with the meter readers for the purpose of achieving a fair distribution of routes among the meter readers.

## **7. Reduction of Work**

- 7.01 If a reduction in the number of meters read results in the lay-off of a Meter Reader, the Company shall provide notice or pay in lieu of notice of one (1) week per year of service, with a minimum of two (2) weeks and a maximum of thirteen (13) weeks.
- 7.02 A full time Meter Reader who is laid off shall be paid severance pay of one (1) week per year of service to a maximum of thirteen (13) weeks upon expiry or surrender of recall rights.
- 7.03 The Company will attempt to keep the number of meters assigned to be read by a full-time Meter Reader consistent from month to month. However, if a reduction in the number of meters assigned to be read is permanent, i.e. exceeding thirteen (13) weeks, the full-time Meter Reader shall receive one (1) week's loss of earnings per year of service to a maximum of thirteen (13) weeks. If the reduction exceeds ten percent (10%), the Meter Reader shall have the option of a voluntary lay-off under the terms of Clause 7.02 in lieu of the compensation for loss of earnings.
- 7.04 The Company will provide the Union with six (6) months notice of its intention to introduce automation or new equipment in respect of meter reading. Training will be provided to incumbent Meter Readers to the extent possible but if any Meter Reader is laid off due to the introduction of automation or new equipment, severance pay of one (1) week per year of service to a maximum of thirteen (13) weeks will be paid upon expiry or surrender of recall rights.

- 7.05 One (1) week's pay equals twenty-three percent (23%) of the total base payment for the number of permanently assigned meters in a calendar month. Pay in lieu of notice is calculated based on the last complete calendar month prior to lay-off. Loss of earnings is the difference between a week's pay based on the last complete calendar month preceding the reduction in work and the first complete calendar month following the reduction in work.
- 7.06 Meter Readers in a headquarters will be laid off in reverse order of District Seniority by laying off the least senior Meter Reader first, ability and efficiency considered. They will be recalled in accordance with and subject to the provisions of Clause 7.03.6.

## **8. Annual Vacations, Statutory Holidays and Other Leave**

- 8.01 A Time-Off Bank will be established for each Meter Reader and each month a deposit equal to eleven percent (11%) of the base payment for that month will be paid in to the Bank by the Company.
- 8.02 Meter Readers may draw upon this Bank on two (2) weeks notice up to the amount in the Bank, subject to the Company's ability to provide relief and to mutual agreement regarding scheduling of time off.
- 8.03 Notwithstanding Clause 8.02, Meter Readers will, if they have sufficient time banked, be entitled to at least three (3) weeks vacation during the period June 15 to September 1 each calendar year.
- 8.04 Any balance in the Bank as of June 30 each year, which is not scheduled, will be paid with the regular payment for June.
- 8.05 Meter Readers shall neither be scheduled nor expected to work on any statutory holiday.

## **9. Benefit and Security Plans**

- 9.01 Meter Readers, subject to the terms of the Plan, may participate in the Pension Plan.
- 9.02 Meter Readers will participate in the Group Life Insurance (Article 13), Medical Services and Extended Health (Article 14), Long Term Disability (Article 17), and Dental (Article 15) plans. The portions of premiums paid on behalf of an employee pursuant to the foregoing plans are subject to proration on behalf of Meter Readers.
- 9.03 Meter Readers will, subject to Article 16, be eligible for paid sick leave allowances. For the purposes of Article 16, "Regular Earnings" are defined as the actual number of meters that would have been read had s/he been at work that day.
- 9.04 If a Meter Reader can prove comparable benefits coverage, s/he may opt out of the benefits listed in Clause 9.02 and receive payment in lieu of two and one-half (2.5) cents per meter.

## **10. Payment Schedule**

- 10.01 The basic rate for all Meter Readers shall be per meter as set forth in Schedule "B" to this Agreement and the explanatory notes thereto.
- 10.02 Meter Readers will be paid on the fifteenth (15th) day and last day of each calendar month.

- 10.3 The basic rate detailed in Schedule "B" expressly covers all duties contained in the Meter Reader job description including:
- (a) reading all types of meters.
  - (b) accurately recording the reading and consumption,
  - (c) picking up and delivering meter books and/or other required equipment such as the hand-held device,
  - (d) meeting to discuss items related to the job,
  - (e) training to meet the requirements of the Meter Reader job.
- 10.4 Job functions, not specifically described will, at the Company's sole discretion, be performed at the hourly rate as set forth in Schedule "B" or at another rate established by the Company.
- 10.5 Should the Company establish another rate pursuant to Clause 10.4, such rate will be subject to a negotiated agreement between the Parties and, failing settlement, to the process described in Article 5.01.1 of the main agreement. The results of such negotiation and/or arbitration will be retroactive.
- 10.6 Should the Company reintroduce the Foreman classification of Meter Reader, the provisions of Clause 10.5 will apply.
- 10.7 Notwithstanding Clause 10.3 Meter Readers will keep a log of business travel and will be paid thirty-six (36) cents per kilometer or fifty-eight (58) cents per mile for business travel driven during the preceding calendar month by the fifteenth (15th) day of each calendar month. "Business travel" is defined as kilometers/miles to and from a meter reading route and all kilometers/miles driven in a vehicle provided by the Meter Reader for the sole purpose of reading meters or performing other tasks assigned by the Company. Business travel to and from a meter reading route may be calculated either from and to a Meter Reader's domicile or from and to a headquarters at the Company's sole discretion.
- Effective April 1, 1995, increase rate to 38 cents per kilometer, and effective April 1, 1997 to 39 cents. Increase rates per mile 61.2 and 62.8 respectively.
- Effective April 1, 2002 business travel shall be compensated at \$0.42 per kilometer.
- Meter readers must carry \$2,000,000 public liability insurance and must be insured for business use. Each meter reader must be able to substantiate this on demand.
- 10.8 Full-time Meter Readers may claim up to \$100 per calendar year for footwear, and part-time Meter Readers may claim up to \$50 per calendar year.



## **11. Retirement**

- 11.01 As a condition of employment, each dependent contractor Meter Reader is required to supply the Company with proof of age.
- 11.02 A dependent contractor Meter Reader's contract may be terminated by the Company on the first day of the month which coincides with or immediately follows the contractor's 65th birthday, or anytime thereafter on three months notice.

This Agreement constitutes the entire agreement between the Parties hereto and supersedes any instructions, oral or written, heretofore entered into by or on account of the Parties hereto and may not be changed, modified or amended except in writing signed by the Parties hereto.

## **MISCELLANEOUS**

Meter readers on the payroll on the second pay-day following official notice of ratification shall receive \$1,000 lump sum prorated by number of meters assigned. All meter readers assigned an average of 4,000 or more meters per month as at the last previous proration calculation shall receive \$1,000, and meter readers assigned an average of less than 4,000 meters per month over that same period shall receive a prorated portion of the \$1,000.

Meter readers on the payroll on April 1, 2002 shall receive a \$500 lump sum prorated on the same basis as above, using the most recent proration calculation.

The parties agree to constitute a Join Consultative Committee to resolve the issues of:

1. fair distribution of meter routes among meter readers (article 6.03.1);
2. hourly rate vs. 'per meter' rate (article 10.01, 10.3);
3. meter readers performing lockoffs and unlocking of meters;
4. appropriate rates for reading >1 meter per location (e.g. gas, electric and water).

## **APPENDIX E**

### **DEPENDENT DUMPTRUCK CONTRACTORS**

(Coastal Only)

#### **1. General Provisions**

##### **1.01 Application**

The terms and conditions of this Appendix, (the "Appendix"), apply only to dependent dump-truck contractors. All terms and conditions contained in other sections of the Collective Agreement are expressly excluded except those detailed herein. Specifically, and without limiting the generality of the foregoing, dependent dump-truck contractors are not considered employees in the operation of Article 8.

##### **1.02 Scope**

Any dump-truck contractor employed by the Company for a period in excess of six (6) months in any twelve (12) month period will become a dependent dump-truck contractor subject to this Appendix.

##### **1.03 Term of Agreement**

The expiry date of this Appendix will coincide with the expiry date of the Collective Agreement.

#### **2. Recognition**

##### **2.01 Management Rights**

The Union recognizes and agrees that except as specifically abridged, delegated, granted or modified by this Appendix, all of the rights, powers and authority which the Company had prior to the signing of this Appendix are retained solely and exclusively by the Company, and remain without limitation within the rights of management.

##### **2.02 Union Recognition**

The Company recognizes the Union as the bargaining agent for dependent dump-truck contractors and, without limiting the generality of the foregoing, for the persons named in Clause 5.02 of this Appendix. Such persons are, for purposes of this Appendix and for purposes of the Labour Relations Code as amended, deemed to be, "dependent contractors", as defined in Section 1 of the Code, and properly qualified officers of the Union are recognized by the Company for the purpose of discussing any grievance of any dependent dump-truck contractor.

2.03     **Union Membership**

The Company agrees that dependent dump-truck contractors will become and remain members in good standing of the Union as a condition precedent to continued employment by the Company.

2.04     **Dues Deductions**

Upon receipt of a written assignment of earnings, the Company will deduct an amount equal to the prevailing Union dues and assessments from dependent dump-truck contractors' pay as long as such persons remain in the bargaining unit. The Company will deduct such amounts from payments to contractors in respect of the last full pay period in each calendar month and remit the same, with a list naming each contractor so deducted and the amount deducted from each contractor's pay, to the Business Manager of the Union before the 15th day of the following month.

The Union agrees to indemnify the Company for any claims made against the Company arising out of deductions made pursuant to this clause and, if there are insufficient earnings owing to a contractor in the period for which dues deductions should be made, the Company is not required to make a deduction or to transmit any payment to the Union in respect of that contractor and period.

**3.     Grievances**

3.01     Grievances shall first be presented to the immediate supervisor concerned. Failing settlement, the Union shall then present the grievance to the Division Manager in writing. Failing settlement at that level, the grievance will be submitted in writing to the Director or Vice-President as appropriate, with a copy of such notification sent to the Division Manager concerned and to the Labour Relations Officer. Failing settlement at the Director's level, the Union will submit the grievance in writing to the Executive Vice-President, Operations, and the Vice-President, Human Resources (or delegates). Grievances submitted verbally shall be subject to a one (1) weeks time limit and grievances submitted in writing shall be subject to a two (2) week time limit for processing through the respective levels.

3.02     Where a difference arises between the parties relating to the dismissal or discipline of a dependent dump-truck contractor, or to the interpretation, application, operation, or alleged violation of this Appendix, including any question as to whether a matter is arbitrable, either of the parties, without stoppage of work, may, after exhausting the grievance procedure established by this Appendix, notify the other party in writing of its desire to submit the difference to Arbitration, and the parties shall agree on a single Arbitrator. The Union or the Employer shall refer the matter to Arbitration within one (1) month after its rejection by either party or the matter shall be deemed to be withdrawn. The decision of the Arbitrator shall be final and binding on both parties and any dependent dump-truck contractor affected by it. Each party shall pay one-half (1/2) the fees and expenses of the Arbitrator. The dependent dump-truck contractors shall continue to work while the above outlined grievance procedure is in progress.

#### **4. Technological Change**

- 4.01 The Company shall provide two (2) month's notice in writing to the Union of its intention to introduce any technological change which will result in a termination of the contract for services for a dependent dump-truck contractor. A decision to replace dependent dump-truck operators with employee-operators shall be considered a technological change.
- 4.02 In the event there is a dispute relating to this Article, the matter may be submitted as a grievance at the Division Manager's level of the grievance procedure for resolution.

#### **5. Seniority and Job Security**

- 5.01 Seniority is established by a contractor's "date of hire", which is defined as the date a contractor first reports for work as a dependent dump-truck contractor, and shall accrue on a departmental basis only, ie. Metro and Fraser Valley.
- 5.02 Seniority is established for the incumbent contractors, as follows, with the most senior contractor appearing first and the least senior appearing last:

Metro
1. Roger Gladwell
2. Tim MacLeod

The above contractors will not be displaced by the hiring of employee dump-truck operators, or terminated for shortage of work while employee dump-truck/cleanup truck operators hired after July 10, 1989 remain employed as dump-truck operators.

- 5.03 Reduction in the number of dependent dump-truck contractors will be in reverse order of seniority. The last dependent dump-truck contractor hired will be the first contractor terminated.
- 5.04 A minimum of thirty (30) days of notice will be required prior to termination of a dependent dump-truck contractor. However, the Employer retains the right to terminate for cause, without notice.
- 5.04.1 Short-term layoffs of less than one month duration which are occasioned by force majeure are not terminations and do not require notice. The conditions of the force majeure shall be evaluated on a muster-by-muster basis and shall include input from the IBEW safety rep on site. Conditions shall be re-evaluated on a daily basis and contractors recalled when the conditions no longer justify the layoff.
- 5.04.2 If the contractor has reported to work at the regular starting time and is being laid off pursuant to 5.04.1, he shall be paid no less than 4 hours at straight-time rate for the day.
- 5.04.3 Layoffs of up to five working days shall be in inverse order of departmental seniority within each muster.
- 5.04.4 Layoffs of greater than five working days shall be in inverse order of seniority within each department.
- 5.05 A dependent dump-truck contractor's seniority will be placed on a common seniority list on termination for the purpose of determining the order of eligibility for re-engagement except in cases of voluntary termination or termination for cause.

5.06 A terminated dependent dump-truck contractor will be given first consideration for re-engagement for a period of twelve (12) months following termination except in cases of voluntary termination or termination for cause.

5.07 Re-engagement of dependent dump-truck contractors will occur in reverse order of reduction.

5.08 Deleted in 1994.

## **6. Hours of Work, Overtime and Headquarters**

6.01 Dependent dump-truck contractors will normally work between the hours of 0800 and 1630 hours, Monday to Friday inclusive. They will receive a one-half (1/2) hour unpaid lunch break and two (2), paid, fifteen (15) minute rest periods each day.

6.02 When a dependent dump-truck contractor works in excess of eight (8) hours per day or on a Saturday, Sunday or Statutory Holiday, the overtime rate will be paid.

6.03 Each dependent dump-truck contractor will be entitled up to four (4) weeks of unpaid leave of absence in lieu of annual vacation during each twelve (12) month period of engagement. Special requests for leave beyond four weeks per year shall be given due consideration.

This leave will be without penalty and at a time agreed to by both the individual contractor and the Company. Such leave will be subject to workload requirements.

6.04 When the contractor is working with a crew and that crew receives rest time, the contractor shall, at his option, receive the same rest time with pay.

6.05 Dependent dump-truck contractors shall not be assigned a permanent headquarters. They shall report for work to any headquarters within the department as required, and shall be given notice on the previous day of a change in headquarters.

## **7. Rate Schedule and Equipment Specification**

7.01 The rates set out herein are for the All-Found Rental of single axle dump trucks with a minimum load capacity of 4,082 kg., minimum box capacities of 3.83 cubic meters, (box to be equipped with dump chute) and designated, owner-operated contractors. The rates will be paid only for the number of hours during which the equipment and contractor are ready and able to perform the work for which they were engaged.

Effective April 1, 1995 dependent dump-truck contractors straight-time rate shall be increased by \$1.45 per hour which shall be deducted by the company and remitted to the IBEW Local 213 Health and Welfare Department on a bi-weekly basis for the purpose of providing health and welfare coverage to the dependent dump-truck operators. The amount deducted may be amended by written notification from the union to the company's accounts payable department.

Effective April 1, 2001, \$39.05 straight time

Effective April 1, 2002, \$39.44 straight time

Effective April 1, 2003, \$40.62 straight time

Effective April 1, 2004, \$41.84 straight time

## **Effective April 1, 2005, \$43.10 straight time**

## **Effective April 1, 2001, \$52.02 for overtime**

Effective April 1, 2002, \$59.00 for overtime

- 7.02 The dependent dump-truck contractor shall assume complete responsibility for the total cost of operation of the dump truck including the insurance on the equipment and all required licenses. Dependent dump-truck contractors are not responsible for cargo related costs such as dumping fees charged by dump site operators.

### **7.03 Special Attachments**

If requested by the Company, special attachments may be installed on the dump trucks. Such attachments will meet normal industry standards and the installation of such equipment will not reduce the resale value of the dump trucks. The cost of these attachments and their installation, shall be borne by the Company, and their use shall not exceed the normal working capability of the dump truck.

- 7.04 The provisions in Article 33.03 apply to dependent dump-truck contractors.
- 7.05 Dependent dump-truck contractors will invoice the Company bi-weekly and payment will be made by the Company within two (2) weeks of the date invoices are received. Any adjustments made by the Company will be shown on a statement accompanying the payment.
- 7.06 The Company will pay the Workers' Compensation Board assessments for dependent dump-truck contractors, however the Workers' Compensation Board coverage is valid only while performing work for the Company.
- 7.07 At the request of a Supervisor or crew leader, dependent dump-truck contractors will be required to perform secondary work from time to time.
- 7.07.1 Secondary work includes any task which the contractor can safely perform in aid of the crew, and is in addition to operation of the truck.
- 7.07.2 In recognition of secondary work, the Company will provide coveralls, safety boots, safety vest, hearing protection and rain gear, on the same basis as provided for regular employees in the department.

### **8. Indemnity**

- 8.01 BC Gas will indemnify and hold harmless dependent dump-truck contractors from legal liabilities imposed upon them arising out of work performed by them directly relating to their contractual relationship with BC Gas. However, BC Gas shall have no liability with respect to the foregoing where the legal liabilities result from the grossly negligent, reckless or wilful acts or omissions of a

dependent dump-truck contractor. This clause does not negate the obligation of dependent dump-truck contractors to obtain proper vehicle and business insurance.

**9. Retirement**

- 9.01 As a condition of employment, each dependent dump-truck contractor is required to supply the Company with proof of age.
- 9.02 A dependent contractor's contract will be terminated on the first day of the month which coincides with or immediately follows the contractor's 65th birthday.

**MISCELLANEOUS**

Dependent dump-truck contractors, except those on layoff status, may add \$1,000 to their first invoice following official notice of ratification.

Dependent dump-truck contractors, except those on layoff status, may add \$500 to their first invoice following April 1, 2002.

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**BC GAS/I.B.E.W. COLLECTIVE AGREEMENT**  
**(1998-2001)**

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**MEMORANDUM OF AGREEMENT**  
**TERASEN GAS INC. and LOCAL 213 OF THE IBEW**  
**(2006 – 2011)**

**This Memorandum is subject to ratification by the principles of both parties. All signatories to this Memorandum agree to unanimously and unreservedly recommend all of the terms and conditions of the Memorandum to their principles.**

**Terasen shall advise the IBEW of the results of its ratification within 48 hours of signing. The IBEW shall advise Terasen within 30 calendar days.**

**The parties' collective agreement is amended with respect to the following terms and conditions effective the third working day following official notice of ratification by the bargaining unit unless specified otherwise for certain terms in this Memorandum.**

**Revised terms and conditions:**

**Article 8.01.1.5:** (amend second sentence as follows):

- For the Measurement Group Leader, Materials Leader – Central Stores, Measurement Shop Leader, Mechanical Foreman/Shop Leader, Building Operations & Maintenance Leader and Distribution Service Agent classifications, selections shall be made giving equal weight to each of the following six (6) factors:
  1. Seniority
  2. Expertise
  3. Initiative
  4. Problem solving & results orientation
  5. Customer focus
  6. Business understanding & alignment

**Article 8.06.4:**

- Replace current language to provide that temporary postings shall expire when and if the holder no longer meets the required qualifications for the position, after the employee has not worked in the classification for a period of more than 12 months.

**Article 16.07.1:**

- Article 16.07.1 "Whenever possible, employees shall schedule medical and dental appointments outside of normal working hours"; Article 16.07.2 will be enforced.
- Terasen, in consultation with the IBEW, will produce a simple and comprehensive checklist to assist employees who are making a claim for sick leave under the Claims Management Process. This will be completed no later than end of year 2006.

**Article 22:**

- Delete article 22.03.1 (Coastal AV) and article 22.11 (Supplementary Vacation), **except** for those employees choosing to remain on the "legacy" hours of work provisions.
- Amend article 22.03.2 to apply company-wide and to provide 30 days vacation after 25 years of service, **except** for those employees choosing to remain on the "legacy" hours of work provisions.

**Article 24.03.2:**

- Increase boot allowances to \$165 and \$330 respectively.

**Article 29.09(b)(c):**

- Increase to \$50 and \$55 respectively.

**Article 29.08.1:**

- "...if air, scheduled flying time plus two (2) hours,..."

**Article 31:**

**Hours of work and additional, earned days off (New Model):**

- All employees, company-wide, (except part-time employees) shall be paid 37.5 hours per week at "Interior" wage rates (this also applies to incumbent employees who may choose not to go to the *New Model*).
- All employees, company-wide, (except part-time employees, and those employees currently working 7.5 hours per day who choose not to go to the *New Model*) shall work eight (8) hours per day and deposit one-half (½) hour into their *Time Off Bank* for each day so worked. If the employee is not at work for the full eight (8) hour day, the one-half (½) hour is not earned and not deposited to the bank for that day.

- Employees who currently work eight hours per day (or a shift schedule derived from the eight hour per day schedule (e.g. LNG Plant)) may choose not to go to the *New Model*.
- Variations of the standard work day/work week, e.g. 10-hour shifts and LNG plant 12-hour shifts, shall remain in place and be modified only to the extent of reflecting the *New Model* and higher hourly rates.
- The balance of the time off bank may be taken as time off for layoff avoidance (first priority), or time off scheduled at the employee's discretion (subject to operational requirements, and subject to the same limitations as currently exist for SWYL), or cash.
- The maximum number of days that can be scheduled at company discretion from the *Time Off Bank* is 14 days per year.
- Employees currently covered by Article 35.06 may choose not to go to the *New Model*, in which case they shall continue to be covered by Article 35.06, except that paragraph 35.06.3 shall be amended to reduce the entitlement by 1-eleventh (1/11<sup>th</sup>) for each full month of absence in excess of one (1) month absence in the preceding year.
- Employees currently covered by Articles 35.01 to 35.05 may choose not to go to the *New Model*, and the following amendments shall apply to these employees:
- Delete article 35.01 and add nineteen (19) "supplemental" days per year to employees *Time Off Bank*.
- Delete articles 35.02, 35.03 and 35.04, reduce the nineteen (19) day supplemental entitlement by 1-eleventh (1/11<sup>th</sup>) for each full month of absence in excess of one (1) month absence in the preceding year, and retain article 35.02.4.1.

**Article 31.11:**

- Ten hour shift shall be voluntary beginning with the 2007 sign-up.

**Article 31.07.4:**

- 30 day/employee restriction is eliminated - Interior and North Island.



**Article 31.11.1:**

- Add 1300 to 2100 as additional afternoon shift. This shift will apply Monday to Friday only and will have a maximum rotation of 1 in 6. The 1400 to 2200 shift will become voluntary.
- At the annual signup the employee may opt for the 10-hour shift or the 1400 to 2200 shift in lieu of the 1300 to 2100 shift, subject to reasonably anticipated business requirements.
- These shifts shall apply to the LM/FV and CRD only and may be implemented with the 2007 sign-up.

**Standby:**

**Effective January 1, 2007:**

- **Interior:**  
All out-of-town standby coverage and all standby in excess of 30 weeks in a calendar year by an individual employee shall be paid at \$360 per week (\$30/weekday & \$105/SatSun).
- **Article 32:**  
\$500 per week (\$50/weekday & \$125/SatSun).

**Effective January 1, 2009:**

- **Interior:**  
Basic Standby coverage shall be paid at \$360 per week (\$34/weekday & \$95/SatSun).  
  
All out-of-town standby coverage and all standby in excess of 30 weeks in a calendar year by an individual employee shall be paid at \$400 per week (\$34/weekday & \$115/SatSun).
- **Article 32:**  
\$450 per week (\$40/weekday & \$125/SatSun).

**Article 36:**

- Terasen intends to expand the Distribution Services Agent (DSA) classification company-wide in situations where appropriate.
- Merge Electronic Control Technician (ECT)1 with Measurement & Controls Technician.

- Employees must obtain the Utility ticket prior to completing the DA apprenticeship. Curriculum details and home study expectations shall be finalized by JCC.

### **Customer Service Technician:**

This new classification merges the Utilization Technician 1 (LM/FV and CRD), Tie-in Technician (LM/FV), Sales and Service Technician (Interior and North Island), and Distribution Service Technician (Interior and North Island).

- Employees in these classifications shall be trained and shall perform PFM and other work up to and including all meter sets that utilize a single run configuration, with or without a bypass (excluding instrumented and turbinized meter sets).
- This classification shall be paid 2% above the current rate (incumbents in the classifications listed above shall be upgraded by 2%), except that CRD Utilization Technicians shall receive 50% of any general wage increase until such time as their hourly rate becomes equal to that of the newly upgraded rate
- This classification will follow a progression similar to the current Utilization Technician (i.e. CST 2 to CST 1) and it will be applied company-wide.
- Tie-in roles will be bulletined separately for both permanent and relief bulletins.
- The Install Crew Leader responsibilities in the current DST classification shall be limited to towns of four (4) or fewer employees (except Vancouver Island which will be on a grandfathered basis).
- No incumbent Systems Operations Technician shall be laid off or downgraded as a result of this change, and Terasen will not eliminate the SOT classification as a direct result of this change.

### **Article 37:**

- Upgrade Meter Measurement Technician one pay level (incumbents automatically upgraded). Terasen will review (in anticipation of future postings) required qualifications to bring them in line with qualifications for other classifications at the new pay level.

**Employee Savings Plan:**

Applies only to employees who work under the "*New Model*" for hours of work and earned time off.

- The Employee Savings Plan shall apply to all regular employees (except those who remain on the "legacy" hours of work, and those part-time regular employees who work less than 37.5 hours per pay period) per the terms and conditions of that plan as they currently exist.

**Employee Benefits Program:**

The parties agree to maintain the current employee Benefits program until December 31, 2008.

The parties shall, in good faith, design a flexible benefits program suitable for bargaining unit employees no later than March 31, 2008. This new benefits program shall be designed to maximize the benefits for bargaining unit employees given the "percentage of base payroll" funding available from the 2007 benefits cost experience for bargaining unit employees.

This percentage of base payroll represented by bargaining unit benefits in 2007 shall be carried forward to 2009 and future years as being the funding available to finance the new benefits program. If the funding available through this formula is insufficient to finance the new benefits program, the parties shall adjust the new benefits program design to keep it compliant with the funding available.

In the event the parties are unable to design an appropriate new benefits program for bargaining unit employees by the deadline, the current benefits program shall remain in place, using the same 2007 percentage of base payroll figure as derived above, as the base for benefits costs for 2009 and beyond. Should the actual costs of benefits exceed the funding available in any given year, then the employees shall bear 50% of the cost of the shortfall. This shortfall shall be recovered from employees by payroll deduction.

**Optional use of days off:**

Effective January 1, 2007, each employee under the "*New Model*" shall be credited annually with ten (10) additional days off (equivalent to 4% of base wage), prorated for part years. These additional days can be taken as time off or converted to a non-taxable Health Spending Account, non-taxable RRSP contributions or taxable cash, in any combination not exceeding the 4% entitlement.

Employees choosing not to go to the "*New Model*", may use up to ten days of their time off entitlement to purchase a non-taxable Health Spending Account,

non-taxable RRSP contributions or taxable cash, in any combination not exceeding the value of the number of days contributed.

**Post retirement benefits (effective January 1, 2009):**

- Post retirement benefits apply to all regular full-time eligible employees (37.5 hours per week). A full-time employee must have worked a minimum of 2 years full time status immediately prior to retirement and age 55 with 10 years of full-time equivalent service. Benefits consist of the following:
  - Health Care Spending Account (HSA): an annual pre-tax allocation of \$2,500 (pro-rated in first partial year of retirement) for expenses that are eligible for the medical tax credit under Section 118.2 of the Income Tax Act
  - Extended Health Plan/Security Plan: covers defined medical expenses at 100% after satisfying an annual deductible of \$1,250 per person. Eligible expenses include:
    - Emergency Ambulance
    - Hospital – Semi-private
    - Prescription drugs
    - Private duty nursing
    - Mastectomy brassieres
    - Ostomy and ileostomy supplies
    - Walkers, canes, crutches, splints, casts collars, trusses, braces, permanent prostheses, stump socks, surgical stockings, orthopedic shoes, cervical collars and traction kits – to a combined annual maximum of \$500 per person
    - Hearing aids, to a maximum of \$500 per person in any five-year period
    - Rental or purchase of medical equipment, to a lifetime maximum of \$15,000 per person

Lifetime maximum benefits of \$500,000 per person.

**Transition:**

- Current eligibility rules shall remain in effect for all eligible employees retiring prior to January 1, 2009.
- Part-time regular employees retiring prior to January 1, 2009, shall remain eligible for the current Post Retirement Benefits.
- Full-time regular employees retiring prior to January 1, 2009, shall have the option to elect the new post-retirement benefit plan.

**In house versus contractor work:**

- The parties hereby recommit to the substance and intent of LOU #33, including the work activity projections JCC. In addition the parties will update LOU #33 to reflect the current organization.

**Total Compensation:**

- Annual base pay increases over 5 years: 2.85%, 2.5%, 3%, 3%, 3%
- Lump sum in lieu of detailed retroactive calculation:
  - All regular and temporary full-time employees active on the third working day following official notice of ratification by the bargaining unit shall receive a one-time lump sum payment of \$700.
  - All regular part-time employees active on the third working day following official notice of ratification by the bargaining unit shall receive a one-time lump sum payment of \$350.
- Employee Incentive Plan (applies only to employees on the "New Model" hours of work as implemented by this Memorandum.):
  - Corporate Scorecard measure: (\$1,000.00)
  - Individual Performance measures: Lost Time Accidents (\$300), Motor Vehicle Accidents (\$300), and Attendance (per previous measure) (\$300).

**Dependent Backhoe Contractors:**

The following rate schedules shall apply:

***Lower Mainland/Fraser Valley:***

Year	2006	2007	2008	2009	2010
Hourly Rate (Inc. Hoe-pack)	\$67.50	\$69.50	\$71.00	\$73.00	\$75.50
Hourly Rate Truck & Trailer	\$7.00	\$7.00	\$7.50	\$7.50	\$7.50
Total Both	\$74.50	\$76.50	\$78.50	\$80.50	\$83.00
Overtime Rate	\$89.00	\$89.00	\$89.00	\$99.00	\$99.00

***CRD Dependant Back-Hoe/Dump Trucks:***

(All Hoe/Trucks to be similarly equipped)

Year	2006	2007	2008	2009	2010
Hourly Rate Inc. D-Truck & Equip	\$77.00	\$78.75	\$81.50	\$84.00	\$86.50
Overtime Rate	\$89.00	\$89.00	\$89.00	\$99.00	\$99.00

- The Dependent Contractor/Router (Appendix G) shall receive the normal annual percentage increases to the rate and shall receive the \$700 lump sum in lieu of retroactivity.
- Add the language contained in Article 7.04.2 (Coveralls, boots, etc.) of Appendix "A" of the collective agreement, to apply to all the CRD Dependent Contractors.
- Convene a JCC to review the use of ancillary equipment for CRD Dependent Backhoe Contractors, and to seek standardization with the Lower Mainland.
- Rikkmen Excavating Co. hourly rate to be red-circled pending the outcome of the JCC.

**Dependent Dump Truck Operators:**

- Rebase the hourly rate to \$45 per hour, then apply the five standard annual base pay increases to this new base rate.
- Overtime rate shall be \$67.50 (150% x rebased hourly rate), then recalculate the overtime rate as 150% of the applicable hourly rate effective April 1, 2008 and again on April 1, 2010.
- Operators may charge an additional \$4,000 on the first invoice following the implementation date.

**Housekeeping:**

- Apply agreements made on March 2, 3 and 8 with respect to Letters of Understanding (see Appendix A), and attend to all other housekeeping matters.

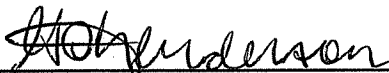
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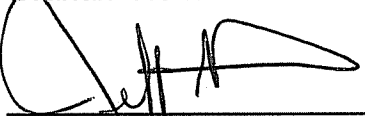
- Unless otherwise specified, all terms and conditions become effective on the third working day following official notice of ratification by the bargaining unit.

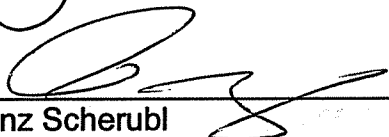
**Signature page:**

On behalf of Terasen Gas Inc.


  
Daryle Britton

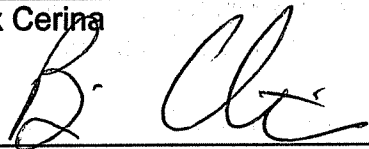
  
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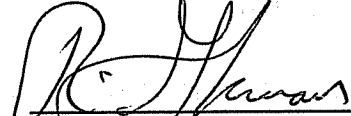
  
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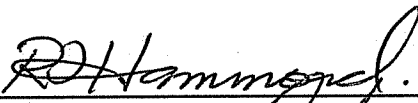
  
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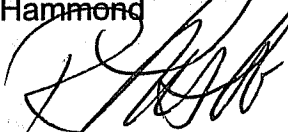
On behalf of Local 213 of the IBEW

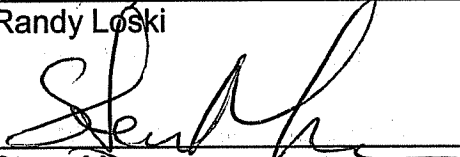
  
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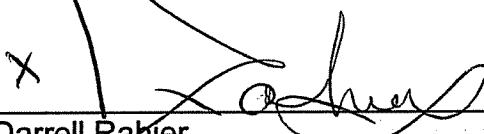
  
Brian Christianson

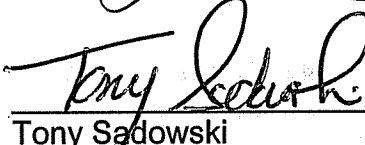
  
Ravinder Ghuman

  
Bob Hammond

  
Randy Loski

  
Steve Meers

  
Darrell Rahier

  
Tony Sadowski

  
Ab Yates

Dated this 31st day of July, 2006 at Surrey, B.C

**Appendix A – Summary - Letters of Understanding - Housekeeping revisions (As agreed March 2, 3, and 8, 2006)\***

LOU	Action/Revision
2	Incorporate into Article 5.03
4	Leave as is
6	Subject to FINAL bargaining proposals; possible insert in to Art.14
7	Insert into Art.13.09
16A	Insert into new Article 42
17	Delete
18	Subject to FINAL bargaining proposals; possible insert into Article 5.03
21	Insert into new Article 42
? Agreement with respect to Gainsharing	Delete
31	Insert into Article 9
32	Insert into Article 8.07
33	Make this LOU#1; re-write and update it
34	Move into Appendix A; and delete sub-title " Southern & Western Regions"
35	Move into Appendix A
38 & 54A	Combine the LOU's into one LOU #38; agreed to 20 km for all regions
39, 39A, 39B	Delete LOU #39A; Incorporate LOU #39B into #39; incorporate 29
56	Update this – JCC to be created
57	Move parts of it to Article 36 - Job Descriptions; grandfathered SMII needs to be put on "P" file – 'Agreement with respect to incumbent SM2's" portion to go on P file. Then can delete.
58	Move to Article #31
59	Leave this for now; possibly move into CA; Apprenticeship portion could go to Art. 42
60	Subject to FINAL bargaining proposals; move to Article 32, needs adaptation, include adjustment plan
61	May or may not remain, if it does, update it
62	Subject to FINAL bargaining proposals
62A	Could put it into Article 7
63	Could put into Art. 34.01.2; entire 200% into OT bank for ees subject to seasonal layoff; make reference to 34.01.2 - (Article 7.04)
65	Move to Appendix A & update language
66	Subject to FINAL bargaining proposals
CRD #1	Delete
CRD #5	Move to Article 42; change reference from "4.02, 2 <sup>nd</sup> paragraph" to 4.02.1
CRD#13	Move to Article 31
CRD#15	Leave as is



**Appendix A – Summary - Letters of Understanding - Housekeeping revisions (As agreed March 2, 3, and 8, 2006)\***

CRD#17 & letter of interpretation	Delete
CRD#18 & letter of interpretation	Delete
CRD#19	Delete
CRD#21	Move part of it to Article 42; may fit into the other integration piece
CRD - Pension Plan ( no #)	Delete
CRD - LOU – Part-time Position (no #)	Delete
CRD- LOU – Job Description – Clerk 2 (no #)	Delete
NI LOU #3	Merge into Article 31
NI LOU #4	Delete
NI LOU #5	Delete
NI LOU #8	Leave as is
NI LOU #9	Delete
NI LOU #10	Delete

**Vancouver Island Adjustment Plan** (to become a letter of understanding), including:

Delete items: 1 to 9, 11, 18 to 21, 23, 25 to 30, 32, and 33

Amend items: 12 (remove redundant classifications), 22, 24

In order to implement the housekeeping items of this Appendix the parties agree that some further language refinements may be required by mutual agreement.

*\*Errors & Omissions Excepted*

## **Appendix B: Options for current employees to elect the “New Model” for hours of work, Savings Plan and Incentive Plan**

All employees hired following ratification of this Memorandum shall be hired into the “New Model” and receive all of the entitlements thereto.

Subject to the following conditions, each current employee shall be given the option, prior to the end of 2006, to elect to join the “New Model” effective January 1, 2007.

Thereafter, again subject to the following conditions, employees who have not yet joined the “New Model” shall be afforded an election prior to the end of each calendar year to join the “New Model” effective January 1 of the following year.

### Conditions:

1. Transfer to the “New Model” is irrevocable. This rule supersedes all other rules (once on the “New Model”, remains on the new model).
2. In the work groups such as Construction, and Transmission Crews, and the Meter Shop, transfers must be by the entire workgroup and must be by unanimous agreement of the employees in that workgroup.
3. Work groups such as customer service, SOT, CCT’s, MCT or others who normally work alone shall be on an individual basis.
4. CST’s in towns of 2, 3 or 4 employees shall be considered a single workgroup, requiring unanimity.
5. Temporary bulletin holders shall maintain the hours of their permanent assignment.
6. Bumping – If permanent, bumping/bumped employees shall assume the rules of the receiving workgroup.
7. Incumbent transfers shall assume work rules of new work groups.
8. For clarity:
  - A Coastal employee transferring to Interior shall go to 37.5 week/17 days unless the workgroup is under the “new model”.
  - An Interior employee transferring to Coastal/Lower mainland shall go to an 8 hour workday/32 days, unless already on the “new model”
9. Extended leave – such as LOA, LTD, WCB, Maternity, Parental. If an employee is off, they get a vote, unless return is not in the foreseeable future.
10. Anything outstanding/in dispute/unforeseen goes to a senior JCC for resolution.

## **Attachment 22.2**

# **AGREEMENT**

**between:**

**BC GAS UTILITY LTD.**

**and**

**OFFICE AND PROFESSIONAL  
EMPLOYEES' INTERNATIONAL UNION LOCAL 378**

**Relating to**

**WAGES AND WORKING CONDITIONS**

**Effective Date: April 1, 2002**

**Expiry Date: March 31, 2007**

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**NOTE:** Underlining in the text of an Article indicates new language.

**THIS AGREEMENT made**

**Between:**

**BC GAS UTILITY LTD.**

(hereinafter called the "Company")

and

**OFFICE AND PROFESSIONAL  
EMPLOYEES' INTERNATIONAL UNION LOCAL 378**

representing the employees of **BC GAS UTILITY LTD.**

affected by this Agreement

(hereinafter called the "Union")

**PREAMBLE**

WITNESSETH that the Parties agree to exclude the operation of Section 50(2) of the Labour Code of British Columbia and that the following provisions shall take effect and be binding upon the Company and the Union for the period commencing 2002-04-01 and ending on 2007-03-31 and thereafter until terminated as follows:

Either party may at any time within 4 months immediately preceding the expiry date of this Agreement, give written notice of its intention to reopen or amend the Agreement on its expiry date. After the expiry date and until a revised Agreement is signed, this Agreement and all its provisions shall remain in full force and effect until such revised Agreement is signed without prejudicing the position of the revised Agreement in making any matter retroactive to any date detailed in such revised Agreement.

Notwithstanding the paragraph above, the employees may strike, and the Company may lock out after this Agreement expiry date, within the provisions of the legislation existing at the time as a part of the negotiating process in arriving at a new Agreement.

## **ARTICLE 1**

## **RECOGNITION OF THE UNION**

- 1.01 This Agreement shall apply to and be binding upon all employees of the Company described in a certificate issued to the Union by the Industrial Relations Council of British Columbia dated 3 April 1991 and which are all employees of the Company in its establishments in British Columbia, in any phase of office, clerical, technical, administrative or related work and including gas controllers, field workers employed by the employer (such as representatives, salespersons, engineering survey persons, safety inspectors, construction inspectors, who are mentioned by way of example only and not to limit the generality of the term "field workers") but excluding those field workers who are represented by the International Brotherhood of Electrical Workers, Local 213, employed by the employer in transmission, distribution, liquefaction and storage, construction and maintenance, customer service, fabrication and repair shops.
- 1.02 The Company agrees that all employees covered by this Agreement shall, within 15 days of the date hereof, or within 15 days of their employment by the Company, whichever event shall later occur, as a condition of employment, become and remain members of the Union. The Company shall deduct from each affected employee's pay the amount of any union dues and assessments, and remit same to the Union monthly, together with the information as to the persons from whose pay such deductions have been made.
- 1.03 The Union will provide the Company with official forms, covering Application for Membership, Initiation and Authorization for Dues Deduction.
- 1.04 The officers, representatives and members of the Union shall not engage in any activity of the Union on Company time or on Company premises, except by prior authority of the Company. The Union shall advise management as to who represents the Union as Union Officers, Union Stewards and Union Representatives. Union Stewards may carry out their Union duties relative to the Agreement on Company time in the town in which the Steward is located, subject to his/her Supervisor's approval.

**ARTICLE 1****RECOGNITION OF THE UNION (continued)**

- 1.05 The Company will grant leave of absence without pay to employees who are:
- a) Acting as full-time officers or representatives of the Union (but excluding the Union clerical staff). Such employees will be placed on leave of absence, with the time involved considered as service with the Company. On conclusion of such leave of absence employees will return to the position they previously held with the Company.
  - b) Elected as representatives to attend Union meetings, conventions, or to Union business.  
Reasonable notice for such leaves of absence must be given to the Company.
  - c) The Company will not charge the Union for salaries of employees absent from work to attend Executive Board or Executive Council meetings, where the leave of absence is 1 day or less. Time away will be by arrangement between the employee and their Supervisor, and such time off will not be unreasonably withheld.
  - d) The amount of leave granted for the purpose of attending Executive Board meetings shall not exceed 40 working days per year in total for the bargaining unit. The maximum leave granted for Executive Council meetings shall not exceed 130 working days per year in total for the bargaining unit.
  - e) Where a leave of absence specified in (c) above exceeds 1 day and for all other leaves of absence for Union business not specified in (c) above, the Union is responsible for the costs of the leaves, including salary and a loading factor of 17.3%.
  - f) The Parties agree that Article 1.05 (c) of the Collective Agreement is interpreted to mean that the Union will reimburse the Company for all time lost whenever an employee is continuously involved in Union business for more than 1 day, even if it is an Executive Board meeting, an Executive Council meeting, or a combination of the two.

**ARTICLE 1****RECOGNITION OF THE UNION (continued)**

- 1.06 Bulletin boards shall be made available to the Union for the purpose of posting Union notices relating to meetings and general Union activities. With the exception of routine notices of OPEIU meetings, OPEIU elections, job bulletins to fill vacancies in the OPEIU office and notices of appointment, all notices shall be submitted to the Company for approval before being posted.
- 1.07 The Company retains the right to manage its business and direct the working forces, provided it does not conflict with the provisions of this Agreement.
- 1.08 Neither the Union nor the Company, in carrying out their obligations under this Agreement, shall discriminate in matters of hiring, training, promotion, transfer, layoff, discharge or otherwise because of race, colour, ancestry, place of origin, religion, marital status, family status, physical or mental disability, age, sex, sexual orientation, or any other grounds under the BC Human Rights Act.
- 1.09 Duties normally performed by employees within the bargaining unit will not be assigned to or be performed by non-bargaining unit employees except to overcome immediate, short-term operational or personnel difficulties when bargaining unit employees capable of performing the work are not available.
- 1.10 The Company will not contract out work normally performed by bargaining unit employees if such contracting out will result in any termination or downgrading of an existing employee.
- 1.11 Persons referred by an employment agency will become temporary employees of the Company after accumulating 25 working days in a calendar year.
- 1.12 When employees covered by this Agreement are assigned away from their regular headquarters overnight to work on a construction project being done by Company employees who are members of another bargaining unit, their supervisors will assign them overtime on the same basis as those employee members of the other bargaining unit, provided the work is available.

**ARTICLE 1****RECOGNITION OF THE UNION (continued)**

- 1.13           The Company shall provide each employee with a copy of the Collective Agreement within 90 calendar days of a revised agreement being ratified and signed by both parties. New employees shall be provided with a copy of the Collective Agreement at the time of their hire. In addition, the Company will allow up to one-half hour of paid time at the Company's employee orientation sessions for a Union Representative to meet with new employees for the purpose of informing them of their rights and obligations as Union members.
- 1.14    a)       A consultation committee shall be established in accordance with Section 53 of the Labour Relations Code.
- b)       At the request of either party, the parties shall meet at least once every two months until this Agreement is terminated, for the purpose of discussing issues relating to the workplace that affect the parties or any employee bound by this Agreement.
- c)       The purpose of the consultation committee is to promote the cooperative resolution of workplace issues, to respond and adapt to changes in the economy, to foster the development of work related skills and to promote workplace productivity.
- 1.15           The Company will indemnify and hold harmless Company employees from legal liabilities imposed upon them arising from their normal course of employment save in the case of gross negligence or willful misconduct by an employee.

**2.01      THE JOB CLASSIFICATION SYSTEM**

- a) The BC GAS/OPEIU Point-Factor Plan shall be the sole determinant of job groupings for the Classification Levels used in the Job Classification System.
- b) The Company shall be responsible for maintaining the Job Family and Level definitions and evaluations to meet ongoing operational requirements.
- c) The job levels for employees shall be determined by application of the Job Classification System, except as outlined in Article 2.07.
- d) The parties acknowledge the practicality of determining the evaluation of a position by the use of Job Family and level definitions, particularly where a specific job is clearly defined by the Family, Sub-Family, Level Definition or Summary of a Representative Job and where there is an appropriate benchmark (or benchmarks) as a comparison. However it is also acknowledged that the evaluation of specific positions may not be so readily determined because the job is not clearly defined in the Job Family and Level definitions and/or there are no comparable benchmarks; in these cases, the position(s) will be evaluated under the Point Factor Plan. It is understood that all benchmarks will be point-factored.
- e) Should there be a dispute as to whether the evaluation of a position has been properly determined pursuant to application of either the Job Family and Level definitions or the Point-Factor Plan, the matter will be referred to the appeal process set out in the remainder of this Article. If the appeal proceeds to the Standing Arbitrator, the level must be confirmed by the Point Factor Plan pursuant to Article 2.05(b).
- f) The Human Resources Department (HRD) is responsible for ensuring that all Job Descriptions and Evaluations are current and that every job is reviewed at least once every three (3) years. In order to discharge this responsibility, the HRD shall plan and carry out an annual review schedule that encompasses approximately one-third (1/3) of all active, evaluated OPEIU jobs.



## **ARTICLE 2**

## **JOB EVALUATION (continued)**

2.02

### **JOB DESCRIPTIONS**

- a) The Company agrees that it will provide the Union with copies of all current job descriptions covering employees for whom the Union is certified as the bargaining agent.
- b) The Company shall provide the Union with descriptions of new jobs as soon as operational requirements permit. The Union will be provided with a copy of the new, evaluated job description at least 3 working days prior to the new job being bulletined.
- c) A new job is defined for the purpose of this Article as:
  - 1. A newly created job which has not previously existed, or;
  - 2. Any job within a section, the duties of which have not been performed by an employee within that section during the previous 6 month period. Seasonal jobs, agreed training jobs and jobs which are part of a hierarchy within a section, will not be considered as new jobs under this definition.
- d) When jobs are to be downgrouped the Union will be notified and given reasons in writing 30 calendar days prior to the effective date.

2.03

### **SALARY TREATMENT**

- a) Changes in job groupings will be treated as follows:
  - 1. upgroupings - Article 18.07 (a)
  - 2. downgroupings - Article 18.06 (e).
- b) Those employees who were downgrouped prior to May 1, 1989 and were red circled, shall receive blue circle salary treatment.  
  
Those employees who were downgrouped prior to May 1, 1989 and were blue circled, shall continue to receive blue circle salary treatment.

