

The Record

LOCAL 1-2

GOODBYE CONTRACTORS!



**CONSTRUCTION SERVICES "CAN DO GANG"
TAKING OUR WORK BACK
9TH AVENUE GAS PROJECT**



The Record

Utility Worker Union of America,
AFL-CIO, Local 1-2

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Editor

Harry J. Farrell

**Your Views
And Comments
Are Welcome**

THE RECORD LOCAL 1-2

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Angel Of Freedom

A song by Phil Cohen ©Phil Cohen 1996

Chorus:

We are the children of the angel of freedom
We are the soldiers of the good fight
In unions across this land that we live in
We are the workers joined by UNITE

We make the products that America runs on
The yarn and the cloth and the clothes that you wear
For so many years we were taken for granted
'Till we stood together to get out fair share

You know that our struggle it never comes easy
You'd never guess all the scars that we bear
We live in a land where the law's stacked against us
But the law ain't as strong as our faith and our prayers

I remember the days when we started our union
Our power was hope and their weapon despair
They did all they could to hurt and divide us
All we wanted was justice and a wage that was fair

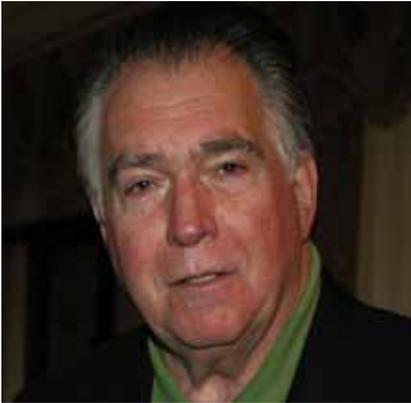
We stood at the gate when the rain was a'freezin'
We were lied to and fired, sometimes we were scared
But we never backed down, we just kept a'commin'
And our contract bears witness to all that we dared

Only a fool would try to deprive working men and working women of their right to join the union of their choice.

Dwight D. Eisenhower

FROM THE DESK OF

HARRY J. FARRELL – PRESIDENT, LOCAL 1-2



In the decades that I have been a Member of Local 1-2 I think I can count on one hand the number of Membership Meetings that I have missed.

It's not like I didn't have better things to do or OT to make, but it always seemed to me that the Bosses would not look out for my best interests, especially at a

place like Con Edison. I have witnessed increasingly over the years that the bottom line wins out every time over consideration of people as valued workers, with busy lives beyond the job.

That's why I stuck with the Union and the protections it provides from arbitrary Bosses and the benefits it brings. Imagine if you didn't have a Union? Do you really think that Con Ed, or any of our other employers would provide us with the benefits we enjoy today?

Experience counts. I have seen this Union endure highs and lows, whether it was the Trusteeship period or our re-emergence as a viable, sustainable organization which in the past

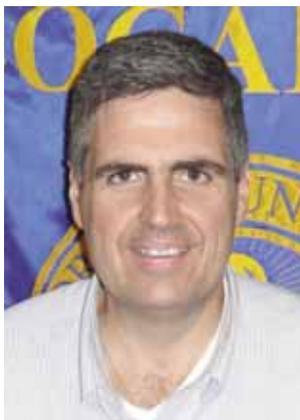
half-dozen years has brought home more than a dozen Collective Bargaining Agreements for your approval.

These matters came to pass only because of the unity we have displayed against long, disheartening odds. Remember, there's no need to fight among ourselves when we have a common foe to face each day. A foe which thinks nothing of us, less of our families and would just as soon see us wither away. Apathy is lethal! I've said it before. I'll say it again.

Come to the Membership Meeting and find out what Unionism, Unity and Fraternity do for you each day.

FROM THE DESK OF

JAMES SLEVIN - VICE-PRESIDENT, LOCAL 1-2



The saying "What goes around, comes around" may be coming true for Con Edison. Maybe it's karmic payback for the

Lockout, or cheating the government, or screwing the Membership. One thing that's clear is that since the Lockout, and especially post-Sandy, Con Ed is getting the kind of public scrutiny of its operations that it likes to keep hidden underneath the proverbial rock. Let us hope that when the company's dirty little secrets are fully exposed to the public, they will start treating the Membership, the men and women who keep the power on, with some due respect.