## **ARTICLE 2**

## **JOB EVALUATION (continued)**

2.04

### **JOB DESCRIPTION AND EVALUATION PROCEDURES**

a) **Job Review Requests**

1. The incumbent(s) or the Union may request that a job be reviewed.
2. The Supervisor shall, within 7 calendar days of receipt of the request, either accept or reject the request. If the request is rejected, the incumbent(s) or the Union may initiate an appeal pursuant to Article 2.04(b) within 7 calendar days of notification of the rejection.
3. If the request is accepted, the Company will have 14 calendar days to prepare and issue a draft job description to the incumbent(s) and the Union. The Company will then have an additional 14 calendar days in which to issue a final evaluated job description.
4. Upon receipt of the agreed job description, the incumbent(s) or the Union may appeal the evaluation on the grounds outlined in Article 2.05(b) (1) within 28 calendar days. Such appeal shall be in writing and specify the grounds of the appeal.

b) **Job Evaluation Appeal Procedure**

1. **Step 1**

The appeal will be jointly investigated by an OPEIU Job Evaluation Officer and the appropriate HRD Officer in an effort to resolve the appeal with the supervisor and the employee. Following completion of the investigation, the supervisor will consider the appeal and provide a written response to the OPEIU Job Evaluation Officer and the HRD Officer within 10 working days.

2. **Step 2**

An appeal not settled at Step 1 may be referred in writing by the Union to the appropriate Vice President within 10 working days of the Step 1 reply. The Parties shall meet to discuss and attempt to resolve the appeal. The Company shall reply within 15 working days of the date of the written referral to Step 2. If the appeal is not settled at this step, it may be referred to Step 3 by the Union within 40 working days of receipt of the Company's reply.

3. **Step 3**

If the appeal is not resolved in (2) above, then the appeal shall be referred to the Job Evaluation Appeals Committee for a final and binding decision.

## **ARTICLE 2**

## **JOB EVALUATION (continued)**

2.05

### **JOB EVALUATION APPEALS COMMITTEE**

- a) The Job Evaluation Appeals Committee (JEAC) shall consist of 4 nominees from the Company and 4 from the OPEIU. In the event of the resignation of either Party's nominee(s), the nominee(s) shall be replaced within 30 calendar days. There shall also be a Standing Arbitrator appointed from time to time as required upon nomination and approval of the Parties. At any time, by 30 days written notice of 1 party upon the other, the services of the Standing Arbitrator may be terminated.
- b) Authority
  - 1. To receive and to rule on appeals from employees, or the Union regarding the interpretation and application of the Job Classification System in terms of:
    - a) whether all assigned duties and responsibilities have been considered in making the job classification decision;
    - b) whether the job has been assigned to the appropriate Job Family based on its assigned duties and responsibilities;
    - c) whether the job has been assigned to the appropriate Classification level based on its assigned duties and responsibilities; and
    - d) whether the level is confirmed by the Point Factor Plan.
  - 2. To recommend to the Parties administrative procedures required for JEAC to effectively carry out its responsibilities.
- c) Procedures
  - 1. JEAC decisions shall be by majority vote of the voting members. Voting members, 2 from the Company and 2 from the Union shall be selected by the Parties in advance of each meeting.
  - 2. All voting members of the committee shall cast a vote on all questions. Tied votes shall be resolved by the casting of a vote by the JEAC Standing Arbitrator.

**ARTICLE 2****JOB CLASSIFICATION APPEALS COMMITTEE (continued)**

2.06

**COST APPORTIONMENT**a) **JEAC STANDING ARBITRATOR**

1. The costs of the Standing Arbitrator shall be shared equally by the Parties. Such costs shall include the following: Arbitrator's salary and benefits, secretary, travel and incidental expenses.
2. The shared portion shall be billed to the Union.
3. A per diem rate will be determined by the Parties and reviewed and approved by the Parties annually. Where the parties cannot agree upon the per diem rate, such matter shall be referred to arbitration under Article 3.10 of the Collective Agreement. Such per diem rate will be shared equally by the Parties.

b) **JEAC Members**

The salaries of the JEAC members appointed by the OPEIU shall be paid by the Company. Expenses of these members shall be the responsibility of the OPEIU.

2.07

**JOB EVALUATION EXCLUSIONS**

- a) If either of the Parties is of the opinion that the circumstances of a job are such that its value cannot be determined solely by application of the Job Classification System, the job shall be discussed by the HRD Officer and Union Job Evaluation Officer (or delegates) to resolve the question. If they agree, they will document the reason(s) for the Job Evaluation Exclusion.
- b) If they cannot agree on the exclusion, or an agreement has not been reached within 5 working days, the question shall be referred to the JEAC Standing Arbitrator who will act as a single arbitrator in determining the applicability of the Plan to the job in question. The JEAC Standing Arbitrator will provide a ruling final and binding on both Parties, except as provided for in 2.07(d), within 5 working days of receiving the question and will provide the Parties with documented reason(s) for the ruling.
- c) In the event that the Parties are unable to agree on an appropriate salary for a Job Evaluation Exclusion within 10 working days of a decision under (a) or (b) above, the Company shall implement the salary they proposed for the job, subject to the Union's right to refer the matter to arbitration pursuant to Article 3.10.

## **ARTICLE 2**

## **JOB EVALUATION EXCLUSIONS (continued)**

- 2.07      d)      Excluded jobs will be reviewed bi-annually by the HRD Officer and the Union Job Evaluation Officer (or delegates) to determine whether or not the reasons for exclusion still exist and whether or not the Job Evaluation Exclusion status should continue to apply. If they cannot agree, then (b) above shall apply.
- e)      Once a question of exclusion has been resolved under the provisions of (a), (b) and/or (d) above, the question may not again be raised for the same job(s) within the term of the Collective Agreement.
- f)      Salary treatment resulting from the application of the provisions of Article 2.07 shall be as per Article 2.03 (a).

## **2.08      WORK LEADERSHIP RESPONSIBILITIES**

Work leadership responsibilities shall be as follows:

- a)      may perform duties largely similar to those whose work s/he directs;
- b)      may perform duties related to, but at a higher level than the work of the subordinates whom s/he directs;
- c)      relieves the supervisor of detailed supervision of routine aspects of the work by:
1.      ensuring even work flow and consistency of effort;
  2.      allocating various phases of work to different individuals within a general framework laid down by the supervisor;
  3.      transmitting the supervisor's instructions to other employees;
  4.      performing a quality control function in respect to subordinates;
  5.      warning subordinates of unacceptable performance (quality or quantity of work) or conduct (observance of hours, appearance, etc.). Should a subordinate's performance or conduct fail to improve as a result of such warning then the work leader will bring the matter to the attention of the supervisor who will then take suitable disciplinary action;
  6.      assists the supervisor in his/her responsibilities by providing on-the-job detailed training to employees with respect to the performance of their job duties.
- d.      if the classification of a job which has Work Leadership responsibilities does not result in a group which is at least one higher than that of any subordinate OPEIU position, then a group one higher than that of the highest OPEIU subordinate shall be assigned.

### **ARTICLE 3**

### **GRIEVANCE PROCEDURE AND ARBITRATION**

3.01 The parties to this Agreement are agreed that it is of the utmost importance to adjust complaints and grievances as quickly as possible in accordance with the procedures as set out in this Article. For the purpose of this Article the word "employee" when used, will be interpreted to refer to any employee of the Company who is a member of the bargaining unit. The grievor shall be allowed the necessary time off with pay to attend grievance meetings with the Company, including his/her arbitration hearing to a maximum of 7.5 hours per day at straight time, excluding travel time, cost of transportation and cost of board and lodging.

3.02(a) In this Agreement, unless the context otherwise requires, "grievance" means any dispute or difference between the parties to this Agreement concerning the discipline, dismissal or suspension of an employee bound by the Agreement or any dispute or difference between the persons bound by the Agreement concerning its interpretation, application, operation, or any alleged violation thereof, including any questions as to whether any matter is arbitrable. All grievances or disputes arising during the life of this Agreement shall be settled without stoppage of work and without strike or lockout.

3.02(b) Throughout the grievance procedure, Supervisor could mean Manager, and Department Head could mean Manager or Business Leader, and Vice-President could mean Director, as applicable to the specific line organization.

### **3.03 UNION OR COMPANY (POLICY) GRIEVANCES**

- a) Should either the Union or the Company consider that an action or contemplated action is, or will become, a difference or dispute between the parties concerning the application, interpretation, operation or any alleged violation of this Agreement; or any questions as to whether a matter is arbitrable, then such will be considered a policy grievance and will be dealt with as follows:
- b) Deleted in 1999.
- c) Should a policy grievance raised by the Union remain unresolved, the Union may refer the grievance to the Vice-President of Human Resources who shall, within 15 working days of the referral, arrange for no less than two Vice-Presidents to hear the Union's grievance and render a written decision within ten working days of the meeting.

**ARTICLE 3****GRIEVANCE PROCEDURE AND ARBITRATION (continued)**

- 3.03 d) If the grievance remains unresolved it may be submitted to a third party pursuant to Articles 3.10 or 3.13.

3.04 **TERMINATION, SUSPENSION GRIEVANCES**

Grievances concerning termination or suspension of an employee may be submitted directly to Step 2, Article 3.08 at the option of the grieving party, within 10 working days of the termination or suspension.

3.05 **JOB SELECTION GRIEVANCES**

- a) Should any applicant feel that preference has not been given under the terms of Article 6.03, or should a more senior applicant feel aggrieved as a result of a job selection under Article 6.03, the applicant or a Union Representative on his/her behalf, will raise the matter with the selecting supervisor or nominee within 10 working days of the date the unsuccessful applicant was notified in writing.

**STEP 1**

- b) The selecting supervisor or nominee will meet with the Union Representative and the unsuccessful applicant within 10 working days of being notified that a grievance has been filed to review the selection.
- c) The selecting Supervisor, or nominee, will reply to the Union in writing within 5 working days with his/her decision to support or reverse the selection, and the reasons for the decision. A copy of this letter will be sent to the grievor.

**STEP 2**

- d) Should the employee not be satisfied with the reply from the Supervisor, the Union may raise the matter with the Department Head in writing (with a copy to the Labour Relations Officer) within 5 working days of the reply from the selecting Supervisor.
- e) The parties will meet within 10 working days of the referral in (d) above, and the Department Head will render his/her decision in writing within 5 working days of the meeting.

**STEP 3**

- f) The Union may refer the matter to arbitration under Article 3.10 at any time within 15 working days of the reply in (e) above.

**ARTICLE 3****GRIEVANCE PROCEDURE AND ARBITRATION (continued)****3.06      EMPLOYEE COMPLAINT**

Should an employee have a complaint, the employee along with the Union Steward whenever possible, will normally discuss such complaint with his/her immediate Supervisor in an effort to resolve same. Such discussion will take place not later than 10 working days after the event causing the complaint or within ten 10 working days from the time the employee became aware of the event causing the complaint.

**GENERAL GRIEVANCES****3.07      STEP 1**

- a) Should a complaint be unresolved, the complaint may be submitted by the Union Steward to the Department Head in writing, with a copy to the immediate Supervisor, the Union, and to the Labour Relations Officer, not later than 7 working days from the date the complaint was first discussed under the complaint procedure, and will be considered a Step 1 grievance.
- b) The Department Head (or nominee) will discuss the grievance as required with the Union Steward and/or Union Representative and render a written decision to the Union Representative with copies to the Union Steward, the Vice President and Labour Relations within 7 working days of the date of the referral at Step 1.

**3.08      STEP 2**

- a) Should a grievance be unresolved at Step 1, the Union may refer the matter to Step 2 by writing to the applicable Vice-President, with a copy to the Department Head and Labour Relations, within 10 working days of receipt of the decision at Step 1.
- b) Within 10 working days of receipt of the Union's referral to Step 2, the Vice-President will discuss the grievance with representatives of the Union and render a decision in writing within 10 working days of the discussion.

**3.09      STEP 3**

- a) If the parties are unable to resolve the dispute the Union may refer the matter to Step 3 within 10 working days of the Step 2 response, by writing the Vice-President Human Resources and the applicable Senior/Executive Vice-President.
- b) Within 15 working days of receipt of the Union's referral to Step 3, the Vice-President Human Resources and the Senior/Executive Vice-President will discuss the grievance with representatives of the Union.



### **ARTICLE 3**

### **GRIEVANCE PROCEDURE AND ARBITRATION (continued)**

#### **GENERAL GRIEVANCES (continued)**

- c) Within 10 working days of the discussion of the grievance between the Vice-President, Human Resources, the Senior/Executive Vice-President and representatives of the Union, the Vice-President Human Resources and the Senior/Executive Vice-President will submit their decision to the Union in writing.
- d) Within 20 working days of receipt of the written reply at Step 3, the Union may refer the grievance to arbitration as set out in Article 3.10.

### **3.10**

#### **ARBITRATION PROCEDURE**

- a) Any grievance which has been properly processed through the relevant Steps of the grievance procedure without being settled may be submitted to a single arbitrator.

At the time that either party serves notice, in writing, of its intention to proceed to arbitration, it shall at the same time notify the other party of the names of potential arbitrators. The other party shall not be obligated to agree to 1 of the names put forward. Nevertheless, the Union and the Company shall, within 5 working days of notification being received by the other party, agree on a single arbitrator.

Should the parties fail to agree on the selection of an arbitrator within the prescribed time limit, application may be made by either party to the Minister of Labour to appoint an arbitrator.

- b) The arbitrator shall be requested to render a decision within a period of 1 month following his/her appointment. The arbitrator's decision shall be final and binding on both parties to this Agreement.
- c) The arbitrator shall not be vested with the power to change, modify, or alter any part of this Collective Agreement except under the provisions of Section 98 of the Industrial Relations Act of British Columbia.
- d) Each party shall pay one-half of the fees and expenses of the arbitrator, including any disbursements incurred by the arbitration proceedings.

**ARTICLE 3****GRIEVANCE PROCEDURE AND ARBITRATION (continued)**

- 3.11 Time limits specified in Article 3 may be extended by written agreement between the two parties.
- 3.12 The processing of any grievance may begin with Step 2 by mutual agreement of the parties.

**SECTIONS 103 AND 87**

- 3.13 Notwithstanding all of the foregoing provisions of this Article, at any time after the commencement of Step 1, the procedure set out in Section 103 of the Labour Relations Code of British Columbia (Bill 84 - 1992) may be implemented as follows:
- "Where a difference arises between the parties relating to the dismissal, discipline, or suspension of an employee, or to the interpretation, application, operation, or alleged violation of this agreement, including any question as to whether a matter is arbitrable, during the term of this collective agreement, Mr. V. Ready or a substitute agreed to by the parties, shall at the request of either party:
- a) investigate the difference;
  - b) define the issue in the difference; and
  - c) make written recommendations to resolve the difference within 5 days of the date of receipt of the request; and, for those 5 days from that date, time does not run in respect of the grievance procedure."
- 3.14 Section 87 of the Labour Relations Code of British Columbia shall be excluded by the operation of Article 3 of this Collective Agreement unless otherwise agreed by the parties on an ad hoc basis.

## **ARTICLE 4**

## **SENIORITY**

- 4.01      a)      Seniority for the purpose of this Agreement shall be established on the basis of length of service with the Company as an employee within the terms of Article 1.01, and shall date from the commencement of such service. Seniority shall accrue on a Company-wide basis with BC Gas or its predecessor companies.
- b)      A regular employee shall be deemed to have seniority after 3 months' service. After completion of 3 months' service, seniority shall accrue from the date of employment.
- c)      Part-time regular employees shall accumulate seniority on the basis of time worked.
- d)      A temporary employee shall be deemed to have seniority after a total of 6 months accrued service accumulated on the basis of time worked, provided at least 1 day is worked in each calendar month, except that an employee on maternity leave or absent due to a disability caused by an off-the-job sickness or accident shall retain his or her seniority.
- 4.02      The Company shall keep a record showing the date upon which each employee's service commenced and terminated. A revised seniority list shall be prepared by the Company quarterly, and an electronic copy of the revised list will be forwarded to the Union the following month. The most current seniority list shall also be published on the Intranet.
- 4.03      An employee cannot count for seniority purposes, time lost from the Company's service as a result of being disciplined or while on lay-off.
- 4.04      An employee who is granted a leave of absence from the Company's service shall not lose seniority thereby.

#### **ARTICLE 4**

#### **SENIORITY**

- 4.05        a) If an employee with five or more years of seniority in the OPEIU bargaining unit resigns or otherwise leaves the bargaining unit and subsequently is rehired into the bargaining unit after January 1, 1998, s/he may reinstate this prior seniority to be effective five years after the employee's return to the bargaining unit if:
1.        the employee serves notice to the union of intent to reinstate within two years of his or her return to the bargaining unit; and
  2.        the employee satisfies all other terms and conditions of reinstatement as determined by the union.
- b) This article does not in any way diminish the company's rights with respect to the employee's probationary period.
- 4.06        "Service", for the purpose of this Agreement shall be established on the basis of employment with the Company, whether or not under the terms of Article 1.01, and shall commence from the date last employed.

## **ARTICLE 5**

## **EMPLOYMENT, TRANSFER AND TERMINATION**

- 5.01 a) Any employee entering the Company in jobs covered by the Union's certification will be considered as probationary for a period of 90 days at work and the Company may terminate their employment for any reason, except as provided in Article 1.08.
- b) The Company may elect to extend the probationary period by a further period of up to 3 months by notifying the employee and the Union in writing any time prior to the expiration of the first 3 month probationary period set out in Article 5.01(a) above. Such extended probation will be only to allow further performance assessment, and therefore the Company may terminate the employee during this extended probationary period for reasons of inadequate performance and the provisions of Article 5.04 will not apply. All other provisions of the Agreement, including the accrual of seniority, will apply.
- c) The letter extending the probationary period under Article 5.01(b) above will outline reasons for such extended probationary period.
- d) A temporary employee entering a full-time or part-time regular position in a different classification from a temporary position previously held, shall be subject to a three-month performance probation. The employee may be terminated during this period solely as a result of inadequate performance. The probationary period may be extended for an additional one month by mutual agreement of the parties.
- e) FTR probationary employees, pursuant to Articles 5.01(a) and (b) are not eligible to bid on temporary positions.
- 5.02 a) Employees may be dismissed for cause without notice. The Company shall immediately notify the Union in writing stating the reasons for the dismissal. In the event the Union is not in receipt of a copy of such written notification and the same is not a willful act on the part of the Company, then such an event shall not be a breach of the terms and conditions of this Agreement.
- b) BC Gas electronic media (including Internet access and e-mail) must not be used to access deliberately, download, store, copy or transmit pornographic, racist or sexist material. The parties further agree that any such activity is considered just cause for termination without compensation. This agreement does not prejudice either party with respect to discipline for any other types of offences.
- 5.03 Temporary employees shall give or receive the lesser of 10 working days notice of termination of employment or one working day notice for each month worked.
- 5.04 a) The Company recognizes the distinction between culpability and non-culpability as they relate to employee behaviour and performance. The company emphasizes coaching and counseling to correct non-culpable behaviour and performance. Coaching is an informal process that occurs on a day-to-day basis. When the employee's manager implements the counseling stage, s/he will meet with the employee and the Union steward to develop a written action plan for improvement.

## **ARTICLE 5**

## **EMPLOYMENT, TRANSFER AND TERMINATION**

- b) Where the employee, despite appropriate coaching and counseling, is unable to achieve a reasonable standard of performance or behaviour, and where the employee is not culpable, the manager will place the employee on a performance probation of not less than 3 months. During this period the manager will continue to work with the employee and the Union steward with the view to improving the employee's performance to a satisfactory level to avoid termination. The parties will also cooperate with the view to placing the employee into a more suitable position within the Company.
  - c) If at the end of the probationary period no suitable alternative has been agreed to, the company may discharge the employee.  
.
- 5.05
- a) Employees may review their own personnel files. This may be done by making a written request to a Human Resources Management Officer, with a copy to the employee's Supervisor. Arrangements will be made for the employee to sit at a desk or in an office to review the file in the presence of the Human Resources Management Officer or his/her designate. It is understood that the file or any of its contents may not be removed from the designated area.
  - b) A disciplinary notation or adverse performance notation which will form part of the employee's general record with the Company must be shown to the employee prior to being placed on the employee's file. The employee may initial the notation, but this will acknowledge only awareness of its existence, and the employee may write a rebuttal which must also become part of the employee's file.
  - c) Adverse disciplinary and/or performance notations must be removed from an employee's file 2 years after having been written. It is understood that repeated offenses will continue to remain on record until a clear 2 year period has been established.
- 5.06 deleted in 2002
- 5.07 When specific projects or new or revised processes are to be planned and/or implemented, and the company seeks OPEIU members to be part of the planning and/or implementation process, the parties will meet to determine:
- a) the extent to which OPEIU members will participate in the process, if at all;
  - b) the manner in which recruitment for the process is conducted;
  - c) whether compensation is warranted for that participation;
  - d) if the parties are unable to agree regarding compensation, the matter will be referred to the process established under Article 2.07(b).

This Article covers only employees whose regular job duties do not involve planning or implementing change to the company's operating procedures or processes.

## **ARTICLE 6**

## **POSTING OF JOB VACANCIES**

- 6.01 For the purpose of this Article, a job vacancy occurs when the Company requests a replacement for an existing job which has become vacant because of termination, promotion, etc., or when the Company creates a new job and seeks applicants for same, except temporary summer employment jobs which have been mutually agreed upon.
- 6.02
- a) Except as otherwise provided in this Agreement, job vacancies shall be posted on the appropriate bulletin board and shall close 5 working days from date of posting, but may be filled on a temporary basis until applications have been processed and a regular appointment is made. The posting will not be removed from the bulletin board until a successful candidate has been notified. Late applicants who have been on annual vacation or sick leave during the posting period of five 5 working days will be considered provided their application is received prior to the successful candidate being notified.
  - b) The Company agrees that the Supervisor (or his/her designate) responsible for making the selection to a job vacancy will conduct placement interviews with at least the 3 most senior qualified applicants for the job.
  - c) Applicants shall receive notification of the receipt of their application and, when a regular appointment has been made, of the name of the successful applicant. Applicants have 10 working days after being advised by the Company that they were unsuccessful in a job competition to raise a job selection grievance under Article 3. A copy of the job vacancy bulletin will be sent to the Union at the same time it is posted on bulletin boards.
  - d) Applications for posted vacancies received from Temporary employees prior to the Bulletin closure date on or before their termination date shall be considered as internal applications for the purposes of Article 6.03(a).
  - e) If a selection has not been made for a posted position within 6 months of the closing date on the job bulletin, the position will be re-bulletined unless otherwise agreed.
  - f) When an employee is on leave for more than five working days, s/he may chose to register a standing application with Human Resources.

## **ARTICLE 6    POSTING OF JOB VACANCIES (continued)**

- 6.03      a)      Preference in selection for vacant jobs within the bargaining unit shall be given to applicants in the bargaining unit who have the ability and qualifications to perform the vacant job and shall include consideration of an employee's performance on his/her current job.
- b)      Should more than 1 employee within the unit meet the above requirements, then preference shall be given to the senior employee as defined under Article 4.
- c)      If there are no applicants within the unit who meet the qualifications then the Company may fill the vacancy by hiring outside the bargaining unit. Such outside hire must meet the qualifications for the job.
- d)      If there are no applicants within the bargaining unit who meet the required education and experience qualifications, the company may, at its sole discretion, offer the vacancy to any regular member(s) of the bargaining unit, whether an applicant or not. In this event, the company shall designate an appropriate rate of pay and a schedule of progression for each such employee, during which time the employee must become fully functioning in the job.
- e)      The progression schedule designated in 6.03(d) above shall allow the employee to achieve no less than the minimum step of the job in five years or less. In the event the employee is unsuccessful in meeting the requirements of the job within the time limit of the designated progression schedule, the company may lay off the employee to the recall list, in which case the terms of article 7.06 apply (the employee is not entitled to exercise bumping rights under article 7.02(a)).
- 6.04      Where an employee has attained a lateral transfer as a result of a job posting, the Company will not be required to accept an application by that employee for another lateral transfer until s/he has completed 1 year's service in that position. Employees in this category should contact Human Resources if they are uncertain as to whether their application will be accepted.
- 6.05      An applicant who has been selected to fill a posted job vacancy and whose selection is being grieved, may assume the new position, but will be advised by the Company that a selection grievance has been initiated. In the event the grievance is sustained, the selected applicant will return to the position which s/he previously held.



## **ARTICLE 6**

## **POSTING OF JOB VACANCIES (continued)**

6.06

- a) For the purposes of this Article, a temporary position is defined as a position with a minimum duration of one partial day and a maximum duration of 18 months unless otherwise specifically agreed by the parties.
- b) Temporary jobs shall be bulletined, excluding those involving summer relief (April 15th to August 31st), those where the temporary job lasts less than 6 months (except for maternity leave in which case a 3 month period applies), or others specifically agreed by the parties.
- c) For positions under 6 months that are not bulletined, preference will be given to the senior available qualified employee within the same work group where the vacancy exists, pursuant to Article 6.03 (a). For vacancies under 6 weeks, the Company will give preference to the most senior employee within the workgroup who has the ability to perform the job with no further orientation or training. If none of these employee volunteer, the least senior employee may be appointed.
- d) An extension to a unbulletined temporary position beyond 6 months shall only be by consent of the Union; otherwise the position, if extended, shall be immediately posted.
- e) An extension to a bulletined temporary position beyond 18 months shall only be by consent of the Union; otherwise the position will be bulletined as a regular position. In this event, if the temporary position is occupied by a temporary employee who is not the successful applicant, then s/he will be terminated in accordance with Article 5.03. If s/he is the successful applicant, s/he will become regular as of the date s/he commenced employment in the position.
- f) A regular employee who is a successful applicant for a temporary job will return to his/her regular position when the temporary job is concluded.
- g) Any vacancy created by an employee moving to fill a temporary vacancy may be filled by the Company without posting. For positions that are not bulletined, preference will be given to the senior available qualified employee within the same work group where the vacancy exists, pursuant to Article 6.03(a).
- h) Temporary jobs shall be re-bulletined if they become permanent in nature, unless otherwise specifically agreed by the parties.
- i) Any employees bidding into temporary positions must complete the term of the temporary position as specified on the bulletin before bidding out into another temporary position, except by agreement of their regular Supervisor and their current temporary Supervisor.
- j) Employees hired as Summer Students for Summer Vacation Relief or additional summer help will not accrue seniority and will not be entitled to apply on bulletined positions.
- k) Salary levels for summer students will be the minimum of the Job Group within which their classification falls, except for specific Project Work as agreed by the parties, which will be paid at the Minimum of Group 3 or as otherwise agreed by the parties.

**ARTICLE 6****POSTING OF JOB VACANCIES (continued)**

- 6.07 a) Where an employee has been selected to fill another position, the supervisor concerned shall release the employee as expeditiously as possible after being notified of the transfer by the Human Resources Dept. Successful applicants shall normally assume their new duties within 4 weeks from the date they receive written notification of their successful application. Where operational requirements do not permit successful applicants to assume their new duties within this period, the employee will be paid as if s/he were in the new position. The Company will also reimburse the employee for reasonable out-of-pocket expenses incurred as a direct result of the Company delaying the transfer. In no event will a transfer be delayed for longer than 3 months under this Article.
- b) Eligibility for length-of-service progression on the new job shall be determined from the starting date in the new job or 4 weeks from the date of selection, whichever date shall first occur.
- 6.08 a) A FTR or PTR employee in a hierarchical\* classification may be promoted to a higher level in that classification, at the same location, within the same work group, without that job being bulletined, provided; there is no vacancy, the promotion goes to the senior qualified employee and the number of employees in the work group does not increase. The Union shall be notified in writing of all instances where promotions are made under this clause.
- \*Hierarchical classification is defined as:
- |  |                                      |
|--|--------------------------------------|
| Business Analyst                                     |                                      |
| Customer Service Representative (other than Coastal) |                                      |
| Engineering Drafter                                  | [formerly: Drafter]                  |
| Measurement Accounting Chart Analyst                 |                                      |
| Technician - Corrosion Control                       | [formerly: Corrosion Specialist]     |
| Technologists - Instrumentation                      |                                      |
| Technologists - Planner                              | [formerly: Gas System Planner]       |
| Desktop Publisher                                    | [formerly: Word Processing Operator] |
- b) For purposes of the above hierarchical classifications, "work group" is defined as that group of employees who participate on the same shift schedule or, where no shift schedule exists, on the same vacation schedule. The position of Work Leader, if it exists, is not included in the hierarchy and any vacancy must be bulletined.
- 6.09 The Company and the Union shall meet periodically to jointly review all Company requests to alter the status of Part-time Regular positions to Full-time Regular positions. Where the Company can demonstrate that a position that was previously posted as a PTR has existed for at least 24 months and has evolved into a FTR position, the Union shall give consideration to waiving the posting provisions of this Article, allowing the present incumbent to evolve to FTR status.

## **ARTICLE 7**

## **LAYOFF AND RECALL**

- 7.01(a) The Company will provide the Union with no less than 60 calendar days written notice of intention to introduce automation or new equipment or procedures which might result in displacement or reduction of personnel or in changes of job classification.
- (b) If it is necessary to lay off regular employees, the Company shall meet with the Union in a timely manner and advise the Union of the proposed reduction and the positions and employees affected.
- (c) Prior to laying off any regular employee to the recall list, the Company shall terminate temporary employees in the department or location affected, provided the laid off employee has the present ability to perform the temporary employee's job.
- (d) Regular employees shall be laid off in inverse order of their seniority, provided that the retained employees have the present ability to perform the job.
- (e) Written notice or pay in lieu of notice will be given to regular employees for layoffs in excess of 13 weeks. Notice will be one week per year of service with a minimum notice of four weeks and a maximum notice of eight weeks. A copy of such written notice will be sent to the Union.
- 7.02(a) A regular employee who is subject to layoff may elect any same-status (FTR or PTR) option in 7.02(a) 1 and 2: except that if there are no opportunities or options under 7.02(a) 1, 2, or 3, a FTR or PTR employee may cross-status bump (FTR to PTR or PTR to FTR) the least senior PTR or FTR employee in his/her current headquarters in order to retain his/her current headquarters:
1. To be placed into other FTR or PTR vacant positions which the employee has the present ability to satisfactorily perform; or
  2. To bump the least senior FTR or PTR employee in the following categories:
    - a) in the same job classification at the employee's current headquarters; or
    - b) in the same job classification in the same District; or
    - c) in the same job classification Company-wide; or
    - d) in a job classification which the redundant employee previously permanently held<sup>1</sup> at the employee's current headquarters; or
    - e) in a job classification which the redundant employee previously permanently held<sup>1</sup> in the same District; or
    - f) in a job classification which the redundant employee previously permanently held<sup>1</sup> Company-wide.

<sup>1</sup>In order to qualify as a job classification "previously permanently held" the employee must have held regular status in that classification and concurrently performed work in that classification for a period not less than 100 days at work.

## **ARTICLE 7**

## **LAYOFF AND RECALL**

- 7.02(a) 3. If there are:
- a) no placement opportunities under 7.02(a)1 and
  - b) no bumping options under 7.02(a)2 the employee;
  - c) may elect to bump to the position held by the least senior employee, first in an equal group job and secondly in the highest lower group job that the redundant employee has not previously held but which, in the opinion of the Company, the employee has the present ability to satisfactorily perform.
  - d) bumping under 7.02(a)3 is limited to the location in which the employee is currently regularly employed unless there is no employee to be bumped at that location, in which case this bumping option will be expanded to the District as defined in article 7.05, and, failing this, to Company-wide.
4. a) In the event there is no opportunity for lateral vacancy placement or bumping under 7.02(a) 1, 2, or 3, the provisions of article 18.10(b)2 will apply.
- b) If, however, the employee bumps or chooses placement to a lower group job, other than the highest group available below their current level, the provisions of article 18.10(a) will apply, except that, if eligibility for re-location expenses is avoided, the employee will receive article 18.10(b)2 protection provided s/he accepts placement or bumps to the highest lower level position available, either currently or in a subsequent placement opportunity pursuant to articles 7.02(a)6 or 8, below.
5. In cases of vacancy placement, the Union shall waive job postings, except in the event the union intends to pursue a grievance that the layoff is not founded in good faith.
6. An employee under protection of article 18.10(b)2 will be considered an automatic applicant to all vacancies posted pursuant to article 6 on the following basis:
- a) an initial screening indicates the employee may be qualified;
  - b) the job is in a pay group above the job the employee currently occupies;
  - c) the job is in a pay group not higher than the job from which the employee was displaced or at which the employee is salary protected;
  - d) the job is a reasonable commuting distance from the employee's residence.
  - e) Article 18.10(a) will apply to employees who decline a position under this provision.
7. PTR employees re-locating pursuant to article 7.02 will receive reimbursement for moving expenses in direct proportion to the number of hours worked in the previous 12 months in relation to the annual 1826 hours worked by FTR employees.

**ARTICLE 7**      **LAYOFF AND RECALL**

- 7.02(a) 8.(a) Upon displacement an employee already under salary protection pursuant to article 18.10(b) will be offered placement and bumping options under article 7 that reflect the salary level at which the employee is protected.
- (b) Any election an employee makes under this article shall be given in writing to the Company no later than five working days after the Company has given the required written notice of layoff to the employee, identifying the employee's options.
- (c) Where an employee has exercised the right to bump under article 7, or where an employee is placed into a vacant job or position in another town or district, the employee will be eligible for all travelling allowances, moving expenses and living expenses in accordance with Article 17.11.
- (d) Regular employees with less than 12 months of service who are laid off shall be placed on the recall list pursuant to article 7.03 for a period of six months. Regular employees with twelve months or more of service who are laid off shall be placed on the recall list pursuant to article 7.03 for a period of twelve months. These periods shall be extended by the equivalent time of any temporary employment while on the recall list.
- (e) The Company shall maintain an up-to-date recall list and provide a copy to the Union upon request.
- 7.03(a) No new employee will be hired until employees on the recall list who have specified in writing to the Human Resources Department the locations and the types of vacancies they wish to be notified of, and who have the present ability to perform the vacant job, have been offered the position in order of seniority.
- (b) A vacancy at the same or lower salary group as the position which an employee on the recall list was displaced from or is salary protected at, shall not be posted until such employees on the recall list who have the present ability to perform the vacant job have been offered the position, in order of seniority.
- 7.04(a) When it is necessary to increase personnel in the job classification from which employees have been laid off, laid off employees will be recalled in order of seniority. The following conditions shall apply:
- (b) Employees on the recall list are responsible for notifying the Human Resources Department of any change in their postal address or telephone number. Employees who have complied with the foregoing procedure shall be notified by the Company either personally by telephone, or failing that, by registered mail at their last known address of the date on which they are to report for work.
- (c) Should an employee fail to report for work within seven days of being notified personally by telephone or within 10 days of the postal registration date of the written notice, the employee shall lose the right of recall and seniority.
- (d) An employee who has been laid off in accordance with the provisions of article 7 will be removed from the recall list if s/he has not been recalled at the conclusion of the recall period as defined in Article 7.02(d), unless the employee is unable to work due to sickness or injury at the time of recall. At the Company's request, the employee will be required to produce a medical certificate to substantiate that the sickness or injury prevented the employee from working.

## **ARTICLE 7**

## **LAYOFF AND RECALL**

### **7.05 DEFINITION OF DISTRICTS**

For the purposes of this agreement, Districts shall be defined as follows:

- a) Lower Mainland District covers employees employed in the Lower Mainland (Greater Vancouver to Hope);
- b) Northern District covers employees employed at the company's Interior operations north of the Trans Canada Highway;
- c) Southern District covers employees employed at the company's Interior operations in communities on the Trans Canada Highway or south of it.

7.06 Where an employee does not exercise bumping rights or vacancy placement pursuant to article 7, the employee may elect to terminate with severance of two weeks pay for each completed year of service, or elect layoff and placement on the recall list pursuant to this article, in which case severance pay of the amount originally accrued shall be paid at the end of the recall period, if the employee has not been permanently recalled by that time.

7.07 **Return to Former Position:** The active regular employee with the highest seniority who was previously displaced from a classification shall have preference to return to that classification if a position at the headquarters the employee was displaced from becomes vacant within 12 months of the effective date of displacement from that classification and the union will waive the requirement to bulletin the job. If the employee is under salary protection and chooses not to return to the classification, s/he shall lose that salary protection unless s/he has moved since the layoff due to a change of headquarters and is now living more than a reasonable commuting distance from the location of the vacancy.

### **7.08 ELIGIBILITY POOL**

Where the collective agreement simultaneously entitles more than one employee to be offered, placed, or recalled to a specific vacant position, the most senior eligible employee will have precedence. For each vacancy, all eligible employees will be placed in a common "eligibility pool" and the company will place/offer/recall from that pool, in order of seniority. Each employee's options and consequences of accepting or declining the option will be determined by the specific article which makes that employee eligible for placement/offer/recall.

**ARTICLE 8**

**TECHNOLOGICAL OR PROCEDURAL CHANGES**

**Merged with Article 7 in 1998.**

## **ARTICLE 9**

## **LEAVES OF ABSENCE**

- 9.01 Compassionate leave of absence of up to 5 days, 3 days with pay and 2 days without pay, shall be granted an employee upon application in the event of a death of a spouse, son, daughter, mother, mother-in-law, father, father-in-law, sister, sister-in-law, brother, brother-in-law, or grandparents and for legitimate personal reasons acceptable to the Company.
- 9.02 One-half day shall be granted without loss of pay to attend a funeral as pallbearer or mourner, provided such absence does not interfere with the efficiency of the department.
- 9.03 An employee who is subpoenaed as a witness and appears, or who attends for, or serves on jury duty shall continue to receive his/her salary, provided such court action is not occasioned by the employee's private affairs.
- 9.04 a) Reasonable time off from work will be allowed by the Company for medical and dental appointments. Regular employees who go for medical and dental appointments will not have any such time deducted from their sick leave or their pay where the period of absence from work is two hours or less. Medical and dental appointments requiring an absence from work beyond two hours will result in the excess over two hours being deducted from sick leave or from pay (if paid sick leave is exhausted). Supervisors at their discretion may grant extra time without deduction in locations where medical and dental facilities are remote.
- b) The Union agrees that employees should cooperate with their Supervisor by providing as much notice as they can of pending medical and dental appointments; this is to facilitate replacement staff and scheduling of work. Furthermore, the Union will encourage its members to make every effort to schedule their appointments on ADO days, near the end of a working day or lunch time to help minimize the impact of medical or dental appointments.
- 9.05 a) Regular employees may be granted leave of absence without pay upon application to their Supervisor where such leave of absence does not exceed 14 calendar days, insofar as the proper operation of the service will permit. All leaves of absence must be approved by the Company.
- b) Employees who have completed 5 or more years of service shall, on request, receive 10 scheduled working days leave of absence per year without pay. All days taken in any calendar year must be consecutive, (exclusive of other scheduled days off), i.e. 1 occurrence per year only. The leave of absence shall be scheduled at a time mutually agreeable between the employee and the Company and such agreement will not be unreasonably withheld.



**ARTICLE 9****LEAVES OF ABSENCE (continued)**

- 9.05      c)      It is agreed that an employee cannot request or be granted a leave of absence, for reasons other than maternity/parental leave, until all of his/her outstanding vacation entitlement has either been taken, or is scheduled to be taken.
- d)      After 10 calendar years of service an employee will be entitled to a one-time unpaid long service leave of up to 12 months. No alternative paid employment may be undertaken by an employee during this leave. This leave is subject to the terms and conditions set out in Article 20.02.

**MATERNITY LEAVE**

- 9.06      a)      An employee who qualifies for maternity leave shall be entitled to a maximum of 17 weeks without pay in accordance with the Employment Standards Act of B. C. During the maternity leave of absence, the B. C. Medical Services Plan, Extended Health Benefit Plan, Life Insurance, Dental Plan and Pension Plan (as applicable) will continue in force subject to the employee paying her share, if any, of the costs.
- b)      Employees requesting both maternity and parental leave must apply for them both at the same time.
- c)      No less than thirty (30) days prior to the commencement of the leave, the employee must notify her supervisor (or designate) of the start date for the leave, the number of weeks leave she intends to take and provide a certificate or letter from a duly qualified medical practitioner, which will state the expected delivery date.
- d)      The period of leave can be shortened after commencement of the leave upon a further thirty days notice.
- e)      Any extension of leave beyond the total leave of 52 weeks (maternity and parental together) will be at the sole discretion of the company. There will be no annual vacation accrual during any such extension period.

**9.07****PARENTAL LEAVE**

- a) To request parental leave only, an employee must notify their supervisor in writing no less than 30 days prior to the commencement of the leave. The notice must include the start and end dates. During parental leave, the B. C. Medical Services, Extended Health Benefit Plan, Life Insurance, Dental Plan and Pension (as applicable) will continue in force subject to the employee paying his/her share, if any, of the costs.
- b) If this leave is in conjunction with the maternity leave, notice must have been received at the same time the maternity leave was requested.
- c) An employee who qualifies for parental leave shall be entitled to leave without pay in accordance with the Employment Standards Act of B. C. as follows:
  - 1. birth mother – up to a maximum of 35 consecutive weeks which must be taken immediately and continuously following the maternity leave;
  - 2. birth father – up to a maximum of 37 consecutive weeks beginning after the child's birth and within 52 weeks after that event;
  - 3. adoptive parent – up to a maximum of 37 consecutive weeks beginning within 52 weeks after the child is placed and must not commence prior to the birth or placement of the child.

Any requests for this leave must be accompanied by legal documentation of the birth or adoption.
- d) To change to an earlier return date, employees must notify their immediate supervisor (or designate) in writing no less than 30 days prior to the desired date of return. If the employee fails to provide notice or fails to return to work on the expected return date, the vacancy may be filled on a permanent basis.

**9.08 MATERNITY LEAVE DISABILITY**

- a) The parties agree that regular employees who are on maternity leave and who have given birth to a child shall receive a six-week EI top-up as follows:
- b) Eligibility for the top-up is identical to the eligibility criteria for paid sick leave allowances on the employee's last working day prior to commencing maternity leave.
- c) The top-up shall be to 70% or 100% of regular earnings (per the employee's entitlements under Article 10.02) and shall commence with the date of birth.
- d) Regular earnings for purposes of this Article are defined as the employee's base rate earnings for her regular job (not necessarily the job she is in when commencing maternity leave) and do not include any premium payments.

## ARTICLE 9

## MATERNITY LEAVE (continued)

- e) The company's contributions pursuant to the foregoing shall not reduce the employee's paid sick leave allowances or any other of the employee's time-off entitlements. However, the company's contributions are limited to the equivalent of the employee's balance of paid sick leave allowances – in other words, an employee is not entitled to a greater 'sick leave' benefit under this Article than she would be for any other disability.
- f) The first stage of top-up (currently the two-week EI waiting period) is subject to proof that the employee has filed an EI Maternity Claim and is serving the EI waiting period.
- g) The second stage of the top-up (following the two-week EI waiting period) is subject to the employee submitting proof of receipt of EI benefits during the applicable period.
- h) Employees can expect a delay of several weeks in obtaining the documentation from EI, and therefore should expect to receive some or all of the BC Gas top-up retroactively.
- i) Should the employee's birth-related disability continue beyond the six-week top-up period, the company will continue the appropriate top-up amount for so long as the birth-related disability continues, or until EI entitlements are exhausted, or until 'sick-leave-equivalent' entitlements are exhausted (per Paragraph 5), whichever first occurs.
- j) The disability-related portion of the maternity leave is considered part of the term of maternity leave specified by Article 9.06.
- k) Should the employee continue to be disabled as a result of complications from the childbirth at the end of the maternity leave period, the LTD provider's 15-week waiting period is deemed to run concurrently with the employee's maternity leave from the date of childbirth.
- l) The BC Gas claims management process will be used to assess all medically-related absences except for the six-week period immediately following the date of childbirth. Absences immediately following this six-week period will **not** be subject to the normal five-day waiting period for claims management.
- m) The employee is not eligible for paid sick leave allowances for a disability not related to childbirth unless the disability was pre-existing to the period of maternity leave.

**ARTICLE 10****PAID SICK LEAVE ALLOWANCES**

10.01 A regular employee becomes eligible for paid sick leave benefits after accumulating 3 months of service with the Company.

10.02 Employees who are unable to work as a result of a disability caused by an off-the-job sickness or accident will be eligible to receive the following paid sick leave benefits:

a) **Paid Sick Leave Allowance Per Plan Year**

Period of Service with the Company at Previous July 1	Full Regular Earnings For	Followed By 70% of Regular Earnings For
3 mos - 1 yr less 1 day	1 week	14 weeks
1 yr - 2 yrs less 1 day	2 weeks	13 weeks
2 yrs - 3 yrs less 1 day	3 weeks	12 weeks
3 yrs - 4 yrs less 1 day	4 weeks	11 weeks
4 yrs - 5 yrs less 1 day	5 weeks	10 weeks
5 yrs - 6 yrs less 1 day	6 weeks	9 weeks
6 yrs - 7 yrs less 1 day	7 weeks	8 weeks
7 yrs - 8 yrs less 1 day	8 weeks	7 weeks
8 yrs - 9 yrs less 1 day	9 weeks	6 weeks
9 yrs - 10 yrs less 1 day	10 weeks	5 weeks
10 yrs - 11 yrs less 1 day	11 weeks	4 weeks
11 yrs - 12 yrs less 1 day	12 weeks	3 weeks
12 yrs - 13 yrs less 1 day	13 weeks	2 weeks
13 yrs - 14 yrs less 1 day	14 weeks	1 week
14 yrs or more	15 weeks	0

b) Employees who had less than 3 months service as at the previous July 1st, or who were not employed by the Company at the previous July 1st, will have their period of service determined as the period of time from the date their employment with the Company commenced until the date of their disability.

10.03 A plan year is defined as a 12 month period beginning on July 1st, and ending on June 30th.

**ARTICLE 10****PAID SICK LEAVE ALLOWANCES (continued)**

- 10.04 a) For purposes of the Article "regular earnings" means the daily rate in effect at the date of disability, for the employee's normal job classification, as determined by dividing the employee's normal bi-weekly salary by ten.
- b) Where an employee is in receipt of a temporary promotional increase pursuant to Article 18.08 and that promotional increase is for a specific period of time exceeding 2 weeks in length, then, the employee's "temporary earnings" will be utilized to calculate the daily rate outlined in the first paragraph above. The daily calculation will not utilize the "temporary earnings" for a longer period of time than originally specified.
- 10.05 When the entitlement at full regular earnings has been exhausted, employees will be eligible to receive further paid sick leave benefits of seventy percent (70%) of regular earnings for the balance of a 15 week period. Note: See Article 21.04(e) for supplementary entitlement.
- 10.06 Any unused days of paid sick leave allowance at full regular earnings cannot be carried over from one plan year to the next. If a disability continues into a new plan year, the amount of benefits at full regular earnings for that disability in the new plan year will be the balance of what is left from the previous plan year's full regular earnings entitlement.
- 10.07 Employees may utilize part of the paid sick leave allowance accruing to them under Article 10.02 in the event of injury or illness to a dependent child on the following conditions:
- a) a maximum of one-half of annual full regular earnings allowance may be used for this purpose; but
- b) no more than a total of 5 days may be used for this purpose in any plan year; and
- c) use of this provision is limited to a maximum of 4 separate occurrences per plan year; and
- d) no more than 2 days may be taken for each occurrence.
- 10.08 a) If an employee has received 15 weeks of paid sick leave benefits and returns to active duty, the employee will have his/her entitlement as at the previous July 1st, reinstated after 1 month's service in the case of a new disability, and after 3 months' service in the case of the same or a related disability.

**ARTICLE 10****PAID SICK LEAVE ALLOWANCES (continued)**

- 10.08      b)      If a disabled employee has exhausted his/her paid sick leave benefits prior to the expiry of the 15 week elimination period for Long Term Disability, s/he shall be paid 70% of regular earnings for the balance of the elimination period.
- 10.09                      Benefits under this plan will be reduced by any benefits an employee receives under any government sponsored plans, other than Unemployment Insurance. Income benefits from any individual disability policy which has been purchased by an employee will not be considered in determining benefit entitlement under this plan.
- 10.10                      Employees absent from work for any of the following reasons will not be eligible for paid sick leave benefits:
- a)      disabilities which occur while the employee is on maternity leave,
- b)      disabilities covered by any Workers' Compensation Act,
- c)      disabilities caused by intentionally self-inflicted injuries or disease; while serving in the Armed Forces; while participating in a riot, war or civil disobedience; or while committing a criminal offence or serving a prison sentence.
- 10.11                      When an employee is given notice of layoff and the employee subsequently becomes disabled within 2 months of the effective date of the layoff, the paid sick leave benefits will terminate on the effective date of the layoff.
- 10.12                      Employees with health problems will be considered for severance pay providing the employee is not receiving long-term disability benefits.
- 10.13      (a)      At the request of the Company, employees will provide a medical certificate by a licensed physician substantiating any disability extending beyond 5 working days, or to substantiate absences in excess of 4 occurrences in any calendar year. All such medical certificates are expected to meet the standards for Medical Certificates in the CPSBC Policy Manual, and the cost of such medical certificate, if any, will be borne by the company.
- (b)      The Company recognizes its duty to accommodate to the point of undue hardship, employees with medical disabilities. Where it is clear that an employee's absences are related to a recognized disability, the company will endeavour to work with the employee, the employee's doctor and the union, in order to accommodate the employee in preference to continually requesting medical certificates pursuant to clause 'a' above. This process does not prejudice the employee, the company or the union from implementing other process that are legally available to them.