I do know that Local 1-2 is doing everything it can to aid in

the public inquiries into the Lockout, Sandy and the work that Con Ed's "5,000 managers" supposedly performed in the field.

Meanwhile, in case you haven't been paying attention, Con Ed immediately started to place its boot-heels on the Members' necks as soon as we returned to work last August. Whether it was a BS medical C6 assignment, "waiving" our health care or a Rules We Live By beef, Con Ed and its dissatisfied managers wasted no time in going after the Membership. (cont...)

FROM THE DESK OFcon't

JAMES SLEVIN - VICE-PRESIDENT, LOCAL 1-2

I know and you know that our employers want nothing more than to have no Union at all. To that end they did shoddy work during the Lockout, crushed us with OT in August and then did not have a clue when Sandy hit, running short of everything from poles to meters to transformers to cable. It's not Walmart-where inventory is kept to a minimum- it's a public utility there to serve the public good.

We know the corners they cut, and finally, the public is finding out too.

For my part, I have testified before the New York City Council, I went with National Vice President John Duffy to Albany where we presented our Union's White Paper on Sandy, which Brother Duffy spear-headed, to the Moreland Commission, the Governor and key legislators.

In response to our White Paper on Con Ed's response to Sandy, highlighting the problems caused by poor management, the Executive Director of the Moreland Commission came to Local 1-2's offices, where she spent a good part of the day questioning the Union about Con Ed and the many deficiencies that were pointed out in the White Paper. The questions ranged from the effects the Lockout had on public safety to Con Ed's denial that it was aware of the possibility of a storm as

intense as Sandy.

Our testimony will form the basis of questions the Commission will put to senior Con Ed executives who will be subpoenaed to testify under oath. We'll see how that goes, when the Commission issues its final report sometime this summer.

In this issue of The Record, you will read some excerpts from Con Ed's Ombudsman 2012 Annual Report which provides some interesting reading, sugar-coated though it may be, into the corporate culture and its discontents.

On top of these woes, Con Ed was slammed with a \$370 million tax liability over a tactic it tried and lost to escape paying its taxes. This amount just happens to be the amount that the Company alleged Sandy cost. Coincidence? You decide

Speaking of boots on our necks, Con Ed was particularly ham-handed when it informed us that nearly 10% of the Membership "waived" their health care coverage during the 2012 enrollment period. Like a lot of figures the company throws out there, this just didn't add up. And let's not forget the company's arrogant assertion that the Members were out of luck because it was the "law."

Well it wasn't and isn't the

"law." Those Members were allowed to get the health care guaranteed under our Collective Bargaining Agreement. What remains to be seen is whether or not the affected Members' health care contributions are made on a pre-tax basis. The IRS decides that, not an empty suit in Human Resources.

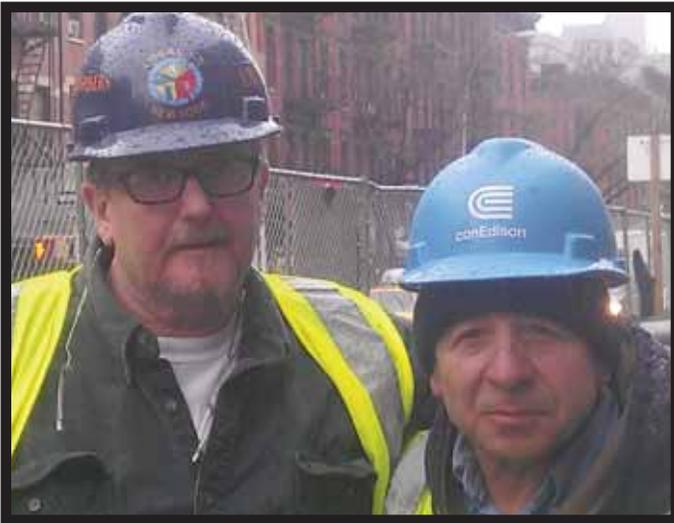
Bringing me once again to the first thing I ever learned on the job, when it comes to Bosses of any kind remember, "They are not your friend." And every time I have to go to 4 Irving Pl. or every time I meet with representatives from Entergy, or United Water or any other company where our members work, this phrase is uppermost in my mind. And at almost every one of those meetings, management proves the truth of that phrase once more.