**ARTICLE 10****PAID SICK LEAVE ALLOWANCES (continued)**

- (c) An employee may be required to submit to an examination by a licensed physician who is mutually agreeable to the employee and the Company. Should this examination result in a cost that is not borne by the Company's medical plan, the cost of such examination will be paid by the Company. In the event the parties cannot mutually agree upon a licensed physician, the B.C. College of Physicians will be requested to appoint a licensed member.
- 10.14 Employees who leave the Company subsequent to April 1, 1975 and are rehired will receive credit for past service in establishing paid sick leave entitlement provided the employee is rehired by the Company within 3 years.
- 10.15 It is understood that the plan may be altered or amended from time to time in order that the plan will continue to meet the standards of the Unemployment Insurance regulations and thereby qualify the Company for a full premium reduction.
- 10.16 In cases where employees are on compensation and receiving Workers' Compensation Board payments, the Company will pay the difference between such payments up to a maximum of 85% of the employee's normal 35 hour weekly straight time wages for the period the employee is paid by the Workers' Compensation Board, but in any event, the percentage of contribution by the Company shall not be greater than that which would give the employee an income, including the Workers' Compensation Board payments that s/he would have received for a normal 35 hours straight time wage after the deduction of income tax. This paragraph shall only apply to those employees who have served their probationary period and/or hold a bulletined job. Neither the time off nor the payments shall be charged to sick leave credits.

**ARTICLE 11****UNIFORMS AND PROTECTIVE CLOTHING**

- 11.01 When an employee is required to wear a uniform, the uniform will be provided by the Company at no cost to the employee. The Company will also pay the cost of reasonable periodic cleaning of such uniforms.
- 11.02 Where required, protective clothing such as smocks, safety hats, and, with the approval of the Supervisor, raingear will be provided by the Company at no cost to the employee.
- 11.03 When safety footwear is advisable in the performance of some or all job duties and approved by the Supervisor, the employee shall be reimbursed for fifty percent (50%) of the cost (to a maximum of \$100.00) of one pair of protective safety footwear per calendar year. Purchase shall be limited to C.S.A. approved footwear.

## **ARTICLE 12**

## **SHIFT WORK**

- 12.01 The Company's various operations have required and will continue to require shift work.
- 12.02 The Company will provide the Union and affected employees with 3 months' notice prior to introducing shift requirements in a work area for the first time. Thereafter the shift schedule may be varied upon 30 calendar days notice to the affected employees.
- 12.03 Should an employee's position become a shift position, the employee will have the option to either:
- a) accept the shift position, or
  - b) decline the shift position. In the latter event, the shift vacancy will be filled in accordance with the provisions of Article 6.02; the employee who has declined the shift position will continue to work regular days and hours, or will be treated in accordance with the provisions of Article 7. In the event of layoff, the declined shift position is not considered a placement option or a bumping option for purposes of Article 7.02(a)3.
- 12.04 With the exception of employees who are covered by LOU #7 and those employees who are covered under Article 15.09, full-time regular employees working shifts shall be governed by the following conditions:
- a) **WORKING HOURS**
    - 1. The hours of work shall be the equivalent of 35 hours per week. This will be done by allowing 17 days a year Accumulated Days Off (ADOs) in lieu of the 35 hour week.
    - 2. An ADO will be earned in each of the 17 biweekly pay periods which do not contain a statutory holiday. Notwithstanding the standard defined in Article 15.08(a) or the provisions of Article 15.08(c), it is intended that ADOs will normally be scheduled to allow shift employees one full day off in each 3 week period excluding the last week of the calendar year.
  - b) **WORK DAY**

Any consecutive 7-1/2 hours of work, exclusive of lunch period, in a 24 hour period, except that a shift may not start between 1201 and 1459.
  - c) **WORK WEEK**

Any consecutive 5 days of work out of 7 consecutive calendar days. The remaining 2 days will be scheduled as days off in lieu of Saturdays and Sundays



12.04 d) **STATUTORY HOLIDAYS**

In recognition that statutory holidays may be scheduled work days for shift workers, employees will be scheduled off for 11 days in lieu of statutory holidays. These days off in lieu of statutory holidays shall normally be scheduled in the pay period in which the statutory holiday falls.

e) **SHIFT PREMIUMS**

Notwithstanding any other language in the collective agreement, a 12% shift premium shall be paid for all hours worked between 1500 and 0800 Monday to Friday, and all hours worked on a Saturday, Sunday or Statutory Holiday.

f) **LUNCH BREAKS**

The lunch break will be taken as close as possible to mid-shift but may be varied or staggered for different employees from one hour before to one hour after the middle of the shift according to the needs of the work in progress.

g) **WORK BREAKS**

Each employee shall receive 2 work breaks of 15 minutes in each day's work schedule. The first such break shall occur during the tour of duty prior to the lunch period and the second break shall occur during the tour of duty prior to quitting time.

h) **OVERTIME PAYMENTS**

All time worked in excess of the hours specified in Article 12.04 shall be paid for at the rate of double time. All overtime worked on scheduled days off in lieu of Saturdays, Sundays and statutory holidays shall be paid at the rate of double time. All time worked on annual vacation shall be paid for at double time plus regular salary.

i) **OVERTIME BANKING**

Any election to bank under this provision will be done in accordance with Article 16.07.

12.04 j) **SIGN-UPS**

1. A majority of any group of shift workers may elect to sign-up on a seniority basis to establish the choice of shifts, location and days off. Periods of the sign-up shall be 51 weeks or 24 weeks or more frequently by mutual agreement, provided that the period shall be a multiple of 3 weeks.
2. Shift sign-up shall be by seniority as defined in Article 4 or by criteria determined by a simple majority of the group concerned, subject to approval by the Company and the Union. Once established, the sign-up criteria may not be changed except by a two-thirds majority vote of the group concerned. The seniority list will be posted in conjunction with the sign-up.

k) **NOTICE OF RELIEF**

1. To provide relief coverage for unscheduled leaves of absence due to sickness, accidents, etc., the Company may request an employee to temporarily change his/her shift. When shift employees' scheduled shifts are changed, 2 calendar days notice will be provided. If less notice is given, up to the first two of the changed shifts, occurring consecutively, shall be at double time rates as follows:
  - a) 48 hours notice - no penalty;
  - b) 24 hours notice - 1 shift at double time;
  - c) Less than 24 hours notice - 2 shifts at double time.
2.
  - a) Shift changes requested by the employee will not be subject to overtime penalties.
  - b) Designated relief employees incurring shift changes with less than a 16 hour break between the end of one shift and the beginning of their next shift will be paid one shift at double time.

## **ARTICLE 13**

## **STATUTORY HOLIDAYS**

13.01 The following statutory holidays shall be recognized by the Company:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
B.C. Day	

and any other day declared a holiday by Federal, Provincial and Civic Governments.  
Civic holidays shall be observed only in the area affected.

13.02 Any of the above holidays falling on a Saturday or Sunday will be observed on Friday or Monday at the Company's option.

13.03 Statutory holiday pay for part-time regular employees shall be paid in accordance with Article 19.02(g) of this Agreement.

13.04 Shift workers shall receive an equivalent number of days off. These days off in lieu of statutory holidays shall normally be scheduled in the pay period in which the statutory holiday falls.

## **ARTICLE 14**

## **VACATIONS**

14.01 Moved to Article 14.06 – in 2001

### 14.02 **YEAR-OF-HIRE VACATION ENTITLEMENT**

Vacation entitlements will be advanced in January of the calendar year it is earned, and it will be prorated for new hires based on the year of hire service.

### 14.03 **ANNUAL VACATION ENTITLEMENTS**

A regular employee shall EARN his/her annual vacation entitlement for any calendar year only when s/he reaches his/her anniversary, although s/he may TAKE his/her annual vacation anytime during that calendar year. Annual vacation entitlements with pay shall be as follows:

- a) Employees who terminate prior to their first anniversary date will receive vacation pay at the rate of 6% of gross earnings less any pay actually received for vacation taken.

- b) **Vacation Entitlements**

In the calendar year of:

*1st - 9th anniversary	-	3 weeks
10th - 17th anniversary	-	4 weeks
18th - 29th anniversary	-	5 weeks
30th and later anniversary	-	6 weeks

## **ARTICLE 14**

## **VACATIONS (continued)**

### 14.04

#### **PAYMENT OF VACATIONS**

- a) Payment for vacations will be made at an employee's rate of pay at the time the vacation is taken, or depending upon his/her vacation entitlements, at the rate of 6%, 8%, 10% or 12% of his/her current year's earnings, whichever is the greater. Adjustments arising out of the percentage application will be made in the first quarter of the following year. Notwithstanding the foregoing, banked vacations will be paid at the employee's rate of pay at the time the vacation is taken.
- b) deleted in 2001
- c) deleted in 2001
- d) deleted in 2001
- e) Effective 1 January 2002 upon termination of service all employees will receive final vacation pay prorated on the basis of an anniversary date of 1 January.

### 14.05

#### **BROKEN VACATIONS**

Vacations may be taken in broken periods but normally at least 2 weeks of the year's entitlement must be taken as a continuous period. Employees shall select their vacation periods in order of seniority as defined in this Agreement. However, only one vacation period shall be selected by seniority until all employees in the signing group have selected one period. Subsequently, all employees in the signing group who have chosen to take their vacation in broken periods shall select in order of seniority for a second vacation period and again for subsequent periods until all periods are chosen.

**ARTICLE 14****VACATIONS (continued)****14.06 SCHEDULING VACATIONS**

Vacation periods shall not conflict with essential departmental requirements. However, agreement to schedule time off shall not be unreasonably withheld by the Manager. Employees are encouraged to take all of his/her earned annual vacation before the end of the calendar year. Employees are required to take a minimum of 25 days off each year, this includes time earned for both Annual Vacation and ADOs.

If the employee is unable to take the balance of time off in excess of 25 days, then the balance at year end will be transferred to the Cash/Time Bank.

Time off will be taken from the following banks in succession until they are depleted.

Time Banks:	Description:
1. Current AV/ADO	Current AV advanced; current ADO's earned
2. Time Bank	Non-renewable time bank. Balance of hours in the EB Time and Permanent bank as of December 31, 2001
3. Cash/Time Bank	Banked overtime and year end rollover of current AV and ADOs. Withdrawals from this bank can be either time off or cash. This bank can exceed 18 weeks only with managerial approval.

**14.07 STATUTORY HOLIDAYS DURING VACATIONS AND LEAVE OF ABSENCE**

An employee will be granted a day in lieu with pay for each statutory or Company-observed holiday falling in his/her paid vacation period, or falling within any leave of absence period not exceeding 10 working days.

**14.08 RELIEVING ON HIGHER-GROUPED JOB**

- a) If an employee is relieving on a higher-grouped job at the time s/he goes on vacation, and his/her promotion involves salary adjustment, his/her annual vacation will be paid at the higher rate if it is both preceded and followed by working time on the higher job and if there is a minimum of 20 working days at the relief level.
- b) However, if an employee is required to postpone his/her period of annual vacation in order to carry out the duties of a higher-paid position for an uninterrupted period of a temporary transfer, and must therefore take his/her annual vacation at some other less convenient time, s/he shall nevertheless qualify for the higher rate for vacations as set out in the paragraph immediately preceding.

**ARTICLE 14****VACATIONS (continued)**

14.09

**PRORATION OF ANNUAL VACATION ENTITLEMENT**

- a) **ABSENCES DUE TO SICK LEAVE, LONG-TERM DISABILITY OR WORKERS' COMPENSATION INJURY.**

In any case where an accumulation of such absences exceed 6 calendar months in a calendar year, vacation entitlement for that year will be reduced by 1/6 for each full month of absence in excess of 6 months.

- b) **ABSENCES OTHER THAN SICK LEAVE, LONG TERM DISABILITY, WCB AND ANNUAL VACATION.**

Where an accumulation of such absences exceed 3 calendar months in any calendar year, annual vacation will be reduced by 1/9 for each full month of absence in excess of 3 months.

- c) It is understood that Article 14.09 will not apply to the period of maternity leave described in Article 9.06(a) of the Collective Agreement. This understanding is without prejudice to the position of the Parties in the relationship of maternity leave to other provisions of the Collective Agreement.

14.10

**INLAND/COLUMBIA VACATION ENTITLEMENT**

Former Inland/Columbia employees as at September 14, 1989 shall retain their annual vacation and supplementary vacation entitlements and horizons in accordance with Article 7.03 and 7.10 of the 1988/89 Inland/Columbia Collective Agreement.

**CANCELLATION OF VACATION**

14.11

An employee shall be reimbursed for any financial loss actually incurred as a result of the cancellation by the Company of a scheduled annual vacation.

**PAST SERVICE CREDITS**

14.12

Employees who leave the Company subsequent to April 1, 1977 will receive credit for past service in establishing vacation entitlement provided any such employee is rehired by the Company prior to the expiry of a period of not more than 3 years. Such additional vacation entitlement shall not accrue until 1 January of the year following the re-hire date.

## **ARTICLE 15**

## **HOURS OF WORK AND ADO'S**

15.00 The hours of work will incorporate the concept of extending the normal work day for certain employees. This will allow these employees to work a longer day and accumulate days off (ADOs). To enable the time off concept to be workable, flexibility within job assignments will have to be recognized. This will have to be done in such a manner as to provide an uninterrupted, ongoing work flow in all departments participating in the ADOs and in such a manner that will not adversely affect productivity, efficiency and service or result in an increased cost to the Company.

15.01 The hours of work of all employees, except those otherwise specifically mentioned in this Agreement, shall be as follows:

- (a) Standard hours of work are 0630 to 2000, Monday through Saturday;
- (b) Core hours are 0630 to 1730, Monday through Friday.
- (c) The standard start time will be a specific time between 0630 and 1200 hours inclusive.
- (d) The company may vary an employee's start time and work week upon 2 weeks notice. An employee's schedule cannot be varied more often than once every 90 calendar days.
- (e) The start time parameters of article 15.01(c) may be extended by mutual agreement between the manager and an employee.

### **15.02 WORK WEEK**

The standard work week shall be any 5 consecutive days Monday through Saturday.

### **15.03 WORK DAY**

The work day shall be any 7 consecutive hours of work, exclusive of lunch period, subject to the provisions of Articles 15.01 and 15.04.

### **15.04 WORKING HOURS**

The hours of work shall be the equivalent of 35 hours of work per week. This will be done by each full-time regular employee working a normal week of 5 days of 7 1/2 hours accruing 17 days a year Accumulated Days Off (ADO) in lieu of the 35 hour week.



**15.05**      **WORK BREAKS**

Each employee shall receive 2 work breaks of 15 minutes in each day's work schedule. The first such break shall occur during the morning tour of duty prior to the lunch period and the second break shall occur in the afternoon tour of duty prior to quitting time.

**15.06**      **LUNCH BREAK**

The standard lunch break shall be at or near the midpoint of the working day and shall be either one hour or 1/2 hour as determined by mutual agreement between the supervisor and an employee or group of employees. Failing agreement, the practice in place at that time will continue.

**15.07**      **NON-CORE PREMIUM**

All time worked before 0630 and after 1730, and all standard hours worked on Saturday, shall be subject to a 12% non-core-hour premium. This premium is not paid if the time worked during these hours is at the employee's request, or if it attracts a higher premium rate pursuant to Articles 13 and 16.

**15.08**      **ADO APPLICATION**

- a) The standard is that ADOs will be taken in the pay period in which they are earned, but shall not conflict with essential departmental requirements.
- b) The authorized variation is that earned ADOs may be taken at a future date by mutual agreement between the employee and the manager
- c) Prescheduling of ADOs shall be for 12 week periods, or multiples thereof, with sign-up at least 2 weeks in advance. Sign up shall be by the method agreed to by the majority decision of a work group reporting to an individual supervisor. Conflicts in sign up shall be resolved by seniority.
- d) ADOs will only apply to full-time regular employees. Except for newly hired employees and terminating employees, a person's ADO allowance will be earned by full-time regular employees in service during that period.
- e) Employees who are hired or who terminate during a period will earn or be paid out the period's ADO allowance on the basis of 1/9 of that period's ADO allowance for each day worked during that period.

**ARTICLE 15****HOURS OF WORK AND ADO'S (continued)**

N.B. For the purpose of Clauses d and e of this Article, "period" means one of the 17 bi-weekly pay periods in a calendar year that does not contain a statutory holiday.

- f) Full-time regular employees on leave of absence without pay for a pay period will not earn their ADO for that pay period.
- g) Current year's earned ADOs will be combined with current entitlement for annual Vacation and reported on each employee's pay statement.
- h) Deleted 30 April 1995.
- i) Deleted 30 April 1995.
- j) Deleted in 2001
- k) Deleted 30 April 1995.
- l) Employees are encouraged to take all of his/her earned ADO's before the end of the calendar year. Employees are required to take a minimum of 25 days off each year, this includes time earned for both Annual Vacation and ADOs. If the employee is not able to take the balance of time off in excess of 25 days the balance at year end will be transferred to the Cash/Time Bank.

Time Banks:	Description:
1. Current AV/ADO	Current AV advanced; current ADO's earned
2. Time Bank	Non-renewable time bank. Balance of hours in the EB Time and Permanent banks as of Dec 31, 2001
3. Cash/Time Bank	Banked overtime and year end rollover of current AV and ADOs. Withdrawals from this bank can be either time off or cash. This bank can exceed 18 weeks only with managerial approval.

## **ARTICLE 15 HOURS OF WORK AND ADO'S (continued)**

### **15.09 FLEXIBLE HOURS OF WORK**

For: Promotions and Display Designers (formerly Gas Sales Promotion Officer)  
Sales Assistant  
Sales Representatives (formerly New Residential Markets Representative and Commercial Sales Representative)  
Technologist 4 - Energy Utilization (formerly Energy Utilization Specialist)  
Trade Relations Representatives

- a) For the purposes of this Article, the flexible work period shall be 37 1/2 hours consisting of a maximum of 5 consecutive days Monday through Sunday. Time worked on scheduled days off will be compensated at double time rates.
- b) A work day of any consecutive 7 1/2 hours, exclusive of lunch period, may be scheduled between 06:00 and 22:00 at straight time rates. Time worked in excess of 7 1/2 hours per day or 37 1/2 hours in a week will be compensated at double time rates (200%).
- c) The Company will provide as much advance notice as possible of a requirement to work flexible hours. Work scheduled under this clause will not interfere with scheduled annual vacation.
- d) Where an employee subject to flexible hours works more than 7 1/2 hours per day, meal entitlements will be in accordance with Article 16.09 of this Agreement.
- e) Where an employee subject to flexible hours is required to work Sundays, the employee shall be reimbursed at 1-1/2 times the regular hourly rate for each hour worked.
- f) Where the majority of working hours fall outside the hours of 08:00 - 16:30, a premium will be paid as follows:

Shift	Weekdays	Saturday	Sunday	Statutory Holidays
Day	0 hrs	2 hrs	0 hrs	4 hrs
Aft.	1 hr	2 hrs	0 hrs	4 hrs
Night	2 hrs	2 hrs	0 hrs	4 hrs

- g) All time worked on annual vacation shall be paid at overtime rates plus regular salary. All time worked on statutory holidays or on scheduled days off in lieu of statutory holidays will be paid at double time rates plus regular salary.

## **ARTICLE 16**

## **OVERTIME**

16.00 This clause applies to all employees unless they are specifically exempted from its provisions by express terms elsewhere in this Agreement.

16.01 All time worked in excess of 7 1/2 hours in a day or 37 1/2 hours in a week shall be paid at the rate of double time (200%). For temporary employee and PTR employees, all time worked between seven and seven and one-half hours in a day shall be deposited to their time off bank on a straight-time basis.

### **16.02 MINIMUM PAID PERIODS**

If an employee is required to remain at his/her work place to work overtime, s/he will be paid for a minimum of 1/2 hour. Time worked beyond the first 1/2 hour of overtime will be recorded to the next higher 1/4 hour. The applicable clause may be invoked with respect to meal intermissions. If s/he is required to return to his/her normal work location, aside from a normal meal intermission, or if s/he is required to perform overtime work at another location, a 2 hour minimum will apply, plus whatever travelling time is applicable. An employee scheduled to work on his/her scheduled day off will be paid for a minimum of 4 hours at overtime rates, but will not be paid for time spent in travelling to and from his/her normal work location.

16.03 Work performed on a regularly scheduled day off will be paid for at double time.

16.04 Work performed on holidays will be paid for at double time plus pay for the holiday.

### **16.05 REST PERIODS**

An employee who has worked overtime shall return to work, after 8 hours rest, but only if s/he can do so by the mid-point of his/her regular shift, unless s/he will report earlier by mutual agreement. Whether or not s/he does report to work s/he shall nevertheless be paid for the regular shift following the overtime at his/her normal straight-time rate. However, if his/her overtime finished at or before 8 hours prior to the mid-point of his/her regular shift on the day in question, s/he must return to work by the mid-point of his/her regular shift in order to qualify for full pay for his/her regular shift. An employee who is called in and reports to work before the expiration of his/her 8 hours absence shall receive double time payment for those hours which coincide with the working hours of his/her normal shift, plus his/her regular salary for the day.

**ARTICLE 16****OVERTIME (continued)**

16.06

**CALL-OUTS**

- a) Notwithstanding the provisions of Clause 16.05, a call-out occurring within a period of 4 hours prior to the commencement of his/her regular working day or shift will nevertheless require an employee to report at his/her regular hour and be paid at straight-time rates for his/her full regular shift.
- b) An employee called to work during off-scheduled hours or on a normal day off shall be paid at overtime rates for a minimum of 2 hours beginning at the time s/he leaves his/her residence. 1/2 hour at double time shall be allowed an employee to reach his/her living quarters on completion of a call-out irrespective of the amount of time actually worked. When call-outs run into a normal shift, minimum call-out shall not apply.

16.07

**OVERTIME BANKING**

- a) Employees may elect to bank the hours of overtime worked at the straight-time equivalent (i.e. one hour at double time equals two hours in the overtime bank).
- b) deleted in 2001
- c) deleted in 2001
- d) Time off at the employee's request must be taken at a time mutually agreed upon between the employee and the supervisor. Agreement to schedule time off shall not be unreasonably withheld.
- e) Cash withdrawals may be made from the Cash/Time Bank by the employee at any time on 10 working days written notice to the Pay Department.

16.08

**TRAVEL TIME PAYMENTS**

- a) If an employee is scheduled to work prior to his/her normal working hours and at his/her normal work location, travel time will not apply.
- b) If an employee is required to work overtime beyond his/her normal working day at his/her normal headquarters, no travel time will be paid.
- c) When an employee is assigned to work away from his/her normal headquarters, travelling time shall be paid in accordance with Article 17.03.

**ARTICLE 16****OVERTIME (continued)**

16.09

**MEAL PROVISIONS**

- a) Where an employee is required to work less than 2 hours beyond his/her regular shift, a 1/2 hour unpaid meal period will be allowed.
- b) An employee will be paid for a 1/2 hour meal period at double time and the Company will provide a meal or reimburse the employee for reasonable meal expenses incurred:
  - 1. where the actual overtime worked, exclusive of any meal period is 2 hours or longer before or after the regular day or shift;
  - 2. where an employee is called in and works 4 hours overtime;
  - 3. where an employee is required to work 4 hours overtime beyond an overtime meal period already taken. Where this overtime follows a regular shift the first meal period regardless of when it is actually taken, will be considered to have been taken immediately after the regular shift;
  - 4. where an employee misses a paid meal period to which s/he is entitled s/he shall nevertheless be paid at the prevailing rate for such missed meal period in addition to all time worked.
- c). Where work is prescheduled for normal days off and employees have been notified on the previous working day and work is to commence within 2 hours of the normal starting time, the employer will not be required to provide lunch or pay for a meal time if taken.

16.10

**ALTERNATIVE TRANSPORTATION**

Where an employee is required to work unscheduled overtime, the Company will, on request of the employee, pay reasonable costs for alternative transportation home under the following conditions:

- a) Provided that normal means of transportation is not available.
- b) Where employees are parties in car pool arrangements, "normal means of transportation" shall be deemed to include car pools.
- c) For purposes of this Clause, "unscheduled overtime" is defined as that overtime occurring where an employee is notified by his/her supervisor during his/her scheduled shift that s/he will be required to continue working beyond his/her scheduled quitting time.

**16.11 PREMIUM PAYMENTS****a) Helicopter Premiums**

1. Life insurance of not less than \$150,000.00 shall be provided for employees working in or under or travelling in helicopters.
2. Employees who are actually engaged in working in or under helicopters shall be paid a premium of 25% over and above their base or floor rate, whichever is greater.
3. A helicopter premium of 25% of regular pay will be paid when an employee is travelling with another Company employee in receipt of a helicopter premium.

**b) High Time**

A high time premium of 10% of regular pay will be paid when an employee is actually working on staging and scaffolding, or where the employee is supported by a safety belt or rope, at heights of 9 meters (30 feet) or more above a fixed platform, safety net, or natural ground surface. This clause is applicable to work under bridges when the above conditions apply. The minimum premium payable will be that for one hour.

**c) Occupational Health and Safety**

The parties agree to maintain an Occupational Health and Safety Committee.

Employees who possess an Industrial First Aid Certificate and who are designated to act as a First Aid Attendant in addition to their normal job responsibilities, shall receive a monthly rate allowance of not less than the rates currently in effect in accordance with Company Policy ADM 550-2, which are:

<u>(\$/month)</u>	<u>Level</u>	<u>Designated Allowance (\$/month)</u>	<u>Non-designated Allowance</u>
	2	\$ 90	\$ 27
	3	\$180	\$ 54

## **ARTICLE 16**

## **OVERTIME (continued)**

### **16.12 GENERAL**

Where an employee is required to work under conditions not specified in this Agreement which the Union considers merits premium pay, an appropriate premium will be determined by agreement between the Parties, and if no agreement is reached, the matter can be handled under the grievance procedure.

### **16.13 STANDBY ARRANGEMENTS**

- a) An employee scheduled on standby, whether or not s/he carries a pocket pager, will be paid for two (2) hours at straight time for the 24 hour period commencing daily at 08:00 Monday to Thursday inclusive, 3 hours at straight time for the 24 hour period commencing at 08:00 Friday, and 4 hours at straight time for the 24 hour period commencing at 08:00 on a Saturday, Sunday or Statutory Holiday.
- b) Where possible standby will be signed up on a voluntary basis with schedules posted at least 96 hours in advance. Should an employee be given less than 96 hours notice of standby duty, s/he will be under no compulsion to accept such duty.
- c) No employee will be compelled to accept standby on 2 consecutive weekends or on 2 consecutive holiday weekends.

### **16.14 TELEPHONE CONSULTATION**

Where an employee is consulted by a supervisor or delegate by telephone outside his/her normal hours of work concerning a problem of work, a telephone consultation premium will be paid as follows:

- a) Pay per telephone consultation equivalent to 1/2 hour or the length of the call, whichever is greater, at overtime rates for calls prior to 23:00, and one hour's pay at overtime rates for calls between 23:00 and 07:00, except as indicated in (b) below.
- b) If a second or successive telephone consultation takes place within 1/2 hour of the end of a preceding call, it will be construed as being part of the preceding call and therefore not be paid unless the combined time exceeds the minimum paid period in (a) above.
- c) The telephone consultation premium will not be paid if an employee is on standby duty.

### **16.15 Employees who are assigned a paging device for the purpose of providing telephone consultation (as opposed to being on standby; ready and able to report to work) shall be compensated at the rate of one hour at straight time for each calendar day of such assignment and shall in addition receive the pay for telephone consultation specified by article 16.14.**



**ARTICLE 17**

**HEADQUARTERS -- TRAVELLING ALLOWANCES, MOVING  
EXPENSES AND LIVING EXPENSES**

- 17.01 a) All employees will have an established headquarters. This established headquarters will be the location where the employee normally works, reports for work, or the location to which s/he returns between jobs.
- b) Employees hired for temporary work will be deemed to be headquartered at the location where they are recruited.
- 17.02 The Company will pay for transportation, meals and sleeping accommodation for employees travelling to or from a job from a point of hiring or on Company business.
- 17.03 a) All time spent in travel by public carrier, or as driver or passenger in a Company vehicle or properly authorized personal vehicle, to and from a headquarters or report point other than the employee's normal headquarters, shall be paid as time worked, except that when an employee commutes to/from such temporary headquarters or report point from his/her home or from lodging provided by the Company, only time spent commuting in excess of that amount of time it normally takes the employee to commute to his/her established headquarters will be paid as time worked.
- b) Time spent in travelling at the request of the Company on any non-scheduled working day shall be paid to a maximum of 8 hours at overtime rates.
- c) Time spent in travel between headquarters and the work site or the report point and the work site at the commencement and termination of each day's work, will be paid for as time worked.
- d) A mileage allowance of not less than 36 cents per kilometer shall be paid for authorized use of a personal vehicle on Company business, and such use will include commuting to/from a headquarters or report point other than the employee's normal headquarters, in which case all mileage in excess of the employee's normal commuting distance to the established headquarters shall be entitled to the mileage allowance.
- 17.04 Should an employee be discharged for cause or resign with more than 3 months' service while in the field, s/he will be paid travelling expenses back to his/her established headquarters. An employee laid off will be paid travelling expenses back to his/her established headquarters in accordance with Article 17.03.

**ARTICLE 17****HEADQUARTERS -- TRAVELLING ALLOWANCES,  
MOVING EXPENSES AND LIVING EXPENSES (continued)**

- 17.05        Where employees are working and living away from their permanent headquarters, the Company will provide free board and lodging. Employees who elect to return home on weekends or on other days upon which no work is scheduled, shall, upon request, be granted "living allowance" of \$45 for such non-working days on which they do not utilize the board and lodging provided by the Company.
- 17.06        Employees will be returned to their established headquarters at the expense of the Company prior to taking annual vacation and will be returned from established headquarters to the work site at the expense of the Company without any loss of paid holiday time.
- 17.07        At any point where the Company is responsible under this Agreement for board and lodging, a living allowance of \$70 per day in lieu thereof may be granted at the request of the employee.
- 17.08        An employee directed to work away from his/her established headquarters shall be notified whether the change is to a position of a continuing nature or to a temporary job.
- 17.09        a)        If the change is to a position of a continuing nature, the Company will bear the cost of moving expenses in accordance with Article 17.10. Should it not be possible to obtain suitable living quarters at the new location immediately, an allowance will be made for reasonable living expenses. The point to which the employee is then assigned to report for duty will become his/her established headquarters.
- b)        Moving expenses are defined as standard packing and moving charges, and transportation costs for the employee and his/her family plus incidental expenses up to \$500. Incidental expenses would include such items as cleaning, disconnecting and reconnecting of appliances, etc. and are limited to the 2 residences involved.
- c)        Where management is the initiator of the transfer, consideration will be given to further reasonable expenses.
- d)        When employees choose to change their place of residence as a result of a reassignment of headquarters, they will be allowed time off with pay for the purpose of obtaining and moving into another home. The time off will be by arrangement with the immediate Supervisor concerned. Such time off will be in addition to any entitlement otherwise provided in respect to time spent in travel to the new location.

**ARTICLE 17**

**HEADQUARTERS -- TRAVELLING ALLOWANCES,  
MOVING EXPENSES AND LIVING EXPENSES (continued)**

- 17.10 If an employee applies for another job and is successful in getting the job, the Company will pay his/her moving expenses if moving is necessary and the employee moves a minimum of 25 kilometers closer to his/her new headquarters.
- 17.11 An employee whose position becomes redundant and as a result is required to move to a new job location to continue in Company employment, shall be moved at Company expense regardless of the length of service or the time interval between moves.
- 17.12 Where an employee is granted a transfer for compassionate reasons under the provisions of this clause, the matter will be discussed with the Union, and the Company at its discretion may pay all or part of the employee's moving expenses.
- 17.13 An employee who is directed by the Company to change his/her headquarters or who becomes redundant due to automation, new equipment or new office procedures, shall be eligible, under the following conditions, for reimbursement for realtor's commission in selling his/her present home and legal fees in purchasing a new home in order to take another Company job:
- a) the employee has been notified in writing that the change of jobs is of a continuing nature;
  - b) a change of headquarters is involved and the new headquarters is outside municipal boundaries of the present headquarters and where the parties agree that it is not practical for the employee to commute daily to his/her new headquarters;
  - c) the employee and/or the employee's spouse is the registered owner of the home being vacated.
  - d) costs are actually incurred and the employee provides receipts;
  - e) the employee has a minimum of 4 years accredited service with the Company; and
  - f) the employee continues to work for the Company for a minimum of 1 year;
- 17.14 An employee quartered in a commercial facility will be entitled to single room accommodation.

**ARTICLE 18**    **SALARIES**

- 18.01    a)    Job groupings are established in accordance with the Company's job evaluation plan. The salary scales applicable to these groupings shall be as set out in the following schedules with effective dates as shown.
- b)    Salaries of certain employees are not covered by these scales and are set out elsewhere in this Agreement.
- c)    Monthly rates are computed on the basis of 217.4% of bi-weekly rates.
- d)    For conversion purposes only, hourly rates of pay are determined by dividing bi-weekly salaries by 70.
- e)    Depending on the circumstances of the job, job evaluation exclusion rates are set subject to negotiation with arbitration if required.
- f)    Effective January 1, 1999 all new hires, re-hires, and employees changing status from temp (hourly) to regular (salary) shall be paid by direct payroll deposit.

The employees shall provide the necessary banking information on the form(s) supplied by the company.

**ARTICLE 18****SALARY SCALES EFFECTIVE JUNE 8, 2002**

<b>MONTHLY SALARY SCALES</b>						
<b>GRP</b>	<b>MIN</b>	<b>STEP 1</b>	<b>STEP 2</b>	<b>STEP 3</b>	<b>STEP 4</b>	<b>STEP 5</b>
<b>3</b>	2254	2344				2702
<b>4</b>	2511	2613	2711			3013
<b>5</b>	2741	2848	2959	3065		3283
<b>6</b>	2989	3107	3228	3350		3581
<b>7</b>	3259	3387	3515	3648	3776	3913
<b>8</b>	3481	3613	3757	3891	4031	4168
<b>9</b>	3796	3944	4091	4248	4396	4546
<b>10</b>	4137	4298	4461	4626	4796	4957
<b>11</b>	4513	4687	4863	5046	5226	5407
<b>12</b>	4918	5111	5305	5500	5698	5894
<b>13</b>	5365	5572	5783	6000	6211	6426
<b>14</b>	5718	5937	6165	6394	6622	6852

<b>BI WEEKLY SALARY SCALES</b>						
<b>GRP</b>	<b>MIN</b>	<b>STEP 1</b>	<b>STEP 2</b>	<b>STEP 3</b>	<b>STEP 4</b>	<b>STEP 5</b>
<b>3</b>	1037	1078				1243
<b>4</b>	1155	1202	1247			1386
<b>5</b>	1261	1310	1361	1410		1510
<b>6</b>	1375	1429	1485	1541		1647
<b>7</b>	1499	1558	1617	1678	1737	1800
<b>8</b>	1601	1662	1728	1790	1854	1917
<b>9</b>	1746	1814	1882	1954	2022	2091
<b>10</b>	1903	1977	2052	2128	2206	2280
<b>11</b>	2076	2156	2237	2321	2404	2487
<b>12</b>	2262	2351	2440	2530	2621	2711
<b>13</b>	2468	2563	2660	2760	2857	2956
<b>14</b>	2630	2731	2836	2941	3046	3152

## SALARY SCALES EFFECTIVE OCTOBER 1, 2003

<b>MONTHLY SALARY SCALES</b>						
<b>GRP</b>	<b>MIN</b>	<b>STEP 1</b>	<b>STEP 2</b>	<b>STEP 3</b>	<b>STEP 4</b>	<b>STEP 5</b>
<b>3</b>	2322	2413				2783
<b>4</b>	2587	2691	2791			3104
<b>5</b>	2824	2933	3048	3157		3381
<b>6</b>	3078	3200	3326	3450		3687
<b>7</b>	3357	3489	3622	3757	3889	4031
<b>8</b>	3585	3722	3870	4009	4152	4294
<b>9</b>	3909	4061	4213	4376	4528	4683
<b>10</b>	4261	4426	4596	4765	4939	5105
<b>11</b>	4648	4828	5009	5198	5383	5570
<b>12</b>	5065	5265	5463	5665	5870	6070
<b>13</b>	5526	5739	5957	6181	6398	6620
<b>14</b>	5889	6115	6350	6585	6820	7059

<b>BI WEEKLY SALARY SCALES</b>						
<b>GRP</b>	<b>MIN</b>	<b>STEP 1</b>	<b>STEP 2</b>	<b>STEP 3</b>	<b>STEP 4</b>	<b>STEP 5</b>
<b>3</b>	1068	1110				1280
<b>4</b>	1190	1238	1284			1428
<b>5</b>	1299	1349	1402	1452		1555
<b>6</b>	1416	1472	1530	1587		1696
<b>7</b>	1544	1605	1666	1728	1789	1854
<b>8</b>	1649	1712	1780	1844	1910	1975
<b>9</b>	1798	1868	1938	2013	2083	2154
<b>10</b>	1960	2036	2114	2192	2272	2348
<b>11</b>	2138	2221	2304	2391	2476	2562
<b>12</b>	2330	2422	2513	2606	2700	2792
<b>13</b>	2542	2640	2740	2843	2943	3045
<b>14</b>	2709	2813	2921	3029	3137	3247

## SALARY SCALES EFFECTIVE APRIL 1, 2004

<b>MONTHLY SALARY SCALES</b>						
<b>GRP</b>	<b>MIN</b>	<b>STEP 1</b>	<b>STEP 2</b>	<b>STEP 3</b>	<b>STEP 4</b>	<b>STEP 5</b>
<b>3</b>	2391	2485				2865
<b>4</b>	2665	2772	2876			3198
<b>5</b>	2909	3020	3139	3252		3483
<b>6</b>	3170	3296	3426	3554		3798
<b>7</b>	3457	3594	3731	3870	4007	4152
<b>8</b>	3691	3833	3985	4128	4276	4422
<b>9</b>	4026	4183	4339	4507	4663	4824
<b>10</b>	4389	4559	4733	4909	5087	5257
<b>11</b>	4787	4974	5159	5355	5544	5737
<b>12</b>	5218	5424	5626	5835	6046	6252
<b>13</b>	5692	5911	6135	6365	6589	6818
<b>14</b>	6065	6298	6542	6783	7024	7270

<b>BI WEEKLY SALARY SCALES</b>						
<b>GRP</b>	<b>MIN</b>	<b>STEP 1</b>	<b>STEP 2</b>	<b>STEP 3</b>	<b>STEP 4</b>	<b>STEP 5</b>
<b>3</b>	1100	1143				1318
<b>4</b>	1226	1275	1323			1471
<b>5</b>	1338	1389	1444	1496		1602
<b>6</b>	1458	1516	1576	1635		1747
<b>7</b>	1590	1653	1716	1780	1843	1910
<b>8</b>	1698	1763	1833	1899	1967	2034
<b>9</b>	1852	1924	1996	2073	2145	2219
<b>10</b>	2019	2097	2177	2258	2340	2418
<b>11</b>	2202	2288	2373	2463	2550	2639
<b>12</b>	2400	2495	2588	2684	2781	2876
<b>13</b>	2618	2719	2822	2928	3031	3136
<b>14</b>	2790	2897	3009	3120	3231	3344

## SALARY SCALES EFFECTIVE APRIL 1, 2005

MONTHLY SALARY SCALES						
GRP	MIN	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
<b>3</b>	2463	2559	0	0	0	2952
<b>4</b>	2746	2854	2963	0	0	3294
<b>5</b>	2996	3111	3233	3350	0	3587
<b>6</b>	3265	3394	3528	3661	0	3911
<b>7</b>	3561	3702	3841	3985	4126	4276
<b>8</b>	3802	3948	4105	4252	4405	4555
<b>9</b>	4148	4309	4470	4641	4802	4970
<b>10</b>	4522	4696	4874	5057	5239	5415
<b>11</b>	4931	5124	5313	5515	5711	5909
<b>12</b>	5374	5587	5796	6011	6226	6439
<b>13</b>	5863	6089	6320	6557	6787	7022
<b>14</b>	6248	6487	6737	6987	7235	7487

BI WEEKLY SALARY SCALES						
GRP	MIN	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
<b>3</b>	1133	1177				1358
<b>4</b>	1263	1313	1363			1515
<b>5</b>	1378	1431	1487	1541		1650
<b>6</b>	1502	1561	1623	1684		1799
<b>7</b>	1638	1703	1767	1833	1898	1967
<b>8</b>	1749	1816	1888	1956	2026	2095
<b>9</b>	1908	1982	2056	2135	2209	2286
<b>10</b>	2080	2160	2242	2326	2410	2491
<b>11</b>	2268	2357	2444	2537	2627	2718
<b>12</b>	2472	2570	2666	2765	2864	2962
<b>13</b>	2697	2801	2907	3016	3122	3230
<b>14</b>	2874	2984	3099	3214	3328	3444



## **ARTICLE 18**

## **TRADE DIFFERENTIALS AND FLOOR RATES**

18.02

### **a) Definitions**

1. By definition, "base rate" shall mean the monthly amount (according to the salary scale) paid to an employee, exclusive of overtime, premiums, allowances, trade differentials, etc.
2. By definition, "floor rate" shall mean a monthly amount paid to an employee consisting of his/her base rate plus a trade differential, as defined in Article 18.02(a) 3, for the purposes of maintaining a pay relationship between a job within the OPEIU bargaining unit and a job in another union within the Company.
3. By definition, "trade differential" shall mean the adjustment amount which must be added to the base rate of an employee in a floor rated job to increase the employee's pay to the floor rate established for the job.
4. By definition, "base position" shall mean a position in another bargaining unit within the Company.

### **b) Criteria**

1. The purpose of floor rates is to establish and maintain a relationship between the salary paid to employees assigned to a position that entails a direct working relationship with members of other unions within the Company and the wages of those members.
2. Entitlement to a floor rate is conditional upon this direct working relationship complying with the following:
  - a) the duties performed by the employee must be inter-related with the position in the other union over which the floor rate is based and must further relate to a major job responsibility of that base position; and
  - b) the employee must be responsible for determining the methods and procedures to be followed by the members of another Union; and
  - c) the employee must be responsible for ensuring that the work completed by the member(s) of the other Union conforms to the Company's specifications, standards and/or other relevant codes; and
  - d) the member(s) of the other Union must be assigned to the employee to either:
    - 1) assist the employee in completing work assignments; or
    - 2) complete work assignments with the assistance and/or direction of the employee; or

## **ARTICLE 18**

## **TRADE DIFFERENTIALS AND FLOOR RATES (continued)**

- 3) receive technical training in one or more major job responsibilities where such training is of a nature that it will qualify the member(s) of the other Union to perform an approved position in their own bargaining unit, and where the employee is responsible for assessing the capability and eligibility of the trainees to be appointed to the end position; and
  - e) the working relationship between the employee and the members of the other Union must be an ongoing and demonstrative part of the OPEIU job; "once-only" or hypothetical situations will not attract a floor rate.
- c) **Floor Rate Type**
- Parity or a 5% differential will be determined as follows:
- 1) Parity: when all criteria in 18.02(b) are met except 18.02 2 (d) 3.
  - 2) 5% Differential: when all criteria are met, or when all criteria are met except 18.02 2(d)1 and/or 18.02 2(d)3.
- d) **Monthly Floor Rate Calculation:**
- Where the regular monthly hours total 152.19 and the regular hours are 7.0 per day, or where the regular hours are total 163.06 and the regular hours are 7.5 hours per day, or where the regular monthly hours total 173.93 and the regular hours are 8 per day, the calculation shall be:
- 1) Parity =  
 $1.00 \times \text{hourly rate of base position} \times \text{regular monthly hours of base position};$
  - 2) 5% Differential =  
 $1.05 \times \text{hourly rate of base position} \times \text{regular monthly hours of base position}.$

**ARTICLE 18****TRADE DIFFERENTIALS AND FLOOR (continued)**

18.02

e) **Administration**

1. Disputes arising from the application of the Floor Rate Criteria are subject to Article 3, Grievance Procedure, of the Collective Agreement.
2. Each Floor Rated Job will be reviewed and tested against the above defined criteria at the time the Floor Rate is established, and at least once every 3 years as a part of the Job Evaluation Section cyclical audit of all OPEIU bargaining unit Jobs with a report forwarded to the Parties in the attached format as a part of that review process.
3. Each Floor Rate established under this Article will be documented on a Trade Differential Sheet, Floor Rates will be recalculated when the wage for the base position is changed and will be effective on the same date as the change in wage. The local union will be advised in writing of recalculations of Floor Rates.

18.03

**LENGTH-OF-SERVICE INCREASES**

- a) Progression along the salary scale will be at 12 month intervals.
- b) Salary advances in all salary ranges shall be automatic except that such increases may be withheld for cause, providing that 2 months' notice of intent to withhold is given to the employee in writing, and a copy of such notice is mailed to the Union office. When, in the opinion of the Company, the employee has restored his/her performance fully at some subsequent date, he/she may regain his/her position within the salary scale on a non-retroactive basis.
- c) Automatic salary increases for employees who are eligible shall be an amount equivalent to a full step increase of the appropriate salary range, irrespective of the employee's position in the range, provided that no employee may receive an increase beyond the maximum steps of the range.
- d) An employee whose salary falls between steps on the salary range will receive length-of-service increases which equal the dollar difference between the steps in which the employee's salary fell before the increase except that no employee will receive a length-of-service increase which would place him/her above the maximum salary for the job.

**ARTICLE 18****LENGTH-OF-SERVICE INCREASES (continued)**

18.03

- e) Only one length-of-service increase will be granted an employee while s/he is on sick leave. After returning to work, s/he will next be entitled to an increase on the same date s/he would have been entitled to an increase had s/he not been absent for sickness.
- f) Employees who have been on any other leave of absence in excess of 3 months during the length-of-service period will receive a prorated length-of-service increase; that is, for each completed month of service in his/her present job since his/her last length-of-service increase s/he will have 1/12 of the next length-of-service increase for that job added to his/her basic salary.
- g) Time worked continuously on different jobs having the same group shall be cumulative.
- h) When an employee is promoted s/he will receive a prorated length-of-service increase to his/her old salary based on the accrued time since the last length-of-service increase. Article 18.07 will then be used to determine the promotional increase.
- i) Employees who are promoted will have their length-of-service date established on the anniversary date of their promotion.
- j) An employee whose job is reclassified to a higher salary grade as a result of changes in duties and responsibilities or as a result of re-evaluation will receive the promotional increase as set out in Article 18.07 and will continue to receive his/her length-of-service increases on the new job on the same date as s/he would have received them had s/he been on the lower job. Employees who were at the maximum on the lower job will receive their first length-of-service increase on the higher job on the anniversary day of the job reclassification.
- k) Temporary employees shall accrue service for salary progression purposes as long as breaks in service do not exceed 90 consecutive calendar days, after which the terms of Article 18.05 (b) apply.

## **ARTICLE 18**

## **GENERAL INCREASES**

18.04

- a) Salaries and bi-weekly salary scales shall be increased by 1.5% on the effective date, except that active red circled employees shall receive a one-time lump sum payment of \$500.
- b) Salaries and bi-weekly salary scales shall be increased by a further 3% effective October 1, 2003.
- c) Salaries and bi-weekly salary scales shall be increased by a further 3% effective April 1, 2004.
- d) Salaries and bi-weekly salary scales shall be increased by a further 3% effective April 1, 2005.
- e) Both parties endorse the philosophy that base salaries for classifications at BC Gas Utility are intended to be at or near market median, as determined by a joint market comparator surveying conducted by the parties.
- f)
  - 1. The parties shall initiate preparation for another joint market comparator survey no later than November 1, 2005. The survey process shall be similar to the one conducted by the parties in 1999. The report will be similar to that issued in 2001.
  - 2. Effective October 1, 2006, salaries and bi-weekly salary scales shall be adjusted by an amount that will re-establish their relationship to market median as determined by the survey. If market median is below the OPEIU wage scale, no downward adjustment will be made.
  - 3. In the event that bargaining between BC Gas Utility and the IBEW, Local 213 results in a base rate increase in 2006 for the IBEW that is greater than the OPEIU base rate increase which resulted from the 2006 joint market comparator survey, then the OPEIU has the option of accepting the higher of the two base rate increases.
- g) The 3% incentive (Scorecard) pay component (subject to any Utility Scorecard gateway) introduced in the last collective agreement shall continue during the life of this agreement. Effective the 2004 payout, the formula shall be changed to the following:
  - 1. 1.5% shall continue to be based on Scorecard results.
  - 2. an additional 1.5% shall be paid to each employee whose overall performance rating, pursuant to g(3) below, is at or above the "meets expectations" level.
  - 3. all employees shall participate in a formal Performance Planning and Review process commencing in the first quarter of 2003, with payments, pursuant to g(2) above, to be made in the following year.

**ARTICLE 18    GENERAL INCREASES (continued)**

4.        as before, the incentive pay shall be based on the employee's annual rate in their regular classification as at December 31 of the previous year, subject to attainment of results.

**18.05        HIRING RATES**

- a)        Employees, including those from other Unions within the Company, are to be hired at the minimum rate of their job group. New employees who have had experience directly applicable to their jobs may be paid up to and including step one. Higher starting rates than step one may be paid in exceptional cases provided agreement is reached between the Company and the OPEIU.
  
- b)        A person who has previously worked for the Company and is rehired into the same job classification as s/he held at the time of termination, shall start at the same step of the salary range as that person was being paid immediately prior to the termination and the full time of the step must be worked before progressing to the next step.
  