I hope to see more of you at the April Membership Meeting than we had in November-no quorum-or February where we barely met our numbers.

If you do not think apathy is lethal, think again.

Help keep Local 1-2 strong! Come to the Membership Meeting.

NEW YORK CITY WATER PROJECT/RELOCATING GAS LINES



BY-LAW COMMITTEE REPORT

REPORT OF THE BY-LAW COMMITTEE

This By-Law Committee of Utility Workers Union of America, Local 1-2, met on March 19, 2013, at the Union's office. Present were Committee members Robert DeMascio, Craig R. Dickson, Michael McCann and Anthony Salomon. Mr. McCann was elected as Chair of the Committee.

The Committee read and duly considered the proposed Amendment of Article VI of the Local 1-2 By-Laws, submitted by member Cheryl Covington. The Committee unanimously finds that the proposed Amendment would violate the Constitution of the National Utility Workers Union of America and/or federal law. The Committee notes that this proposed Amendment has a similar defect as proposals submitted in 2011, 2008 and 2007, all of which were rejected by the By-Law Committees at those times, in that it also tries to restrict who can serve as an officer of this Local. As the By-Law Committee found in 2007, 2008 and 2011, Article III of the National UWUA Constitution defines who is eligible for membership in this and the other Locals of the National. That Article specifically includes all "officers/employees, staff representatives or other employees of the National Union or local unions" as eligible for membership. It is our understanding that the Landrum-Griffin Act prohibits a rule which would arbitrarily discriminate against a certain group of members in good standing by prohibiting those members from running for or holding union office. The proposed By-Law would prohibit elected Local 1-2 officers from continuing to hold Union office solely because they have retired from the company under Local 1-2 contract by which they had been employed before being elected to office, although the National UWUA Constitution provides that they would remain members in good standing. This Committee finds the reasoning of the prior By-Law Committees to be sound and unanimously adopts their conclusion that the proposed Amendment to the By-Laws would be inconsistent with the National UWUA Constitution by disregarding who may be a member in good standing and thus hold office in this Local and/or be in violation of the Landrum-Griffin Act by arbitrarily limiting the rights of certain members in good standing to hold Union office; and that for these reasons, the proposal is not in language and form which can be submitted for a membership vote.

The Committee read and duly considered the three (3) proposed By-Law Amendments submitted by members Ronald Otis, Jr., and Kevin Byfield. Two of those proposals would amend Article IV, Section 1. One of those would require the President to conduct petitions during the first quarter of each year regarding the shop stewards from each group of employees. The other would require the President to schedule elected Union officers so that at least one would be present in the office or by a designated telephone every hour of every day of every year. However, Article IV is headed

BY-LAW COMMITTEE REPORT

"Dues, Fees and Assessments" and only deals with those subjects. It does not involve either one of the matters mentioned in these proposals. Those two proposals are therefore rejected by this Committee. Moreover, this Committee is advised that there is always a full-time, elected officer on duty and that a telephone call to the Union office during hours it is closed can and will be transferred to that officer.

The third proposal from Messrs. Otis and Byfield would permit By-Law proposals to be submitted during any of the first three regular membership meetings each year. It would not amend the existing §§2 and 3 of Article XXIV of the Local 1-2 By-Laws, and thus would require three Committee Reports and three votes on By-Law proposals each year. This proposal would create undue expense for the Union and, through its complex process, impede its smooth operation. This Committee therefore finds that this proposal should not be submitted to the membership for consideration.

The Committee read and duly considered the proposed Amendment of Article XX, §4 through §7 of the Local 1-2 By-Laws, submitted by member Andrew O'Connell. The Committee unanimously finds that the proposed Amendment would violate the Constitution of the National Utility Workers Union of America. It would require the Trial Committee for this Local to be an Arbitrator selected from a list provided by the American Arbitration Association instead of being members of this Local. Article XIV, §4-A of the National UWUA Constitution requires any Local Union's Trial Committee to consist of at least three members in good standing. Accordingly, this proposal is inconsistent with the National UWUA Constitution and is not in language and form which can be submitted for a membership vote.