- c)        However, if the time away from the job exceeds one year, the individual will start one step below the step held when the termination occurred and the full time of the step must be worked before progressing to the next step. If the time away from the job exceeds 2 years, the individual will be treated as a new employee pursuant to Article 18.05 (a).

## **ARTICLE 18    DEFINITIONS**

18.06

### **PROMOTIONS, DEMOTIONS AND TRANSFERS**

The following definitions will apply in the event of job changes occurring within or between salary scale categories:

- a) By definition, a "promotion" shall mean a move to a new job carrying a maximum step which is higher than the maximum step of the old job.
- b) By definition, a "demotion" shall mean a move to a new job carrying a maximum step which is lower than the maximum step of the old job.
- c) By definition, a "lateral transfer" shall mean a move to a new job which is neither a promotion or demotion as defined above.
- d) By definition, a "temporary promotion" shall mean a promotion, as defined above, which lasts for one full working day or more and for 6 months or less.
- e) By definition, "red-circled" shall mean that an employee's salary will be maintained above the maximum of the salary range for his/her job until such maximum is raised to a level above his/her salary.
- f) By definition, "blue-circled" shall mean that an employee's salary will be maintained above the maximum of the salary range for his/her job and that such salary will be increased by all subsequent negotiated and length-of-service salary increases.

**ARTICLE 18 PROMOTIONS, DEMOTIONS AND TRANSFERS (continued)**

18.07

**PERMANENT PROMOTIONS**

- a) An employee who is promoted from one salary group to another will receive an increase of 5% for each salary group of promotion after first determining a pro rata adjustment to their old salary based on the accrued time since the last length of service increase. No employee, subsequent to the application of this promotion formula, will receive less than the minimum or more than the maximum of the new range. Thereafter, progression along the salary scale will be at 12 month intervals.
- b) When an employee is promoted from one floor-rated job to another floor-rated job s/he will receive an increase on his/her base rate in accordance with (a) above. Further, where his/her old floor rate is lower than his/her new floor rate s/he will receive the new floor rate; but where his/her old floor rate is higher than his/her new floor rate s/he will be red-circled at his/her old floor rate.
- c) When an employee is promoted from a floor-rated job to a non-floor-rated job s/he will receive an increase on his/her base rate in accordance with (a) above. Further, where his/her old floor rate is higher than his/her new base rate s/he will be red-circled at his/her old floor rate.
- d) When an employee is promoted from a position s/he has taken under the provisions of Article 18.10 (a) and (b), the following salary policy will apply:
  - 1. If the employee had been on the lower grouped job more than one year s/he shall be promoted in accordance with 18.07 (a) above.
  - 2. If the employee has been on the lower group job less than one year and is promoted to the same group s/he held prior to demotion, s/he will receive the salary s/he would have achieved had s/he remained on that higher job group level.
  - 3. If the employee is promoted to a job group higher than s/he held prior to his/her demotion, his/her salary will be determined by applying firstly the provisions of (d) 2 and then the provisions of (a).



**ARTICLE 18 PROMOTIONS, DEMOTIONS AND TRANSFERS (continued)**

**18.08 TEMPORARY PROMOTIONS**

Definition:

- a) "Temporary Promotion" means a promotion which lasts for one full working day or more.
  - 1. An employee who is temporarily promoted from one salary group to another will receive an increase of 5% for each salary group of promotion. No employee, subsequent to the application of his/her promotion formula, will receive less than the minimum or more than the maximum of the new range.
  - 2. Where an employee carries out the duties of a Supervisor, or another person outside of the bargaining unit, s/he shall receive a rate of 10% above the highest rate of persons supervised, or 10% above the employee's current rate, whichever is greater, for the entire period of such relief.
- b) When an employee is in receipt of Supervisory premium pursuant to paragraph (a) (2), and works overtime the appropriate overtime premium will be applied to the employee's wage inclusive of the Supervisory premium.
- c) An employee temporarily on a higher grouped job shall receive the benefit of length-of-service increases which s/he would have received on the lower grouped job and his/her salary shall be increased accordingly. A temporarily promoted employee will also be eligible for length-of-services increases on the higher grouped job if the temporary promotion is renewed and thus exceeds 12 months in duration. However, the salary resulting from a length-of-service increase on the higher grouped job shall at no time be higher than the salary the employee would have received had s/he been permanently promoted to that job. Increases in salary awarded to temporary promotions are withdrawn when the employee returns to his/her regular job. The salary at which s/he returns to his/her regular job shall include any increases which would otherwise have come to him/her during the period of transfer.
- d) In cases where apparent salary anomalies occur, resulting from transfers to and from temporary promotions, the Parties agree to discuss such cases on their merits, subject to recourse to the grievance procedure.

**ARTICLE 18   PROMOTIONS, DEMOTIONS AND TRANSFERS (continued)**

**18.09            LATERAL TRANSFERS**

- a)     When an employee is, by definition, laterally transferred from one floor-rated job to another floor-rated job s/he will retain his/her old base rate. Further, where his/her old floor rate is lower than his/her new floor rate s/he will receive the new floor rate; but where his/her old floor rate is higher than his/her new floor rate s/he will be red-circled at his/her old floor rate.
- b)     When an employee is, by definition, laterally transferred from a floor-rated job to a non-floor-rated job s/he will retain his/her old base rate and be red-circled on his/her old floor rate.

**18.10            DEMOTIONS**

- a)     In the case of a demotion directly ascribable to the employee, for example through choice or as a result of inadequate performance, the following salary policy will apply:
  - 1.        If the employee has a year or more of service in the higher grouped job, upon demotion s/he will retain his/her rate if it is not beyond the maximum of the lower grouped job; if it is beyond maximum s/he will be reduced to the maximum of the lower group.
  - 2.        If the employee has less than one year's service in the higher-grouped job, upon demotion his/her salary will be that which s/he would have attained had s/he moved directly to the lower-grouped job on the same date that s/he moved to the higher-grouped job.
  - 3.        Under special circumstances, including health cases, the salary in the lower-grouped job will be negotiated by the Parties. Upon upward revision of the basic salary scale the employee will receive the general increases that accrue to his/her lower job grouping.
- b)     In the case of a demotion not directly ascribable to the employee, the following salary treatment shall apply:
  - 1.        Article 2 Re-evaluation - Red-Circle treatment.
  - 2.        Article 7 Layoff and Recall - Blue-Circle treatment for a period of three years after which time Red-Circle treatment shall apply, unless the layoff is beyond the company's control; in which case 18.10(b)1 shall apply from the date of layoff..
  - 3.        Deleted in 1998.

## **ARTICLE 19   EMPLOYEE DEFINITIONS**

### **19.01   Full-Time Regular (FTR)**

An employee hired to fill an ongoing position vacated by a regular employee or hired to fill a position which is of a continuing nature.

### **19.02   Part-Time Regular (PTR)**

- a) An employee hired to fill a part-time ongoing position vacated by a part-time regular employee or to fill a part-time position which is of a continuing nature.
- b) Unless otherwise agreed with the Union, a part-time regular employee will work according to an assigned regular schedule but will not work more than 60 hours per bi-weekly pay period except that the employee may in addition relieve a full-time employee on leave of absence, sick leave or annual vacation without change to full-time regular status. A PTR employee will normally be scheduled a minimum of 24 hours bi-weekly. At the end of any bi-weekly sign-up period where the minimum of 24 hours is not scheduled, the employee(s) working those schedules shall have the right to choose layoff under the terms of the collective agreement.
  - 1. An assigned regular schedule will be established by the Company at the time of hire and will be for a minimum period of 2 weeks.
  - 2. Within an assigned schedule the days worked and the daily/weekly hours may differ.
- c) A supervisor may change an established schedule but must provide 2 weeks notice of any change.
- d) Notice of change is not required where a schedule is varied by mutual agreement between the employee and the supervisor.
- e) The employee will participate in Benefit Plans in accordance with Article 21, and in the Pension Plan.
- f) Sick leave and annual vacation entitlements shall be prorated on the basis of time worked according to service.

## **ARTICLE 19 EMPLOYEE DEFINITIONS (continued)**

### **Part-Time Regular (PTR) (Cont'd)**

- 19.02           g)       Annual vacation and Statutory Holiday pay shall be paid bi-weekly as a percentage of gross bi-weekly earnings. The percentage paid shall be 10.4% if entitled to 3 weeks annual vacation and increased by 2% for each additional week of annual vacation earned. When additional statutory holidays are declared in accordance with Article 13.01 of this Agreement, then the percentage shall be increased by 0.4% for each additional holiday so declared. On each anniversary date, a part-time regular employee shall have the option of accruing annual vacation pay to be paid out at the time of taking annual vacation.
- h)       A part-time regular employee shall progress through the salary scale on the basis of accumulated hours worked (inclusive of A/V, Sick Leave and absence due to Workers Compensation) at the same job group and salary step. Such progression shall be determined by a quarterly review of accumulated hours and shall occur effective the first of the month in which the employee accumulated 1,826 hours.

### **19.03 Temporary (Temp)**

- a)       An employee hired on an as-and-when required basis.
- b)       Unless otherwise agreed by the parties, a temporary employee is limited to a period of 18 months working full-time in connection with a specific project, work overload or seasonal peaks.
- c)       The temporary employee will be paid a rate based on the appropriate step on the salary scale which will recognize the employee's accumulated service with the Company in the same or related job.
- d)       Annual vacation and Statutory Holiday pay shall be in accordance with Article 19.02(g).
- e)       The employee will not be entitled to any benefits provided in this Agreement. However, should such an employee's period of employment exceed 60 days of accumulated service, s/he will be paid an additional 8% in lieu of sick leave and welfare benefits.

### **Transition:**

Full-time temporary employees who are participating in Benefit Plans in accordance with Article 21 (excluding the Pension Plan) the day before the effective date of the renewed collective agreement shall continue to participate in those Benefit Plans until they no longer work full-time hours at which time they shall cease participation in the Benefit Plans and shall come under the terms and condition of paragraph 'e' above. Every employee who is covered by this transition language shall receive 2% pay in lieu of sick leave until s/he is no longer subject to this transition language.

## **ARTICLE 20   TRAINING**

- 20.01      BC Gas and the Union are committed to enhancing the employment prospects of all employees. To assist with this goal:
- (a)      At least on an annual basis each employee and her/his supervisor will conduct a performance review for the employee, and as part of this review attempt to identify known or anticipated threats to the employee's current job and career path as identified by the employee.
  - (b)      A training needs profile will be developed as part of the performance review process. This profile will specify which of the following will be emphasized in the employee's training:
    - 1.          training for current tasks, or
    - 2.          training for anticipated requirements, which will include if necessary, career transition preparation for different job streams, both inside and outside the Company.
  - (c)      The Joint Training Committee shall, as part of its mandate, explore emerging skillset requirements for employability. The Committee shall also develop a catalogue of various sources of training and education related to the emerging skillsets, and it will make this information available to all supervisors and employees.
  - (d)      Regular employees will be credited with 37.5 hours of time off per calendar year to attend classes during regular working hours without loss of pay, benefits or seniority, under the following conditions:
    - 1.          This time shall be available after the employee has used 37.5 hours of their own banked time;
    - 2.          This time is for training identified in the employee's training needs profile, and when such training is only available during the employee's normal working hours;
    - 3.          Employees shall give as much notice as possible, and adjust their training schedule so as to minimize the effect of their absence on the department.
    - 4.          Disputes with respect to the use and scheduling of this time off shall be referred to the Joint Training Committee, and failing resolution shall be processed as grievances.
  - (e)      The provisions of Articles 20.05 (a), (b) and (c) shall also apply.
- 20.02      Employees shall be granted leave of absence without pay upon request for the purpose of attending full-time studies at a recognized educational institution, under the following conditions:
- a)      the employee must provide his/her Supervisor written notice at least 2 calendar months prior to the commencement date of the desired leave;

## **ARTICLE 20   TRAINING**

- b) the Company may recruit for a temporary replacement pursuant to Article 6, for the period of the employee's absence but the employee's leave shall commence on the day specified by the notice above whether or not a replacement has been recruited;
- c) by notifying the Company in writing, the employee shall make him/herself available for work within one calendar month of the end of the requested time, such time not to exceed one calendar year;
- d) the above time limit may be extended by mutual agreement between the employee and the Company. If the time limit is not extended and the employee does not make him/herself available for work within the time limit, the employee shall be presumed to have terminated on the last day of the time requested;
- e) the employee shall not lose seniority as a result of the absence and shall not accrue seniority during the period of absence; and
- f) the employee may elect to remain covered by any of the welfare plans of Article 21, and in that event shall reimburse the Company for the premium costs of such coverage.

20.03            The Company shall reimburse employees for registration fees and annual membership fees in any Professional Association, if such registration and membership is a requirement under the Qualification Section of the employee's job description, or at the discretion of the appropriate Vice-President.

20.04            An employee shall be given time off with pay to write examinations on a course approved pursuant to Article 20.05. The employee will also be allowed 3 clear hours off work immediately preceding the examination should the examination or any part of this leave coincide with normal working hours.

20.05            Employees may apply on the prescribed educational assistance form for financial aid to

(Formerly 20.01) undertake a course of outside training. The degree of financial aid assumed by the Company will depend upon the circumstances involved as follows:

- a) Full cost of training (tuition fees, required textbooks and such other expenses as may be approved by the Company) will be borne by the Company where the training is at the instigation of management (eg. Industrial First Aid Training). Such training requires written approval of a Regional Manager or Department Head.
- b) The full cost of training (tuition fees, required textbooks and such other expenses as may be approved by the Company) will be reimbursed to a working employee upon successful completion of such training or course, where:

**ARTICLE 20** **TRAINING**

1. written approval has been obtained from the Company prior to the commencement of such training or course, and
  2. the Company agrees that this additional training bears direct relevance to the employee's current job or recognized career path within the Company.
- c) One-half the cost of training (tuition fees, required textbooks and such other expenses as may be approved by the Company) will be reimbursed to a working employee upon successful completion of such training or course, where:
1. written approval has been obtained from the Company prior to the commencement of such training or course, and
  2. the Company agrees that this additional training would be helpful in broadening the individual's abilities in a work-related way or could be of future use to the employee in working with the Company.

## **ARTICLE 21 BENEFIT PLANS**

### **21.01 MEDICAL COVERAGE AND EXTENDED HEALTH BENEFITS**

- a) Regular employees shall be eligible to receive the basic medical and surgical coverage provided by the B.C. Medical Services Act through the Medical Services Plan.
- b) In addition to the above, eligible employees as defined above shall also be covered by an Extended Health Care Plan similar to that offered by Pacific Blue Cross. The plan will pay 100% of all eligible expenses in excess of a \$25.00 deductible per person or family each calendar year. The maximum benefit payable during the lifetime of any family member is \$1,000,000.00.

Extended Health benefits to include standard vision care to a maximum of \$150 per employee and dependent every two years effective June 1, 1999.

- c) Eligible new employees (except those hired for vacation relief) are covered effective the first day of the next month following the date of employment, except when the date of employment is the first day of the month, or first normal working day in the month, then coverage is effective from the first day of that month. Vacation relief employees are covered effective the first day of the month following 4 continuous months of service except when the date of employment is the first day or first normal working day in the month, then coverage is effective from the first day of the fifth month of continuous service.
- d) Premiums for both plans will be paid by the Company. Participation in the plans is a condition of employment for all new employees as described above; however, employees covered by other medical plans may elect not to be covered by the above-noted plans of the Company.
- e) Premiums shall continue to be paid on the foregoing basis for any subsequent compulsory basic medical, surgical and hospital plan introduced by the Provincial or Federal governments, unless the terms of such plans dictate otherwise.
- f) Members of the Union who retire from the Company's service on pension and who have completed 10 years of service may continue to be covered under the above plans with the Company paying premiums indicated in this section.

**NOTE:** The word "month" as used above means "calendar month".



**ARTICLE 21** **BENEFIT PLANS** (continued)

21.02 **GROUP LIFE INSURANCE**

The Company will continue to provide all regular employees with life insurance benefits under the terms of its group life insurance policy. Coverage will be effective on the first day of the month following 3 months continuous service as follows:

- a) The life insurance benefit is equal to 2 times the employee's annual salary, rounded to the next higher \$1,000, if not already a multiple of \$1,000.
- b) For purposes of determining an employee's group life insurance coverage, "annual earnings" shall be computed semi-annually and shall be based on salary scales actually in effect on January 1st and July 1st each year.
- c) The Company shall contribute 100% of the cost of the policy.
- d) An employee who retires and draws an immediate BC Gas pension will be covered for 50% of the insurance in effect immediately prior to retirement. The amount will be reduced annually by 10% of the insurance in effect immediately prior to retirement until a minimum of \$2,500.00 is reached. This minimum shall remain in effect for the remainder of the retired employee's life.
- e) An employee receiving Long Term Disability benefits under Article 21.04 shall remain covered for the Life Insurance coverage in effect immediately prior to the disability.

21.03 **DENTAL PLAN**

- a) Regular employees, spouses and dependent children up to 21 years, or over 21 if in full-time attendance at an educational institution, shall be eligible for coverage under the Company's Dental Plan currently in effect with the Pacific Blue Cross. The plan includes Plan A (100% payment of fees), Plan B (60%[65%] co-insurance effective April 1, 1992), Plan C (50% co-insurance to a lifetime maximum of \$3,000.00 per person enrolled in the Plan effective June 1, 1999). Any other improvements to the benefit entitlements under the provisions of the Dental Plan covering Company employees during the life of this Agreement will be implemented for all O.P.E.I.U. members covered by the Company Dental Plan. Payment of benefits under the Plan is based on the B.C. College of Dental Surgeons Schedule of Fees. Employees are eligible for enrollment in the Plan on the first day of the month immediately following 3 months continuous service.
- b) The premium for such Plans shall be paid 100% by the Company.

21.04

**LONG TERM DISABILITY**

- a) The Company pays the full cost of the premium for a Long Term Disability Plan. The Plan provides a benefit to eligible employees at the rate of 70% of normal regular monthly earnings (to a maximum benefit of \$4,000 per month) while sick or disabled. Benefits commence to eligible employees in the 16th week of continuous disability.
- b) Coverage for regular employees will be effective on the first day of the month immediately following 3 months of continuous service.
- c) This is a brief summary of the Plan's provisions. The Plan is subject to terms and conditions of the Contract with the Underwriter.
- d) It is understood that the Plan may be altered or amended from time to time to reflect changes made under Article 10.15.
- e) BC GAS SICK LEAVE BANK: Ex-B.C. Hydro employees as at September 30, 1989, and who have banked sick leave entitlement on that date, will establish a non-renewable BC Gas Sick Leave Bank equal to 2/3 of that entitlement. This Bank may be used, at the employee's request, as a supplement to earnings while the employee is in receipt of sick leave or of Long-Term Disability payments at 70% of regular earnings. Payout of the BC Gas Sick Leave Bank will be 30% of regular earnings and will cease when the disability is over or when the Bank is exhausted.
- f) Employees on paid sick leave on September 30, 1989 will establish their sick leave bank as at the date on which they are authorized to return to work.
- g) While the benefits of this Plan include payments by government plans, such as Canada Pension and Workers' Compensation, the initial benefit under this Plan will not be reduced even if there are subsequent increases in government plans' payments.
- h) Effective January 1, 1992, the benefits payable from the Plan will increase at the rate of increase of the Consumer Price Index to a maximum of 3% per year, pursuant to the terms and conditions of the contract with Confederation Life.

**21.05      COVERAGE AND COST FOR EMPLOYEES ON LEAVE OF ABSENCE**

- a) An employee on leave of absence without pay, for reasons other than sick leave or maternity leave for a period of 15 days or more in any calendar month is required to reimburse the whole cost of welfare plans as outlined in 21.01, 21.02, 21.03 and 21.04 above in respect of that month.
- b) Company employees who are on leave of absence in accordance with Article 1.05 as full-time paid officers and representatives of the Union shall be eligible for coverage under all Company benefit plans, on condition the Company's share of the cost of such plans is borne either by the Union or by the employee.

NOTE 1:            Coverage in all Benefit Plans will be effective on the first day of the month immediately following the completion of the qualifying period, if any.

NOTE 2:            Further details of these plans are available upon request to the Human Resources Department.

21.06            The Company will continue with the existing Travel Accident policy that provides insurance for all employees up to an amount of \$100,000 while travelling on Company business.

- 21.07
- a) The Company will provide the Union with a copy of each Benefit Plan contract and any amendments made to such contracts.
  - b) The Company will ensure that employees shall suffer no loss or reduction of coverage as a result of a change in carrier of a Benefit Plan.

IN WITNESS WHEREOF the Company and the Union have caused their proper Officers and Representatives to affix their hands this day of 2002.

BC GAS UTILITY LTD.

OFFICE AND PROFESSIONAL EMPLOYEES'  
INTERNATIONAL UNION, LOCAL  
378

\_\_\_\_\_  
Deb Brown

\_\_\_\_\_  
Chris Blaney

\_\_\_\_\_  
Elaine deRoche

\_\_\_\_\_  
Bruce Farmer

\_\_\_\_\_  
Bob Samels

\_\_\_\_\_  
Bill Farrall

\_\_\_\_\_  
Franz Scherubl

\_\_\_\_\_  
Frans Verhoef

\_\_\_\_\_  
David Zerr

\_\_\_\_\_

**LETTER OF UNDERSTANDING #1**

June 14, 1994

Supersedes LOU #1's dated:

June 8, 1988,

June 21, 1985,

April 6, 1979,

August 19, 1975.

Office and Technical Employees' Union  
Local 378,  
4595 Canada Way,  
Burnaby, BC  
V5G 4L9

Attention:        Scott Watson  
                     Senior Union Representative

Dear Sir:

Re: Letter of Understanding #1 - - Exemptions

It is agreed that any person or persons holding the job or position of Secretary to an Officer of the Company shall be exempt from the bargaining unit represented by the OTEU Local 378.

Yours truly,

BC GAS UTILITY LTD.

Fred Green  
Labour Relations Officer

**LETTER OF UNDERSTANDING #2**

February 28, 1994

Mr. Scott Watson  
Senior Business Representative  
Office and Technical Employees' Union  
4595 Canada Way,  
Burnaby, B.C.

Dear Sir:

**RE: Mailing Service**

BC Gas will provide mailing service to the Union Office at 4740 Imperial Street, Burnaby. The service will be rendered at a cost to be determined by BC Gas from time to time and shall include drop off and pick-up of mail once daily on normal working days.

The cost of the service will be shared 50/50 between the Company and the Union.

Yours sincerely,

F.W. Green  
Labour Relations Officer

### **LETTER OF UNDERSTANDING #3**

#### **Customer Service Representative Leader**

It is understood and agreed between the parties hereto that where there are two regular full time Customer Service Representatives in any one office, one will be a Customer Service Representative Leader. To qualify for a Customer Service Representative Leader position, an employee must have at least three (3) years seniority as a Customer Service Representative. All present Customer Service Representative Leaders will remain so without demotion, regardless of seniority.

For BC Gas Inc.

For OPEIU, Local 378

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F. W. Green  
Labour Relations Officer

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R. G. Donnelly  
Union Representative

June 4, 1991  
DATE:

**Note: The above letter supersedes the original letter dated August 20, 1975, signed by D. R. MacPhail for the Company and R. N. Rennie for the Union.**

## **LETTER OF UNDERSTANDING #4**

### **GAS CONTROLLER TRAINEES**

The parties agree to the following with respect to Gas Controllers, for which it is agreed a "trainee" category has been established:

1. The Company may choose to post a vacancy as
  - a) the "end job"
  - b) as a "trainee-job" or
  - c) as the end-job for which trainee applicants will be considered.
2. If posted pursuant to 1(a) or 1(c) the selection priority will be:
  - a) qualified internal applicant
  - b) qualified external applicant
  - c) internally selected trainee
  - d) externally selected trainee
3. If posted pursuant to 1(b) the selection priority will be:
  - a) qualified internal applicant
  - b) internally selected trainee
  - c) external hire
4. Regardless of which posting criteria is used, qualified applicants selected will be paid in accordance with the range for the end job, and trainee selections will be paid in accordance with the trainee scale which shall be the Group 9 Salary Scale.
5. The Gas Controller Trainee(s) thus selected, may, at the discretion of the Supervisor, work day shift only for the first six (6) months and will be paid the Group 9 rate until they have accumulated five (5) years experience, which shall include credit given for any previous related experience.
6. After the accumulation of five (5) years of previous and/or on the job experience, the trainee Gas Controllers will be made qualified Gas Controllers and receive a 5% permanent promotion pursuant to Article 18.07(a).

For: BC Gas Utility Ltd.

For: O.T.E.U., Local 378

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F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: September 7, 1994



**LETTER OF UNDERSTANDING #4A**

**RELIEF GAS CONTROLLERS (RGC's)**

The Company and the Union agree it is imperative that trained employees be available to provide relief in Gas Control on an ongoing, permanent basis, to substitute for regular Gas Controllers who are absent from work.

In consideration of the foregoing and notwithstanding the provisions of Article 6, the Company and the Union agree it will not be a violation of our Collective Agreement for the Company to provide temporary relief in Gas Control by establishing a trial [until March 31, 1996] call list in the following manner:

1. The Company may post a bulletin for up to three (3) RGC's.
2. No application of Article 17 will apply to any relief assignments under this LOU.
3. Former Gas Controllers and other qualified internal applicants will be selected first.
4. If there are no, or not enough qualified internal applicants, the Company may, at its discretion, select any unqualified internal applicant thought suitable.
5. All RGC's will be paid the Gas Controller job rate while performing the job and all accumulated time on the job, including any previous service as a FTR or temporary Gas Controller, shall be credited toward LOS increases.
6. This Letter of Understanding shall expire on March 31, 1996 and all RGC's will return to their regular positions unless otherwise extended in writing by the parties.

For: BC Gas Utility Ltd.

O.T.E.U., Local 378

\_\_\_\_\_  
F. W. Green  
Labour Relations Officer

\_\_\_\_\_  
Scott Watson  
Senior Union Representative

Date Signed: September 13, 1994

## LETTER OF UNDERSTANDING NO. 7

### GAS CONTROLLERS

Gas Controllers in the Company's Vancouver office agree to vary certain terms and conditions of the Collective Agreement, as follows:

#### 1. HOURS OF WORK

##### Gas Controllers Working Eight-Day Cycle:

Gas Controllers will work four 12-hour shifts within an eight day cycle. The normal cycle will be:

D	D	N	N	O	O	O	O
A	A	I	I	F	F	F	F
Y	Y	G	G	F	F	F	F
		H	H				
		T	T				

With one week's notice, this cycle may be altered to various combinations of day and night shifts, worked consecutively in the eight day cycle, except as provided for in Article 12.04 k) 1. i) - iii) and 2. i).

Day shifts will begin at 7:15 a.m. and end at 7:30 p.m. Total shift time is 12.25 hours with a 1.0 hour unpaid lunch break, for a standard shift of 10.75 straight time hours, plus 0.5 overtime hours.

Night shifts will begin at 7:15 p.m. and end at 7:30 a.m. Total shift is 12.25 hours with a 1.0 hour unpaid lunch break for a standard shift of 10.75 straight time hours, plus 0.5 overtime hours.

When more than one Controller is on shift, lunch breaks will be staggered and will be taken at or near the midpoint of the shift, as operations permit. When only one Controller is on shift, no lunch break will be taken, and the time will be compensated at overtime rates.

Each employee will receive three fifteen minute paid relief periods in each shift.

##### New Hires:

New Gas Controllers will work a standard Monday to Friday, 7.5 hour day, for no longer than one month (21 working days). Working hours will be 7:15 a.m. to 3:45 p.m., with a 1.0 hour unpaid lunch break and two fifteen minute paid relief periods in each shift. One 10.75 hour ADO will be accumulated during this period and placed in the Controller's time bank.

**GAS CONTROLLERS**

2. **SHIFT PREMIUMS**

In recognition of the significant impact of the new shift premiums (Article 12.04(e)), to incumbent Gas Controllers on shift, those Gas Controllers on shift shall continue to be paid their current shift premiums (LOU #7(2)) until March 31, 2005. During this period these Gas Controllers shall not receive any of the negotiated general salary scale increases.

Effective April 1, 2005, or on any prior date upon 60 days written notice from the Union, these Gas Controllers, as a group, shall be subject to the shift premium entitlements of Article 12.04(e) and at the same time their base pay shall be increased to that of the maximum step of the salary group at which the Gas Controller classification is being paid at the time. Thereafter they shall receive all further general salary scale increases during the life of this agreement.

Shift premiums will be paid at the employee's straight time hourly rate of pay, according to the following table:

	Weekdays	Saturdays	Sundays	Statutory Holidays
Dayshift	0.5 hours	3.0 hours	4.5 hours	6.0 hours
Nightshift	2.5 hours	3.0 hours	4.5 hours	6.0 hours

Shift premiums for statutory holidays will be paid for the shift beginning on the day BC Gas observes as the day off for the holiday.

3. **OVERTIME**

All hours worked beyond the standard 10.75 hours per shift or 43 hours in an eight day cycle will be treated as overtime and paid out at the applicable overtime rate.

4. **TIME OFF**

Gas Controllers' time off entitlement will be calculated as follows:

a) **Annual Vacation**

Each Controller will be credited with 37.5 hours of Annual Vacation for each week of vacation entitlement earned in accordance with Article 14.

b) **Statutory Holidays**

Each Controller will be credited with 7.5 hours for each statutory holiday specified in Article 13.

c) **Accumulated Days off**

Each Controller will be credited with 127.5 hours per year as equivalent to 17 ADO's. A 10 hour standard day on this eight day cycle is equivalent to a 35 hour week. The additional 0.75 hours per day is worked to earn ADO entitlement.

**LETTER OF UNDERSTANDING NO. 7 (continued)**

**GAS CONTROLLERS**

For annual time off entitlement calculation, the total hours credited to the employees under (a), (b) and (c) above, plus any hours carried forward from the previous year, will be divided by 10.75 to calculate the number of shifts off each Controller is entitled to for the year (rounded up to the next whole shift).

5. **RECONCILIATION**

The total number of straight time hours worked by each Controller will be compared annually to the total number of straight time hours worked by other office staff during the same comparative period.

6. **GENERAL**

Scheduled time off shall not conflict with essential department requirements. Approval will not be unreasonably withheld.

Other areas in the Collective Agreement, such as sick leave, leaves of absence, banked overtime, etc. will be calculated on the basis of hours utilized to a maximum of 10.75 hours per shift.

For BC Gas Utility Ltd.

For OPEIU, Local 378

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F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: 18 March 1994

## LETTER OF UNDERSTANDING NO. 7A

### TRANSPORTATION COORDINATORS

Transportation Coordinators in the Company's Vancouver office agree to vary certain terms and conditions of the Collective Agreement, as follows:

#### 1. HOURS OF WORK

Transportation Coordinators will work four 12-hour shifts within an eight day cycle. The normal cycle will be:

D	D	D	D	O	O	O	O
A	A	A	A	F	F	F	F
Y	Y	Y	Y	F	F	F	F

Shifts will begin at 7:00 a.m. and end at 7:00 p.m. Total shift time is 12.0 hours with a 1.0 hour unpaid lunch break, for a standard shift of 10.75 straight time hours, plus 0.25 overtime hours.

Lunch breaks should be taken at or near the midpoint of the working day, or as operations permit.

Each employee will receive three fifteen minute paid relief periods in each shift.

#### 2. SHIFT PREMIUMS

Shift premiums will be paid at the employee's straight time hourly rate of pay, according to the following table:

	Weekdays	Saturdays	Sundays	Statutory Holidays
Dayshift	0.5 hours	3.0 hours	4.5 hours	6.0 hours

Shift premiums for statutory holidays will be paid for the shift beginning on the day BC Gas observes as the day off for the holiday.

#### 3. OVERTIME

All hours worked beyond the standard 10.75 hours per shift or 43 hours in an eight day cycle will be treated as overtime and paid out at the applicable overtime rate.

**LETTER OF UNDERSTANDING NO. 7A (continued)**

**TRANSPORTATION COORDINATORS**

4. **TIME OFF**

Transportation Coordinators' time off entitlement will be calculated as follows:

a) **Annual Vacation**

Each Coordinator will be credited with 37.5 hours of annual vacation for each week of vacation entitlement earned in accordance with Article 14.

b) **Statutory Holidays**

Each Coordinator will be credited with 7.5 hours for each statutory holiday specified in Article 13.

c) **Accumulated Days Off**

Each Coordinator will be credited with 127.5 hours per year as equivalent to 17 ADO's. A 10 hour standard day on this eight day cycle is equivalent to a 35 hours week. The additional 0.75 hours per day is worked to earn ADO entitlement.

For annual time off entitlement calculation, the total hours credited to the employees under (a), (b) and (c) above, plus any hours carried forward from the previous year, will be divided by 10.75 to calculate the number of shifts off each Coordinator is entitled to for the year (rounded up the next whole shift).

5. **RECONCILIATION**

The total number of straight time hours worked by each Coordinator will be compared annually to the total number of straight time hours worked by other office staff during the same comparative period.

6. **GENERAL**

Scheduled time off shall not conflict with essential department requirements. Approval will not be unreasonably withheld.

Other areas in the Collective Agreement, such as sick leave, leaves of absence, banked overtime, etc. will be calculated on the basis of hours utilized to a maximum of 10.75 hours per shift.

For BC Gas Utility Ltd.

For O.T.E.U., Local 378

\_\_\_\_\_  
F. W. Green  
Labour Relations Officer

\_\_\_\_\_  
Scott Watson  
Senior Union Representative

Date Signed: 18 March 1994

## **LETTER OF UNDERSTANDING NO. 9**

### **Harassment in the Workplace**

#### **(Company Policy HMR 04-03)**

Harassment in the Workplace is covered by the above Administrative Instruction, approved October 23, 1992, the complete text of which is available on request from Human Resources.

The Company and its Unions (OPEIU and IBEW) are committed to a work environment in which all employees are treated with respect and dignity and have appointed Human Rights Advisors to deal with cases of Harassment and Sexual Harassment.

#### **Definitions**

##### *Harassment*

Workplace harassment is defined as objectionable and unwelcome conduct or comment that:

- may have the effect of creating an intimidating, hostile, or offensive work environment, or
- would be considered discriminatory under the Canadian or B. C. Human Rights Act.

Harassment may occur during one incident, or over a series of related or unrelated incidents.

##### *Sexual Harassment*

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favours, or other verbal or physical conduct made by a person who knows or ought reasonably to know that the conduct is unwelcome **and** when the conduct or comment:

- is accompanied by a reward, or the express or implied promise of a reward, for compliance, or
- is accompanied by reprisal, or an express or implied threat of reprisal, for refusal to comply, or
- is accompanied by the actual denial or threat of denial of opportunity for refusal to comply, or
- has the effect of creating an intimidating, hostile, or offensive environment.

**LETTER OF UNDERSTANDING NO. 9 (continued)**

**Harassment in the Workplace**

**Complaint Procedure**

1. An employee who feels subject to harassment should make every effort to tell the offending party to stop such behaviour, prior to proceeding under the complaint procedure.
2. If the problem is not resolved through discussion between the individuals concerned, then the employee who alleges sexual harassment, or a Union Representative on behalf of the employee, may contact a Human Resources Officer who will:
  - a) investigate the matter; and
  - b) maintain a strict degree of confidentiality with the employee concerned; and
  - c) take appropriate action to resolve the problem.
3. In the event the problem is not resolved under (1) above, the employee or the Union Representative may refer to the Vice President, Human Resources who will determine the appropriate action to be taken.

**This procedure is not intended to preclude any other existing recourse that may be available to an employee (e.g. redress through the collective agreement, a Human Rights complaint, criminal charges, or civil litigation).**

For: BC Gas Utility Ltd.

For: O.T.E.U., Local 378

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F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: July 27, 1994



**LETTER OF UNDERSTANDING #10**

24 May 1991

File: Article 1.02

Mr. R. G. Donnelly, Union Representative  
Office and Technical Employees' Union, Local 378  
4740 Imperial Street,  
Burnaby, B.C.  
V5J 1C2

Re: **Monthly Employee Information**

Dear Mr. Donnelly:

As agreed during 1991 negotiations, as soon as operationally possible following ratification of the new agreement, the Company shall provide the Union each month with the following information in magnetic media form:

1. The names, social insurance numbers, classifications, paygroups, salaries, locations and seniority dates of bargaining unit employees.
2. A list of all hires, rehires and terminations in the previous month.
3. A list of all employees going on or returning from leave of absence without pay, maternity leave or long term disability in the previous month.

Yours very truly,

F. W. Green  
Labour Relations Officer

**LETTER OF UNDERSTANDING #11**

September 3, 1985

O.T.E.U., Local #378  
4740 Imperial Street  
Burnaby, B.C.  
V5J 1C2

Attention: Ms. Jerri New

Dear Ms. New:

RE: Compassionate Leave -- Columbia Natural Gas Limited

Employees of Columbia Natural Gas Limited will have compassionate leave of absence granted in accordance with this letter rather than the provisions of Article 9.01.

Compassionate leave of absence of five (5) days with pay shall be granted an employee upon application in the event of a death of a wife, husband, son or daughter, and up to three (3) days of such leave with pay upon application in the event of a death of a mother, father, sister, brother, father-in-law, mother-in-law, grandparent or grandchild, and for other personal reasons at the discretion of the Company.

Yours truly,

ACCEPTED AND AGREED TO BY  
O.P.E.I.U., LOCAL #378

G.J. Lotochinski

J. New

**LETTER OF UNDERSTANDING # 13**

**BETWEEN**

**BC GAS UTILITY LTD.**

**AND**

**O.T.E.U.. LOCAL 378**

**RE: HOURS OF WORK - SERVICE CENTRE**

Notwithstanding the provisions of Articles 12, 15 and 16 of the Collective Agreement between the parties, the following terms and conditions respecting Hours of Work, Statutory Holidays, ADO's, Premium Payments, and Work/Lunch breaks shall apply to employees staffing the BC Gas Service Centre.

1. The attached schedule of hours and days of work is a typical schedule of 7-1/2 hour shifts payable at straight time, except Sundays and Statutory Holidays. The schedule may be changed from time to time by mutual agreement of the parties and will generally be of a similar pattern, except that the Company will determine the number of employees on each shift in order to meet operational requirements.
2. The scheduled days off are inclusive of 11 days in lieu of statutory holidays and, for FTR Service Centre Reps., 15 ADO's.
3. Each FTR employee is entitled to two additional ADO's to be scheduled at a time mutually agreeable to the employee and the supervisor.
4. All regular scheduled time worked on a Sunday or statutory holiday will be paid at time and one-half (150%). Time worked beyond 7.5 hours will be paid at double time (200%).
5. Shift premiums shall be 1/2 hour at straight time for the afternoon shift and 1 hour at straight time for the graveyard shift.
6. Employees on graveyard shift will work from 0001 to 0700 hours inclusive and will take their work/lunch breaks at their work station in order to be available to answer the telephone

For: BC Gas Utility Ltd.

For: O.T.E.U., Local 378

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F. W. Green  
Labour Relations Officer

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R. G. Donnelly  
Union Representative

Dated: May 17, 1990

**LETTER OF UNDERSTANDING # 13A**

**BETWEEN**

**BC GAS UTILITY LTD.**

**AND**

**O.P.E.I.U., LOCAL 378**

**RE: DESIGNATED RELIEF SERVICE CENTRE REPRESENTATIVES (DRSCR)**

The Company and the Union agree it is imperative that trained employees be available to provide relief in the Service Centre on an ongoing, permanent basis to substitute for regular Service Centre employees who are absent from work.

In consideration of the foregoing and notwithstanding the provisions of Article 6, the Company and the Union agree it will not be a violation of our Collective Agreement for the Company to provide temporary relief in the Service Centre in the following manner:

1. The Company will post bulletins from time to time to maintain a roster of up to 4 DRSCR's.
2. The Bulletin will specify the following under ADDITIONAL INFORMATION:  
  
*Successful applicants will be designated, relief employees for the Service Centre and will provide relief whenever called upon, for either day, afternoon or graveyard shift.*
3. DRSCR's will not hold work leadership responsibilities on day or afternoon shifts.
4. DRSCR's will not be given preference ahead of other bargaining unit members on FTR bulletins for Service Centre Representatives, except any DRSCR who bulletined into the DRSCR position prior to November 1, 1996 will be grandfathered into the next available FTR Service Centre Representative position in order of classification seniority.
5. This Letter of Understanding will expire on March 31, 1998 unless otherwise extended in writing by the parties.

For: BC Gas Utility Ltd.

For: O.P.E.I.U., Local 378

\_\_\_\_\_  
F. W. Green  
Labour Relations Officer

\_\_\_\_\_  
William Bell  
Union Representative

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**LETTER OF UNDERSTANDING #13B**

**BETWEEN  
BC GAS INC.  
AND  
O.T.E.U., LOCAL 378**

**RE: NON-ROTATING DAY SHIFTS - SERVICE CENTRE**

A revised shift schedule, as agreed by the Parties, will be implemented on 2 January 1994. The revised shift schedule will provide for 3 Service Centre Representatives to work steady, non-rotating day shifts. These 3, non-rotating positions will be first offered to current Service Centre Representatives (SCR's) in order of seniority and then to current, Designated Relief Service Centre Representatives (DRSCR's) in order of seniority. Any unfilled non-rotating day shift vacancies will be assigned to current DRSCR's in order of "juniority". Any shiftwork vacancies created by current SCR's moving to non-rotating day shifts will be assigned to current DRSCR's in order of seniority.

Filling of future, non-rotating day shift vacancies will occur in the following sequence:

- (a) 1. Offered to SCR's in order of seniority.
- 2. If accepted by a SCR, then the status of the senior DRSCR will be changed to SCR and they will be assigned to the shiftwork schedule.
- 3. If not accepted by any SCR, then the status of the senior DRSCR will be changed to SCR and they will be assigned to the non-rotating day shift schedule.

Filling of future shiftwork vacancies will occur in the following sequence:

- (b) 1. Offered to SCR's working non-rotating day shift in order of seniority.
- 2. If accepted by a SCR working non-rotating day shift the vacancy thus created will be filled as per (a), above.
- 3. If not accepted by any SCR working non-rotating day shift, then the status of the senior DRSCR will be changed to SCR and they will be assigned to the shiftwork schedule.

Trading of shiftwork and non-rotating day shift assignments between employees for a continuous and ongoing period will only be permitted under extenuating circumstances and must be agreed to by the Parties.

Until and unless the shift schedules are modified to incorporate ADO's, ADO's banked in excess of the maximum under Article 15.08(b) will not be placed in another bank without the consent of the affected employee.

For: BC GAS UTILITY LTD.

For: O.T.E.U., Local 378

\_\_\_\_\_  
F. W. Green  
Labour Relations Officer

\_\_\_\_\_  
Scott Watson  
Sr. Union Representative

Date Signed: Nov 2, 1994

## **LETTER OF UNDERSTANDING #14**

### **JOB SHARING**

#### **Definition**

Job sharing is defined as dividing all the functions of one full-time regular (FTR) position between two regular employees, each of whom works part-time in a manner that provides full-time coverage for the position. A full-time regular position can only be job-shared with the approval of the Supervisor, Human Resources and the Union. The Supervisor is responsible for communicating the requirements of the job to both employees.

It is the intent that the time worked by the two job sharing partners will equate to that of a full-time regular employee. Neither of the partners in a job share relationship shall work less than 40% of the normal hours of work of the full-time regular position.

#### **1. General**

- a) The Parties agree that all terms and conditions of the Collective Agreement in force and effect shall apply unless specifically altered herein.
- b) Only regular employees are eligible to participate in job sharing arrangements unless otherwise mutually agreed by the Parties.
- c) A job-share employee (other than a temporary employee as mutually agreed in 1.(b)), shall be classified as a part-time regular employee.
- d) For the purpose of applying the overtime and shift differential provisions of this Agreement, the job share position will be treated as a full-time regular position. Accordingly, the combined time worked by the two incumbents will fall within the normal daily and weekly hours of work for the full-time position to a maximum of 7 hours per day or 35 hours per week. Any time worked through the combined efforts of the two incumbents which exceeds 7 hours per day or 35 hours per week shall be paid at overtime rates to the employee performing the work, except when the combined hours are beyond 7 per day and 35 per week for the purpose of attending training courses or Company programs. Shift premiums will be split appropriately, but will not exceed those paid for the normal shift of the full-time position.
- e) Notwithstanding (d) above, a job-sharing employee may volunteer to work additional hours to cover workload demands that would otherwise be covered by another employee working part time. Premium pay will apply to all hours worked in excess of 7 in a day or 35 in a week by that employee.
- f) Job sharing partnerships shall be restricted to employees working within commuting distance of the established headquarters where the job-share position exists.
- g) All job-sharing employees must meet the qualifications of the position to be job-shared.
- h) No employee is eligible to job share in a position in a paygroup higher than his/her current position.

**LETTER OF UNDERSTANDING #14 (continued)**  
**JOB SHARING**

- i) The regular position left vacant when two regular employees job-share will be posted in accordance with the provisions of Article 6, except as outlined in the trial period in 4 (a).

**2. Procedure**

- a) Regular employees wanting to job share may request the supervisor to consider a proposal for a job sharing arrangement. In making a submission it is important that both employees realize they are entering a partnership. Their proposal must provide information on the qualifications and experience of each proposed partner and give details on how the arrangement will ensure the work is efficiently and effectively completed. Details which must be considered in the submission include:
  - 1. Which functions will be shared and which functions will be performed by only one partner.
  - 2. How load priorities will be determined on an on-going basis, and how these priorities will be communicated between partners to ensure nothing is missed.
  - 3. Preferred work schedule of each partner and preferred start date.
  - 4. Other information required by the supervisor.
- b) Proposed job sharing arrangements will be discussed with the appropriate Human Resources Officer and for each job sharing arrangement there must be a written understanding signed by each partner, the employee's supervisor, Human Resources and the Union.

**3. Registration**

Regular employees who wish to job share should submit a proposal to their supervisor and the Human Resources Office. It is the responsibility of the employee to propose a qualified partner.

**4. Trial Period**

- a) In order to allow the parties a reasonable time to test the suitability of the individual job sharing arrangement, a 6 calendar month trial period will be in effect at the beginning of each job sharing arrangement. Any temporary vacancy that is thereby created may be filled by the Company without posting for the 6 month trial period. For such backfill vacancies, preference will be given to the senior, qualified employee within the same work group where the vacancy exists, except where there are qualified employees on the recall list.
- b) During the trial period, either party or either employee may terminate the job-share with 30 calendar days written notice.

## **LETTER OF UNDERSTANDING #14 (continued)**

### **JOB SHARING**

- c) In the event that the job-share is terminated during the trial period, both employees will revert back to their former regular positions and status in all respects.

#### **5. Job Sharing Conditions**

- a) Full-time regular employees who enter a job sharing arrangement shall change their status to part-time regular (PTR) and assume the salary of the shared position. In the case of a demotion, the employee will retain their salary if within the group salary range of the position, or Step 5 of the position group, whichever is lower. There will be no blue circle or red circle salary treatment as a direct result of job sharing.
- b) Article 19.02(b), (c), and (d) do not apply to PTR job-sharing employees.

#### **6. Job Share Partner Absence**

Where an employee in a job share arrangement is absent from work for any reason, the Company shall first offer the work to the remaining partner (RP). In such instances, the extra hours worked, up to a maximum of 7 hours per day and 35 hours per week, will be paid at straight time rates. The RP will retain his/her status as a PTR employee for the duration of the partner's absence. If the RP declines to accept the extra hours the Company may fill the vacancy with a PTT employee.

#### **7. Filling a Job Share Vacancy**

- a) In the event one of the partners leaves the job-share and where the parties and the RP agree the job-share should continue, the vacancy will be dealt with as follows:
- b) The RP has 30 calendar days from the notice date of the original partner to find a replacement partner.
- c) If no suitable partner can be found, the RP will have the option of filling the position on a full-time basis.
- d) If the RP declines the option, s/he will be placed directly onto the recall list in accordance with Article 7.03 and the full-time position will be posted in accordance with Article 6.



**LETTER OF UNDERSTANDING #14 (continued)**

**JOB SHARING**

**8. Termination of Job Sharing Arrangement**

- a) Individual job sharing arrangements may be terminated by the Supervisor or either party with 30 days written notice to the affected partner(s).
- b) If one partner voluntarily leaves, the remaining partner (RP) will have the option of filling the position without posting on a full-time basis. If the RP declines the option of filling the full-time position, s/he will be placed directly onto the recall list in accordance with Article 7.03 and the full-time position will be posted in accordance with Article 6.
- c) If the Supervisor, or either party terminates the job-share and neither partner voluntarily leaves, the full-time position will be posted in accordance with Article 6, and when filled, the remaining partner(s) will be placed on the re-call list in accordance with Article 7.03.

**9. Discontinuation of Job Sharing Letter of Understanding**

Either party may discontinue this Letter of Understanding on notice to the other party, following which job share partnerships in the trial period will be immediately discontinued. Existing job share partnerships past the trial period will be grandparented.

For: BC Gas Utility Ltd.