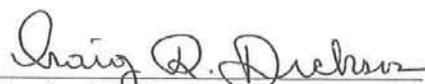
Any questions concerning the action of the By-Law Committee should be submitted, in writing, to:

Michael McCann, Chair
By-Law Committee
UWUA Local 1-2
5 W. 37th Street, 7th Floor
New York, NY 10018.

ISSUED this 19th day of March, 2013.


Michael McCann


Robert DeMascio


Craig R. Dickson


Anthony Salomon

THE IMPACT OF HURRICANE SANDY ON CONSOLIDATED EDISON OF NEW YORK: ASSESSMENT OF RESTORATION EFFORTS AND RECOMMENDATIONS FOR THE FUTURE

The Utility Workers Union of America, AFL CIO, Local 1 2, is a labor organization that represents the nearly 8,000 field and operations employees of Consolidated Edison of New York. Our members are responsible for the day to day operation and maintenance of the ConEd systems utilized to provide electric, gas, and steam services to millions of customers in New York City and Westchester County. In the days, weeks, and months following the arrival of Hurricane Sandy, our members have been engaged, 24/7, in the restoration of service to the millions effected by the storm. More recently, and in conjunction with the winding down of service restoration efforts, we have been conducting our own internal investigation of storm related issues. Like the Moreland Commission, we have focused on three areas: (1) the state of system readiness in the days leading up to the storm; (2) the restoration efforts, in which the Company's workforce was supplemented by more than 5,600 mutual aid utility workers; and (3) the actions that can be taken going forward to ensure readiness for the (inevitable) next big weather event.

We here report on the results of our internal investigation to date, which has focused on information obtained from our members. They have a unique perspective on the areas under investigation by the Commission because Con Edison's working men and women operate the system on a day to day basis, and they were on the front lines of the Company's efforts to restore service, house by house, to the millions of New Yorkers affected by Sandy.

Our report addresses both short-term concerns (i.e., the extent of service disruption, and problems that impeded service restoration) and longer-term concerns (i.e., current difficulties that may lead to long-term service degradation, including as a result of the installation of substandard equipment and the absence of adequate documentation of restoration efforts).

EXECUTIVE SUMMARY

Our key findings include:

- Con Edison appears to operate its electric distribution system based on a policy of "run it until it fails." The system features aging, and in spots, deteriorating physical infrastructure. The human infrastructure is likewise in need of repair. The Company lacks sufficient manpower to conduct needed preemptive maintenance and related repairs.
- At the time Hurricane Sandy hit New York, Con Edison's electric distribution systems were in a weakened condition due in part to the Company's lockout of its field and operations staff during the summer of 2012.
- In restoring service post Sandy, Con Edison resorted to patchwork and temporary repair arrangements that it cannot now revisit and correct due to documentation gaps, further weakening

THE IMPACT OF HURRICANE SANDY ON CONSOLIDATED EDISON OF NEW YORK: ASSESSMENT OF RESTORATION EFFORTS AND RECOMMENDATIONS FOR THE FUTURE

the system. This situation raises significant service reliability concerns going forward.

- Like many utilities, Con Edison relies on mutual aid workers to restore service. However, our experience has been that many of the workers brought in to assist with restoration efforts lacked both fundamental training on working in an urban electric distribution system environment, as well as the equipment needed to provide meaningful assistance. Worse, our understanding is that mutual assistance workers are continuing to conduct activities on the Con Edison system that should be done by the Company's full time, in house workforce.
- The Public Service Commission (PSC) should assess Con Edison's maintenance policies and practices, including whether it has adopted a policy of "run it until it fails."
- Con Edison should be directed to address physical infrastructure deficiencies on the Company's system.
- In order to address human infrastructure issues, Con Edison should be directed to propose and support a baseline staffing level for Company operations, and should thereafter be obligated to staff at that level.
- The PSC should be directed to conduct an evaluation of the efficacy of mutual aid assistance.
- The Moreland Commission has found that since the advent of deregulation, the PSC has reduced substantially its level of utility auditing. Efforts to bolster the PSC's oversight of utility operations can be aided by the establishment of new reporting requirements and oversight mechanisms, including workforce/PSC staff committees. Our members can be an invaluable source of information because they operate the system on a daily basis throughout the year. Our findings and recommendations are grouped into three categories: (1) pre storm system readiness; (2) the efficacy of storm restoration; and (3) recommendations for future activities to strengthen the ability of the ConEd system to address severe weather and to implement service restoration in an efficient manner. The latter category is clearly the most important, as implementing the "lessons learned" from the Sandy experience is critical to ensuring an efficient response to future weather events. We look forward to continuing to be a part of efforts to enhance the quality, safety, and reliability of the electricity services provided by Con Edison.