For: O.T.E.U., Local 378

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F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: July 26, 1994

## **LETTER OF UNDERSTANDING #15**

### **SAFETY OF EMPLOYEES WORKING AT NIGHT**

1. Except as provided in Article 16.10, when employees other than regular shift workers (Service Centre, Gas Control, etc.) are required to work overtime later than 2200 hours:
  - a) the Supervisor shall, if requested by the employee, make arrangements for an escort to his/her motor vehicle or public transit or,
  - b) if the employee is travelling by foot or to an insecure public transit destination, the Supervisor may, if requested by the employee, have the employee driven home by Company personnel or by taxi, at the Company's expense.
2. The Union and the Company agree to meet to discuss any extraordinary circumstances that may affect the safety of regular shift workers whose shift or overtime ends between 2200 and 0500 hours.

For: BC Gas Utility Ltd.

For: O.T.E.U., Local 378

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F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: September 13, 1994

## **LETTER OF UNDERSTANDING NO. 19**

### **INTER BARGAINING UNIT TRANSFERS**

1. An OPEIU member with a minimum of five years seniority who has been selected to fill a job in another BC Gas Bargaining Unit and whose selection is successfully grieved will have the right to return to the position which s/he previously held as per Article 6.05 for a period of 3 months from the date of leaving the OPEIU Bargaining Unit.
2. OPEIU members with a minimum of 5 years seniority who are successful applicants on jobs in another BC Gas Bargaining Unit may retain their seniority for a period of two years from the date of leaving the OPEIU for the sole purpose of applying on future OPEIU job bulletins.
3. The leaving date will be confirmed to the OPEIU and the employee by the Company in writing.
4. No OPEIU seniority will be accrued while a member of the other Bargaining Unit.
5. Minimum dues must be paid to the OPEIU during the period of time in the other Bargaining Unit.

For: BC Gas Utility Ltd.

For: O.T.E.U., Local 378

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F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: August 3, 1994

## **LETTER OF UNDERSTANDING #20**

### **Training/Travel Guidelines**

The Company and the Union believe in the benefits of employee training and development. The purpose of training is to provide for upgrading of an employee's knowledge, skills and abilities in order to meet the requirements of their present position, or to develop toward future career alternatives.

The following provisions are intended to apply to job training courses which are directed by the Company. In situations where such training occurs away from an employee's established headquarters, and/or when the hours of training vary from an employee's normal hours of work, the employee will attend the hours of the training program, subject to the following:

1. The method of travel and time of departure should be discussed between the employee and supervisor/manager in advance to obtain management approval on travel arrangements.

By agreement with the supervisor/manager, these guidelines may be varied to accommodate travel arrangements requested by the employee, however, authorized payments for travel time will be based on the least cost alternative.

2. On a day dedicated to training:
  - a) all surplus travel time will be paid at straight time rates regardless of when it occurs;
  - b) accrued time in training (inclusive of travel time related to attendance at the training course) which is in excess of the normal hours accrued in an employee's work day (inclusive of time normally spent in travel to and from work) will be paid at straight time rates;
  - c) where formal (classroom) training extends beyond 6:00 p.m., such that the total accrued hours in training for the day (exclusive of travel time) exceeds the employee's (normal) regular daily hours, these training hours which exceed the normal daily hours will be paid at overtime rates.

**LETTER OF UNDERSTANDING #20 (continued)**

**Training/Travel Guidelines**

3. On a day in which both training and normal work is performed:
  - a) accrued time in travel, work, and training which is in excess of the normal hours accrued, in an employee's work day (inclusive of time normally spent in travel to and from work) will be paid at one and one-half (1-1/2) times the employee's hourly rate:
  - b) where formal (classroom) training extends beyond 6:00 p.m. such that the total accrued hours for the day, exclusive of travel time, exceeds the employee's (normal) regular daily hours, these training hours will be paid at overtime rates.
4. If training occurs on an employee's regularly scheduled day off, the employee will have the day off rescheduled (without further compensation).
5. Time spent in travel on a Sunday, related to attendance at a training course, will be paid at straight time rates. When such travel commences prior to 5:00 p.m. the employee will be paid for the period from commencement of travel to 5:00 p.m., or to the time the employee arrives at their destination whichever time is latest. Any payment for Sunday travel related to attendance at a training course is limited to a maximum of a normal day's pay at straight time rates.
6. Time spent in travel on a Saturday, related to attendance at a training course, will be paid at straight time rates. When such travel commences later than 8:30 a.m., the employee will be paid from 8:30 a.m. to the time at which the employee arrives at their destination. Any payment for Saturday travel related to attendance at a training course is limited to a maximum of a normal day's pay at straight time rates.
7. Under this Letter, employees may elect to bank any premium hours accrued in lieu of receiving pay, subject to the terms of Article 16.07.

For BC Gas Utility Ltd.

For OTEU, Local 378

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F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: July 20, 1994

## **LETTER OF UNDERSTANDING NO. 21**

### **Re: CO-OPERATIVE EDUCATIONAL STUDENTS**

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This will confirm the conditions with respect to the hiring of students under a Co-operative Education Program.

1. For the purposes of this letter, a co-op student is a student who is enrolled as an undergraduate in a co-op program at a recognized B. C. College or University at all times during the period of employment.
2. It is the intent of the Parties that participation in this program will not adversely affect existing jobs or bargaining unit work covered by the BC Gas/OPEIU Collective Agreement. The employment of Co-op Educational Students shall not be utilized by the Employer to avoid the creation, continuance or filling of any regular or temporary jobs as defined in the Collective Agreement. Co-op Students shall not be employed to backfill for:
  - a) leave of absence replacements;
  - b) special projects which disallows training or employment opportunity to bargaining unit employees;
  - c) emergent considerations.
3. BC Gas will ensure that any co-op student employed under this Letter of Understanding will have a maximum employment period of four (4) continuous months. Each such period of continuous employment for each student shall be deemed to be one (1) work term.
4. Co-op students may be re-employed by BC Gas provided there is at least one co-op period of absence between periods of employment. In such instances, the co-op student will advance one step on the salary schedule noted below.
5. All co-op students will be required to become and remain OPEIU members for the duration of their work term. Co-op students will be classified as temporary (Co-operative Education). Co-op Education Students will not be entitled to apply for regular or temporary OPEIU-affiliated bulletined positions.
6. Either Party retains the right to discontinue participation in Co-operative Education programs with four months notice to the other.
7. The OPEIU will be advised of the student's name, position and department prior to placement.
8. When more than two students are required in any one department, such will be subject to agreement of the Parties.
9. No more than four (4) co-op students would be hired in any four (4) month period without mutual agreement.
10. Co-op students will be entitled to the same premium provided for employees under Article 19.01(b)7 in lieu of vacations, statutory holidays and Article 19.01(d) 4 in lieu of benefits.

**LETTER OF UNDERSTANDING NO. 21 (continued)**

**CO-OPERATIVE EDUCATIONAL STUDENTS**

11. Co-operative Educational Students shall receive salary treatment in accordance with the following schedule, which is based progressively on the number of Work Terms worked by each student:

<b><u>WORK TERM</u></b>	<b><u>PAY GROUP</u></b>
1	Group 3 Minimum
2	Group 3 Maximum
3	Group 3 Maximum
4	Group 4 Maximum
5	Group 4 Maximum

The above rates shall be subject to change at any time by mutual Agreement of the parties.

12. The Co-operative Educational Students Program as described in this Letter of Understanding shall apply for the term of the Collective Agreement unless modified by mutual agreement of the Parties.

For: BC Gas Committee

For: O.T.E.U. Committee

\_\_\_\_\_  
F. W. Green  
Labour Relations Officer

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Scott Watson  
Senior Union Representative

Date Signed: June 22, 1994

## **LETTER OF UNDERSTANDING #22**

### **LTD Employees Returning to Work**

1. When employees return from a period of sickness or disability after their positions have been filled, the Company will attempt to place them in a regular position for which they are qualified in accordance with HMR 01-04, subject to agreement of the Union . The position will be at the same salary level, or as near as possible to the employee's previous rate.
2.
  - (a) In the event placement is not immediately possible, or the employee does not wish to accept the placement(s) offered, the employee may choose to bump back into his/her previously held position if it is occupied by a less senior employee. This bumping option is limited to a period of two years from the date long term disability payments became effective.
  - (b) If his/her previously held position is occupied by a more senior employee, the employee will be entitled to exercise his/her bumping options pursuant to Article 7.02 and/or layoff to recall protection under Articles 7.02(d), and 7.03.
3. If the employee returns after more than two years from the date long term disability payments became effective and there are no placements options, or the employee chooses not to accept the placement options offered, the employee will be placed on the recall list pursuant to Article 7.02(d) and 7.03.

\_\_\_\_\_  
For: BC Gas Utility Ltd.

\_\_\_\_\_  
For: OPEIU, Local 378

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



**Letter of Understanding No. 23**

between  
BC Gas Utility Ltd.  
(the Company)  
and  
OPEIU, Local 378  
(the Union)

**BC Gas Utility Employees on Secondment to  
BC Gas International Inc. for Overseas Projects.**

The Union and the Company acknowledge that it could be beneficial to BC Gas International Inc., the Company, and members of the Union presently employed by the Company to second certain of these employees to the overseas projects of BC Gas International Inc. In order to facilitate this, the Union and the Utility agree as follows:

1. The terms and conditions of the collective agreement between BC Gas Utility and the OPEIU will be in force and effect, as it applies to the individual employees working overseas only, except as amended below. No provision of the Collective Agreement which gives protection to the Bargaining Unit as a whole applies (e.g. Articles 1.06, 1.09 and 1.10 which are used by way of example only).
2. The BC Gas International Guidelines for International Work dated January 17, 1997 (which guidelines will form an addendum to the collective agreement and therefore be subject to the grievance procedures of the collective agreement) shall govern overseas work except where:
  - a. they conflict with the terms and conditions of the OPEIU collective agreement, or
  - b. they conflict with the terms of this Letter of Understanding.
3. For the purposes of this Letter of Understanding, the following articles of the collective agreement shall be amended in the manner stated:
  - **Article 6:** given that temporary assignments are voluntary and the candidates selected at the discretion of BC Gas Utility Ltd., Article 6 is excluded.
  - **Article 13:** statutory holidays declared in British Columbia or Canada will not be observed by an employee while working overseas. However, the employee will receive a day in lieu of any missed statutory holiday such that no employee will have less than 11 statutory holidays in a calendar year.
  - **Article 15:** hours of work will be varied to suit the standard of the host country, subject to the overtime provisions below. Employees will earn Accumulated Days Off on the same basis as they would have had the secondment not occurred.

**re. Overseas Work with BCGI:**

- **Article 16:** hours worked Monday through Friday in excess of 7.5 per day or 37.5 per week shall be paid at the rate of 150% of the hourly rate established in article 18.01.

**Letter of Understanding No. 23 (continued)**

**BC Gas Utility Employees on Secondment to  
BC Gas International Inc. for Overseas Projects**

- Hours worked on Saturdays, Sundays or on host country holidays shall be paid at 150% of the hourly rate.
  - **Article 17:** for travel that originates on a weekend or on a day devoted exclusively to travel, the actual travel time up to a maximum of 16 hours shall be paid. For travel on a day on which work is performed, the actual travel time up to a maximum of 16 hours plus the hours actually worked shall be paid. All travel hours shall be paid at straight time.
4. Employee bonuses paid by an international agency on specific projects (e.g. the World Bank), will be passed on to the employee on the same basis as it is paid by the international agency. Overtime premiums will not be compounded.
  5. For the duration of the secondment, employees will be covered by the British Columbia Workers' Compensation Act provided the overseas secondment does not exceed 6 months.
  6. No employee working temporarily for BC Gas International will suffer a loss of any salary, benefit or entitlement as a result of such work, except as modified by this agreement. In addition, employees will earn service and seniority on the same basis as they would have had they not gone overseas.
  7. The employee is not eligible for any retroactive rate enhancements brought about by temporary promotional opportunities an employee would have received if the employee had not gone overseas.
  8. Any issues that arise during the life of this Letter of Understanding that are not specifically addressed in this Letter will be dealt with by the parties on a mutually agreeable basis.

Either the union or the company may cancel this Letter of Understanding upon 30 days written notice to the other party. The cancellation notice shall state whether it is for the purpose of cancelling the Letter as a whole, or only as it applies to one or more specific projects.

For BC Gas Utility Ltd.

For OPEIU Local 378

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Franz Scherubl

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William Bell

Date: February 18, 1997

Date: February 18, 1997

## **LETTER OF UNDERSTANDING NO. 25**

### **TRANSPORTATION COORDINATORS**

The Company and the Union agree to vary certain terms and conditions of the Collective Agreement as they apply to the Transportation Coordinators, as follows:

#### **1. SHIFT STRUCTURE**

Transportation Coordinators will work one of two different shift structures:

- a) a seven-day cycle, Monday through Friday, with Saturday, Sunday, and Statutory holidays off;
- b) an eight-day cycle, working four consecutive days, followed by four consecutive days off.

The initial shift schedule will be predicated on five employees in the department, with four working the eight-day cycle and one working the seven-day cycle.

#### **2. HOURS OF WORK**

The standard hours of work will fall between 6:00 a.m. and 9:00 p.m.

Employees working the seven-day cycle will work a total elapsed time of 8.5 hours, with a 1.0 hour unpaid lunch, for a shift of 7.5 hours.

Employees working the eight-day cycle will work a total elapsed time of 11.75 hours, with a 1.0 hour unpaid lunch, for a shift of 10.75 hours.

Each employee on the eight-day cycle will receive three 15 minute paid rest periods in each shift.

Meal breaks will be taken at or near the mid-point of the shift, or as operations permit.

The normal cycle for employees working the eight-day cycle will be:

day 1	Late start	day 5	off
day 2	Late start	day 6	off
day 3	Early start	day 7	off
day 4	Early start	day 8	off

It is expected that the seven-day cycle and the eight-day cycle early shifts will commence at 6:00 am in the winter period (October through March ) and at 6:30 am during the summer period (April through October). It is also expected that the eight-day cycle late shifts will commence at 9:15 am in the winter period and at 7:45 am during the summer period.

**LETTER OF UNDERSTANDING NO. 25 (continued)**

**TRANSPORTATION COORDINATORS**

If the preceding shift schedules do not meet operational requirements, the Company at its discretion, with reasonable notice, may change the shift start and end times, but remain within the 6:00 a.m. to 9:00 p.m. window for working hours. The shift times may be varied, as follows:

The start times of the seven-day cycle and the eight-day cycle early shifts may be between 6:00 a.m. and 7:00 a.m.

The eight-day cycle Late shift on a weekday may start between 7:00 a.m. and 9:15 a.m.

**3. NOTICE OF RELIEF**

To provide relief coverage for unscheduled absences (sickness, accidents, etc.) and scheduled absences (vacation, time off, training programs, attendance at conferences, etc.), the Company may require an employee to change the shift start time.

When changes are made to shift start times for such absences, a minimum 2 calendar days (48 hours) notice will be given. If 24 hours but less than 48 hours notice is given, then 3 hours of the first shift changed will be paid at double time. If less than 24 hours notice is given, then 3 hours of the first and second shift changed will be paid at double time.

**4. SHIFT SELECTION**

Shift selection shall be by seniority as defined by Article 4 or by criteria determined by a simple majority of the group concerned, subject to approval by the Company and the Union.

**5. NEW HIRES**

In the event employees are added to the department, the Company will determine, based on operational requirements, whether the additional employees will be on the seven-day cycle or the eight-day cycle.

If a new hire is to work the eight-day cycle s/he will be required to commence working the seven-day cycle for a period no longer than three months. During this time an incumbent Transportation Coordinator working a seven-day cycle will be required to change to the eight-day cycle, with the same terms and conditions as the other eight-day cycle employees. If two or more incumbents are working the seven-day cycle, then selection for the temporary shift change will be based on seniority. After this initial period, the new hire will work either an eight-day or seven-day cycle, based on the seniority selection process defined above. Both the new hire and the affected incumbent will be given 2 weeks notice regarding changes to the shift schedule. The Company and the new hire will mutually agree to the date of the change to the eight-day cycle, if it occurs.

**LETTER OF UNDERSTANDING NO. 25 (continued)**

**TRANSPORTATION COORDINATORS**

**6. SHIFT PREMIUMS**

Effective November 1, 2000, shift premiums will be paid in accordance with Article 12 of the collective agreement.

For the time period up to and including October 31, 2000, 1.75 hours will be paid for each day worked by employees working an eight-day cycle. Shift premiums will be paid at the employee's straight-time hourly rate of pay.

**7. OVERTIME**

For employees working a seven-day cycle shift, all hours worked beyond 7.5 hours per day will be treated as overtime and paid out at the applicable overtime rate. For employees working an eight-day cycle shift, all hours worked beyond 10.75 hours per day or 43.0 hours in the cycle, will be treated as overtime and paid at the applicable overtime rate.

Any hours worked on a scheduled day off will be treated as overtime and paid at the applicable overtime rate. Transportation Coordinators working the seven-day cycle will be paid at the applicable overtime rate for all hours worked on a statutory holiday.

**8. TIME OFF**

Transportation Coordinators' time off entitlement will be calculated as follows:

a) Annual Vacation

Each Transportation Coordinator will be credited with 37.5 hours of Annual Vacation for each week of vacation entitlement earned in accordance with Article 14.

b) Statutory Holidays

Each Transportation Coordinator will be credited with 7.5 hours for each statutory holiday specified in Article 13.

c) Accumulated Days Off (ADO's)

Each Transportation Coordinator will be credited with 127.5 hours per year as equivalent to 17 ADO's.

The annual earned time off entitlement will include the total hours credited to the employees under (a), (b) and (c) above, plus any hours carried forward from the previous year.

Scheduled time off shall not conflict with essential department requirements. Approval will not be unreasonably withheld.

Transportation Coordinators working the seven-day cycle will normally take statutory holidays off.

**LETTER OF UNDERSTANDING NO. 25 (continued)**

## **TRANSPORTATION COORDINATORS**

During the summer period, on weekends and statutory holidays the Transportation Coordinator scheduled to work the late shift will be expected to schedule the day off, so that only one Transportation Coordinator will be on shift each of those days. It is expected that each Transportation Coordinator will use 10 ADO's (107.5 hours) to accomplish this.

### **9. RECONCILIATION**

The total number of straight time hours worked by each Transport Coordinator will be compared annually to the total standard number of straight time hours worked by other office staff during the same comparative period.

### **10. GENERAL**

The Company and the Union recognize the industry is undergoing significant change and is currently in a transitory state. If material business rule or structural changes occur this agreement may need to be modified to meet the new business needs.

### **11. PERIOD OF AGREEMENT**

This Letter of Understanding is effective May 1, 1999, and will expire on October 31, 2000, unless otherwise extended in writing by the parties.

On behalf of BC Gas Utility Ltd.

On behalf of OPEIU, Local 378

\_\_\_\_\_  
Franz Scherubl  
Business Leader

\_\_\_\_\_  
Patricia Morrison  
Union Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Letter of Understanding # 28**

**Contract Continuation Agreement (Adjustment Plan – AP)**

**Between:**

**Office and Professional Employees' Union, Local 378(OPEIU)**

**and**

**BC Gas Utility (BCGU)**

**and**

**CustomerWorks**

**Respecting**

**A successorship between BCGU and CustomerWorks**

**Preamble and Purpose:**

1. BCGU and Enbridge Commercial Services have entered into a business arrangement that has given rise to a new company called CustomerWorks.
2. The effect of this business arrangement is that a successorship between BCGU and CustomerWorks will occur after the legal creation of CustomerWorks.
3. A successorship occurs when a business or part of it is sold or otherwise disposed of and collective bargaining rights are in effect at the original place of business. The effect of a successorship is that bargaining unit employee retain their collective agreement rights despite a change in company ownership. The OPEIU and CustomerWorks will jointly apply to the Labour Relations Board of B.C. for a variance to the Union's certification in recognition of the successorship.
4. Certain employees of BCGU who are represented by the OPEIU will transfer to CustomerWorks and become employees of CustomerWorks effective January 1, 2002.
5. The purpose of this Adjustment Plan is to facilitate the transfer of employees to CustomerWorks, and not to derogate from the existing terms and conditions of employment. The Adjustment Plan will supplement the basic rights and entitlements that flow from Section 35 of the Labour Relations Code of British Columbia and the Collective Agreement between BCGU and the OPEIU with the additional terms and conditions specifically negotiated into this Contract Continuation Agreement.

## **Letter of Understanding # 28 – Continued**

### **Coverage:**

6. OPEIU members covered by this AP (collectively referred to as “employees”) are specifically listed in Appendix A attached to this agreement.
7. The employees covered by this AP are those whose regular position is transferring to CustomerWorks regardless of whether the employee is temporarily assigned or bulletined elsewhere, or on approved leave.
8. This AP does not cover employees who are temporarily working in positions that are transferring to CustomerWorks, but whose regular position is not transferring to CustomerWorks. Those employees will remain employees of BCGU.
9. Regular employees working in temporary jobs pursuant to Article 6.06(b) or 6.06(c) on the date of the successorship, both into and out of CustomerWorks, may continue in those temporary jobs at the discretion of BCGU and/or CustomerWorks management for the duration of the temporary posting or for a period not to exceed (9) months, which ever concludes first.

### **Transfer:**

10. Employees will receive individual written notice of their transfer to CustomerWorks not less than ten (10) weeks prior to the transfer date. At the same time, employees of the service Centre will be advised that the role of the Service Centre will be transitioned to CustomerWorks at some future date, and therefore these employees shall receive their ten (10) weeks notice prior to their actual transfer date, expected in 2002 or 2003.
11. Employees who choose not to transfer to CustomerWorks must advise the BCGU Human Resources Dept. in writing within ten (10) calendar days from the date of the notice specified in Paragraph 10. Employees on LTD at the time of this notice shall be required to provide this advice twenty-one(21) calendar days prior to their expected date of return to work.
12. Employees who choose not to transfer per the notice of paragraph 10 above shall receive, within 7 calendar days of their advice in paragraph 11, layoff notice and options in the normal manner pursuant to Article 7 or the collective agreement. An employee’s option of transferring to CustomerWorks per Article 7, providing a vacancy exists per the terms of Article 6.01.
13. An employee’s decision with respect to her/his layoff option per paragraph 12 above is final. The default for failing to return the summary of options to Human Resources by the deadline date on the notice is that the employee will transfer to CustomerWorks.
14. Employees who choose not to transfer to CustomerWorks per paragraph 11 above may be required to continue temporarily in their CustomerWorks role for a period up to nine (9) months following the successorship for purposes of continuity. These employees will suffer no detriment in terms of salary, benefits or entitlements.



## **Letter of Understanding # 28 – Continued**

### **Seniority and Service:**

15. Each employee's seniority and service, and all the rights and entitlements that flow from that service and seniority, will carry over and continue at CustomerWorks as it was at BCGU, subject to any changes resulting from the future re-negotiation of the collective agreement between OPEIU and CustomerWorks.

### **Terms and conditions of employment:**

16. All terms and conditions of employment in effect at BCGU including the pension plan related to the OPEIU/BCGU collective agreement will remain in place at CustomerWorks, subject to any future re-negotiation of that collective agreement between the OPEIU and CustomerWorks, or other appropriate procedures (e.g. proper notice of a change in policy or practice),

### **Bidding back to BCGU from CustomerWorks:**

17. For a period of one(1) year from their transfer date, employees who transferred to CustomerWorks from BCGU may continue to exercise their total seniority (i.e. their seniority accrued at both BCGU and CustomerWorks) for the purpose of applying to BCGU bulletins pursuant to Article 6.03 of the OPEIU/BCGU collective agreement.

### **Bumping back to BCGU from CustomerWorks:**

18. For a period of two (2) years from their transfer date, employee who transfer to CustomerWorks and who subsequently receive layoff notice at CustomerWorks will, in addition to their options pursuant to the collective agreement in effect at CustomerWorks, receive the benefits of Article 7 of the OPEIU/BCGU collective agreement.
19. If an employee is laid off to the recall list by CustomerWorks, or the employee chooses to sever the employment relationship with CustomerWorks rather than bump back to BCGU, s/he will receive the appropriate rights and entitlements only under the CustomerWorks collective agreement, not under the BCGU agreement. Therefore, the right to recall from the CustomerWorks recall list is only available back to CustomerWorks, not back to BCGU.

### **General:**

20. Issues arising out of this AP are grievable under the appropriate collective agreement. Should an issue involve all three parties, the three parties shall meet expeditiously to resolve the matter. If the matter cannot be resolved in this manner, it may be referred by any of the three parties to the grievance investigator under Article 3.13 of the collective agreement.

**Letter of Understanding # 28 – Continued**

21. For those employees who transfer to CustomerWorks on January 1, 2002, this LOU will expire on December 31, 2003, and is not subject to the continuation clause contained in the preamble of the collective agreement. For those employee who as part of this successorship, transfer to CustomerWorks after January 1, 2002 this LOU shall expire two years from their date of transfer.

For BC Gas Utility:

For the OPEIU:

For CustomerWorks:

Franz Scherubl

Scott Watson

Robert Wood

October 10, 2001

October 10, 2001

October 10, 2001

LETTER OF UNDERSTANDING No. 29

BETWEEN

OFFICE & PROFESSIONAL EMPLOYEES' INTERNATIONAL UNION, LOCAL 378

AND

BC GAS UTILITY LTD.

Electronic Job Postings

The company may introduce electronic job postings. Job vacancies will be posted on the Intranet, and an on-line application process will be implemented.

When an employee is on leave for more than five working days, s/he may choose to register an electronic standing application.

The Company will forward electronic copies of job postings to the Union office.

No less than six (6) months following introduction of this on-line procedure, the Company and the Union will meet to discuss altering or discontinuing paper postings and paper applications.

\_\_\_\_\_  
For: BC Gas Utility Ltd.

\_\_\_\_\_  
For: OPEIU, Local 378

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Date signed: August 30, 2001

Letter of Agreement # 30

between

BC Gas Utility Ltd.

and

OPEIU, Local 378

CONSOLIDATION OF OVERTIME, VACATION AND ADO TIMEBANKS

This will confirm the agreement reached at the JCC discussions on October 31<sup>st</sup> and November 8<sup>th</sup>, 2001 between the Company represented by Claudette Williams, Kim Rose, Deb Brown and Bev MacGillivray and the OPEIU represented by Bill Bell, Bruce Farmer, Frans Verhoef and Patti Nitsch. It was agreed that the collective agreement articles would be amended as outlined in the attachment to support the consolidation of the overtime, vacation and ADO timebanks effective January 1, 2002.

\_\_\_\_\_  
For BC Gas Utility Ltd.

\_\_\_\_\_  
For OPEIU, Local 378

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Date Signed: November 23, 2001

Letter of Understanding #31

Between  
BC Gas Utility Ltd.  
And  
OPEIU Local 378

Re: Hours of Work - Emergency and Operations Representatives

The company and union agree to vary certain terms and conditions of the Collective Agreement as they apply to the shift work of Emergency and Operations Representatives (E&ORs). The company and union agree that a shift schedule with a combination of 12 hour and 8 hour shifts (inclusive of lunch break) will meet the required 24 hour 7 days a week coverage while benefiting the E&ORs by providing more frequent scheduled time off, including more weekends. To create this rotating shift schedule, the 11 days in lieu of statutory holidays and 17 ADO's will be pre-scheduled into the shift rotation and time off will be pre-scheduled and subject to operational requirements.

1. Shift Structure

The attached schedule of hours and days of work is a typical schedule of a 7 week forward rotation, with a combination of 12 and 8 hour shifts payable at straight time. The schedule is intended to incorporate relief coverage from within the group.

2. Working Hours

The total number of straight hours worked by each E&OR will be equal to the total number of straight time hours worked in a year by other office staff during the same year (i.e. 35 hours per week for 52 weeks).

3. Work and Lunch Breaks

- a) When more than one employee is on shift, lunch breaks will be staggered and will be taken at or near the midpoint of the shift or as operations permit and will be one half hour. As well, employees on the night shift will take their lunch breaks at a time when employees on the afternoon shift can provide coverage (i.e. before the end of the afternoon shift). When only one employee is on shift, the lunch break will be taken at the workstation, paid at straight time and the shift will be reduced by 0.5 hour.
- b) Each employee shall receive 3 work breaks of 15 minutes in a 12 hour shift or 2 work breaks of 15 minutes in an 8 hour shift. The work breaks will be staggered and shall be taken one in each 4 hour period of the shift.

4. Overtime Payments

All hours worked in excess of the regularly scheduled shift (i.e. 8 or 12 hours) will be paid for at the rate of double time. All hours worked on a scheduled day off shall be paid at the rate of double time unless appropriate notice of change of schedule is given (per article 12.04k).

5. Annual Vacation

- a) All annual vacation shall be pre-scheduled.
- b) Sign up for vacation per article 14.05 of the collective agreement will be in order of seniority from the 3rd quarter seniority list, and will be completed by December 1st of each year. The approved schedule will be posted by January 15th of the following year.

Letter of Understanding #31 (continued)  
Hours of Work - Emergency and Operations Representatives

6. Time Off

E&ORs' time off entitlement will be calculated as follows:

a) Annual Vacation

Each E&OR will be credited with 37.5 hours of annual vacation for each week of vacation entitlement earned in accordance with Article 14.

b) Statutory Holidays

Each E&OR will be credited with 7.5 hours for each statutory holiday as specified in article 13.

c) Accumulate Days Off (ADOs)

Each E&OR will be credited with 127.5 hours per year as equivalent to 17 days ADO's. ADOs will be pre-scheduled into the shift schedule and will deplete the time bank on an hour for hour basis to a maximum of 11.5 hours per day.

7. General

a) Scheduled time off shall not conflict with essential department requirements and will be subject to the availability of relief within the group of E&ORs.

b) Other areas in the Collective Agreement, such as sick leave, leaves of absence, banked overtime, etc. will be calculated on the basis of hours utilized to a maximum of 11.5 hours per day.

8. Trial Period

There will be a trial period of up to 2 complete 7 week forward rotations. Prior to the end of the trial period, the parties will meet to discuss continuation of the shift schedule and this LOU.

9. Discontinuation of the Letter of Understanding

Either party may discontinue this Letter of Understanding on 30 days written notice to the other party.

For: BC Gas Utility Ltd.

For: O.P.E.I.U., Local 378

Franz Scherubl  
HR Leader

William Bell  
Union Representative

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

Date signed: November 12, 2002

**SCHEDULE 'A'****JOB TITLES BY SALARY GROUP**

<b><u>JOB TITLE</u></b>	<b><u>JOB GROUP</u></b>
Office And Support Clerk	OPEIU 03
Office Services Clerk	OPEIU 03
Relief Clerk 1	OPEIU 03
<hr/>	
Accounts Payable Clerk 1	OPEIU 04
Marketing Office Assistant	OPEIU 04
Relief Clerk 2	OPEIU 04
Stenographer Clerk	OPEIU 04
Switchboard Operator/Recept	OPEIU 04
<hr/>	
Communications Assistant	OPEIU 05
Drafting & Field Service Clk	OPEIU 05
Engineering Project Clerk	OPEIU 05
Facilities Clerk	OPEIU 05
Field Operations Assistant	OPEIU 05
IT Administrator	OPEIU 05
LNG Plant Support Clerk	OPEIU 05
Office Service Leader	OPEIU 05
Operations Accounting Clerk	OPEIU 05
Procurement Support Administrator	OPEIU 05
Relief Clerk 3	OPEIU 05
Secretary	OPEIU 05
Service Records Clerk 1	OPEIU 05
Service Records Clerk 2	OPEIU 05
Steno Clerk Leader – FV	OPEIU 05
System Survey Clerk 1	OPEIU 05
Training Assistant	OPEIU 05
Transmission Permit Representative	OPEIU 05
<hr/>	
Accounts Payable Clerk 2	OPEIU 06
Accounts Payable Analyst	OPEIU 06
Budget & Costing Clerk 1 (Int)	OPEIU 06
Business Methods Assistant	OPEIU 06
Commercial & Industrial Svcs Mtkg Asst	OPEIU 06
Drafter 1	OPEIU 06
Engineering Clerk	OPEIU 06
Financial Accounting Rec Clerk	OPEIU 06
Gas Load Control Clerk 2	OPEIU 06
Marketing Support Representative	OPEIU 06
Measurement Clerk	OPEIU 06
Measurement Technologies Ass't	OPEIU 06
Operations Support Representative	OPEIU 06
Operations Wage Time Clerk	OPEIU 06
Payroll Clerk	OPEIU 06
Program Assistant, Training	OPEIU 06
Records Clerk Leader	OPEIU 06
Relief Clerk 4	OPEIU 06
Safety Systems Administrator	OPEIU 06

System Survey Clerk 2	OPEIU 06
T & D Surveyor 1	OPEIU 06
Training System Analyst	OPEIU 06
Web/Desktop Publisher Leader	OPEIU 06

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Accounting Clerk 4	OPEIU 07
Accounts Payable System Support Analyst	OPEIU 07
Dispatcher	OPEIU 07
Drafter 2	OPEIU 07
Fac Co-ord - Office Systems	OPEIU 07
Financial Accounting Clerk 4	OPEIU 07
Financial Performance Accounting	OPEIU 07
Financial Perf Accounting Analyst 1	OPEIU 07
Fleet Coordinator	OPEIU 07
Inventory Control Analyst	OPEIU 07
Marketing Assistant	OPEIU 07
Measurement Analyst 2	OPEIU 07
Service Centre Representative	OPEIU 07
System Survey Leader	OPEIU 07
Technician 2 - Corrosion Control	OPEIU 07
Training Program Coordinator	OPEIU 07
Web Specialist	OPEIU 07

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Accounts Payable Leader	OPEIU 08
Claims Adjuster 1	OPEIU 08
Communications Coordinator	OPEIU 08
Dispatcher	OPEIU 08
Drafter Leader	OPEIU 08
Engineering Drafter 2	OPEIU 08
Financial Perf Accounting Analyst 2	OPEIU 08
Forms Analyst/Designer	OPEIU 08
I&CT Contract & Finance Co-ordinator	OPEIU 08
IT Communications Coordinator	OPEIU 08
Internal Communications Writer	OPEIU 08
Lands Administrator	OPEIU 08
Marketing Services Representative	OPEIU 08
Operations Financial Analyst	OPEIU 08
Operations Systems Analyst 1	OPEIU 08
Pipeline & Right of Way Inspec	OPEIU 08
Print Production Coordinator	OPEIU 08
Procurement Specialist	OPEIU 08
Resource Management Co-ordinator	OPEIU 08
Right-of-Way Services Rep.	OPEIU 08
Safety Instructor/Inspector	OPEIU 08
Service Centre Workleader	OPEIU 08
Special Events Co-ordinator	OPEIU 08
T & D Surveyor 2	OPEIU 08
Technical Standards Writer	OPEIU 08
Technician 3 – Laboratory	OPEIU 08
Technologist 1 – Planner	OPEIU 08
Technologist 1 - Technical Suppt	OPEIU 08
Techt 1 – Instrumentation	OPEIU 08
Telecommunications Coordinator	OPEIU 08

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Advertising Coordinator	OPEIU 09
Cost of Service Analyst 3	OPEIU 09
Designer, Communication Services	OPEIU 09
Engineering Drafter 3	OPEIU 09
Forms Analyst/Designer/W.Ldr	OPEIU 09
Line of Business Analyst	OPEIU 09
Operations Financial Co-ord	OPEIU 09
Operations Systems Analyst 2	OPEIU 09
Rates Analyst 3	OPEIU 09
Senior Procurement Specialist	OPEIU 09
Techn 4 - Corrosion Control	OPEIU 09
Technologist 2 - Field Measurement	OPEIU 09
Technologist 2 – Planner	OPEIU 09
Technologist 2 – SCADA	OPEIU 09
Technologist 2 - Utility Plann	OPEIU 09
Technologist 2-Instrumentation	OPEIU 09
Techt 2 - Interior Operations	OPEIU 09
Writer / Researcher	OPEIU 09

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Budget & Cost Control Coord.	OPEIU 10
Budget Analyst	OPEIU 10
Business Technology Integrator	OPEIU 10
Commercial Account Rep	OPEIU 10
Demand Side Mgmt Analyst	OPEIU 10
Engineering Drafting Work Ldr	OPEIU 10
Facilities Planning Leader	OPEIU 10
Financial Accounting Analyst	OPEIU 10
Financial Accounting/Credit Analyst	OPEIU 10
Financial Analyst	OPEIU 10
Gas Control Coordinator	OPEIU 10
Gas Controller	OPEIU 10
Gas Supply Operations Analyst	OPEIU 10
Industrial Hygiene Tech	OPEIU 10
Insurance Analyst	OPEIU 10
Lands Representative	OPEIU 10
Maintenance Analyst	OPEIU 10
Market & Business Dev Analyst	OPEIU 10
Market Research & Eval Analyst	OPEIU 10
Measurement Svc Business Analyst	OPEIU 10
Operations Systems Analyst 3	OPEIU 10
Project Cost Controller	OPEIU 10
Rates Analyst Leader	OPEIU 10
Sector Research & Evaluation Analyst	OPEIU 10
Tech 3-Geographic Info Systems	OPEIU 10
Technologist 3 – Measurement	OPEIU 10
Technologist 3 – Planner	OPEIU 10
Technologist 3-Gas Supply Ops	OPEIU 10
Techt 3 – Instrumentation	OPEIU 10
Techt 3 - Measurement Technologies	OPEIU 10
Techt 3 - Pipeline Design	OPEIU 10
Techt 3 - Technical Support	OPEIU 10
Trade Relations Representative	OPEIU 10
Training Technologist	OPEIU 10
Utility Planner Workleader	OPEIU 10
Workleader - Corrosion Control	OPEIU 10

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Application Support Analyst	OPEIU 11
Financial Accountant	OPEIU 11
Property Representative	OPEIU 11
Property Tax Specialist	OPEIU 11
Right of Way Project Coordinator	OPEIU 11
Tax Analyst II	OPEIU 11
Technologist 4 - Measurement	OPEIU 11
Technologist 4 - Planner	OPEIU 11
Technologist 4 - Plant Design	OPEIU 11
Technologist 4 - SCADA	OPEIU 11
Techt 4 - Electrical Design	OPEIU 11
Techt 4 - Energy Utilization	OPEIU 11
Techt 4 - Pipeline Design	OPEIU 11
Techt 4 - Project Specialist	OPEIU 11
Techt 4 - Technical Support	OPEIU 11
Techt 4-Instrumentation Design	OPEIU 11
Utility Planner Workleader	OPEIU 11

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Application Architect -Technical Planner	OPEIU 12
Business Analyst III/Leader	OPEIU 12
Chemist	OPEIU 12
Infrastructure Analyst	OPEIU 12
Process Architect	OPEIU 12
Project Designer - Dev	OPEIU 12
Quality Assurance Leader	OPEIU 12
Senior Data Integration Analyst	OPEIU 12
Senior IT Operations Analyst	OPEIU 12
Technologist 5 - Planner	OPEIU 12

## **Attachment 25.1**

**20.0 Reference: Tab A-4, p.2 Underlying Assumptions – Economy**

20.1 Please provide a summary table for the following indicators for 2004 (actual), 2005 (projected) and 2006 (forecast):

(a) B.C. population and % change

**Response:**

**BC Population and % Change**

	2004 (actual)	2005 (projection)	2006 (forecast)
BC Population	4,196,383	4,239,064	4,284,053
% Change	1.1%	1.0%	1.1%

Source: BC Stats P.E.O.P.L.E. 30

(b) nominal and real B.C. GDP and % change

**Response:**

**BC GDP and % Change**

	2004 (actual)	2005 (projection)	2006 (forecast)
Nominal GDP (\$ billion)	156.5	165.0	173.4
% Change	7.5	5.5	5.1
Real GDP (1997 \$ billion)	138.8	143.5	148.0
% Change	3.9	3.4	3.2

Source: BC Ministry of Finance: "Balanced Budget 2005" - September Update

(c) single and multiple family housing starts and % change

**Response:**

**BC Housing Starts and % Change**

	2004 (actual)	2005 (projection)	2006 (forecast)
Single Family Starts	14,056	13,800	12,600
% Change	14.7%	-1.8%	-8.7%
Multiple Family Starts	18,869	19,800	19,000
% Change	35.5%	4.9%	-4.0%
Total Starts	32,925	33,600	31,600
% Change	25.8%	2.1%	-6.0%

Source: CMHC

(d) *natural gas commodity price range per GJ*

**Response:**

Natural gas commodity prices continue to remain high relative to historical levels and have experienced considerable volatility. To illustrate this, a table is included below showing the minimum and maximum of the fixed monthly prices at AECO for each year. The difference between the maximum and minimum provides a sense of the degree to which commodity prices are volatile over a given period. The figures for 2005 and 2006 are based on the forward monthly natural gas prices as at June 13, 2005 (this point in time is used in the table because it was the reference used when the forecast models were put together).

**AECO Natural Gas Prices (\$Cdn/GJ)**

	2004 (actual)	2005 (projection)	2006 (forecast)
minimum	\$5.39	\$6.16	\$7.59
maximum	\$7.59	\$8.76	\$9.11

(e) *gas consumption and annual cost for a typical household with natural gas space heating*

**Response:**

The 2002 Residential End Use Survey performed by Habart & Associates identified the following through conditional demand analysis, based on a 2200 sq. foot average house size:

<b>Appliance Consumption Estimates</b>			
<b>End-Use</b>	<b>AnnualGJ per Appliance</b>	<b>Standard Deviation</b>	<b>Gas Customers Using Appliance</b>
WaterHeating	20.76	4.15	83.52%
ClothesDrying	3.96	*	5.54%
Cooking	8.48	4.10	17.58%
GasBBQ	3.12	1.47	10.40%
PoolHeating	53.49	*	3.21%
HottubHeating	17.86	*	1.09%
WallGasHeating	18.05	2.96	4.04%
GasInsert	15.77	6.68	29.96%
GasLog	16.84	7.20	27.84%
SpaceHeating	67.80	23.89	94.87%

\*standard deviation not applicable as end-use was modeled with only presence of appliance.

Although the forecast average use varies for the period 2004 through 2006, the defined 2200 sq. ft. gas heated home with a gas hot water heater and a Gas log fireplace would typically consume 105.4 GJ, without consideration of the standard deviation. Please refer to the table below for the annual costs, based on the Lower Mainland Residential rates, associated with this annual consumption for 2004, 2005 and 2006:

<b><i>2002 Residential End Use Study - Annual Consumption based on Space Heating, Hot Water Heating and Gas Log Fireplace</i></b>	<b><i>Rate Schedule 1 Lower Mainland Average Annual Bill*</i></b>
2004 Annual Bill based on - 105.4 GJ	\$1,223
2005 Forecast Annual Bill based on - 105.4 GJ	\$1,336
2006 Forecast Annual Bill based on - 105.4 GJ	\$1,490

*\*The rates used to calculate the average annual bills are averages for the years 2004 and 2005 (year-to-date), and 3.90% (as per the Terasen Gas Inc. 2005 Annual Review proposed rates for 2006) was added to both the October 1, 2005 Basic Charge and Delivery Charges to determine a January 2006 forecast rate.*

(f) *gas consumption and annual cost for a typical household with electric space heating*

#### **Response:**

For a typical household with electric space heating, that is a natural gas customer, it is likely that this customer would have a natural gas fireplace and possibly a hot water heater. Under these circumstances, the annual consumption would be 37.6 GJ. Please refer to the table below for the Lower Mainland annual costs associated with a typical electrically heated home with a gas hot water heater and gas log fireplace:

<b><i>2002 Residential End Use Study - Annual Consumption based on Hot Water Heating and Gas Log Fireplace</i></b>	<b><i>Rate Schedule 1 Lower Mainland Average Annual Bill*</i></b>
2004 Annual Bill based on - 37.6 GJ	\$519
2005 Forecast Annual Bill based on - 37.6 GJ	\$559
2006 Forecast Annual Bill based on - 37.6 GJ	\$617

*\* The rates used to calculate the average annual bills are averages for the years 2004 and 2005 (year-to-date), and 3.90% (as per the Terasen Gas Annual Review proposed rate) was added to both the October 1, 2005 Basic Charge and Delivery Charges to determine a January 2006 forecast rate.*

(g) *total household formation and % change*

**Response:**

**BC Household Formation and % Change**

	2004 (actual)	2005 (projection)	2006 (forecast)
BC Households	1,701,567	1,746,986	1,791,909
% Change	2.7%	2.7%	2.6%

Source: BC Stats P.E.O.P.L.E. 30

(h) *residential and commercial customer additions and % change*

**Response:**

**Customer Additions**

	2004 (actual)	2005 (projection)	2006 (forecast)
Residential Additions	10,716	12,095	12,204
% Change	69.9%	12.9%	0.9%
Commercial Additions*	756	636	489
% Change	n/a	-15.9%	-23.1%

\* includes rate classes 2, 3 & 23

\*\* 2003 commercial growth rate cannot be calculated because the 2003 commercial additions were negative

## **Attachment 27.1**



H

## HOUSING MARKET

## OUTLOOK

Canada

Canada Mortgage and Housing Corporation

www.cmhc.ca

## Housing starts will remain strong

Date Released: Third Quarter 2006

## Overview

**Housing starts:****2006: 227,900****2007: 209,100****Resales:****2006: 481,700****2007: 462,200**

**Housing starts:** Starts will be strong this year coming in at 227,900 units representing their second highest level since 1988. Despite edging lower in 2007, housing starts will remain above the 200,000 unit level for a sixth consecutive year.

**Resales:** Sales of existing homes will register their second best year on record with 481,700 units in 2006. Sales of existing homes will move marginally lower next year to 462,200 as rising mortgage carrying costs eases homebuying activity.

**Resale prices:** Prices for existing homes will rise 12.0 per cent in 2006, their strongest growth since 1989. In 2007, price growth will moderate to 6.4 per cent as markets in many parts of the country move toward balanced conditions.

## Provincial SPOTLIGHT

**British Columbia:** 2006 will be the sixth consecutive year in which housing starts have increased. A healthy economy, strong labour market, confident consumers, and relatively low mortgage rates will result in 37,000 housing starts this year, a 6.7 per cent increase from last year. ([Details on Page 8](#))

**Alberta:** Economic and demographic factors will propel Alberta's total housing starts to reach 49,000 units this year, surpassing the previous record of 47,925 in 1978. The strong performance will continue into 2007, though starts will slip to 45,000 units as escalating ownership costs inhibit demand. ([Details on Page 9](#))

**2 NATIONAL OUTLOOK****3 TRENDS IMPACTING HOUSING****5 SPECIAL REPORT: Renovation Forecast****8 PROVINCIAL REPORTS****8** [British Columbia](#)**9** [Alberta](#)**10** [Saskatchewan](#)**11** [Manitoba](#)**12** [Ontario](#)**13** [Quebec](#)**14** [New Brunswick](#)**15** [Nova Scotia](#)**16** [Prince Edward Island](#)**17** [Newfoundland and Labrador](#)**18 FORECAST TABLES**

**CMHC Housing Market Outlook Canada** is your national sales, marketing, and business planning tool.

# National Housing Outlook

## In Detail

Housing starts in Canada are forecast to just exceed last year's level, increasing 1.1 per cent this year to 227,900 units, their second highest level since 1988. Thus 2006 will be the fifth consecutive year in which housing starts exceed the 200,000 unit threshold. Although residential construction is forecast to decline next year, housing starts will continue to remain strong by historical standards through 2007. The forecast of 227,900 starts for 2006 represents a slight upward revision from the previous forecast of 222,200 starts due mainly to the stronger than expected demand in Alberta. Residential construction will slow next year with national housing starts easing 8.2 per cent to 209,100 units.

High employment levels and rising incomes will continue to support a historically high level of new home starts this year and next. Nonetheless, several factors will cause construction activity to ease in the latter part of this year and next. Much of the pent-up demand that built up during the 1990s has now been fulfilled and residential construction activity will gradually move in line with demographic fundamentals. Higher mortgage carrying costs due to slight increases in mortgage rates and continued price growth will also temper housing demand. Potential first-time buyer demand will fall as a result of these rising mortgage carrying costs, particularly as the gap between the cost of homeownership and renting widens. Lastly, the existing home market is expected to move toward more balanced conditions over the next couple of years. With fewer buyers and a larger inventory of existing homes for sale, there will be less spillover of buyers from the existing home market into the new home market.

This decrease in spillover demand is already being felt in Ontario and Quebec. As a result, the demand for new homes has slowed in both these provinces and housing starts in the first half of this year were down compared to last year's pace.

In the West, both Alberta and B.C. have recorded exceptionally strong job growth and continue to attract workers from other parts of the country. The resulting strong demand for housing has pushed housing starts up significantly in the first half of this year.

### Single detached starts to ease in 2006 and 2007

The slowing trend that started in 2005 will continue this year and next. Single detached starts will fall 1.4 per cent to 118,800 units in 2006 and decline an additional 9.4 per cent to 107,600 units in 2007.

Starts of single-detached homes will decrease in most provinces in 2006. Double digit decreases will occur in

Newfoundland (-27.7 per cent), PEI (-17.2), Quebec (-16.4 per cent), New Brunswick (-13.9 per cent), and Ontario (-10.0 per cent). The Prairies and British Columbia are the only regions where single starts will increase in 2006. Single starts will increase by 22.7 per cent in Alberta and 10.1 per cent in British Columbia. In Saskatchewan and Manitoba, single starts will grow by 7.2 per cent and 2.5 per cent, respectively.

### Multi-family home starts to plateau in 2006

As mortgage carrying costs move higher, there will be a shift in demand from homebuyers toward less expensive multi-family homes. Unlike singles, multi-family housing starts (semi-detached, row, apartment units) will increase slightly to 109,000 units in 2006, representing a 19-year high. Multiple starts will remain robust in 2007 but will decline by 6.9 per cent to 101,500 units.

Apartment starts, which account for well over half of total multi-family starts, will increase this year by 7.5 per cent while row and semi-detached starts will decrease 3.9 per cent and 2.4 per cent, respectively.

Small gains in multiple starts are forecast in five of the ten provinces this year. However, a decline of 7.3 per cent in Québec will temper the overall Canada-wide increase.

### MLS® sales will nearly match record in 2006

In the first half of this year, existing home sales, as measured by the Multiple Listing service (MLS®), have been running slightly ahead of last year's record setting pace. Four and a half years of strong price growth combined with marginally higher mortgage rates will ease demand for existing homes in the latter part of this year and next. MLS® sales will come in at 481,700 units in 2006, nearly matching last year's record, then decrease 4.0 per cent to 462,200 units in 2007. A rise in the number of new listings coming on to the market will give potential home buyers more choice and move the existing home market closer to balanced conditions.

Sales are forecast to decline in all regions except in the Prairies. MLS® sales in Alberta, Saskatchewan, and Manitoba will rise by 13.9 per cent, 5.3 per cent and 1.5 per cent, respectively.

### Record double digit MLS® price gains in 2006

Accelerating price growth in the western provinces will lead to a 17-year high price increase of 12.0 per cent in 2006. In 2007, higher listings and lower MLS® sales will move the resale market toward more balanced conditions and growth in average MLS® prices will slow to 6.4 per cent.

# Trends Impacting Housing

## The Economy

Canada's real gross domestic product (GDP) grew at an annualized rate of 3.8 per cent in the first quarter of 2006. Interest sensitive sectors of the economy continued to perform well. Consumer spending on durable and semi-durable goods recorded very strong increases in the first three months of this year. Low interest rates, strong job growth, and rising incomes all contributed to the strength in personal expenditures.

Strong gains in personal disposable income enabled an increase in the personal savings rate alongside the sharp rise in consumer spending in the first quarter. Despite a decline in corporate profits, investment in machinery and equipment moved higher as businesses took advantage of low borrowing costs and a strong Canadian dollar. The high dollar, however, has made Canada's manufacturing sector less competitive which has hurt the export of manufactured goods.

The Canadian economy is now operating slightly above its full capacity. There are increasing inflationary risks from the growth in wages and salaries. So far, there has been little evidence of any pass-through of rising wages to core inflation with the year-over-year core consumer price index up just 1.7 per cent in June compared to a year ago. However, additional reductions in monetary stimulus may be necessary in the future if inflationary pressures begin to rise.

## Mortgage Rates

Moderate inflation and a strong Canadian dollar vis-à-vis the U.S. dollar will keep increases in Canadian interest and mortgage rates modest over the remainder of this year and in 2007.

Canadian short-term rates are expected to increase by about 100-125 basis points in 2006, with the bulk of the increase already in place. Longer-term interest rates in Canada are forecast to increase by 10-50 basis points in 2006. In 2007, interest rates in Canada are expected to stay within 25 basis points of their 2006 levels.

While mortgage rates have risen by 50-75 basis points so far this year, they are still low by historical norms. Mortgage rates are expected to remain relatively stable in the second half of this year and in 2007. One, three and five-year posted mortgage rates are forecast to be in the 5.75-6.75, 6.00-7.00, and 6.25-7.25 per cent ranges respectively in 2006-07.

## Migration

Immigration into Canada will exceed the 220,000 to 245,000 target range for new permanent residents per year in 2006 and 2007. Net migration (immigration minus emigration) will increase by 7.9 per cent to about 230,000 people in 2006 and by an additional 4.1 per cent to 239,500 net migrants in 2007. The high level of net migration will add to housing demand with the majority of newly arrived immigrants initially settling in rental accommodations. An increasing share of migrants will move into home ownership as time passes.

Although the top three destinations for new arrivals will be Ontario, Quebec and British Columbia, Alberta is attracting an increasing share of international immigration. Furthermore, Alberta's strong economy will continue to draw thousands of workers from other provinces. Strong positive net-interprovincial migration in Alberta, and to a lesser extent toward B.C., will boost demand for both rental and ownership housing in these provinces in 2006 and 2007.

## Employment and Income

A surge of full-time jobs in May pushed the seasonally adjusted unemployment rate to 6.1 per cent, the lowest unemployment rate in over three decades. The employment to population ratio also reached new heights in May at 63.2 per cent. With a record share of Canadians employed, future job growth will become increasingly constrained by growth in population.

Given the strong growth of over 200,000 jobs already achieved in the first half of this year, employment is forecast to grow by 2.0 per cent this year and 1.6 per cent in 2007. The unemployment rate will fall for a fourth consecutive year to 6.2 per cent this year and drop even lower to 6.0 per cent in 2007.

Alberta will lead the country with 3.8 per cent employment growth in 2006 and 2.4 per cent growth in 2007. Employment growth will also be relatively strong in British Columbia at 3.1 per cent in 2006 and 2.3 per cent in 2007. In contrast, job growth in the other eight provinces will be below two per cent both this year and next.

Tight labour market conditions have led to strong growth in average weekly earnings, particularly in western Canada. Income and employment growth will continue to support high levels of housing starts this year and next.

# Trends at a Glance

## Key factors and their Effects on Residential Construction

Factor	Comment
Mortgage Rates	Mortgage rates will edge higher in the second half of 2006 and into early 2007. Although mortgage rates rose marginally in the first half of the year, the higher rates combined with rising house prices have pushed up mortgage carrying costs. These higher mortgage carrying costs will slow home ownership demand, particularly for first-time buyers.
Employment	With a record high employment-to-population ratio, the economy is operating at full-employment. Thus, future job growth will be constrained by population growth. Much of the recent job growth will continue to stimulate housing demand into 2007.
Income	A tight labour market will continue to support strong income growth. Rising incomes will partially offset higher mortgage carrying costs, thereby lessening the anticipated drop in home ownership demand.
Net Migration	Net migration will continue to rise this year and next as international immigration continues to strengthen. Ontario, Quebec, and British Columbia will continue to attract the bulk of the international immigrants. Alberta, however, will continue to attract a large number of net migrants from the rest of Canada.
Natural Population Increase	As Canada's population ages, a smaller proportion of people will be in their child bearing years and the birth rate will continue to slow. The rate of increase in the natural population (births - deaths) will continue to slow. This will lessen the demand for additional housing stock in the longer term.
Consumer Confidence	The Conference Board of Canada's index of consumer confidence remains strong and is expected to remain firm throughout the forecast period. Confident consumers will continue to support demand for home ownership.
Resale Market	MLS <sup>®</sup> sales will register their second best year on record in 2006 before moderating in 2007. Easing demand combined with an increasing supply of new listings will move the resale market toward more balanced territory. However, 2006 will mark the strongest price growth since 1989 due to the sharp price gains recorded in the first half of this year in western Canada. The rate of increase in the average existing home price will slow in the latter half of this year and next.
Vacancy Rates	The growth in rental demand due to increased immigration will be offset by modest rental construction, and increased competition from the condo market. As a result, vacancy rates across Canada's metropolitan centres will edge higher in 2006.

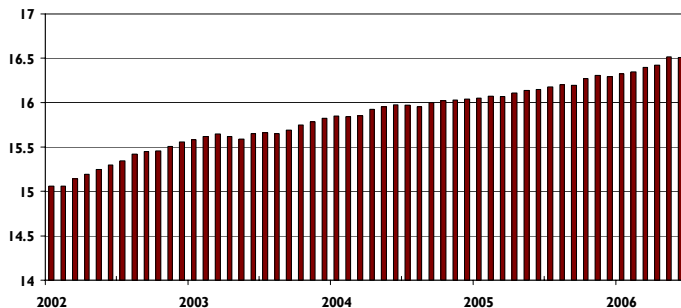
# RENOVATION FORECAST

Record levels of existing home sales in recent years, the effects of a strong job market, and robust housing starts will continue to support growth in renovation spending in 2006. However, the rate of increase in renovation spending is expected to moderate in 2007 due to slower job growth and a decrease in new home construction and resale activity.

## Renovation spending will continue to grow

Renovation spending, which has progressed at a steady pace since 1999, will continue its upward trend at least until 2007. The renovation market will continue to benefit from the strong economic growth of recent years and the solid performance of the housing market. In Particular, record high employment levels have translated into steady income gains which in turn have helped boost consumer confidence and provide greater financial means for households to upgrade their homes. Low mortgage rates, record sales of existing homes, and high levels of housing starts over the last five years have also contributed to the pick-up in renovation activity.

jobs, in millions **Total employment in Canada**



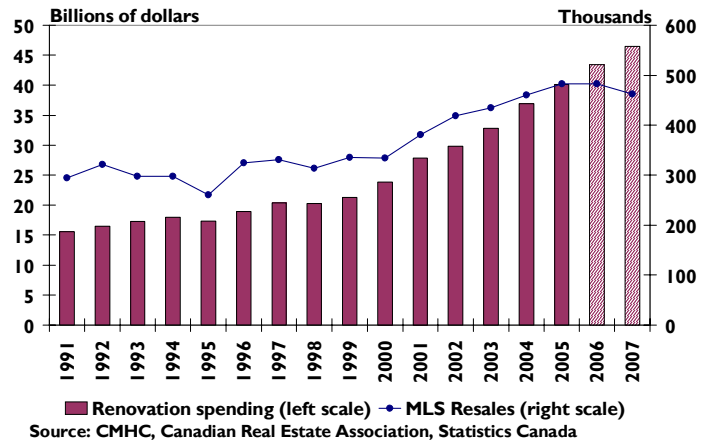
Sources: CMHC, adapted from Statistics Canada (LFS)

Looking ahead, renovation spending will climb by 8.2 per cent to reach \$43.5 billion in 2006. Growth in renovation spending will slow to 6.9 per cent in 2007 to reach \$46.5 billion.

## Another record level year on the resale market in 2006

Sales of existing homes are the main driving force behind renovation spending. MLS® sales established a new record of 483,000 units in 2005, surpassing the previous record set in 2004 by over 22,000 sales. Generally, households tend to renovate within the first three years following the purchase of an existing home.

**Renovation vs resales**



Sources: CMHC Forecast 2006-2007, Canadian Real Estate Association

This year the level of sales of existing homes is expected to stabilize at 481,700 units. In 2007, existing home sales will drop by 4.0 per cent. Still 2007 will be the fourth year in which sales exceed the 450,000 unit threshold. The record setting pace of resale activity in recent years and the continued high volume of activity over the forecast period will provide a solid foundation for renovation spending, as the new owners invest in home improvements.

## Modest rise in mortgage rates will have mitigated impact on financing renovation

Rising house prices have increased the amount of equity available to homeowners to borrow against to finance their renovation projects. Tapping into home equity represents a major source of financing renovation activity. The modest mortgage rate increases will have a slight dampening effect on renovation spending.



### **Atlantic: Renovation spending continues its upward trend in 2006 and 2007**

Rising mortgage rates, combined with rising raw material and labour costs, are leading potential homeowners to shift from the new home market to the existing home market, which has also experienced strong sales and new listings in 2006. A strong resale market benefits the renovation market as homebuyers personalize their homes. Moreover, the rising cost of new housing will cause some potential homeowners to upgrade their current home, further strengthening the renovation market. This will be offset, to a certain extent, by rising mortgage rates which are expected to cool refinancing activity, a key source of funding for renovations over the past five years. Furthermore, rising homeownership carrying costs and energy prices will leave many households with less discretionary income to spend on desired renovations. Notwithstanding these dampening factors, with MLS sales and consumer confidence forecast to remain at historic high levels in Atlantic Canada, the outlook for renovation spending remains positive for both 2006 and 2007.

### **Quebec: Renovation investment will be sustained**

Continued strength in the resale market shall help sustain renovation investment in Quebec over the next two years. As a result, spending in this sector is expected to surpass \$10 billion in 2006 and \$11 billion in 2007. However, moderate job creation, rising price pressures and interest rates, slower resale market activity and indications of weaker consumer intentions to renovate will act as dampers on growth in renovation spending during this period.

### **Ontario: Renovation spending will remain strong**

Despite a gradual easing, Ontario home sales will only dip modestly below all time record levels set in 2004. Renovation spending across the province is strongly correlated with resale activity suggesting that spending will remain strong - likely breaking 16 billion dollars this year and next. Healthy income growth and rising home prices will also be important drivers of renovation activity. This is particularly true in an environment of rising detached home prices. Households unable to find value in the single detached home market will increasingly continue to invest in their own homes hoping to reap the future rewards of higher home equity.

### **Prairies: Alberta will lead the Prairies in 2006**

Alberta will lead renovation spending across the Prairie Provinces in 2006. However, Manitoba and Saskatchewan will record stronger year-over year gains. Manitoba spending will increase 27 per cent in 2006 and 12 per cent in 2007 as a lack of resale listings are encouraging potential buyers to stay put and renovate. Manitoba has also witnessed a noticeable increase in higher-end renovations as homeowners tap into equity gains from the past four years. Renovation spending in Saskatchewan is expected to jump 18 per cent in 2006 and another nine per cent in 2007 as residents take advantage of provincial grants for retrofitting their homes. In Alberta, record resale transactions in 2006 will be credited for a 24 per cent jump in renovation spending in 2007 after posting a 14 per cent gain this year. Tremendous gains in equity will also allow existing homeowners in Alberta to finance future home renovations.

### **BC renovation activity reflects active resale market**

In 2005, British Columbians spent \$5.1 billion on new floors, kitchens, bathrooms, roofs, and other home improvements, repairs and maintenance. This robust level of renovation activity is a reflection of the age of BC's housing stock and the record level of home sales. Roughly seven per cent of the province's housing stock changed owners in 2005, resulting in people fixing up their residences for sale and making cosmetic and structural changes to newly purchased homes. The 2001 Census showed more than half of BC's houses were built more than 20 years earlier.

Looking ahead, resale activity will remain above the 100,000-mark this year and moderate slightly next year. The increasing popularity of new fixtures and renovation products will fuel increased spending on alterations and improvements. Rising energy prices will encourage energy efficient renovations as well. As a result, spending on renovation will increase 8.3 per cent in 2006 and 8.0 per cent in 2007.

**Renovation and construction expenditure**

		<b>Renovation</b>			<b>Construction</b>		
		<b>2005</b>	<b>2006F</b>	<b>2007F</b>	<b>2005</b>	<b>2006F</b>	<b>2007F</b>
Newfoundland	(\$ millions)	673	700	715	398	415	425
	(% change)	5.2	4.0	2.1	1.3	4.3	2.4
P.E.I.	(\$ millions)	153	146	149	118	115	118
	(% change)	14.5	-4.5	2.1	-7.7	-2.8	2.6
Nova Scotia	(\$ millions)	1,254	1,330	1,400	764	790	810
	(% change)	11.9	6.1	5.3	3.4	3.5	2.5
New Brunswick	(\$ millions)	954	985	1,000	510	536	543
	(% change)	9.1	3.2	1.5	3.2	4.9	1.3
Quebec	(\$ millions)	9,968	10,859	11,379	7,798	7,694	7,651
	(% change)	7.7	8.9	4.8	-4.0	-1.3	-0.6
Ontario	(\$ millions)	15,903	16,698	17,299	13,958	15,200	16,232
	(% change)	9.2	5.0	3.6	-0.9	8.9	6.8
Manitoba	(\$ millions)	1,223	1,552	1,741	660	754	799
	(% change)	9.9	26.9	12.2	8.0	14.2	6.0
Saskatchewan	(\$ millions)	1,050	1,239	1,352	473	535	571
	(% change)	7.2	18.0	9.1	12.2	13.2	6.7
Alberta	(\$ millions)	3,869	4,426	5,474	5,981	8,423	8,629
	(% change)	10.1	14.4	23.7	25.2	40.8	2.4
British Columbia	(\$ millions)	5,108	5,520	5,950	5,956	7,450	8,000
	(% change)	8.7	8.1	7.8	11.3	25.1	7.4
Canada	(\$ millions)	40,154	43,455	46,459	36,617	41,911	43,778
	(% change)	8.9	8.2	6.9	4.3	14.5	4.5

Source: Statistics Canada, CMHC forecast 2006 and 2007.

**Renovation Expenditure Breakdown**  
**(millions of dollars and annual percentage change)**

	<b>2005</b>	<b>2006F</b>	<b>2007F</b>
Alterations & Improvements	29,319	31,730	33,937
%	8.6	8.2	7.0
Repairs	10,835	11,725	12,522
%	9.5	8.2	6.8

Source: Statistics Canada, CMHC forecast 2006 and 2007.

**CMHC Renovation Forecast Components**

The figures presented in the CMHC forecast include renovation expenditures made by landlords and homeowners.

**Alterations and improvements:** Major projects leading to an increase in the value of the home, including expansions or modifications and the addition of new equipment.

**Repairs:** Regular maintenance tasks such as painting, caulking, or replacement of existing equipment.

# British Columbia

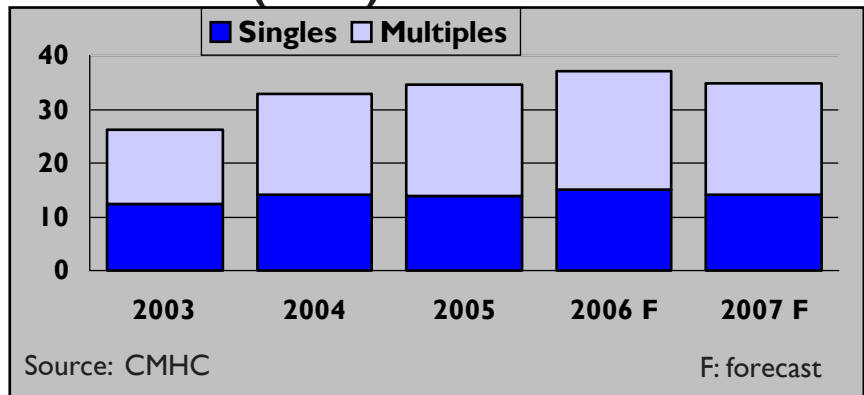
## Overview

### Housing Expansion Reaches Record Duration

Growth in new home construction in British Columbia entered its sixth consecutive year in 2006, marking the longest up-swing since the 1985-1989 expansion and the most consecutive years of growth on record. A healthy economy, a strong labour market, confident consumers, and relatively low mortgage rates will result in 37,000 housing starts this year, a 6.7 per cent increase from last year. In 2007, housing starts in B.C. will decrease to 34,900 units.

The provincial housing sector will benefit from above-average economic growth of 3.5 per cent this year and next. Investment and consumer spending will continue to be the key drivers of growth. High commodity prices will continue to generate jobs and income growth. However, a relatively high-valued Canadian dollar will encourage consumer purchases of imports and businesses investment in machinery and equipment. This will result in slower growth in domestic production than in 2005 and trade will become a drag on economic growth. Never-

## B.C. Starts (000's)



theless, the province will experience broad-based economic growth that will benefit most regions of the province.

British Columbia's employment performance has surpassed many other provinces since 2004. During the past two years, much of the job growth was concentrated in full-time jobs and included growth in the higher-paying goods sector. As a result, the province has seen growth in wages and salaries above the national average. More recent developments in the labour market, particularly the concentration of new jobs in the services-sector, could mean smaller wage gains this year.

Strong job growth has pushed the unemployment rate to historical lows in 2006 making the province a destination for job seekers. British Columbia continues to draw people from other countries and provinces, despite the magnetic attraction of Alberta. In 2006 and 2007, the unemployment rate will continue to decline, averaging 4.7 per cent and 4.4 per cent, respectively. As a result, provincial population growth will exceed the national growth rate, fuelling housing demand.

## In Detail

**Single Starts:** In 2005, single-detached housing starts declined as a land supply crunch and labour shortages held back this segment of the residential construction sector. Conditions have improved in 2006 with subdivisions opening up in areas of the Lower Mainland and Victoria, and a larger workforce. As a result, there will be 15,100 single-detached starts in 2006, falling to 14,000 units in 2007.

**Multiple Starts:** Multiple-unit starts will climb to an eleven-year high of 21,900 units in 2006 as demand for this type of housing continues. New construction will be concentrated in higher density projects reflecting rising land costs. Nearly three quarters of these multiple-unit starts will be apartments; semi-detached units will comprise less than 8 per cent of all new multiple-units started in 2006 and in 2007. Multiple starts will decrease to 20,900 units in 2007.

**Resales:** British Columbia will continue to lead the provinces in resale activity per capita. The active resale market will record

more than 100,000 MLS® sales this year and 97,000 resales in 2007.

**Prices:** Sellers' market conditions will prevail in most markets around the province. New listings are trending up in some markets, including Victoria, providing more choice for buyers. However, with demand for homes in established neighbourhoods exceeding supply, the average resale price in British Columbia will reach \$391,700 in 2006 and \$425,600 in 2007.

## Provincial Highlight

An increasing supply of available homes for sale in the resale market will provide more choice for consumers and result in smaller price gains in 2007. For example, Victoria active listings of single-detached homes are at their highest level in five years and listings of condominiums are at a seven-year high. Kelowna active listings of single-detached homes are slightly higher than 2005, up from record lows reached in 2003 and 2004. There has been an increase in active listings of Kelowna-area condominiums as new units are being marketed through the MLS® system. However some housing markets are experiencing a drawdown in the number of existing homes for sale. After an upturn in 2004, active listings in Vancouver resumed their downward trend last year and into this year. During the first five months of 2006, active listings of single-detached homes in Vancouver were down 17 per cent from the same period in 2005 and there were 19 per cent fewer condo apartments for sale.



# Alberta

## Overview

### New records expected for housing starts and MLS® sales

Economic and demographic factors will propel Alberta's residential construction industry to new heights in 2006. Total housing starts are expected to reach 49,000 units this year, surpassing the previous record of 47,925 in 1978. The strong performance will continue into 2007, though starts will slip to 45,000 units as escalating ownership costs inhibit demand.

Record low unemployment, abundant job opportunities, and impressive income growth will attract substantial levels of interprovincial migrants in 2006 and 2007. In previous years, many of those migrants arrived from British Columbia. Currently, however, Alberta is increasingly reliant on its eastern neighbours for interprovincial migrants. Alberta's Provincial Nominee Program will also boost international migration to the highest level in 16 years. As a result, expect total net migration to mirror the 24-year high of 59,043 net migrants recorded in 2005.

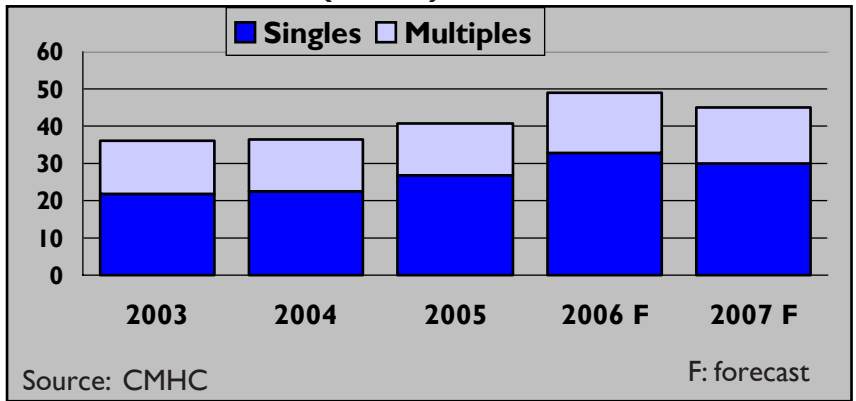
The elevated levels of migration are providing much needed additions to Alberta's labour

## In Detail

**Single Starts:** In 2005, builders started a record 26,684 units despite poor weather and labour shortages in most markets. Recent employment gains in the construction sector have boosted capacity this year, which will enable builders to fulfil much of the unsatisfied demand from 2005. As a result, a record of 32,750 single-detached units will be built this year. While single-detached units will remain the preferred choice for buyers moving forward, escalating production costs, higher mortgage rates, and additional resale selection will moderate demand. Expect a decline in single-detached construction in 2007 to 30,000 units, representing the second best year on record.

**Multiple Starts:** Starts for homeownership will reach a new record in 2006, pushing total multi-family construction to the highest level since 1982. Rising ownership costs are prompting a number of buyers to consider the less expensive multi-family market, while investors and a shortage of resale listings are also contributing to activity. Expect 16,250

## Alberta Starts (000's)



force. Combined with an increase in the participation rate, this will result in 3.8 per cent employment growth in 2006, the strongest gain in eight years. While this gain is impressive, it is still insufficient to satisfy the needs of the booming Alberta economy. In 2007, employment growth will scale back to 2.4 per cent. While net migration will continue to expand the labour force, the high participation rate will serve to inhibit job growth.

Alberta's economy is generating mounting price pressure in the residential and non-residential construction sectors. A number of energy-related and infrastructure projects are reporting cost overruns, while the cost of home construction is increasing at a record pace. A recent release of the New House Price Index (NHPI) for Alberta showed a 41 per cent increase in the cost of building a home compared to the previous year. Many of these increases can be attributed to Alberta's tight labour market. In June, average earnings in Alberta were up about eight per cent from a year ago, more than double the national increase.

multi-family starts in 2006 and another 15,000 units next year.

**Resales:** Despite escalating prices and a shortage of active resale listings, MLS® sales in Alberta will set a new record of 75,000 units in 2006. Demand will be fuelled by strong population gains and a lack of inventory in the new home market. In 2007, sales will slip slightly to 73,000 units as escalating prices inhibit demand.

**Prices:** A severe shortage of active listings, coupled with record demand in most markets, is contributing to unprecedented price growth in Alberta. Prices are forecast to jump 27.7 per cent this year, more than double the highest rate of price growth ever recorded. In 2007, price growth will moderate to 11.2 per cent as more listings enter the market. Alberta will overtake Ontario next year as the second most expensive resale market in the country.

## Provincial Highlight

Fuelled by heightened energy royalties, Alberta finished the 2005-2006 fiscal year with a record \$8.7 billion surplus. This marks the twelfth consecutive year of a surplus for the province.

Elevated energy prices boosted Alberta's resource revenues to a record \$14.3 billion, nearly \$4 billion higher than the previous record that was established five years ago. None of these revenues were required for debt reduction, as the province's debt was eliminated in the previous fiscal year. The provincial government distributed \$1.3 billion in resource rebate cheques to Albertans, amounting to \$400 per person.

# Saskatchewan

## Overview

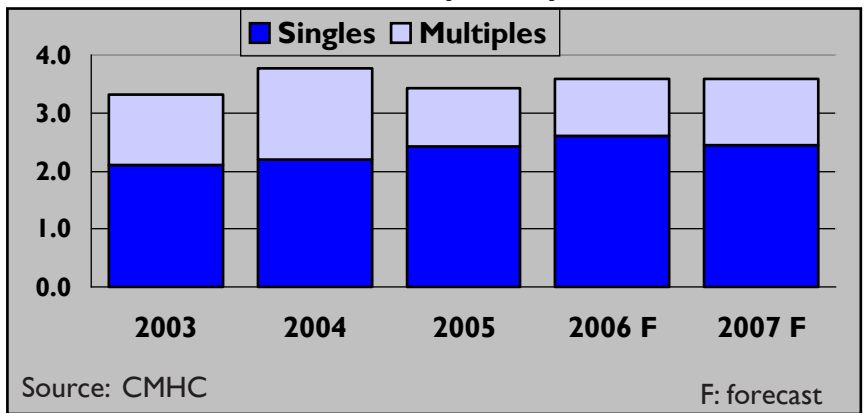
### Housing markets resilient to migratory exodus

Despite persistent migratory outflows, housing starts in Saskatchewan will remain elevated thanks to strong activity within the two largest urban centres. Total housing starts are expected to increase five per cent to 3,600 units in 2006 and remain unchanged in 2007. Next year will represent the fifth in succession that starts have surpassed 3,000 units.

Saskatchewan's economy will continue to benefit from strong global demand for its natural resources. Higher commodity prices and output in the oil and natural gas, potash, and uranium industries will help the economy grow by 2.9 per cent in 2006. Such activity will boost resource royalties for the province, leading to healthy capital expenditures and the potential for further tax cuts. In 2007, the opening of the Cigar Lake uranium mine will further advance the economy by 3.1 per cent.

While Saskatchewan's economy will record healthy gains over the forecast period, the

## Saskatchewan Starts (000's)



level of employment growth will be comparatively weak. Expansion in Saskatchewan's resource sector requires additional capital spending but is not labour intensive. This, combined with a static labour force, will contribute to only 0.4 per cent job growth in 2006 and 0.7 per cent in 2007. Nonetheless, labour shortages will persist as evidenced by a decline in the unemployment rate to below five per cent.

Despite solid economic growth and tight labour market conditions, Saskatchewan continues to experience a steady outflow of migration. In 2006, neighbouring Alberta will draw the highest level of net migration in 25 years, many of which will arrive from Saskatchewan. The province will lose 7,800 migrants in 2006 before improving slightly next year. Reduced taxes and a declining unemployment rate will stem some of the losses to other provinces in 2007, while the Provincial Nominee Program will yield continued improvement of international migration.

## In Detail

**Single starts:** Driven by strong activity in Regina and Saskatoon, single-family housing starts across the province are on pace for 2,600 units in 2006. This represents a seven per cent increase over the 2005 figure and the best annual performance since 1987. Higher mortgage rates and home prices will boost mortgage carrying costs in 2007 while declines in population will also weaken demand. As a result, expect a 5.8 per cent decrease in single starts to 2,450 next year.

**Multiple Starts:** Following a 36 per cent decline in construction in 2005, multiple housing starts are expected to increase over the forecast period. Supply was down significantly in the first quarter of 2006 providing developers an incentive to increase starts to replenish inventories. Expect 1,000 units to be started this year before increasing to 1,150 in 2007.

**Resales:** Led by stronger activity in Regina, existing home sales in Saskatchewan are on pace for their best year since 1996. Expect 8,750 residential transactions to occur in 2006, representing the third successive year of growth. We expect minor slippage to 8,700 sales in 2007 due to higher carrying costs and weak migration.

**Prices:** Though gains have been slower in the first half of this year, the average price trend for existing housing is continuing its upward swing. Price appreciation and an increase in the number of sales in higher price ranges are both driving up the average sales price. Following an 10.8 per cent gain in 2005, average resale prices in Saskatchewan will increase 7.5 per cent in 2006 and 6.1 per cent in 2007.

## Provincial Highlight

A recently published CMHC Research Highlight entitled *Aging, Residential Mobility and Housing Choices* provides insight into the surge in new condominium development for seniors and suggests this market is headed for expansion.

CMHC sponsored research indicates that 55 per cent of the seniors who moved to condominiums indicated that the desire for a smaller home and/or health concerns influenced their desire to move. The report further suggests that, based on certain assumptions, between 20 and 30 per cent of seniors living in single-family dwellings at age 65 will move out of those units in the ensuing 18 years.

# Manitoba

## Overview

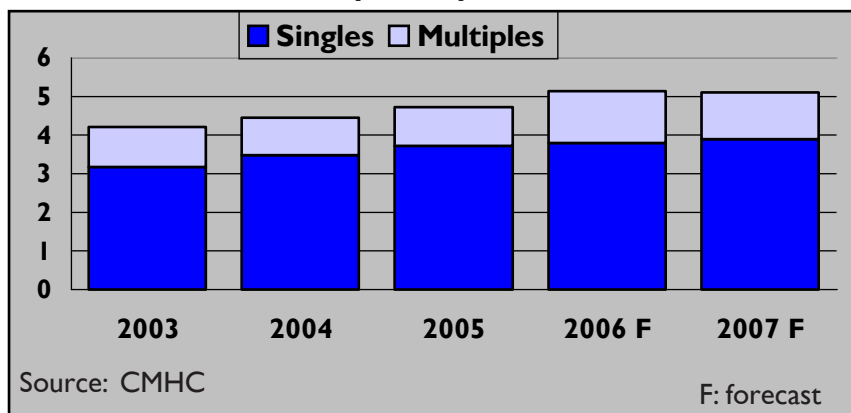
### Housing starts hit 18-year high

Buoyed by favourable demographic and economic conditions, housing starts in Manitoba will surpass 5,000 for the first time since 1988. Total housing starts are forecast to reach 5,150 units in 2006 and 5,100 units next year.

The Manitoba economy is expected to grow by 3.1 per cent in 2006 and 2.6 per cent in 2007, significantly higher than the average over the previous five years. Private and public investment will fuel much of the economic growth this year, as housing starts and a number of significant non-residential projects reach their peak. These include the Red River Floodway expansion, the Winnipeg Airport, Manitoba Hydro's new office tower, and the start of the Wuskwatim hydroelectric generating station. Export growth will also provide a boost to GDP, led by continued gains in electricity exports.

Job growth will remain modest in Manitoba and will continue to fall short of the national average. Nonetheless, the forecast employ-

## Manitoba Starts (000's)



ment expansion of 1.3 per cent for 2006 will represent the best annual performance in four years. In 2007, expect employment growth to slip to 1.1 per cent as it continues to be hampered by a shortage of skilled workers. Since 1997, Manitoba has experienced the second lowest unemployment rate in the country.

In 2005, Manitoba's net migration was negative for the first time in four years as the Alberta economy proved to be a strong magnet for inter-provincial migrants. While interprovincial migration will remain negative over the forecast period, gains via international migration will more than offset the losses to other provinces. Manitoba's Provincial Nominee Program will continue to draw international migrants at an unprecedented pace, boosting total net migration to 2,700 in 2006 and 4,250 in 2007.

## In Detail

**Single Starts:** Single-detached starts have exceeded 3,000 units for the past four years. Activity will reach 3,800 units in 2006 and increase to 3,900 units 2007. The last time the single-detached market experienced such a performance was in the mid 1980s when annual starts surpassed 3,000 units for six consecutive years. Current activity is being underpinned by a lack of supply in Winnipeg's resale market and population growth in centres under 10,000 residents.

**Multiple Starts:** Multiple-family starts are expected to reach their highest level since 1988, with 1,350 units in 2006 and 1,200 in 2007. About 70 per cent of the starts will take place in Winnipeg. Many of these are condominium projects and are geared towards first-time buyers as well as seniors seeking a more care free lifestyle.

**Resales:** Record resale activity in Winnipeg this year and next will lead to records at a provincial level. Winnipeg accounts for

about 90 per cent of the resale activity in Manitoba. Total MLS® sales in Manitoba will rise from 12,950 units in 2006 to 13,200 in 2007.

**Prices:** The average resale price continues to be influenced by a lack of listings and more sales at the top end of the market. The provincial average MLS® price is expected to increase by 12.4 per cent to surpass \$150,000 in 2006. As a result, Manitoba will experience the third highest gain in the average resale price among all provinces. Listings are anticipated to increase in 2007 as existing homeowners attempt to capitalize on equity gains. The increased supply of active listings will ease the upward pressure on prices. The average provincial MLS® price will rise 8.3 per cent in 2007.

## Provincial Highlight

Manitoba's housing starts on a per capita basis continue to lag the national average. However, the differential has narrowed since 2001. Over this period, housing starts in Manitoba increased at a compound annual rate of 13.1 per cent compared to 8.2 per cent for rest of Canada. Over the same period, Manitoba's population grew at a compound annual rate of 0.5 per cent versus one per cent for the rest of Canada. The differential will narrow further into 2007 as Canada experiences a more pronounced decline in new home construction.

# Ontario

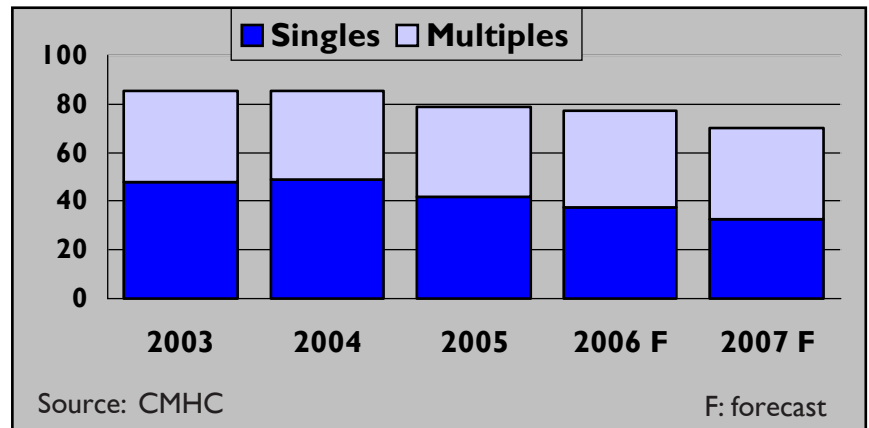
## Overview

### A Soft Landing Underway for Ontario Home Sales and Housing Starts

Less stimulative economic and demographic conditions suggest that Ontario home starts will moderate, but will remain above historical averages. Look for 77,000 and 70,000 home starts this year and next, respectively. Rising new detached home prices, more choice in the resale market, and land constraints will all dampen new construction activity.

While Ontario's economic growth will lag behind the Canadian average, the growth gap between Ontario and the rest of the country will narrow. To offset the competitive disadvantage of a high dollar, business spending on machinery and equipment will continue to grow. Productivity gains stemming from capital spending will gradually contribute to Ontario's competitiveness and growth picture. Similarly, domestic demand will

## Ontario Starts (000's)



remain healthy. Ontario incomes have supported consumers' willingness to spend despite the inflationary effects of rising energy prices. Consumer spending will continue adding to Ontario's economic growth, albeit at a slower rate. Ontario's well diversified economy will help keep job growth respectable. Look for the services sector to deliver the bulk of job gains given recent restructuring plans in Ontario's auto and forestry sectors.

Low Ontario birth rates combined with slower growth in net migration point to slower population growth ahead. While stronger immigration will boost population growth and housing demand, increases will be tempered by an outflow of Ontarians to the west.

## In Detail

**Single Starts:** Despite a rapidly growing mid 40s population which prefers low density homes, demand for higher priced detached homes will cool. Decreases in single detached starts will weigh most on total home starts between now and the end of 2007. Single starts will fall to 37,500 and 32,500 starts in 2006 and 2007 respectively.

**Multiple Starts:** A shrinking but healthy pool of first time buyers looking for less expensive homes combined with provincial government efforts to promote higher density construction, suggest condominium apartments will remain in demand. Town homes will remain popular among those wanting to be closer to the ground. Multiple starts will increase to 39,500 units this year before edging lower to 37,500 units in 2007.

**Resales:** Sales through the Multiple Listing Service will pull back only modestly from an all-time record in 2004 as home prices and

mortgage rates inch up. MLS® sales will decrease to 192,500 units this year and 184,000 units next year.

**Prices:** Ontario home prices have been growing at several times the rate of inflation. Rising existing home listings and a more balanced resale market will dampen the pace of house price growth relative to inflation. Look for Ontario home prices to rise by 6.6 and 3.8 per cent this year and next, respectively.

## Provincial Highlight

Ontario's resale market has been classified in one of five ways historically: declining, buyer's, balanced, seller's or accelerating. Since the year 2000, the province's resale market has been in seller's territory. This means buyers out-number sellers, multiple offers and bidding wars can occur and prices generally grow in excess of the general rate of inflation. However, in the past year, rising borrowing rates, slower job growth and rising home listings have moved the market closer to a balanced state. A balanced market is a state where there is enough supply to meet demand, where there are few if any bidding wars and where prices tend to grow at the general rate of inflation.



# Quebec

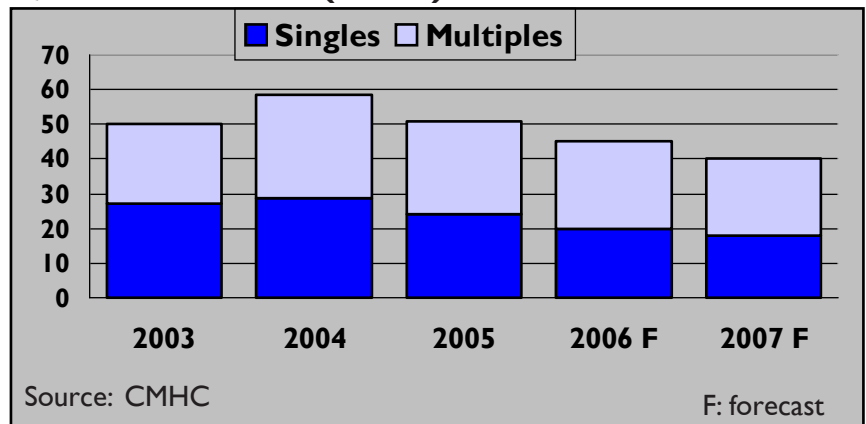
## Overview

### Housing starts to decline in 2006

Declining residential construction, a dip in sales of existing homes, weaker price growth and a more balanced rental market will be the hallmarks of Quebec's housing market in 2006. Modest economic growth, rising mortgage carrying costs, and the erosion of pent up demand will cause demand for ownership housing to slow. Housing starts will drop by 11.6 per cent in 2006 to 45,000 units and will decrease to 40,000 units by 2007.

While the province's economy is still in expansion mode, thanks to robust consumer spending and private investment, several factors are holding back growth. A strong dollar and higher energy costs are making Canadian goods more expensive in the U.S. and thus affecting demand. Meanwhile, rising labour costs continue to threaten the province's all important manufacturing sector as

## Quebec Starts (000's)



firms increasingly move their production abroad. As the provincial government attempts to balance its budget, spending remains limited, while on the municipal front, notable increases in property taxes have occurred. Given this context, we expect GDP growth of 2.4 per cent and employment to rise just above the one per cent level in 2006.

The province's demographic landscape shall remain an important source of housing demand. However, as immigration stays strong, the interprovincial component shall be weakened by attractive western labour markets. Nevertheless, total net migration is poised to rise to 31,500 in 2006.

## In Detail

**Single Starts:** Rising listings of resale homes combined with rising price levels and interest rates shall weaken single starts this year and next. This situation shall be compounded by the gradual shifting of demand toward the less expensive multi-family market. Single-family starts should thus record 20,000 units in 2006 and 18,000 in 2007.

**Multiple Starts:** Multi-family housing starts will decrease but shall remain relatively high as migration remains strong and population aging continues to generate demand for condominiums and seniors residences. It is expected that 25,000 multi-family units shall be started in 2006 and 22,000 the following year.

**Resales:** After three years of strong activity, sales of existing houses will begin to decline in 2006, as demand reacts to rising mortgage carrying costs and lacklustre growth in the provincial economy. The decline, however will be limited because a larger share of home buyers will turn to the resale market. Transactions recorded by the Multiple Listing Service (MLS®) will achieve 70,000 units in

2006 and 66,500 units in 2007.

**Prices:** Increased supply of existing homes and cooling demand shall move this market toward more balanced conditions in 2006 with slower price growth. As a result, the average MLS resale price should increase by 6.7 per cent to reach \$197,000 in 2006, and by 3.0 per cent to \$203,000 in 2007.

## Provincial Highlight

The amount of time required to build a house has been on an upward trend in Quebec for the past decade. Overall, in Quebec's major urban areas, it took an average of one and a half months longer to build a home in 2004 than it did in the 1990s. Among the likely causes is the increase in demand for new dwellings such that supply could not keep up, for lack of labour. For builders, it is all the more difficult to find skilled tradespeople during peak periods, as the wages, which are higher in the nonresidential sector, often incite these workers to opt for the better paying jobs. When accounting for building size we see that construction times are 1.4 months longer for single-detached houses and 2.7 months longer for larger buildings (50 to 99 units). With the current slowdown in construction and innovations in construction methods, the trend should reverse itself over the coming years. While the data for 2005 seems to be indicating a significant decrease in construction times, we should bear in mind that close to 3,000 buildings started last year are still under construction. We will therefore have to wait several more months before getting the real picture for 2005.

# New Brunswick

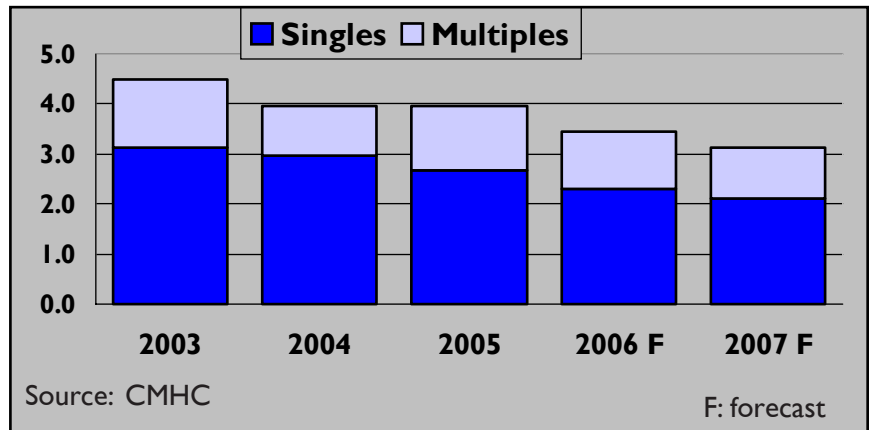
## Overview

### Economic Growth Steady

A steady performance, supplemented by a moderate acceleration in growth, is expected in 2006. Capital investment, from both the private and public sectors will continue to support economic stability in the province, helping offset rising challenges impacting different sectors of the provincial economy.

Rising mortgage rates will contribute to a modest decrease in new residential construction. Furthermore, an overall decline in the North American housing market will curtail demand for provincial wood products destined for export. The manufacturing sector, which relies heavily on exports, will continue to be constrained by the strength of the Canadian dollar and rising energy costs. Conversely, the province's mining operations will benefit from the recent upswing in the price of base metals.

## New Brunswick Starts (000's)



In addition, New Brunswick's service and retail sectors have shown above average growth compared to other provincial sectors, helping employment reach record levels for the province. Overall, GDP growth in New Brunswick is expected to remain close to 2.5 per cent in both 2006 and 2007.

The existing home market has performed well in 2006, with record high listings in the first half, due in part to concerns over rising mortgage rates and a potential slowdown in the housing market. Expect overall starts to reach 3,445 and 3,120 in 2006 and 2007, respectively.

## In Detail

**Single Starts:** Rising mortgage rates, combined with higher raw material and labour costs will curb single starts over the forecast period. Furthermore, ample inventory will lure home buyers to the existing home market. As such, expect single starts to drop to 2,295 units in 2006, and 2,115 units in 2007.

**Multiple Starts:** Following a resurgence in 2005, multiple starts have maintained a steady pace early in 2006 as more potential homeowners consider multi-family dwellings in light of rising homeownership costs. Nevertheless, multiple starts are expected to recede slightly to 1,150 units in 2006 and 1,005 units in 2007.

**Resales:** New listings reached a record high level in the first half of 2006. Unit sales are also up significantly from last year's pace. Despite the strong start, MLS® sales are expected to rise less than one per cent to 6,900 units in 2006, with a decline to 6,150 units in 2007.

**Prices:** The average MLS® price will maintain its upward trend in 2006, due to the sale of more expensive homes although the pace of growth will begin to slow, in part due to the large inventory available in the existing home market that is providing additional choices for prospective home buyers. Average MLS® price growth will remain up in 2006 rising over 5 per cent before softening in 2007 with a 1.9 per cent level of growth expected.

## Provincial Highlight

Rising mortgage rates, combined with steady increases in raw material and labour costs have lead to consistent increases in the overall cost of constructing a new home. As a result, a shift in new home construction has emerged in recent years, contributing to a sizeable escalation in the number of semi-detached units built in New Brunswick. From 1990-1999, the number of semi-detached units started in the province was relatively steady, growing by approximately 6 per cent annually. However, since 2000, semi-detached units have rapidly gained in popularity, particularly with first time home buyers. Indeed, semi-detached starts in the province have been growing by approximately 30 per cent annually during the past five years.

# Nova Scotia

## Overview

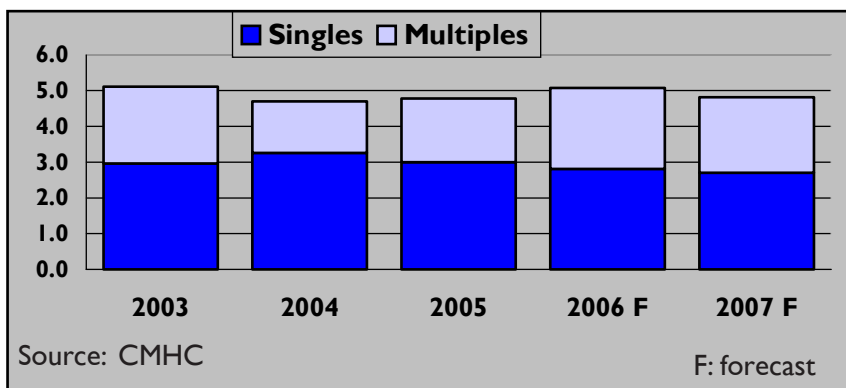
### Housing Production Remains High

The economic and housing outlook for Nova Scotia has become slightly less clear over the past three months due to a weaker than expected labour market, uncertainty about energy projects and waning optimism about demand for new apartment development. Nevertheless, the performance of the provincial housing market through the first half of this year has been in line with expectations.