SCHOLARSHIP

LOCAL 1-2 ACCEPTING APPLICATIONS

\$1,000 Grants Available to Children of Union Members

College-bound children of current and retired Local 1-2 Members are eligible to compete for \$1,000 grants under the Union's annual scholarship competition, announced Local 1-2. The program provides 22 scholarship grants, each in the amount of \$1,000, to be used toward the payment of college tuition and books.

"By offering these scholarships, we are investing in our children and in the future. We consider that a wise and prudent investment. We urge all eligible students to participate in this contest," the Local's President said.

To qualify as a candidate, a student must be a child of a Local 1-2 Member or Retiree, and be a high school Senior graduating in 2013. The scholarship will be paid only to

those who have declared their intention to enroll or are already enrolled in a post-high school institution certified by the Department of Education in the state-where-the-institution-is-located. Applications (see box below) must be completed and mailed to Local 1-2 Utility Workers Union of America, AFL-CIO, 5 West 37th Street, 7th Floor, New York, NY 10018. All applications must be accompanied by a copy of the official transcript of high school grades covering the first six terms. The deadline for filing is Friday, June 28, 2013.

After the initial application step, scholarship candidates will be required to write an essay of 500 words or less at the Union office on a date to be announced. The topic of the essay will not be revealed

until that morning. Students will be required to bring their own writing implements and paper to complete this phase of the competition.

Members themselves, brothers and sisters of Members and the children of full-time Union Officers are excluded from participating in the contest. The 22 winners will be chosen on the basis of their school transcript records and the written essays. Winners will be notified by mail sometime in August and will receive their scholarships at Local 1-2's first General Membership Meeting after the summer, usually held in September. So don't waste time. Complete the application below, get a copy of your high school transcript and send in the material as quickly as possible.

APPLICATION FOR THE LOCAL 1-2 SCHOLARSHIP CONTEST

Sponsored by

Local 1-2 Utility Workers Union of America, AFL-CIO
5 West 37th Street, 7th Floor, New York, NY 10018 (212) 575-4400

(PLEASE PRINT)

Date _____

Name _____

Date of Birth _____

Address _____

Home Phone _____

Name of Parent _____

Employee No. _____

Dept. _____

Company _____

Work Location _____

Shop Steward _____

Phone No. _____

I expect to graduate from _____

_____ High School

Located at _____

I expect to attend _____

_____ College or School

Parent's Signature _____

This is to certify that the Candidate, whose name is written on the application, is a candidate for graduation, the term ending _____ 2010.

Principal's Signature _____

To Principals - Please Note:

Applications must be returned by Friday, June 28 2013 and must be accompanied by: Official Transcript of High School Grades for the first six terms.

2012 CON EDISON OMBUDSMAN REPORT-EXCERPT

...Unfortunately, the law of unintended consequences came into play. Simply put, the efforts to control and reduce costs for the long term sustainability of the Company necessarily implicated the sensitive area of employee pensions and health care benefits. Inevitably, the demand for modifications and reductions - in the form of extended work years before full pensions vested, and reduced sick leave days and increased co-pays for health care, etc. - caused a backlash among a large segment of management employees, particularly those with more seniority. And this negative reaction has not appreciably diminished over the past several months. Further, these feelings were further exacerbated among management employees by their realization that weekly employees escaped most of these changes in their new contract.

Those negative feelings and emotions, on the other hand, did not impede the work force from continuing to do its job during challenging and dangerous times - especially during the restoration efforts in the aftermath of Hurricane Sandy. However, it would be naïve to believe that all these issues will simply go away with the passage of time. ...

Another area which has given rise to a number of complaints to our Office is employee interaction with the Occupational Health Department.³ Problems range from the Company's revised application of the Federal Family and Medical Leave Act (FMLA) policy and that policy's integration with the Company's own medical plan; a concern about tightened restrictions, particularly in the area of commercial drivers licenses, and an increasing perception that the Company is using the Medical Department in an effort to place more employees on the C-6 Program with the ultimate objective being their termination. These perceptions, whether justified or not, have created a general lack of trust in the motives and objectives of the Department. While we believe the reality is at odds with the perception, there clearly, needs to be more communication within the Company about the mission, goals and objectives of this very important Department. Tensions between the Medical Department and Company personnel have waxed and waned over the years, but it appears that growing numbers of employees hold increasingly negative views. These must be addressed.

OUR ENERGY FUTURE

BUSINESS, LABOR AND ENVIRONMENTAL LEADERS SPEAK OUT ON ENERGY

New York State Has No Viable Plan



By James Slevin

What would the Big Apple be as a city and economic engine of our state without an electricity supply? How about communities on Long Island, the Hudson Valley or Albany's Capital District? It's a question every elected official, government and economic development official needs to focus on today.

Over the last decade countless regulatory blockades and minefields have created a very hostile environment for any entity willing to produce power in New York.

Numerous local coal burning power plants were mandated by the State Attorney General to shut down because they were too dirty and polluted the air. The owners of two facilities in Rockland County, recognizing there was no way to retrofit infrastructure and not lose money in New York's burdensome regulatory environment, responded by bringing in bull dozers to raze two in-state power generating facilities. Lost were over 1,600 MW of capacity from our grid, local jobs and a company that paid a huge percentage of their host town's local school taxes.

Another company which owns several floating power generating units in New York City declared in 2011 its intention to sell off its fleet citing new state regulatory mandates which, "make it impossible" for the investor, "to recover its operating costs." They could not even afford to maintain the facilities, mothballing the aging turbines instead.

Since New York has the highest cost of electricity in the continental United States, shouldn't there be a line out the door of companies looking to buy in? The truth is, a year after the sale was announced no buyer has emerged because energy investors recognize that burdensome years of red tape and litigation come with investing in New York. Unfortunately they are not wrong.

Last week New York labor turned out in force at Nuclear Regulatory Commission (NRC) technical hearings, by the agency's Atomic Safety and Licensing Board so anti-nuclear energy protestors could be heard once-again regarding Indian Point's license renewal. Their theatrics will continue through December and delay a routine license renewal process. The sad fact is energy investors will be reminded of New York's complicated and hostile environment as well as discourage job growth which hurts my members, their families, and jeopardizes New York's economy.

New York State has no viable plan to replace the lost power if Indian Point closes. Despite politically motivated litigation and foot dragging - Indian Point thrives. It consistently exceeds every NRC requirement and provides New York City the power to remain the "City that Never Sleeps" and the economic advantage to keep New York known as "The Empire State."

James Slevin is the Vice President of the Utility Workers Union of America Local 1-2.



James Slevin

Vice-President
Utility Workers Union of America Local 1-2
5 West 37th Street, 7th floor
New York, NY 10018

212-575-4400
<http://uwua1-2.org/>

The Utility Workers Union of America Local 1-2 represents 8500 utility workers at Con Edison, Entergy, the United Water of New Rochelle, US Power Generation, and many others. For more than 60 years, Local 1-2 has represented utility workers from the Bronx, Queens, Manhattan, Brooklyn, and Westchester.