As expected, non-residential construction projects have taken centre stage in the provincial economic story in 2006, but this story has included a few unexpected plot twists including the time-out on the Bear Head LNG project and the increasing likelihood of Deep Panuke proceeding to production. Otherwise, infrastructure and retail construction are expected to continue to provide sound support to this sector of the provincial economy.

Neither the provincial labour force nor employment have matched the levels posted

## Nova Scotia Starts (000's)



through the first half of last year as interprovincial out-migration to Alberta has accelerated due to better job prospects and higher wages 'out West'. This trend is not expected to abate to any significant extent over the next 18 months.

In the absence of any compelling factors that would support continuing growth in housing demand, the Nova Scotia housing starts forecast is increasingly becoming a supply-side story with large apartment projects playing the lead role. Consequently, the forecast of 5,075 total starts this year and 4,800 total starts in 2007 remains virtually unchanged from the previous quarter. However, there is an elevated downside risk to our outlook. If rental and condominium developers shelve intended projects due to further softening in new rental and condo unit absorption, multiple starts could be lower than forecast.

## In Detail

**Single Starts:** The anticipated growth in the supply of building lots will provide increased capacity for Metro Halifax homebuilders to increase production. However, rising land, labour and materials costs will challenge builders, particularly in the context of a bulging inventory of existing homes priced between \$275,000 and \$400,000. Consequently, single starts are expected to decline 6.1 per cent this year to 2,825 units and another four per cent next year to 2,700 units.

**Multiple Starts:** Multiple unit housing starts began 2006 in a very impressive fashion, but the pace of apartment construction slowed in the second quarter as condo developers experienced lacklustre pre-sales. Nevertheless, developers remain quite bullish on rental, semi, townhouse, and modest condo projects in anticipation of continuing steady growth in homeownership carrying costs. As a result, multiple starts are expected to climb to 2,250 this year, slipping to 2,100 next year.

**Resales:** Through the first half of 2006, MLS® sales have matched the record pace set last year. However, rising mortgage carrying costs and stagnant employment growth this year are expected to affect demand in 2007. As a result, MLS® sales are forecast to edge down to 10,050 units this year and fall 6.3 per cent next year to 9,420.

**Prices:** Softening resale market conditions across the province are expected to usher in a deceleration in annual average MLS® sale price growth from 9.3 per cent last year to 5.2 per cent this year and 3.1 per cent in 2007 when the average sale price will reach \$173,100.

## Provincial Highlight

With over 10,600 employees earning in excess of \$640 million in wages and salaries last year, the military is an essential component of the Nova Scotia economy. Capital investment and spending by military personnel have a tremendous direct and indirect impact on a wide range of businesses. The acquisition of new helicopters and naval supply vessels and the required on-going maintenance of this equipment suggest that the military will generate significant growth in the provincial economy over the next five years. Helicopter maintenance facilities construction is already underway in Dartmouth and there is growing optimism about the potential for Irving Shipyards in Halifax to contribute significantly to naval supply vessel fabrication. In tandem, these projects will provide welcome direct investment and spinoff benefits across numerous sectors of the provincial economy.

# P.E.I.

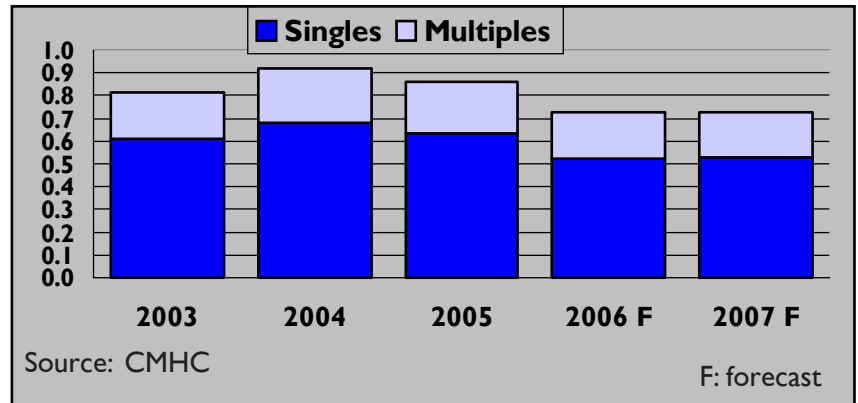
## Overview

### Starts to remain strong in 2006

Growth in the Island's economy will be in the 1.8 to 2.0 per cent range during each of the next two years. Nonresidential construction will be a key growth sector this year, expanding by over ten per cent. Several major projects, such as the Charlottetown Waterfront redevelopment, the Master Packaging expansion, the Atlantic Veterinarian Centre expansion and the QEH Expansion, will contribute towards keeping economic growth stable over both years.

However, the Island's economy does face some risk as a result of rising energy costs and the strength of the Canadian dollar. Energy prices in first five months of 2006 increased over 10 per cent relative to the same period in 2005 and are not expected to decline significantly in the near term. Also, the Canadian dollar has remained strong compared to its US dollar counterpart. The combination of these factors will put downward pressure on the Island's tourism

## P.E.I. Starts (000's)



industry and will decrease demand for some provincial exports.

Total provincial employment growth is expected to remain positive over the forecast period as a result of employment gains in the construction and manufacturing sectors. This should help offset a small reduction expected in the service sector. Also, the number of public administration jobs is expected to decline this year as the impact of the workforce reduction initiative announced in the 2005 Provincial Budget continues to be rolled out.

Housing starts are expected to decline slightly over the forecast period but remain strong in historic terms. Expect total starts to reach 725 units in both 2006 and 2007.

## In Detail

**Single Starts:** The construction of single-family homes is expected to soften to 525 units in 2006 and edge higher to 530 units in 2007. Charlottetown will continue to capture the largest number of single starts however. Single starts will decline in both rural and urban centres.

**Multiple Starts:** After the 16-year high reached in 2004, multiple starts have been slowly declining. Multiple starts in 2006 are expected to reach 200 units, a decrease of over 12 per cent. Multiple starts will edge down to 195 units in 2007. Multiple starts activity will be supported with additional units being built under the federal-provincial affordable housing program.

**Resales:** MLS® sales have remained close to the 1,400 mark in P.E.I. for the last five years. A slightly higher level of 1,500 units is expected in 2006, as buyers are shifting out of new construction to the more affordable resale market. While the level of listings in

the key urban markets has limited the number of sales in previous years, this is no longer the case. Rising prices and interest rates will act as limiting factors to growth in 2007 resulting in a decline in sales to 1,400 units.

**Prices:** Softening demand and increased listings will combine to moderate price growth. As such look for the average MLS® resale price to rise by 4.9 cent in 2006 and 2.8 per cent in 2007.

## Provincial Highlight

In 2005, semi-detached starts in the Charlottetown area reached 89 units, 35 more units than last year. This represents the highest annual level of activity for semi-detached units on record. The tenure of most of the new semi-detached units has also shifted from rental to homeownership. As recently as 2002, the vast majority of semi-detached units were built for the rental market. However in 2005 almost all of the new units were for homeownership. This shift in tenure is mainly the result of rising new home costs, causing many first-time homebuyers to purchase a semi-detached home instead of a single detached unit. The trend of increased levels of semi-detached units for the homeownership market is expected to continue as the cost of new single-detached homes continues to rise.



# Newfoundland and Labrador

## Overview

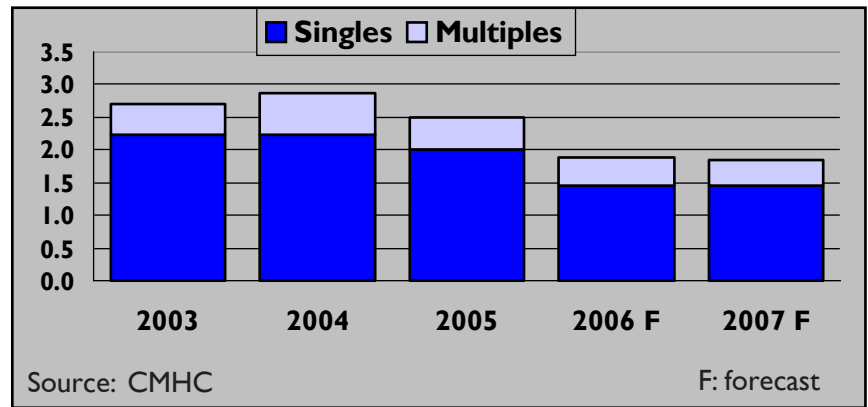
With both White Rose and Voisey's Bay recording a full year of production, economic output will increase significantly in 2006.

However, with no deal at Hebron and recent production shut-down at Terra Nova, we have revised our forecast for provincial GDP growth down from 5 per cent to 4.8 per cent.

With new discoveries and production gains, solid growth is expected to continue into 2007, but at a slower pace. The provincial government has reduced the budget deficit, providing room for the province to invest in strategic initiatives which will bolster overall government expenditures. Provincial Government wages and salaries are also slated to increase this year by 3 per cent.

Employment will edge up, by 0.5 per cent this year and next. Personal incomes will

## Newfoundland and Labrador Starts (000's)



continue to grow by 2.7 per cent this year, but with higher interest rates, only modest gains in consumer spending are expected. Ongoing population losses combined with recent interest rate increases will cause domestic demand to ease. With no new mega-projects on the horizon, employment growth will be modest this year and next. The development of power generation, offshore oil development and growth in the mining industry, present upside risk to the current forecast. With the above factors in play, housing starts will decline to 1,875 units this year and 1,850 units in 2007, as higher mortgage carrying costs and weaker employment growth dampen housing demand.

## In Detail

**Single Starts:** Rising input and development costs, growing competition from the existing home market and higher mortgage carrying costs will be the major factors behind the continued decline in single-detached housing starts this year and next. Ongoing negative net migration, and a marginal labour market performance, will push the singles market down to 1,450 units this year and in 2007.

**Multiple Starts:** An aging population and a strong local economy are persuading more developers to capitalize on the emerging condo market in St. John's. Accordingly, condo starts are forecast to increase in both 2006-2007. Nevertheless, rising mortgage carrying costs and net outmigration will cause multiple starts to fall to 425 units in 2006 and to 400 units in 2007.

**Resales:** The recent surge in MLS® listings has provided more choice in the market-place and helped sustain homebuyer activity

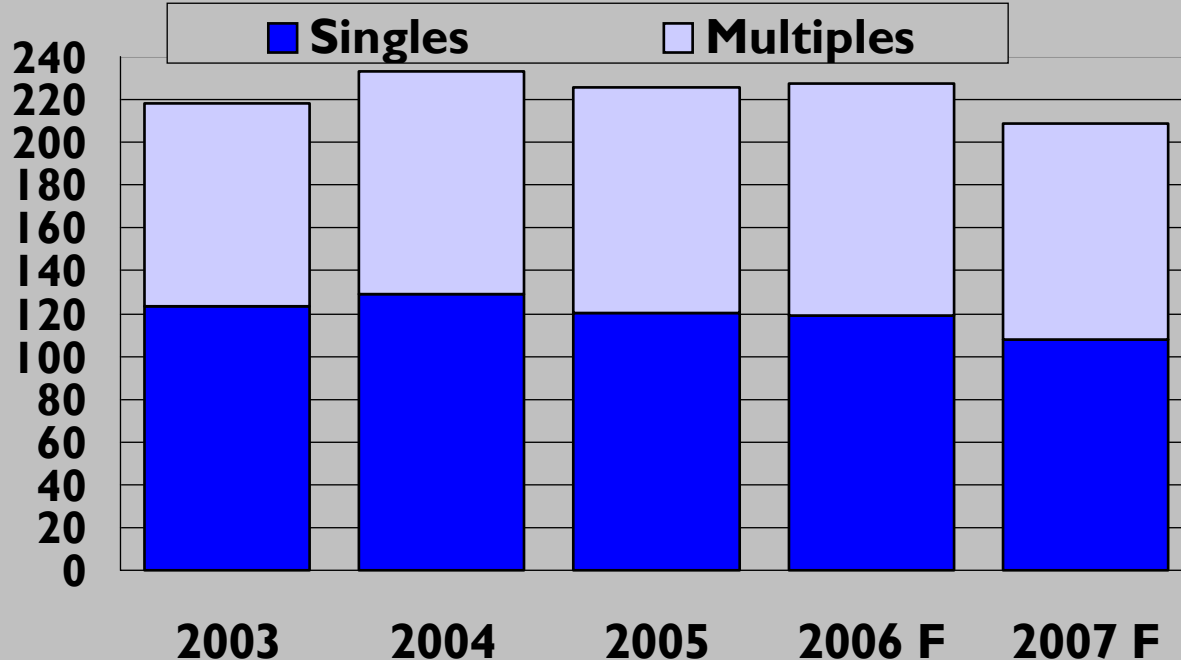
in the St. John's region. Overall demand is expected to ease somewhat this year and next. Provincial MLS® sales are forecast to decrease to 3,000 units this year to 2,850 units in 2007.

**Prices:** The recent surge in homes available for sale has caused the growth in prices to stagnate. Despite strong growth in the second half of 2005, expect prices to rise less than 1 per cent in 2006. The outlook for 2007 will be affected by a decline in demand, with the average MLS® price forecast to increase by 1.8 per cent.

## Provincial Highlight

While most of the province continues to experience negative net-migration, there is another issue in Labrador City - where will everyone live? The main employer in the town since the 1960s has donated land to help town planners deal with an impending housing crunch. During the last 30 years, less than 50 serviced lots have been developed within the town. However, an anticipated boom in mining at Iron Ore Company of Canada (IOC) has created demand for new housing. For the first time in its existence, the town of Labrador City now has land to market to prospective developers.

# Canada Starts (000's)



Source: CMHC Forecast 2006-2007.

## Total Housing Starts (units and annual percent change)

	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
<b>NFLD</b>	<b>1,788</b>	<b>2,419</b>	<b>2,692</b>	<b>2,870</b>	<b>2,498</b>	<b>1,875</b>	<b>1,850</b>
%	22.5	35.3	11.3	6.6	-13.0	-24.9	-1.3
<b>PEI</b>	<b>675</b>	<b>775</b>	<b>814</b>	<b>919</b>	<b>862</b>	<b>725</b>	<b>725</b>
%	-4.9	14.8	5.0	12.9	-6.2	-15.9	0.0
<b>NS</b>	<b>4,092</b>	<b>4,970</b>	<b>5,096</b>	<b>4,717</b>	<b>4,775</b>	<b>5,075</b>	<b>4,800</b>
%	-7.7	21.5	2.5	-7.4	1.2	6.3	-5.4
<b>NB</b>	<b>3,462</b>	<b>3,862</b>	<b>4,489</b>	<b>3,947</b>	<b>3,959</b>	<b>3,445</b>	<b>3,120</b>
%	12.4	11.6	16.2	-12.1	0.3	-13.0	-9.4
<b>QUE</b>	<b>27,682</b>	<b>42,452</b>	<b>50,289</b>	<b>58,448</b>	<b>50,910</b>	<b>45,000</b>	<b>40,000</b>
%	12.1	53.4	18.5	16.2	-12.9	-11.6	-11.1
<b>ONT</b>	<b>73,282</b>	<b>83,597</b>	<b>85,180</b>	<b>85,114</b>	<b>78,795</b>	<b>77,000</b>	<b>70,000</b>
%	2.5	14.1	1.9	-0.1	-7.4	-2.3	-9.1
<b>MAN</b>	<b>2,963</b>	<b>3,617</b>	<b>4,206</b>	<b>4,440</b>	<b>4,731</b>	<b>5,150</b>	<b>5,100</b>
%	15.7	22.1	16.3	5.6	6.6	8.9	-1.0
<b>SASK</b>	<b>2,381</b>	<b>2,963</b>	<b>3,315</b>	<b>3,781</b>	<b>3,437</b>	<b>3,600</b>	<b>3,600</b>
%	-5.3	24.4	11.9	14.1	-9.1	4.7	0.0
<b>ALTA</b>	<b>29,174</b>	<b>38,754</b>	<b>36,171</b>	<b>36,270</b>	<b>40,847</b>	<b>49,000</b>	<b>45,000</b>
%	11.1	32.8	-6.7	0.3	12.6	20.0	-8.2
<b>BC</b>	<b>17,234</b>	<b>21,625</b>	<b>26,174</b>	<b>32,925</b>	<b>34,667</b>	<b>37,000</b>	<b>34,900</b>
%	19.5	25.5	21.0	25.8	5.3	6.7	-5.7
<b>Canada</b>	<b>162,733</b>	<b>205,034</b>	<b>218,426</b>	<b>233,431</b>	<b>225,481</b>	<b>*227,900</b>	<b>*209,100</b>
%	7.3	26.0	6.5	6.9	-3.4	1.1	-8.2

Source: CMHC Forecast 2006-2007.

(F) Forecast.

\* Total does not add due to rounding.

### Single-detached Starts (units and annual percent change)

	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
<b>NFLD</b>	<b>1,598</b>	<b>2,092</b>	<b>2,240</b>	<b>2,229</b>	<b>2,005</b>	<b>1,450</b>	<b>1,450</b>
%	21.5	30.9	7.1	-0.5	-10.0	-27.7	0.0
<b>PEI</b>	<b>551</b>	<b>582</b>	<b>613</b>	<b>682</b>	<b>634</b>	<b>525</b>	<b>530</b>
%	-10.3	5.6	5.3	11.3	-7.0	-17.2	1.0
<b>NS</b>	<b>2,761</b>	<b>3,363</b>	<b>2,968</b>	<b>3,270</b>	<b>3,010</b>	<b>2,825</b>	<b>2,700</b>
%	-3.3	21.8	-11.7	10.2	-8.0	-6.1	-4.4
<b>NB</b>	<b>2,573</b>	<b>2,769</b>	<b>3,139</b>	<b>2,970</b>	<b>2,665</b>	<b>2,295</b>	<b>2,115</b>
%	5.4	7.6	13.4	-5.4	-10.3	-13.9	-7.8
<b>QUE</b>	<b>17,193</b>	<b>25,257</b>	<b>27,225</b>	<b>28,871</b>	<b>23,930</b>	<b>20,000</b>	<b>18,000</b>
%	12.0	46.9	7.8	6.0	-17.1	-16.4	-10.0
<b>ONT</b>	<b>39,632</b>	<b>51,114</b>	<b>47,610</b>	<b>48,929</b>	<b>41,682</b>	<b>37,500</b>	<b>32,500</b>
%	-3.5	29.0	-6.9	2.8	-14.8	-10.0	-13.3
<b>MAN</b>	<b>2,460</b>	<b>3,016</b>	<b>3,165</b>	<b>3,484</b>	<b>3,709</b>	<b>3,800</b>	<b>3,900</b>
%	4.8	22.6	4.9	10.1	6.5	2.5	2.6
<b>SASK</b>	<b>1,627</b>	<b>1,931</b>	<b>2,097</b>	<b>2,193</b>	<b>2,425</b>	<b>2,600</b>	<b>2,450</b>
%	-13.9	18.7	8.6	4.6	10.6	7.2	-5.8
<b>ALTA</b>	<b>19,769</b>	<b>24,520</b>	<b>21,918</b>	<b>22,487</b>	<b>26,684</b>	<b>32,750</b>	<b>30,000</b>
%	17.4	24.0	-10.6	2.6	18.7	22.7	-8.4
<b>BC</b>	<b>7,862</b>	<b>10,730</b>	<b>12,252</b>	<b>14,056</b>	<b>13,719</b>	<b>15,100</b>	<b>14,000</b>
%	5.6	36.5	14.2	14.7	-2.4	10.1	-7.3
<b>CAN</b>	<b>96,026</b>	<b>125,374</b>	<b>123,227</b>	<b>129,171</b>	<b>120,463</b>	<b>*118,800</b>	<b>*107,600</b>
%	4.2	30.6	-1.7	4.8	-6.7	-1.4	-9.4

Source: CMHC Forecast 2006-2007.

(F) Forecast.

\* Total does not add due to rounding.

### Multiple Starts (units and annual percent change)

	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
<b>NFLD</b>	<b>190</b>	<b>327</b>	<b>452</b>	<b>641</b>	<b>493</b>	<b>425</b>	<b>400</b>
%	31.9	72.1	38.2	41.8	-23.1	-13.8	-5.9
<b>PEI</b>	<b>124</b>	<b>193</b>	<b>201</b>	<b>237</b>	<b>228</b>	<b>200</b>	<b>195</b>
%	29.2	55.6	4.1	17.9	-3.8	-12.3	-2.5
<b>NS</b>	<b>1,331</b>	<b>1,607</b>	<b>2,128</b>	<b>1,447</b>	<b>1,765</b>	<b>2,250</b>	<b>2,100</b>
%	-15.5	20.7	32.4	-32.0	22.0	27.5	-6.7
<b>NB</b>	<b>889</b>	<b>1,093</b>	<b>1,350</b>	<b>977</b>	<b>1,294</b>	<b>1,150</b>	<b>1,005</b>
%	39.6	22.9	23.5	-27.6	32.4	-11.1	-12.6
<b>QUE</b>	<b>10,489</b>	<b>17,195</b>	<b>23,064</b>	<b>29,577</b>	<b>26,980</b>	<b>25,000</b>	<b>22,000</b>
%	12.2	63.9	34.1	28.2	-8.8	-7.3	-12.0
<b>ONT</b>	<b>33,650</b>	<b>32,483</b>	<b>37,570</b>	<b>36,185</b>	<b>37,113</b>	<b>39,500</b>	<b>37,500</b>
%	10.6	-3.5	15.7	-3.7	2.6	6.4	-5.1
<b>MAN</b>	<b>503</b>	<b>601</b>	<b>1,041</b>	<b>956</b>	<b>1,022</b>	<b>1,350</b>	<b>1,200</b>
%	137.3	19.5	73.2	-8.2	6.9	32.1	-11.1
<b>SASK</b>	<b>754</b>	<b>1,032</b>	<b>1,218</b>	<b>1,588</b>	<b>1,012</b>	<b>1,000</b>	<b>1,150</b>
%	21.0	36.9	18.0	30.4	-36.3	-1.2	15.0
<b>ALTA</b>	<b>9,405</b>	<b>14,234</b>	<b>14,253</b>	<b>13,783</b>	<b>14,163</b>	<b>16,250</b>	<b>15,000</b>
%	-0.3	51.3	0.1	-3.3	2.8	14.7	-7.7
<b>BC</b>	<b>9,372</b>	<b>10,895</b>	<b>13,922</b>	<b>18,869</b>	<b>20,948</b>	<b>21,900</b>	<b>20,900</b>
%	34.5	16.3	27.8	35.5	11.0	4.5	-4.6
<b>CAN</b>	<b>66,707</b>	<b>79,660</b>	<b>95,199</b>	<b>104,260</b>	<b>105,018</b>	<b>*109,000</b>	<b>*101,500</b>
%	12.2	19.4	19.5	9.6	0.7	3.8	-6.9

Source: CMHC Forecast 2006-2007.

(F) Forecast.

\* Total does not add due to rounding.

Multiple Housing Starts by Type (Units)								
		2001	2002	2003	2004	2005	2006 (F)	2007 (F)
NF	Semi-detached	30	36	66	264	151	150	125
	Row	36	42	107	51	31	25	25
	Apartment	124	249	279	326	311	250	250
	Total	190	327	452	641	493	425	400
PEI	Semi-detached	56	64	72	76	111	80	100
	Row	10	47	40	80	75	20	20
	Apartment	58	82	89	81	42	100	75
	Total	124	193	201	237	228	200	195
NS	Semi-detached	228	253	338	266	301	350	275
	Row	40	144	277	186	265	200	225
	Apartment	1,063	1,210	1,513	995	1,199	1,700	1,600
	Total	1,331	1,607	2,128	1,447	1,765	2,250	2,100
NB	Semi-detached	114	186	254	293	391	290	310
	Row	153	68	143	256	203	210	115
	Apartment	622	839	953	428	700	650	580
	Total	889	1,093	1,350	977	1,294	1,150	1,005
QC	Semi-detached	1,309	1,855	2,432	2,932	2,678	2,500	2,100
	Row	869	964	773	1,109	1,074	1,000	900
	Apartment	8,311	14,376	19,859	25,536	23,228	21,500	19,000
	Total	10,489	17,195	23,064	29,577	26,980	25,000	22,000
ON	Semi-detached	7,106	6,886	6,379	5,172	4,673	4,300	3,800
	Row	10,269	11,849	12,191	12,824	12,537	12,000	11,200
	Apartment	16,275	13,748	19,000	18,189	19,903	23,200	22,500
	Total	33,650	32,483	37,570	36,185	37,113	39,500	37,500
MAN	Semi-detached	51	68	88	132	133	100	90
	Row	84	76	62	92	161	100	100
	Apartment	368	457	891	732	728	1,150	1,010
	Total	503	601	1,041	956	1,022	1,350	1,200
SK	Semi-detached	116	142	95	184	236	200	200
	Row	240	456	594	681	378	400	400
	Apartment	398	434	529	723	398	400	550
	Total	754	1,032	1,218	1,588	1,012	1,000	1,150
ALB	Semi-detached	1,957	2,869	2,567	2,916	3,012	3,500	3,500
	Row	1,779	2,531	2,859	2,401	2,951	3,100	3,000
	Apartment	5,669	8,834	8,827	8,466	8,200	9,650	8,500
	Total	9,405	14,234	14,253	13,783	14,163	16,250	15,000
B.C.	Semi-detached	916	1,225	1,353	2,062	1,791	1,680	1,600
	Row	1,686	2,305	3,297	4,387	4,459	4,220	4,000
	Apartment	6,770	7,365	9,272	12,420	14,698	16,000	15,300
	Total	9,372	10,895	13,922	18,869	20,948	21,900	20,900
CAN	Semi-detached	11,883	13,584	13,644	14,297	13,477	13,150	12,100
	Row	15,166	18,482	20,343	22,067	22,134	21,275	19,985
	Apartment	39,658	47,594	61,212	67,896	69,407	74,600	69,365
	Total	66,707	79,660	95,199	104,260	105,018	*109,000	*101,500

Source: CMHC Forecast 2006-2007.

\* Total does not add due to rounding.

### Total Residential Resales (units and annual percent change)

	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
<b>NFLD</b>	<b>2,808</b>	<b>3,014</b>	<b>3,238</b>	<b>3,265</b>	<b>3,211</b>	<b>3,000</b>	<b>2,850</b>
%	8.3	7.3	7.4	0.8	-1.7	-6.6	-5.0
<b>PEI</b>	<b>1,234</b>	<b>1,306</b>	<b>1,404</b>	<b>1,500</b>	<b>1,449</b>	<b>1,500</b>	<b>1,400</b>
%	2.3	5.8	7.5	6.8	-3.4	3.5	-6.7
<b>NS</b>	<b>9,441</b>	<b>10,243</b>	<b>9,221</b>	<b>8,887</b>	<b>10,387</b>	<b>10,050</b>	<b>9,420</b>
%	10.1	8.5	-10.0	-3.6	16.9	-3.2	-6.3
<b>NB</b>	<b>4,779</b>	<b>5,089</b>	<b>5,489</b>	<b>5,979</b>	<b>6,836</b>	<b>6,900</b>	<b>6,150</b>
%	5.6	6.5	7.9	8.9	14.3	0.9	-10.9
<b>QUE</b>	<b>62,351</b>	<b>68,161</b>	<b>67,130</b>	<b>69,296</b>	<b>70,649</b>	<b>70,000</b>	<b>66,500</b>
%	15.1	9.3	-1.5	3.2	2.0	-0.9	-5.0
<b>ONT</b>	<b>162,318</b>	<b>178,058</b>	<b>184,457</b>	<b>197,353</b>	<b>197,007</b>	<b>192,500</b>	<b>184,000</b>
%	10.3	9.7	3.6	7.0	-0.2	-2.3	-4.4
<b>MAN</b>	<b>11,440</b>	<b>11,108</b>	<b>11,523</b>	<b>12,098</b>	<b>12,761</b>	<b>12,950</b>	<b>13,200</b>
%	7.8	-2.9	3.7	5.0	5.5	1.5	1.9
<b>SASK</b>	<b>7,971</b>	<b>7,933</b>	<b>7,698</b>	<b>8,172</b>	<b>8,312</b>	<b>8,750</b>	<b>8,700</b>
%	5.5	-0.5	-3.0	6.2	1.7	5.3	-0.6
<b>ALTA</b>	<b>48,989</b>	<b>51,042</b>	<b>51,334</b>	<b>57,460</b>	<b>65,866</b>	<b>75,000</b>	<b>73,000</b>
%	13.1	4.2	0.6	11.9	14.6	13.9	-2.7
<b>BC</b>	<b>69,554</b>	<b>82,737</b>	<b>93,095</b>	<b>96,385</b>	<b>106,310</b>	<b>101,000</b>	<b>97,000</b>
%	28.4	19.0	12.5	3.5	10.3	-5.0	-4.0
<b>CAN**</b>	<b>380,885</b>	<b>418,691</b>	<b>434,589</b>	<b>460,395</b>	<b>482,788</b>	<b>481,700</b>	<b>462,200</b>
%	14.1	9.9	3.8	5.9	4.9	-0.2	-4.0

Sources: Canadian Real Estate Association and Real Estate Board of the Fredericton Area Inc.,  
CMHC Forecast 2006-2007.

(F) Forecast.

\* Total does not add due to rounding. \*\*Canada totals are for 10 provinces

### Average Residential Resale Price (dollars and annual percent change)

	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
<b>NFLD</b>	<b>104,376</b>	<b>113,081</b>	<b>119,822</b>	<b>131,499</b>	<b>141,167</b>	<b>142,500</b>	<b>145,000</b>
%	4.9	8.3	6.0	9.7	7.4	0.9	1.8
<b>PEI</b>	<b>87,696</b>	<b>94,964</b>	<b>101,745</b>	<b>110,815</b>	<b>117,237</b>	<b>123,000</b>	<b>126,500</b>
%	5.8	8.3	7.1	8.9	5.8	4.9	2.8
<b>NS</b>	<b>115,485</b>	<b>126,669</b>	<b>136,292</b>	<b>146,033</b>	<b>159,556</b>	<b>167,900</b>	<b>173,100</b>
%	5.1	9.7	7.6	7.1	9.3	5.2	3.1
<b>NB</b>	<b>95,947</b>	<b>100,129</b>	<b>105,858</b>	<b>112,933</b>	<b>120,641</b>	<b>127,120</b>	<b>129,565</b>
%	4.7	4.4	5.7	6.7	6.8	5.4	1.9
<b>QUE</b>	<b>115,820</b>	<b>130,403</b>	<b>151,881</b>	<b>171,099</b>	<b>184,583</b>	<b>197,000</b>	<b>203,000</b>
%	4.1	12.6	16.5	12.7	7.9	6.7	3.0
<b>ONT</b>	<b>193,357</b>	<b>210,901</b>	<b>226,824</b>	<b>245,230</b>	<b>263,042</b>	<b>280,400</b>	<b>291,000</b>
%	5.2	9.1	7.5	8.1	7.3	6.6	3.8
<b>MAN</b>	<b>93,192</b>	<b>96,531</b>	<b>106,788</b>	<b>119,245</b>	<b>133,854</b>	<b>150,500</b>	<b>163,000</b>
%	6.0	3.6	10.6	11.7	12.3	12.4	8.3
<b>SASK</b>	<b>98,310</b>	<b>101,297</b>	<b>104,995</b>	<b>110,824</b>	<b>122,765</b>	<b>132,000</b>	<b>140,000</b>
%	4.5	3.0	3.7	5.6	10.8	7.5	6.1
<b>ALTA</b>	<b>153,737</b>	<b>170,253</b>	<b>182,845</b>	<b>194,769</b>	<b>218,266</b>	<b>278,750</b>	<b>310,000</b>
%	5.1	10.7	7.4	6.5	12.1	27.7	11.2
<b>BC</b>	<b>222,822</b>	<b>238,877</b>	<b>259,968</b>	<b>289,107</b>	<b>332,224</b>	<b>391,700</b>	<b>425,600</b>
%	0.7	7.2	8.8	11.2	14.9	17.9	8.7
<b>CAN**</b>	<b>171,801</b>	<b>188,785</b>	<b>207,162</b>	<b>226,386</b>	<b>249,365</b>	<b>*279,300</b>	<b>*297,100</b>
%	4.7	9.9	9.7	9.3	10.2	12.0	6.4

Sources: Canadian Real Estate Association and Real Estate Board of the Fredericton Area Inc.,  
CMHC Forecast 2006-2007.

(F) Forecast.

\* Total does not add due to rounding. \*\*Canada totals are for 10 provinces

Employment (annual percent change)							
	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
NFLD	2.9	1.7	2.4	1.0	-0.1	0.5	0.5
PEI	1.5	1.7	2.2	1.3	1.9	0.8	1.0
NS	0.9	1.8	2.0	2.6	0.2	-0.8	0.4
NB	-0.3	3.9	0.0	2.0	0.1	1.8	0.8
QUE	1.1	3.8	1.7	1.4	1.0	1.3	1.1
ONT	1.9	1.8	3.0	1.7	1.3	1.9	1.7
MAN	0.4	2.3	0.5	1.1	0.6	1.3	1.1
SASK	-2.8	1.7	1.7	0.8	0.8	0.4	0.7
ALTA	3.0	2.4	2.7	2.4	1.5	3.8	2.4
BC	-0.5	2.3	2.5	2.4	3.3	3.1	2.3
CAN	1.2	2.4	2.4	1.8	1.4	2.0	1.6
Sources: Statistics Canada, CMHC Forecast 2006-2007. (F) Forecast.							

Unemployment Rate (percent)							
	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
NFLD	16.0	16.6	16.5	15.7	15.2	15.0	14.7
PEI	12.0	12.1	11.0	11.2	10.8	11.0	11.0
NS	9.8	9.6	9.1	8.8	8.4	8.2	7.8
NB	11.1	10.2	10.3	9.8	9.7	9.2	9.2
QUE	8.8	8.6	9.1	8.5	8.3	8.1	8.1
ONT	6.4	7.1	6.9	6.8	6.6	5.9	5.6
MAN	5.1	5.1	5.0	5.3	4.8	4.3	4.2
SASK	5.8	5.7	5.6	5.3	5.1	5.1	4.9
ALTA	4.7	5.3	5.1	4.6	3.9	3.6	3.6
BC	7.7	8.5	8.0	7.2	5.9	4.7	4.4
CAN	7.2	7.7	7.6	7.2	6.8	6.2	6.0
Sources: Statistics Canada, CMHC Forecast 2006-2007. (F) Forecast.							

Real Gross Domestic Product (annual percent change)							
	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
NFLD	1.6	16.4	6.2	-1.4	0.4	4.8	2.5
PEI	-1.1	5.8	1.5	1.8	2.0	1.8	2.0
NS	3.2	4.2	0.9	1.4	1.1	2.2	2.5
NB	1.7	4.4	1.7	2.0	0.5	2.4	2.5
QUE	1.5	2.7	2.1	2.3	2.2	2.4	2.6
ONT	1.8	3.2	1.6	2.7	2.8	3.0	3.1
MAN	0.8	1.9	1.8	2.3	2.7	3.1	2.6
SASK	-1.0	-0.2	3.8	3.4	3.2	2.9	3.1
ALTA	1.7	2.5	3.1	4.3	4.5	5.4	4.2
BC	0.6	3.5	2.7	4.0	3.5	3.5	3.5
CAN	1.8	3.1	2.0	2.9	2.9	3.1	3.0

Sources: Statistics Canada, CMHC Estimate 2005, CMHC Forecast 2006-2007  
(F) Forecast.

Total Net Migration* (persons)							
	2001	2002	2003	2004	2005	2006 (F)	2007 (F)
NFLD	-3,765	-2,657	-691	-1,508	-2,981	-3,500	-2,450
PEI	357	148	373	-4	206	300	275
NS	-195	1,100	1,362	874	-1,366	-400	-100
NB	-1,175	699	-428	215	-1,619	-1,800	-1,100
QUE	27,730	29,038	33,335	35,138	28,990	31,500	32,000
ONT	162,871	135,886	105,354	98,398	94,952	102,359	108,700
MAN	-807	1,844	3,315	5,934	-490	2,700	4,250
SASK	-7,675	-6,285	-3,605	-2,445	-6,592	-7,800	-4,600
ALTA	38,273	29,503	22,425	24,246	59,043	62,500	54,200
BC	28,700	24,488	34,120	37,331	43,106	44,200	48,300
CAN**	244,314	213,764	195,560	198,179	213,249	230,059	239,475

Sources: Statistics Canada, CMHC Forecast 2006-2007. (F) Forecast.  
 \* Sum of interprovincial migration, international migration, and non-permanent residents.  
 \*\* Excludes Yukon, Northwest Territories, and Nunavut.

Local Market Indicators							
Census Metropolitan Area		Total housing starts	Single-detached housing starts	New housing price index, annual % chg.	MLS® sales	MLS® average price	Rental vacancy rate structures of 3 units +
Victoria	2005	2,058	974	7.9	7,970	380,897	0.5
	2006(F)	2,220	1,020	9.0	7,700	418,500	0.8
	2007(F)	2,185	995	8.0	7,500	430,000	1.2
Vancouver	2005	18,914	4,935	5.5	42,222	425,745	1.4
	2006(F)	20,500	5,500	6.0	39,000	495,000	1.5
	2007(F)	20,000	5,400	7.0	37,500	520,000	1.3
Abbotsford	2005	1,012	458	na	4,035	260,856	3.8
	2006(F)	1,100	490	na	4,100	280,000	5.0
	2007(F)	1,150	500	na	3,800	295,000	3.8
Edmonton	2005	13,294	7,623	6.5	18,634	193,934	4.5
	2006(F)	14,700	9,000	15.0	21,500	240,000	1.5
	2007(F)	13,200	8,000	8.0	20,000	260,000	1.0
Calgary	2005	13,667	8,719	7.0	31,567	250,789	1.6
	2006(F)	16,500	10,500	25.0	36,000	338,500	0.6
	2007(F)	14,500	9,500	12.0	34,000	375,000	0.6
Saskatoon	2005	1,062	751	5.6	3,246	144,787	4.6
	2006(F)	1,400	700	5.0	3,400	156,000	5.0
	2007(F)	1,400	700	6.0	3,400	167,000	4.8
Regina	2005	888	572	6.4	2,730	122,284	3.0
	2006(F)	1,200	600	7.0	2,800	136,000	3.0
	2007(F)	1,000	600	6.0	2,700	150,000	3.0
Winnipeg	2005	2,586	1,756	8.5	11,415	137,062	1.7
	2006(F)	2,700	1,800	8.5	11,550	155,500	2.2
	2007(F)	2,800	1,900	8.0	11,750	168,750	2.7
Thunder Bay	2005	227	179	2.0	1,563	125,977	5.0
	2006(F)	200	150	2.0	1,497	127,558	5.0
	2007(F)	205	155	1.0	1,437	130,141	6.0
Sudbury	2005	400	384	2.0	2,593	134,440	2.0
	2006(F)	430	400	2.0	2,671	144,000	2.0
	2007(F)	440	410	1.0	2,724	149,000	3.0
Windsor	2005	1,496	1,110	2.9	5,661	163,000	10.0
	2006(F)	1,225	825	1.0	5,200	164,500	8.0
	2007(F)	1,170	800	2.0	5,000	165,500	6.0
London	2005	3,067	2,063	4.8	9,133	178,910	4.2
	2006(F)	3,400	2,100	4.7	8,985	190,200	3.8
	2007(F)	2,894	1,900	3.6	8,600	197,800	4.1
Kitchener	2005	3,763	2,082	5.0	6,147	221,511	3.3
	2006(F)	3,050	1,800	4.5	6,250	237,500	3.1
	2007(F)	2,900	1,700	4.0	6,100	247,500	2.9
St. Catharines-Niagara	2005	1,412	1,043	7.0	6,698	182,443	2.7
	2006(F)	1,420	1,000	4.5	6,800	193,450	2.4
	2007(F)	1,380	950	3.5	6,600	199,350	2.3
Hamilton	2005	3,145	1,502	6.0	13,565	229,753	4.3
	2006(F)	3,180	1,380	5.8	13,700	250,000	4.2
	2007(F)	3,155	1,350	5.5	13,500	260,000	4.0
Toronto	2005	41,596	15,797	4.5	85,672	336,176	3.7
	2006(F)	40,400	13,500	4.0	84,000	358,000	3.5
	2007(F)	36,700	11,500	3.5	81,000	371,000	3.0



## Local Market Indicators

Census Metropolitan Area		Total housing starts	Single-detached housing starts	New housing price index annual % chg.	MLS® sales	MLS® average price	Rental vacancy rate Structures of 3 units +
Oshawa*	2005	2,934	2,301	na	9,232	252,606	3.3
	2006(F)	2,980	2,140	na	9,400	260,300	3.0
	2007(F)	2,620	1,920	na	9,000	264,500	2.9
Kingston	2005	683	598	na	3,464	195,757	2.4
	2006(F)	875	550	na	3,350	210,000	2.3
	2007(F)	700	525	na	3,200	215,000	2.1
Ottawa	2005	4,982	2,350	5.5	13,300	248,358	3.3
	2006(F)	5,150	2,380	3.5	13,400	256,000	3.0
	2007(F)	5,030	2,360	2.5	13,100	262,000	2.8
Gatineau	2005	2,123	1,192	3.5	3,992	164,000	3.1
	2006(F)	2,150	1,100	3.75	4,100	170,000	3.2
	2007(F)	2,000	1,000	3.0	3,850	173,000	3.0
Montréal	2005	25,317	8,544	5.5	37,951	222,915	2.0
	2006(F)	23,000	7,500	6.0	38,000	236,000	2.5
	2007(F)	20,000	6,500	5.0	37,500	245,000	3.0
Trois-Rivières	2005	919	367	na	773	112,247	1.5
	2006(F)	950	340	na	860	117,500	1.9
	2007(F)	775	310	na	800	120,000	2.3
Sherbrooke	2005	1,076	557	na	1,287	150,800	1.2
	2006(F)	1,270	500	na	1,335	157,300	1.6
	2007(F)	890	425	na	1,230	162,600	2.0
Québec	2005	5,835	2,528	4.3	7045	151,660	1.4
	2006(F)	5,000	2,250	6.0	7150	160,700	2.0
	2007(F)	4,200	1,850	4.0	7000	166,300	2.5
Saguenay	2005	464	267	na	1,244	109,419	4.5
	2006(F)	440	250	na	1,150	117,000	5.0
	2007(F)	385	235	na	1,100	123,000	5.1
Saint John	2005	501	403	4.1	1,901	119,719	5.7
	2006(F)	500	340	3.5	1,950	128,000	5.5
	2007(F)	580	340	3.0	1,700	130,500	5.5
Halifax	2005	2,451	1,216	2.5	6,491	187,934	3.3
	2006(F)	2,775	1,125	4.5	6,250	200,000	3.6
	2007(F)	2,675	1,000	4.0	5,900	206,000	3.2
St. John's	2005	1,534	1,096	5.8	3,196	141,167	4.5
	2006(F)	1,200	825	3.5	2,900	143,500	5.0
	2007(F)	1,150	825	3.0	2,800	145,000	5.0
Charlottetown	2005	448	305	4.3	486	144,036	4.4
	2006(F)	395	245	3.0	475	150,000	4.5
	2007(F)	395	245	3.0	500	152,500	4.0
ALL METRO AREAS	2005	157,854	71,672	4.8	343,213		2.7
	2006(F)	160,310	70,310	7.3	345,473		2.7
	2007(F)	146,479	63,895	5.5	333,291		2.8

Sources: CMHC, Canadian Real Estate Association, Local real estate boards, Statistics Canada, CMHC Forecast 2006-2007

MLS® data for St. Catharines-Niagara is aggregated using total numbers of the area's three real estate boards.

\*MLS® numbers reflect all of Durham Region

n.a.: data not available

# Major Housing Indicators

## Seasonally Adjusted Annual Rates

### (levels and quarterly percent change)

	04:Q3	04:Q4	05:Q1	05:Q2	05:Q3	05:Q4	06:Q1	06:Q2
<b>New housing</b>								
Building permits, units, thousands	241.7	238.8	220.6	236.0	231.8	267.6	236.9	n.a.
%	-3.8	-1.2	-7.6	6.9	-1.8	15.5	-11.5	n.a.
Housing starts, total, thousands	238	233.1	212.3	233	227.4	224.6	248	228.9
%	2.6	-2.1	-8.9	9.8	-2.4	-1.2	10.4	-7.7
Housing starts, singles, thousands	134.4	127.4	116.1	125	116.7	121.7	132.5	121.9
%	6.4	-5.2	-8.9	7.7	-6.6	4.3	8.9	-8.0
Housing starts, multiples, thousands	103.6	105.7	96.2	108	110.7	102.9	115.5	107
%	-1.9	2.0	-9.0	12.3	2.5	-7.0	12.2	-7.4
Housing completions, total, thousands	61,642	60,035	47,053	51,688	58,095	54,406	49,321	51,784
%	26.7	-2.6	-21.6	9.9	12.4	-6.3	-9.3	5.0
New house price index, 1997=100	124.2	125.4	126.5	128.4	130.1	132.4	135.4	n.a.
%	1.30	0.97	0.88	1.50	1.30	1.79	2.27	n.a.
<b>Existing housing</b>								
MLS® resales, units, thousands	455,200	453,028	454,940	488,612	500,448	488,932	500,016	485,456
%	-3.8	-0.5	0.4	7.4	2.4	-2.3	2.3	-2.9
MLS® average resale price, \$C thousands	225,642	234,339	239,450	247,166	251,352	258,542	267,245	276,935
%	-0.0	3.9	2.2	3.2	1.7	2.9	3.4	3.6
<b>Mortgage market</b>								
1-year mortgage rate, per cent*	4.60	4.90	4.88	4.83	4.97	5.55	5.90	6.37
5-year mortgage rate, per cent*	6.38	6.25	6.12	5.90	5.80	6.15	6.40	6.82
<b>Residential investment**</b>								
Total, \$1997 millions	66,632	67,888	67,120	68,183	69,080	69,073	71,392	n.a.
%	1.8	1.9	-1.1	1.6	1.3	-0.0	3.4	n.a.
New, \$1997 millions	33,527	34,192	33,207	33,073	32,964	32,886	34,397	n.a.
%	2.2	2.0	-2.9	-0.4	-0.3	-0.2	4.6	n.a.
Alterations, \$1997 millions	23,868	24,696	24,864	25,556	25,848	26,528	27,132	n.a.
%	2.5	3.5	0.7	2.8	1.1	2.6	2.3	n.a.
Transfer costs, \$1997 millions	9,332	9,188	9,260	9,740	10,348	9,932	10,128	n.a.
%	-0.6	-1.5	0.8	5.2	6.2	-4.0	2.0	n.a.
Deflator, 1997=100	126.7	127.5	129.2	130.5	130.7	132.8	135.3	n.a.
%	0.6	0.7	1.3	1.0	0.2	1.6	1.8	n.a.

Sources: CMHC, Statistics Canada, Bank of Canada, Canadian Real Estate Association.

n.a. Data not available.

\* All indicators are seasonally adjusted, except 1-year and 5-year mortgage rates.

\*\* Residential Investment includes outlays for new permanent housing, conversion costs, cost of alterations and improvements, supplementary costs, and transfer costs.