FINANCIAL STATEMENTS

UTILITY WORKERS UNION OF AMERICA, AFL-CIO
LOCAL 1-2
Statement of Financial Position
December 31, 2012

	<u>General Fund</u>	<u>Defense Fund</u>	<u>Officers' Good and Welfare Fund</u>	<u>Political Action Fund</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS						
Current assets:						
Cash and cash equivalents:						
Cash	\$ (57,507)	-	\$ (346)	\$ 16,621	-	\$ (41,232)
Cash equivalents	-	646,100	-	-	-	646,100
Total cash and cash equivalents	<u>(57,507)</u>	<u>646,100</u>	<u>(346)</u>	<u>16,621</u>	<u>-</u>	<u>604,868</u>
Receivables:						
Dues	49,362	-	-	-	-	49,362
Accounts receivable - other	236,650	-	-	-	-	236,650
Interest	-	8,604	-	-	-	8,604
Due from other funds	-	67,726	-	-	(67,726)	-
Total receivables	<u>286,012</u>	<u>76,330</u>	<u>-</u>	<u>-</u>	<u>(67,726)</u>	<u>294,616</u>
Prepaid expenses	<u>42,051</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,051</u>
Total current assets	<u>270,556</u>	<u>722,430</u>	<u>(346)</u>	<u>16,621</u>	<u>(67,726)</u>	<u>941,535</u>
Non-current assets:						
Long-term investments	113,728	804,584	-	-	-	918,312
Security deposits	38,104	-	-	-	-	38,104
Property assets, net of accumulated depreciation and amortization	<u>135,224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,224</u>
Total non-current assets	<u>287,056</u>	<u>804,584</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,091,640</u>
Total assets	<u>\$ 557,612</u>	<u>\$ 1,527,014</u>	<u>\$ (346)</u>	<u>\$ 16,621</u>	<u>\$ (67,726)</u>	<u>\$ 2,033,175</u>

FINANCIAL STATEMENTS

UTILITY WORKERS UNION OF AMERICA, AFL-CIO
LOCAL 1-2
Statement of Financial Position (Continued)
December 31, 2012

	General Fund	Defense Fund	Officers' Good and Welfare Fund	Political Action Fund	Eliminations	Total
LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable and accrued expenses	\$ 560,760	\$ -	\$ -	\$ -	\$ -	\$ 560,760
Liability for supplemental pension plan - current portion	358	-	-	-	-	358
Due to other funds	<u>67,726</u>	-	-	-	<u>(67,726)</u>	-
Total current liabilities	<u>628,844</u>	-	-	-	<u>(67,726)</u>	<u>561,118</u>
Non-current liabilities:						
Liability for supplemental pension plan - non-current portion	302,261	-	-	-	-	302,261
Liability for deferred compensation plan	<u>81,052</u>	-	-	-	-	<u>81,052</u>
Total non-current liabilities	<u>383,313</u>	-	-	-	-	<u>383,313</u>
Total liabilities	1,012,157	-	-	-	(67,726)	944,431
Unrestricted net assets	<u>(454,545)</u>	<u>1,527,014</u>	<u>(346)</u>	<u>16,621</u>	-	<u>1,088,744</u>
Total liabilities and net assets	<u>\$ 557,612</u>	<u>\$ 1,527,014</u>	<u>\$ (346)</u>	<u>\$ 16,621</u>	<u>\$ (67,726)</u>	<u>\$ 2,033,175</u>

FINANCIAL STATEMENTS

UTILITY WORKERS UNION OF AMERICA, AFL-CIO
LOCAL 1-2
Statement of Activities
For the three months and year ended December 31, 2012

	Three Months				Year Ended					
	General Fund	Defense Fund	Officers' Good and Welfare Fund	Political Action Fund	Total	General Fund	Defense Fund	Officers' Good and Welfare Fund	Political Action Fund	Total
Revenue:										
Dues and initiation fees	\$ 1,718,868	\$ -	\$ -	\$ -	\$ 1,718,868	\$ 6,576,615	\$ -	\$ -	\$ -	\$ 6,576,615
Interest and dividends	243	10,635	-	-	10,878	1,434	35,984	-	-	37,418
Other	(47,115)	-	-	5,310	(41,805)	7,868	-	-	9,790	17,658
Total revenue	<u>1,671,996</u>	<u>10,635</u>	<u>-</u>	<u>5,310</u>	<u>1,687,941</u>	<u>6,585,917</u>	<u>35,984</u>	<u>-</u>	<u>9,790</u>	<u>6,631,691</u>
Expenses:										
Program services - member services	1,166,427	-	-	10,000	1,176,427	6,100,161	-	2,923	10,925	6,114,009
Supporting activities - management and general	291,606	1,126	-	-	292,732	1,525,040	6,261	-	-	1,531,301
Total expenses	<u>1,458,033</u>	<u>1,126</u>	<u>-</u>	<u>10,000</u>	<u>1,469,159</u>	<u>7,625,201</u>	<u>6,261</u>	<u>2,923</u>	<u>10,925</u>	<u>7,645,310</u>
Change in net assets	<u>\$ 213,963</u>	<u>\$ 9,509</u>	<u>\$ -</u>	<u>\$ (4,690)</u>	<u>\$ 218,782</u>	<u>(1,039,284)</u>	<u>29,723</u>	<u>(2,923)</u>	<u>(1,135)</u>	<u>(1,013,619)</u>
Unrestricted net assets:										
Beginning of period						34,739	2,047,291	2,577	17,756	2,102,363
Transfer of funds						550,000	(550,000)	-	-	-
End of period						<u>\$ (454,545)</u>	<u>\$ 1,527,014</u>	<u>\$ (346)</u>	<u>\$ 16,621</u>	<u>\$ 1,088,744</u>