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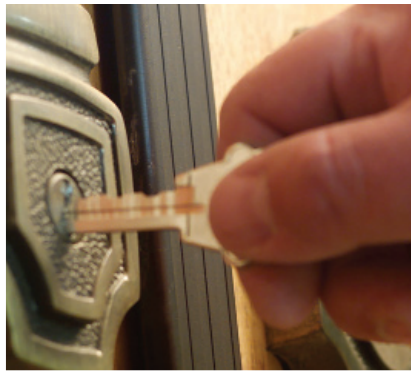
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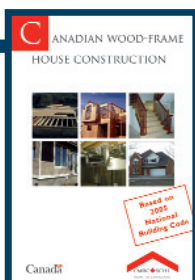
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## **Attachment 30.1**

**PEOPLE 31 HOUSEHOLD PROJECTIONS BY LOCAL HEALTH AREA**

<b>LHA</b>	<b>1986</b>	<b>1987</b>	<b>1988</b>	<b>1989</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>
1 Fernie	5,934	5,792	5,586	5,660	5,702	5,721	5,655	5,596	5,614	5,768
2 Cranbrook	7,850	7,838	7,865	8,054	8,253	8,284	8,472	8,706	9,077	9,364
3 Kimberley	3,425	3,309	3,287	3,337	3,415	3,422	3,487	3,579	3,646	3,728
4 Windermere	2,502	2,526	2,619	2,660	2,694	2,686	2,768	2,946	2,913	3,113
5 Creston	4,324	4,253	4,244	4,278	4,444	4,437	4,592	4,766	4,965	5,073
6 Kootenay Lake	1,205	1,181	1,190	1,204	1,219	1,225	1,284	1,352	1,446	1,505
7 Nelson	8,296	8,220	8,168	8,279	8,404	8,553	9,018	9,177	9,482	9,771
9 Castlegar	4,426	4,309	4,320	4,403	4,488	4,641	4,787	4,911	5,106	5,182
10 Arrow Lakes	1,870	1,826	1,806	1,806	1,841	1,902	1,904	1,999	2,072	2,099
11 Trail	8,093	7,932	7,916	8,053	8,171	8,257	8,368	8,451	8,486	8,591
12 Grand Forks	2,935	2,918	2,950	2,985	3,105	3,183	3,300	3,461	3,643	3,686
13 Kettle Valley	1,222	1,221	1,204	1,244	1,234	1,270	1,285	1,337	1,427	1,493
14 Southern Okanagan	5,858	5,855	5,918	5,886	6,195	6,407	6,638	6,947	7,256	7,500
15 Penticton	12,768	13,064	13,210	13,553	13,943	14,402	15,149	15,954	16,678	16,911
16 Keremeos	1,492	1,483	1,553	1,540	1,536	1,617	1,684	1,773	1,871	1,972
17 Princeton	1,885	1,850	1,851	1,884	1,874	1,883	1,908	1,997	2,010	2,101
18 Golden	2,469	2,491	2,602	2,583	2,578	2,540	2,590	2,636	2,699	2,788
19 Revelstoke	3,409	3,283	3,171	3,160	3,189	3,210	3,238	3,293	3,355	3,422
20 Salmon Arm	8,952	8,924	8,996	9,154	9,372	9,675	9,971	10,440	11,148	11,677
21 Armstrong - Spallumcheen	2,543	2,599	2,616	2,657	2,758	2,888	3,002	3,138	3,252	3,385
22 Vernon	17,097	17,319	17,612	17,859	18,389	18,919	19,623	20,480	21,437	21,867
23 Central Okanagan	36,443	37,272	38,320	39,910	42,310	44,533	47,538	50,366	52,384	54,125
24 Kamloops	29,487	29,876	30,230	30,734	31,543	32,184	32,905	34,189	35,648	36,907
25 100 Mile House	4,096	4,178	4,191	4,290	4,545	4,716	4,809	5,043	5,324	5,616
26 North Thompson	1,681	1,678	1,622	1,590	1,624	1,626	1,613	1,662	1,697	1,775
27 Cariboo - Chilcotin	8,722	8,737	8,756	8,676	8,719	8,816	8,904	9,111	9,306	9,652
28 Quesnel	8,223	8,339	8,337	8,304	8,425	8,407	8,407	8,573	8,876	9,164
29 Lillooet	1,706	1,656	1,608	1,656	1,676	1,654	1,693	1,763	1,774	1,822
30 South Cariboo	2,640	2,544	2,483	2,466	2,436	2,433	2,509	2,568	2,744	2,864
31 Merritt	3,526	3,554	3,549	3,576	3,618	3,717	3,784	3,909	3,958	4,131
32 Hope	2,767	2,740	2,781	2,817	2,900	2,917	2,987	3,107	3,205	3,314
33 Chilliwack	17,879	18,223	18,692	19,244	20,316	21,102	21,988	23,128	24,246	25,076
34 Abbotsford	24,096	24,983	26,160	27,616	29,487	30,647	32,165	33,654	35,199	36,765
35 Langley	24,806	25,877	27,119	28,404	29,467	30,143	31,301	33,898	35,562	36,890

**PEOPLE 31 HOUSEHOLD PROJECTIONS BY LOCAL HEALTH AREA**

<b>LHA</b>	<b>1986</b>	<b>1987</b>	<b>1988</b>	<b>1989</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>
36 Surrey Aggregate	72,674	76,612	80,377	84,888	89,660	92,723	97,322	101,168	105,095	110,274
37 Delta	26,148	26,631	27,394	28,302	29,059	29,727	30,266	30,952	31,602	32,313
38 Richmond	40,143	41,034	41,952	42,798	44,258	45,661	47,000	48,350	49,733	51,332
39 Vancouver Aggregate	203,309	203,238	204,426	205,656	206,059	207,396	211,396	213,819	219,530	224,996
40 New Westminster	20,993	20,725	21,043	21,573	21,430	21,819	22,996	22,675	23,734	23,766
41 Burnaby	62,490	62,375	63,097	63,705	64,039	64,554	66,674	67,992	69,326	70,559
42 Maple Ridge	16,044	17,087	18,261	19,439	20,570	21,277	22,123	23,092	23,912	24,743
43 Coquitlam	41,982	43,049	44,879	46,693	48,144	49,636	51,796	54,179	56,799	59,553
44 North Vancouver	42,916	43,320	44,054	44,850	45,029	45,579	46,756	47,605	48,220	48,732
45 West Vancouver-Bowen Isla	17,056	17,086	17,302	17,614	17,837	18,029	18,368	18,575	18,963	19,096
46 Sunshine Coast	7,212	7,323	7,592	7,913	8,407	8,725	9,122	9,602	10,058	10,382
47 Powell River	7,190	7,084	7,159	7,311	7,435	7,534	7,595	7,684	7,877	8,037
48 Howe Sound	5,770	6,012	6,306	6,857	7,223	7,370	7,823	8,244	8,923	9,499
49 Bella Coola Valley	906	906	923	959	981	964	975	999	1,031	1,058
50 Queen Charlotte	1,903	1,894	1,854	1,854	1,917	1,926	1,971	2,022	2,073	2,122
51 Snow Country	369	403	413	456	491	473	432	382	388	391
52 Prince Rupert	6,177	6,296	6,289	6,441	6,482	6,543	6,635	6,668	6,639	6,694
53 Upper Skeena	1,332	1,421	1,482	1,505	1,570	1,586	1,607	1,641	1,728	1,776
54 Smithers	5,089	5,117	5,112	5,126	5,271	5,346	5,506	5,618	5,769	5,938
55 Burns Lake	2,335	2,362	2,402	2,366	2,392	2,409	2,412	2,440	2,526	2,571
56 Nechako	4,920	4,962	5,020	5,089	5,151	5,224	5,329	5,411	5,576	5,789
57 Prince George	31,102	31,076	31,126	31,369	31,760	32,123	32,616	33,718	34,604	35,565
59 Peace River South	9,629	9,642	9,509	9,690	9,878	10,167	10,146	10,097	10,118	10,221
60 Peace River North	8,619	8,495	8,430	8,544	8,664	8,852	8,885	9,076	9,332	9,634
61 Greater Victoria	83,136	83,868	84,352	85,310	86,291	86,920	88,750	90,297	91,190	92,614
62 Sooke	14,486	14,750	15,064	15,554	15,698	16,080	16,670	17,336	17,860	18,237
63 Saanich	15,733	16,200	17,082	17,919	19,011	19,739	20,440	21,119	22,014	22,610
64 Gulf Islands	4,141	4,198	4,374	4,557	4,852	5,140	5,325	5,565	5,794	6,005
65 Cowichan	13,655	13,828	14,119	14,613	15,404	15,987	16,591	17,379	18,205	18,805
66 Lake Cowichan	1,921	1,913	1,897	1,938	1,970	2,028	2,109	2,185	2,318	2,453
67 Ladysmith	4,949	4,935	5,030	5,091	5,185	5,291	5,382	5,607	6,005	6,254
68 Nanaimo	24,730	25,012	25,674	26,673	28,033	29,734	30,834	32,224	33,806	34,745
69 Qualicum	9,433	9,610	9,968	10,468	11,262	11,937	12,616	13,536	14,569	15,365
70 Alberni	11,419	11,465	11,498	11,611	11,828	11,908	11,813	12,104	12,096	12,578

**PEOPLE 31 HOUSEHOLD PROJECTIONS BY LOCAL HEALTH AREA**

<b>LHA</b>	<b>1986</b>	<b>1987</b>	<b>1988</b>	<b>1989</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>
71 Courtenay	15,094	15,267	15,655	16,194	16,771	17,651	18,409	19,467	20,904	21,918
72 Campbell River	11,280	11,466	11,840	12,216	12,753	12,983	13,271	13,787	14,443	14,938
75 Mission	8,924	9,017	9,295	9,570	9,923	10,185	10,644	11,103	11,514	11,823
76 Agassiz - Harrison	2,029	1,993	1,915	1,924	2,078	2,075	2,145	2,274	2,446	2,509
77 Summerland	3,347	3,417	3,489	3,499	3,631	3,785	4,013	4,141	4,430	4,535
78 Enderby	2,055	2,042	2,029	2,020	2,072	2,209	2,312	2,408	2,586	2,675
80 Kitimat	4,107	4,113	4,092	4,123	4,182	4,327	4,347	4,357	4,384	4,360
81 Fort Nelson	1,773	1,726	1,694	1,628	1,629	1,732	1,780	1,808	1,845	1,942
83 Central Coast	387	413	422	441	494	499	515	519	538	551
84 Vancouver Island West	1,249	1,209	1,220	1,192	1,260	1,251	1,286	1,278	1,235	1,232
85 Vancouver Island North	5,307	5,210	5,209	5,196	5,181	5,108	5,099	5,207	5,357	5,471
87 Stikine	733	728	742	723	748	797	611	499	485	508
88 Terrace	6,347	6,524	6,601	6,711	6,843	6,885	7,051	7,303	7,469	7,706
92 Nisga'a	374	370	380	394	405	431	473	468	467	499
94 Telegraph Creek	180	175	175	180	184	196	195	187	192	189
161 City Centre	44,346	44,135	44,259	44,078	44,117	44,045	44,928	45,511	47,955	50,129
162 Downtown Eastside	21,101	21,479	21,836	22,206	22,333	22,701	23,096	23,686	24,849	25,535
163 North East	25,474	25,574	25,732	26,088	26,194	26,488	26,726	28,010	28,468	29,207
164 West Side	46,689	46,325	46,508	46,668	46,735	47,028	47,885	48,475	48,873	49,137
165 Midtown	28,938	29,105	29,348	29,686	29,753	30,044	30,399	30,264	30,930	31,569
166 South Vancouver	36,761	36,620	36,743	36,930	36,927	37,090	38,362	37,873	38,455	39,419
201 Surrey	52,526	55,619	58,612	62,175	65,959	68,512	72,288	75,537	78,877	83,192
202 South Surrey/White Rock	20,148	20,993	21,765	22,713	23,701	24,211	25,034	25,631	26,218	27,082



**PEOPLE 31 HOUSEHOLD PROJECT**

LHA	Estimated									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1 Fernie	6,000	5,902	5,816	5,873	6,007	6,205	6,281	6,324	6,448	6,588
2 Cranbrook	9,544	9,707	9,843	9,960	9,996	10,180	10,351	10,634	10,812	11,123
3 Kimberley	3,762	3,765	3,736	3,750	3,811	3,829	3,894	4,032	4,178	4,346
4 Windermere	3,287	3,389	3,348	3,405	3,487	3,674	3,770	4,016	4,390	4,635
5 Creston	5,180	5,301	5,294	5,256	5,316	5,390	5,372	5,389	5,421	5,544
6 Kootenay Lake	1,567	1,603	1,598	1,589	1,584	1,612	1,584	1,628	1,652	1,673
7 Nelson	10,042	10,155	10,092	10,153	10,206	10,457	10,521	10,832	10,960	11,180
9 Castlegar	5,317	5,348	5,385	5,438	5,495	5,516	5,538	5,671	5,721	5,829
10 Arrow Lakes	2,152	2,185	2,207	2,202	2,181	2,265	2,254	2,318	2,376	2,443
11 Trail	8,685	8,646	8,576	8,557	8,588	8,678	8,706	8,777	8,766	8,911
12 Grand Forks	3,727	3,808	3,827	3,877	3,882	3,935	3,959	4,069	4,144	4,273
13 Kettle Valley	1,524	1,555	1,572	1,559	1,591	1,602	1,581	1,637	1,665	1,742
14 Southern Okanagan	7,644	7,875	7,970	8,020	8,033	8,074	8,294	8,464	8,757	9,261
15 Penticton	17,130	17,443	17,443	17,580	17,731	18,082	18,112	18,440	18,808	19,192
16 Keremeos	1,987	2,028	2,087	2,122	2,120	2,171	2,239	2,259	2,362	2,518
17 Princeton	2,168	2,168	2,141	2,203	2,226	2,181	2,210	2,274	2,344	2,465
18 Golden	2,850	2,864	2,804	2,787	2,811	2,875	2,898	2,991	3,117	3,199
19 Revelstoke	3,506	3,507	3,418	3,364	3,375	3,444	3,442	3,478	3,550	3,625
20 Salmon Arm	12,087	12,347	12,577	12,688	12,787	12,998	13,184	13,593	14,168	14,726
21 Armstrong - Spallumcheen	3,497	3,564	3,614	3,648	3,691	3,726	3,912	4,037	4,251	4,397
22 Vernon	22,448	23,013	23,212	23,396	23,945	24,381	24,625	25,388	26,202	27,117
23 Central Okanagan	55,787	57,631	59,118	60,047	61,096	62,449	63,511	65,958	67,958	71,039
24 Kamloops	38,279	39,044	39,603	39,904	40,310	40,686	41,255	42,223	43,405	44,647
25 100 Mile House	5,865	6,001	5,984	5,978	5,945	5,917	5,947	6,064	6,342	6,579
26 North Thompson	1,819	1,873	1,888	1,891	1,936	1,968	1,973	2,067	2,184	2,279
27 Cariboo - Chilcotin	9,983	10,227	10,287	10,353	10,468	10,570	10,531	10,760	11,228	11,533
28 Quesnel	9,572	9,836	9,856	9,742	9,792	9,797	9,755	10,017	10,398	10,721
29 Lillooet	1,854	1,875	1,799	1,763	1,763	1,809	1,804	1,816	1,891	1,892
30 South Cariboo	2,986	3,018	2,923	2,893	2,894	2,935	2,877	2,968	3,182	3,276
31 Merritt	4,234	4,267	4,270	4,266	4,247	4,357	4,321	4,415	4,592	4,715
32 Hope	3,398	3,421	3,397	3,375	3,368	3,481	3,509	3,542	3,679	3,781
33 Chilliwack	25,940	26,413	26,710	27,135	27,272	28,104	28,268	29,050	30,070	31,027
34 Abbotsford	38,102	39,285	39,708	40,303	41,127	41,938	42,735	43,567	45,507	46,464
35 Langley	37,720	39,047	40,053	40,768	41,296	41,734	42,996	44,736	46,665	49,255

**PEOPLE 31 HOUSEHOLD PROJECTIO**

LHA	Estimated									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
36 Surrey Aggregate	114,331	118,594	122,550	126,060	128,873	130,143	141,799	147,867	154,001	161,040
37 Delta	32,954	33,320	33,714	34,017	34,176	34,371	35,127	36,202	37,248	38,543
38 Richmond	53,025	54,406	56,172	57,706	58,379	59,274	61,297	63,385	65,595	67,446
39 Vancouver Aggregate	231,808	235,921	238,213	241,474	245,247	248,701	252,449	254,496	256,470	258,469
40 New Westminster	24,609	25,174	25,679	25,980	26,440	26,719	27,061	27,486	27,525	27,487
41 Burnaby	71,771	73,043	73,987	75,295	76,659	77,240	77,937	79,269	80,665	82,405
42 Maple Ridge	25,600	26,410	27,011	27,804	28,531	29,179	30,575	31,920	33,378	35,443
43 Coquitlam	62,071	64,195	66,259	68,098	69,177	70,174	72,778	74,971	77,208	80,710
44 North Vancouver	49,632	50,328	50,986	51,443	51,928	52,584	53,581	54,788	55,735	56,393
45 West Vancouver-Bowen Isla	19,343	19,459	19,710	20,014	20,195	20,017	20,364	20,852	21,286	21,808
46 Sunshine Coast	10,775	10,987	11,117	11,205	11,266	11,468	11,517	11,985	12,441	13,117
47 Powell River	8,294	8,439	8,405	8,390	8,394	8,552	8,498	8,612	8,815	8,962
48 Howe Sound	10,028	10,521	10,865	10,956	10,911	11,042	11,238	11,642	12,009	12,375
49 Bella Coola Valley	1,120	1,119	1,054	1,028	1,008	990	943	929	915	927
50 Queen Charlotte	2,190	2,005	1,923	1,874	1,809	1,811	1,808	1,829	1,853	1,876
51 Snow Country	380	350	314	303	319	313	309	321	340	336
52 Prince Rupert	6,746	6,744	6,451	6,307	6,258	6,309	6,181	6,166	6,267	6,305
53 Upper Skeena	1,843	1,876	1,860	1,880	1,886	1,920	1,944	1,968	2,005	2,012
54 Smithers	6,174	6,343	6,418	6,386	6,401	6,439	6,422	6,442	6,717	6,711
55 Burns Lake	2,666	2,689	2,662	2,693	2,695	2,729	2,701	2,736	2,831	2,887
56 Nechako	5,986	6,040	5,966	5,882	5,905	5,958	5,818	5,835	6,073	6,212
57 Prince George	36,434	37,251	37,321	37,088	37,096	37,619	37,442	38,533	39,871	40,254
59 Peace River South	10,498	10,510	10,366	10,242	10,073	10,101	10,036	10,161	10,829	11,086
60 Peace River North	9,937	10,081	10,200	10,334	10,542	11,041	11,048	11,168	11,892	12,141
61 Greater Victoria	93,280	94,449	94,127	94,207	94,827	95,996	95,276	95,190	95,978	96,592
62 Sooke	18,643	19,155	19,417	19,613	20,000	20,168	20,758	21,622	22,710	24,053
63 Saanich	23,262	23,490	23,806	24,097	24,385	24,581	25,328	26,145	26,850	27,895
64 Gulf Islands	6,167	6,294	6,374	6,519	6,568	6,638	6,703	7,056	7,352	7,725
65 Cowichan	19,341	19,658	19,842	20,020	20,350	20,601	20,813	21,421	22,084	22,737
66 Lake Cowichan	2,508	2,492	2,491	2,512	2,469	2,473	2,490	2,586	2,699	2,811
67 Ladysmith	6,392	6,649	6,616	6,586	6,516	6,779	6,796	7,071	7,346	7,665
68 Nanaimo	35,640	36,663	36,980	37,538	37,996	38,917	39,103	40,962	42,077	43,279
69 Qualicum	15,920	16,494	16,850	17,018	17,398	17,730	17,998	17,925	18,572	19,866
70 Alberni	12,729	12,817	12,710	12,639	12,656	12,856	12,843	12,956	13,274	13,517

PEOPLE 31 HOUSEHOLD PROJECTIO

LHA	Estimated									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
71 Courtenay	22,594	23,086	23,404	23,590	23,687	24,170	24,347	25,164	26,047	27,109
72 Campbell River	15,437	15,743	15,859	15,785	15,752	15,900	15,977	16,365	16,831	17,464
75 Mission	12,090	12,304	12,589	12,780	12,900	12,973	13,428	14,055	14,854	15,632
76 Agassiz - Harrison	2,586	2,676	2,684	2,682	2,732	2,891	2,947	3,072	3,229	3,383
77 Summerland	4,604	4,679	4,676	4,697	4,777	4,874	4,995	5,150	5,287	5,470
78 Enderby	2,786	2,840	2,831	2,869	2,872	2,880	2,933	3,027	3,203	3,348
80 Kitimat	4,470	4,488	4,367	4,306	4,169	4,179	4,054	4,102	4,237	4,259
81 Fort Nelson	2,030	2,081	2,009	1,937	1,864	1,894	1,874	1,934	2,076	2,143
83 Central Coast	564	606	585	569	542	527	527	538	540	557
84 Vancouver Island West	1,240	1,194	1,090	1,007	983	928	896	885	887	887
85 Vancouver Island North	5,636	5,629	5,460	5,384	5,311	5,328	5,286	5,394	5,477	5,618
87 Stikine	532	539	521	510	499	507	493	528	530	547
88 Terrace	7,919	8,085	7,967	7,881	7,890	7,933	7,803	7,953	8,170	8,243
92 Nisga'a	521	517	483	475	472	428	423	460	492	518
94 Telegraph Creek	188	194	188	179	186	204	194	203	205	207
161 City Centre	52,411	53,732	54,685	55,801	57,615	59,617	60,114	61,433	63,178	64,616
162 Downtown Eastside	26,254	26,725	26,428	26,188	26,262	27,332	27,846	28,331	28,372	28,439
163 North East	30,263	30,887	31,651	32,816	33,243	32,753	33,057	33,287	33,348	33,560
164 West Side	50,285	50,807	50,597	50,587	51,049	51,901	52,150	52,089	52,281	52,725
165 Midtown	32,309	32,929	33,405	33,822	34,136	34,425	34,639	35,061	34,968	34,752
166 South Vancouver	40,286	40,841	41,447	42,260	42,942	42,673	42,379	42,248	42,349	42,378
201 Surrey	86,696	90,102	93,354	96,267	98,631	99,704	104,349	109,075	113,930	118,965
202 South Surrey/White Rock	27,635	28,492	29,196	29,793	30,242	30,439	31,754	32,724	33,937	35,036

**PEOPLE 31 HOUSEHOLD PROJECTIO**

LHA	Projected									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1 Fernie	6,747	6,908	7,039	7,190	7,363	7,488	7,605	7,725	7,801	7,900
2 Cranbrook	11,303	11,517	11,694	11,876	12,065	12,247	12,411	12,558	12,690	12,829
3 Kimberley	4,394	4,438	4,478	4,513	4,595	4,640	4,675	4,715	4,731	4,756
4 Windermere	4,744	4,853	4,952	5,054	5,159	5,261	5,361	5,461	5,573	5,687
5 Creston	5,640	5,747	5,843	5,961	6,037	6,101	6,159	6,191	6,223	6,260
6 Kootenay Lake	1,691	1,717	1,723	1,747	1,773	1,812	1,833	1,857	1,865	1,873
7 Nelson	11,449	11,691	11,926	12,166	12,404	12,611	12,830	13,017	13,214	13,379
9 Castlegar	5,907	5,991	6,087	6,195	6,285	6,392	6,499	6,551	6,607	6,659
10 Arrow Lakes	2,486	2,515	2,548	2,566	2,606	2,632	2,675	2,692	2,741	2,786
11 Trail	8,945	9,046	9,155	9,219	9,321	9,409	9,520	9,599	9,658	9,701
12 Grand Forks	4,388	4,458	4,503	4,594	4,650	4,718	4,770	4,812	4,867	4,878
13 Kettle Valley	1,789	1,818	1,858	1,892	1,956	1,994	2,023	2,055	2,084	2,114
14 Southern Okanagan	9,577	9,825	9,998	10,199	10,373	10,524	10,630	10,790	10,930	11,056
15 Penticton	19,657	20,072	20,519	20,976	21,435	21,872	22,287	22,705	23,106	23,510
16 Keremeos	2,593	2,647	2,706	2,722	2,740	2,759	2,794	2,822	2,858	2,858
17 Princeton	2,534	2,561	2,584	2,615	2,625	2,654	2,682	2,701	2,699	2,706
18 Golden	3,280	3,375	3,462	3,555	3,628	3,712	3,785	3,857	3,923	4,019
19 Revelstoke	3,686	3,755	3,831	3,915	3,982	4,036	4,075	4,119	4,179	4,237
20 Salmon Arm	15,172	15,562	15,876	16,212	16,599	16,912	17,262	17,608	17,917	18,186
21 Armstrong - Spallumcheen	4,563	4,667	4,781	4,887	4,981	5,109	5,217	5,330	5,440	5,551
22 Vernon	27,939	28,578	29,201	29,835	30,426	31,036	31,606	32,173	32,721	33,223
23 Central Okanagan	73,694	75,992	78,177	80,361	82,665	84,889	87,071	89,172	91,177	93,210
24 Kamloops	45,917	46,960	48,014	49,049	49,964	50,950	51,858	52,557	53,156	53,804
25 100 Mile House	6,818	6,949	7,103	7,219	7,336	7,398	7,481	7,494	7,543	7,599
26 North Thompson	2,361	2,420	2,479	2,533	2,591	2,632	2,669	2,713	2,747	2,790
27 Cariboo - Chilcotin	11,825	12,074	12,279	12,516	12,741	12,927	13,057	13,215	13,364	13,501
28 Quesnel	11,059	11,284	11,500	11,678	11,891	12,057	12,175	12,317	12,483	12,609
29 Lillooet	1,943	2,008	2,051	2,101	2,159	2,205	2,250	2,296	2,330	2,376
30 South Cariboo	3,374	3,411	3,465	3,503	3,559	3,605	3,627	3,651	3,671	3,700
31 Merritt	4,854	4,957	5,063	5,146	5,264	5,350	5,463	5,558	5,664	5,758
32 Hope	3,853	3,922	3,971	4,037	4,079	4,143	4,172	4,233	4,265	4,307
33 Chilliwack	31,863	32,683	33,476	34,434	35,406	36,337	37,313	38,250	39,139	40,082
34 Abbotsford	48,025	49,253	50,514	52,001	53,445	54,926	56,425	57,901	59,350	60,812
35 Langley	51,236	52,809	54,395	55,921	57,697	59,488	61,364	63,111	64,870	66,521

**PEOPLE 31 HOUSEHOLD PROJECTIO**

LHA	Projected									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
36 Surrey Aggregate	165,713	170,549	175,325	180,235	185,261	190,329	195,453	200,546	205,663	210,684
37 Delta	39,934	40,685	41,438	42,201	42,942	43,710	44,404	45,006	45,581	46,184
38 Richmond	69,972	71,325	72,698	74,032	75,414	76,755	78,026	79,387	80,768	82,147
39 Vancouver Aggregate	260,429	262,335	264,218	266,086	268,019	269,939	271,948	274,066	276,088	278,081
40 New Westminster	28,004	28,690	29,373	30,098	30,897	31,674	32,535	33,475	34,431	35,503
41 Burnaby	84,379	85,760	87,210	88,703	90,115	91,685	93,184	94,769	96,406	98,302
42 Maple Ridge	36,805	37,906	39,000	40,058	41,177	42,386	43,489	44,701	45,837	47,000
43 Coquitlam	83,945	86,577	89,087	91,630	94,032	96,423	98,834	101,280	103,777	106,171
44 North Vancouver	57,787	58,752	59,680	60,614	61,551	62,402	63,375	64,325	65,158	66,001
45 West Vancouver-Bowen Isla	22,288	22,605	22,874	23,136	23,363	23,554	23,661	23,739	23,815	23,877
46 Sunshine Coast	13,643	14,052	14,481	14,895	15,318	15,707	16,118	16,530	16,841	17,167
47 Powell River	9,089	9,221	9,312	9,428	9,511	9,611	9,706	9,763	9,834	9,942
48 Howe Sound	12,828	13,316	13,837	14,406	15,017	15,670	16,331	16,976	17,646	18,358
49 Bella Coola Valley	930	943	952	973	995	1,005	1,022	1,043	1,042	1,054
50 Queen Charlotte	1,843	1,890	1,924	1,961	1,981	1,998	2,041	2,066	2,084	2,116
51 Snow Country	338	340	342	338	342	363	370	374	374	376
52 Prince Rupert	6,386	6,499	6,643	6,798	6,945	7,098	7,235	7,371	7,511	7,666
53 Upper Skeena	2,043	2,078	2,102	2,124	2,169	2,208	2,247	2,270	2,301	2,331
54 Smithers	6,851	6,987	7,060	7,187	7,321	7,444	7,556	7,709	7,810	7,913
55 Burns Lake	2,935	2,993	3,029	3,068	3,094	3,116	3,158	3,196	3,226	3,267
56 Nechako	6,324	6,441	6,541	6,635	6,745	6,860	6,954	7,071	7,187	7,294
57 Prince George	41,237	42,085	42,985	43,801	44,669	45,491	46,209	46,939	47,595	48,246
59 Peace River South	11,339	11,555	11,792	12,074	12,345	12,641	12,889	13,159	13,470	13,739
60 Peace River North	12,361	12,617	12,851	13,099	13,331	13,559	13,790	14,023	14,243	14,448
61 Greater Victoria	97,803	98,708	99,746	100,872	102,440	103,555	104,684	105,754	107,546	108,602
62 Sooke	25,039	25,826	26,597	27,371	28,188	29,003	29,808	30,692	31,515	32,353
63 Saanich	28,705	29,293	29,820	30,344	30,777	31,274	31,676	31,985	32,268	32,536
64 Gulf Islands	8,033	8,243	8,433	8,622	8,780	8,932	9,077	9,230	9,385	9,519
65 Cowichan	23,395	23,989	24,518	25,103	25,693	26,223	26,684	27,155	27,579	28,020
66 Lake Cowichan	2,896	2,942	3,001	3,057	3,114	3,173	3,217	3,250	3,303	3,371
67 Ladysmith	7,950	8,175	8,375	8,584	8,789	8,994	9,175	9,325	9,496	9,678
68 Nanaimo	44,577	45,675	46,798	47,903	49,016	50,108	51,242	52,326	53,394	54,373
69 Qualicum	20,725	21,401	22,035	22,665	23,318	23,937	24,564	25,183	25,737	26,278
70 Alberni	13,693	13,857	14,013	14,173	14,337	14,443	14,582	14,703	14,795	14,889

PEOPLE 31 HOUSEHOLD PROJECTIO

LHA	Projected									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
71 Courtenay	28,039	28,857	29,689	30,456	31,283	32,093	32,859	33,508	34,093	34,725
72 Campbell River	18,032	18,482	18,877	19,301	19,686	20,046	20,426	20,727	20,994	21,258
75 Mission	16,458	17,033	17,610	18,252	18,921	19,594	20,256	20,928	21,563	22,187
76 Agassiz - Harrison	3,495	3,550	3,618	3,689	3,747	3,826	3,896	3,968	4,015	4,070
77 Summerland	5,667	5,841	6,027	6,182	6,316	6,441	6,572	6,673	6,771	6,892
78 Enderby	3,442	3,494	3,559	3,631	3,692	3,745	3,795	3,839	3,897	3,942
80 Kitimat	4,329	4,443	4,541	4,654	4,774	4,879	5,004	5,089	5,162	5,239
81 Fort Nelson	2,199	2,255	2,297	2,348	2,399	2,443	2,485	2,534	2,594	2,652
83 Central Coast	583	590	592	608	620	623	634	644	646	652
84 Vancouver Island West	895	918	939	952	973	982	991	1,002	1,009	1,020
85 Vancouver Island North	5,739	5,824	5,906	5,992	6,064	6,149	6,201	6,266	6,310	6,353
87 Stikine	551	557	572	587	611	635	662	683	717	743
88 Terrace	8,397	8,570	8,728	8,919	9,090	9,279	9,443	9,587	9,750	9,915
92 Nisga'a	543	552	565	576	585	597	607	620	627	634
94 Telegraph Creek	214	220	232	244	247	256	263	268	274	281
161 City Centre	65,256	65,832	66,361	66,837	67,281	67,724	68,170	68,596	69,046	69,445
162 Downtown Eastside	28,780	29,128	29,480	29,842	30,212	30,631	31,057	31,526	32,035	32,538
163 North East	33,869	34,196	34,525	34,852	35,175	35,509	35,830	36,169	36,524	36,869
164 West Side	53,053	53,381	53,706	54,029	54,356	54,697	55,039	55,412	55,804	56,183
165 Midtown	35,052	35,352	35,648	35,968	36,292	36,612	36,926	37,246	37,572	37,890
166 South Vancouver	42,459	42,540	42,615	42,690	42,770	42,846	42,917	42,999	43,085	43,163
201 Surrey	124,754	128,634	132,597	136,534	140,634	144,892	149,200	153,584	157,995	162,419
202 South Surrey/White Rock	36,286	37,079	37,952	38,791	39,601	40,369	41,129	41,869	42,551	43,244

**PEOPLE 31 HOUSEHOLD PROJECTIO**

<b>LHA</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
1 Fernie	7,994	8,041	8,084	8,099	8,094	8,088	8,076	8,053	8,032	8,009
2 Cranbrook	12,935	13,034	13,098	13,160	13,203	13,241	13,282	13,297	13,326	13,307
3 Kimberley	4,777	4,788	4,791	4,786	4,779	4,765	4,749	4,717	4,698	4,672
4 Windermere	5,760	5,843	5,902	5,965	6,031	6,063	6,082	6,106	6,129	6,158
5 Creston	6,262	6,259	6,283	6,295	6,323	6,349	6,373	6,383	6,397	6,402
6 Kootenay Lake	1,885	1,897	1,913	1,920	1,936	1,939	1,953	1,957	1,964	1,970
7 Nelson	13,553	13,726	13,840	13,934	14,051	14,162	14,276	14,398	14,517	14,644
9 Castlegar	6,699	6,724	6,756	6,783	6,788	6,786	6,783	6,782	6,755	6,740
10 Arrow Lakes	2,834	2,849	2,859	2,890	2,897	2,902	2,903	2,908	2,896	2,879
11 Trail	9,732	9,743	9,716	9,705	9,724	9,707	9,662	9,619	9,572	9,539
12 Grand Forks	4,872	4,882	4,890	4,890	4,893	4,900	4,912	4,911	4,927	4,940
13 Kettle Valley	2,140	2,154	2,167	2,186	2,192	2,196	2,202	2,195	2,201	2,209
14 Southern Okanagan	11,113	11,235	11,245	11,365	11,487	11,570	11,649	11,708	11,780	11,753
15 Penticton	23,896	24,270	24,596	24,932	25,235	25,537	25,794	26,070	26,322	26,614
16 Keremeos	2,884	2,917	2,952	2,991	3,014	3,045	3,083	3,108	3,136	3,140
17 Princeton	2,702	2,703	2,696	2,685	2,654	2,648	2,619	2,574	2,548	2,537
18 Golden	4,093	4,147	4,197	4,260	4,292	4,321	4,362	4,391	4,401	4,429
19 Revelstoke	4,283	4,326	4,364	4,390	4,408	4,437	4,446	4,468	4,474	4,489
20 Salmon Arm	18,448	18,691	18,881	19,085	19,235	19,403	19,560	19,714	19,874	20,039
21 Armstrong - Spallumcheen	5,659	5,753	5,844	5,923	6,007	6,076	6,136	6,201	6,276	6,341
22 Vernon	33,724	34,216	34,665	35,137	35,574	36,020	36,492	36,938	37,352	37,796
23 Central Okanagan	95,192	97,006	98,717	100,378	102,072	103,731	105,303	106,889	108,455	110,017
24 Kamloops	54,455	55,109	55,718	56,304	56,847	57,339	57,830	58,346	58,866	59,403
25 100 Mile House	7,686	7,776	7,832	7,916	7,971	7,998	8,003	8,000	8,013	7,994
26 North Thompson	2,838	2,883	2,911	2,949	2,955	2,981	2,997	3,005	3,013	3,018
27 Cariboo - Chilcotin	13,631	13,770	13,912	14,009	14,115	14,161	14,189	14,214	14,241	14,232
28 Quesnel	12,759	12,933	13,019	13,131	13,192	13,236	13,246	13,252	13,264	13,252
29 Lillooet	2,416	2,456	2,500	2,545	2,583	2,622	2,651	2,690	2,719	2,754
30 South Cariboo	3,718	3,735	3,742	3,731	3,710	3,696	3,661	3,631	3,606	3,583
31 Merritt	5,837	5,933	6,010	6,070	6,112	6,149	6,201	6,244	6,283	6,334
32 Hope	4,357	4,368	4,404	4,431	4,450	4,477	4,487	4,511	4,526	4,545
33 Chilliwack	40,927	41,732	42,491	43,224	43,949	44,648	45,379	46,136	46,923	47,697
34 Abbotsford	62,311	63,741	65,165	66,483	67,831	69,135	70,459	71,813	73,165	74,493
35 Langley	68,084	69,456	70,736	72,093	73,355	74,673	75,943	77,239	78,488	79,846

**PEOPLE 31 HOUSEHOLD PROJECTIO**

<b>LHA</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
36 Surrey Aggregate	215,426	220,028	224,453	228,641	232,725	236,667	240,611	244,351	248,228	251,685
37 Delta	46,651	47,011	47,361	47,614	47,754	47,899	48,005	48,161	48,237	48,198
38 Richmond	83,604	84,934	86,228	87,403	88,431	89,527	90,601	91,500	92,367	93,363
39 Vancouver Aggregate	280,010	281,904	283,772	285,637	287,406	289,182	290,904	292,568	294,184	295,735
40 New Westminster	36,615	37,680	38,706	39,779	40,775	41,734	42,691	43,570	44,459	45,241
41 Burnaby	100,278	102,181	104,015	105,933	107,868	109,800	111,778	113,819	115,741	117,652
42 Maple Ridge	48,046	49,046	49,954	50,845	51,752	52,607	53,415	54,285	55,133	55,943
43 Coquitlam	108,490	110,571	112,555	114,395	116,308	118,222	120,011	121,805	123,522	125,247
44 North Vancouver	66,781	67,528	68,054	68,697	69,230	69,686	70,067	70,581	71,061	71,435
45 West Vancouver-Bowen Isla	23,893	23,898	23,924	23,959	24,013	24,130	24,206	24,330	24,373	24,451
46 Sunshine Coast	17,495	17,777	18,034	18,257	18,492	18,673	18,864	19,061	19,222	19,406
47 Powell River	9,998	10,038	10,058	10,079	10,062	10,071	10,070	10,038	10,008	9,962
48 Howe Sound	19,009	19,621	20,207	20,833	21,377	21,916	22,436	22,896	23,387	23,848
49 Bella Coola Valley	1,065	1,078	1,084	1,090	1,099	1,101	1,104	1,110	1,120	1,125
50 Queen Charlotte	2,114	2,115	2,117	2,117	2,113	2,111	2,104	2,088	2,082	2,070
51 Snow Country	378	377	375	374	373	373	367	370	362	360
52 Prince Rupert	7,780	7,903	8,000	8,071	8,140	8,234	8,322	8,398	8,432	8,460
53 Upper Skeena	2,359	2,379	2,403	2,414	2,431	2,449	2,457	2,468	2,469	2,479
54 Smithers	8,032	8,156	8,257	8,343	8,438	8,488	8,517	8,567	8,629	8,664
55 Burns Lake	3,300	3,330	3,349	3,364	3,373	3,389	3,385	3,390	3,385	3,387
56 Nechako	7,414	7,534	7,648	7,751	7,808	7,850	7,880	7,926	7,986	8,003
57 Prince George	48,779	49,241	49,622	49,991	50,288	50,558	50,816	51,097	51,321	51,533
59 Peace River South	13,988	14,217	14,381	14,540	14,674	14,755	14,825	14,899	14,957	14,971
60 Peace River North	14,662	14,824	15,006	15,180	15,343	15,555	15,733	15,942	16,138	16,351
61 Greater Victoria	109,594	110,570	111,537	112,417	113,942	114,617	115,325	116,172	117,682	118,374
62 Sooke	33,210	34,022	34,783	35,524	36,261	36,976	37,687	38,349	38,969	39,632
63 Saanich	32,689	32,837	32,971	33,046	33,071	33,160	33,193	33,318	33,391	33,461
64 Gulf Islands	9,678	9,791	9,888	10,008	10,104	10,233	10,331	10,427	10,525	10,616
65 Cowichan	28,389	28,754	29,088	29,402	29,715	30,011	30,298	30,577	30,881	31,174
66 Lake Cowichan	3,425	3,462	3,478	3,512	3,530	3,551	3,551	3,539	3,525	3,538
67 Ladysmith	9,839	10,010	10,193	10,351	10,495	10,610	10,724	10,846	10,964	11,092
68 Nanaimo	55,312	56,202	57,015	57,814	58,563	59,314	60,112	60,938	61,707	62,487
69 Qualicum	26,771	27,207	27,642	28,053	28,434	28,791	29,177	29,533	29,909	30,283
70 Alberni	14,966	15,004	15,007	14,964	14,944	14,883	14,836	14,760	14,673	14,634



PEOPLE 31 HOUSEHOLD PROJECTIO

LHA	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
71 Courtenay	35,259	35,806	36,302	36,812	37,252	37,691	38,070	38,527	38,913	39,328
72 Campbell River	21,548	21,827	22,057	22,340	22,526	22,695	22,871	23,055	23,202	23,357
75 Mission	22,819	23,371	23,907	24,485	25,013	25,516	26,013	26,556	27,070	27,610
76 Agassiz - Harrison	4,113	4,160	4,187	4,227	4,262	4,304	4,344	4,377	4,425	4,468
77 Summerland	7,005	7,108	7,187	7,293	7,386	7,480	7,570	7,674	7,766	7,865
78 Enderby	3,967	4,016	4,055	4,083	4,095	4,119	4,139	4,150	4,163	4,180
80 Kitimat	5,324	5,385	5,455	5,521	5,580	5,599	5,643	5,666	5,655	5,657
81 Fort Nelson	2,715	2,766	2,814	2,851	2,891	2,921	2,960	3,008	3,061	3,111
83 Central Coast	656	656	660	663	663	661	658	654	654	652
84 Vancouver Island West	1,027	1,044	1,050	1,065	1,069	1,084	1,093	1,101	1,107	1,110
85 Vancouver Island North	6,412	6,454	6,498	6,527	6,553	6,586	6,599	6,583	6,570	6,552
87 Stikine	761	768	775	785	798	810	814	816	818	815
88 Terrace	10,099	10,219	10,325	10,419	10,512	10,599	10,664	10,732	10,770	10,824
92 Nisga'a	645	654	663	663	668	674	680	681	679	682
94 Telegraph Creek	286	293	300	305	308	312	315	315	316	314
161 City Centre	69,839	70,194	70,546	70,895	71,235	71,520	71,781	72,035	72,269	72,487
162 Downtown Eastside	33,045	33,557	34,074	34,597	35,121	35,644	36,191	36,735	37,271	37,811
163 North East	37,208	37,548	37,883	38,212	38,550	38,881	39,219	39,549	39,880	40,209
164 West Side	56,554	56,913	57,256	57,591	57,919	58,229	58,533	58,821	59,091	59,341
165 Midtown	38,206	38,516	38,825	39,135	39,456	39,766	40,079	40,387	40,696	40,999
166 South Vancouver	43,229	43,282	43,320	43,342	43,356	43,366	43,379	43,377	43,361	43,337
201 Surrey	166,756	170,897	174,881	178,669	182,251	185,788	189,163	192,526	195,704	198,959
202 South Surrey/White Rock	43,928	44,529	45,147	45,784	46,390	46,937	47,504	48,085	48,647	49,269

**PEOPLE 31 HOUSEHOLD PROJECTIO**

<b>LHA</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
1 Fernie	7,994	7,980	7,972	7,963	7,960	7,958
2 Cranbrook	13,331	13,353	13,383	13,412	13,444	13,478
3 Kimberley	4,635	4,598	4,563	4,533	4,503	4,472
4 Windermere	6,189	6,221	6,252	6,281	6,313	6,346
5 Creston	6,421	6,438	6,463	6,492	6,520	6,557
6 Kootenay Lake	1,978	1,989	2,003	2,016	2,032	2,043
7 Nelson	14,777	14,920	15,070	15,229	15,390	15,556
9 Castlegar	6,737	6,736	6,736	6,740	6,746	6,748
10 Arrow Lakes	2,880	2,879	2,880	2,882	2,891	2,903
11 Trail	9,526	9,513	9,508	9,508	9,509	9,515
12 Grand Forks	4,962	4,979	4,997	5,024	5,048	5,074
13 Kettle Valley	2,207	2,207	2,208	2,202	2,202	2,208
14 Southern Okanagan	11,857	11,879	12,002	12,127	12,258	12,386
15 Penticton	26,920	27,245	27,582	27,925	28,298	28,675
16 Keremeos	3,175	3,205	3,235	3,261	3,297	3,326
17 Princeton	2,519	2,502	2,489	2,476	2,465	2,460
18 Golden	4,456	4,480	4,507	4,533	4,559	4,584
19 Revelstoke	4,507	4,522	4,539	4,562	4,584	4,611
20 Salmon Arm	20,215	20,402	20,611	20,826	21,051	21,276
21 Armstrong - Spallumcheen	6,431	6,530	6,633	6,739	6,848	6,957
22 Vernon	38,262	38,738	39,221	39,717	40,231	40,740
23 Central Okanagan	111,622	113,244	114,920	116,610	118,319	120,037
24 Kamloops	59,994	60,604	61,215	61,829	62,443	63,056
25 100 Mile House	8,017	8,044	8,080	8,129	8,181	8,236
26 North Thompson	3,030	3,041	3,055	3,067	3,082	3,099
27 Cariboo - Chilcotin	14,270	14,307	14,345	14,381	14,414	14,447
28 Quesnel	13,264	13,271	13,280	13,301	13,323	13,342
29 Lillooet	2,794	2,843	2,886	2,933	2,981	3,027
30 South Cariboo	3,567	3,547	3,532	3,520	3,515	3,516
31 Merritt	6,389	6,443	6,498	6,552	6,607	6,661
32 Hope	4,559	4,572	4,589	4,606	4,621	4,634
33 Chilliwack	48,470	49,250	50,047	50,858	51,692	52,526
34 Abbotsford	75,825	77,163	78,508	79,877	81,264	82,654
35 Langley	81,183	82,531	83,877	85,277	86,711	88,172

**PEOPLE 31 HOUSEHOLD PROJECTIO**

<b>LHA</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
36 Surrey Aggregate	255,017	258,376	261,635	264,888	268,103	-
37 Delta	48,198	48,187	48,183	48,172	48,171	48,197
38 Richmond	94,195	95,008	95,817	96,624	97,426	98,218
39 Vancouver Aggregate	297,352	298,934	300,587	302,213	303,811	-
40 New Westminster	45,904	46,523	47,128	47,713	48,297	48,870
41 Burnaby	119,384	121,065	122,688	124,212	125,720	127,186
42 Maple Ridge	56,798	57,645	58,507	59,393	60,287	61,172
43 Coquitlam	126,922	128,585	130,301	132,026	133,773	135,448
44 North Vancouver	71,713	71,982	72,229	72,464	72,678	72,891
45 West Vancouver-Bowen Isla	24,488	24,508	24,529	24,552	24,576	24,542
46 Sunshine Coast	19,615	19,825	20,059	20,297	20,543	20,803
47 Powell River	9,936	9,911	9,895	9,876	9,853	9,828
48 Howe Sound	24,299	24,732	25,165	25,603	26,043	26,486
49 Bella Coola Valley	1,128	1,132	1,134	1,137	1,134	1,132
50 Queen Charlotte	2,061	2,054	2,042	2,032	2,019	2,008
51 Snow Country	361	361	360	359	360	360
52 Prince Rupert	8,525	8,599	8,666	8,735	8,801	8,867
53 Upper Skeena	2,484	2,488	2,496	2,500	2,504	2,512
54 Smithers	8,719	8,767	8,812	8,857	8,900	8,944
55 Burns Lake	3,395	3,408	3,419	3,429	3,442	3,454
56 Nechako	8,046	8,100	8,155	8,204	8,254	8,304
57 Prince George	51,701	51,873	52,015	52,171	52,337	52,497
59 Peace River South	15,043	15,111	15,178	15,249	15,321	15,395
60 Peace River North	16,531	16,702	16,879	17,025	17,165	17,300
61 Greater Victoria	118,834	119,261	119,694	120,099	120,482	120,795
62 Sooke	40,294	40,951	41,604	42,261	42,930	43,612
63 Saanich	33,570	33,690	33,831	33,981	34,146	34,318
64 Gulf Islands	10,742	10,869	10,999	11,125	11,259	11,395
65 Cowichan	31,481	31,795	32,121	32,462	32,812	33,176
66 Lake Cowichan	3,547	3,555	3,570	3,589	3,599	3,613
67 Ladysmith	11,244	11,397	11,549	11,702	11,856	12,015
68 Nanaimo	63,362	64,304	65,265	66,229	67,208	68,202
69 Qualicum	30,672	31,131	31,605	32,093	32,594	33,099
70 Alberni	14,561	14,500	14,445	14,388	14,335	14,286

**PEOPLE 31 HOUSEHOLD PROJECTIO**

<b>LHA</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
71 Courtenay	39,761	40,207	40,669	41,148	41,645	42,149
72 Campbell River	23,528	23,718	23,925	24,136	24,354	24,577
75 Mission	28,157	28,717	29,295	29,886	30,494	31,107
76 Agassiz - Harrison	4,503	4,535	4,570	4,599	4,639	4,678
77 Summerland	7,975	8,091	8,210	8,333	8,459	8,585
78 Enderby	4,206	4,237	4,263	4,293	4,331	4,370
80 Kitimat	5,672	5,688	5,706	5,728	5,753	5,782
81 Fort Nelson	3,157	3,204	3,245	3,286	3,328	3,371
83 Central Coast	649	646	642	637	631	625
84 Vancouver Island West	1,116	1,125	1,132	1,134	1,136	1,138
85 Vancouver Island North	6,557	6,555	6,557	6,560	6,558	6,556
87 Stikine	825	834	843	855	861	876
88 Terrace	10,893	10,960	11,025	11,093	11,157	11,220
92 Nisga'a	682	683	685	685	686	687
94 Telegraph Creek	313	313	315	320	322	323
161 City Centre	72,647	72,830	73,009	73,204	73,397	73,589
162 Downtown Eastside	38,370	38,961	39,551	40,176	40,807	41,444
163 North East	40,542	40,884	41,222	41,572	41,919	42,262
164 West Side	59,572	59,803	60,021	60,240	60,446	60,638
165 Midtown	41,300	41,604	41,904	42,209	42,506	42,797
166 South Vancouver	43,304	43,270	43,227	43,186	43,138	43,081
201 Surrey	201,873	204,684	207,514	210,262	213,018	215,770
202 South Surrey/White Rock	49,812	50,333	50,862	51,373	51,870	52,333