FINANCIAL STATEMENTS

UTILITY WORKERS UNION OF AMERICA, AFL-CIO
 LOCAL 1-2
 (Supplementary Information)
 Schedule of Expenses
 For the three months and year ended December 31, 2012

	Three Months				Year Ended					
	General Fund	Defense Fund	Officers' Good and Welfare Fund	Political Action Fund	Total	General Fund	Defense Fund	Officers' Good and Welfare Fund	Political Action Fund	Total
Salaries	\$ 645,900	\$ -	\$ -	\$ -	\$ 645,900	\$ 2,285,400	\$ -	\$ -	\$ -	\$ 2,285,400
Payroll taxes	34,255	-	-	-	34,255	166,111	-	-	-	166,111
Employee benefits	190,322	-	-	-	190,322	672,218	-	-	-	672,218
Business agents' expenses	51,972	-	-	-	51,972	180,598	-	-	-	180,598
Lost time wages	7,337	-	-	-	7,337	50,096	-	-	-	50,096
Executive board and other allowances	20,455	-	-	-	20,455	138,422	-	-	-	138,422
Per capita taxes:										
National union	301,162	-	-	-	301,162	1,737,655	-	-	-	1,737,655
Other	8,791	-	-	-	8,791	36,424	-	-	-	36,424
Automobile expenses	47,065	-	-	-	47,065	200,271	-	-	-	200,271
Meetings, conferences and negotiations net of reimbursements	(269,545)	-	-	-	(269,545)	402,779	-	-	-	402,779
Education, books and publications	1,335	-	-	-	1,335	3,321	-	-	-	3,321
Contributions, gifts and awards	16,474	-	-	10,000	26,474	106,773	-	2,923	10,925	120,621
Rent and utilities	68,653	-	-	-	68,653	291,690	-	-	-	291,690
Insurance	28,385	-	-	-	28,385	106,553	-	-	-	106,553
Repairs and maintenance	16,746	-	-	-	16,746	41,745	-	-	-	41,745
Computer expenses	2,100	-	-	-	2,100	19,411	-	-	-	19,411
Printing and postage	81,879	-	-	-	81,879	323,094	-	-	-	323,094
Telephone	9,699	-	-	-	9,699	41,921	-	-	-	41,921
Office supplies and expenses	2,088	-	-	-	2,088	26,148	-	-	-	26,148
Equipment rental	2,839	-	-	-	2,839	22,039	-	-	-	22,039
Depreciation and amortization	(23,508)	-	-	-	(23,508)	35,842	-	-	-	35,842
Professional fees:										
Legal	78,264	-	-	-	78,264	273,653	-	-	-	273,653
Accounting	32,500	-	-	-	32,500	130,000	-	-	-	130,000
Arbitration	32,425	-	-	-	32,425	88,125	-	-	-	88,125
Other	53,299	-	-	-	53,299	173,121	-	-	-	173,121
Legal settlement	-	-	-	-	-	5,617	-	-	-	5,617
Election expenses	4,750	-	-	-	4,750	14,250	-	-	-	14,250
Investment expenses	-	1,126	-	-	1,126	-	6,261	-	-	6,261
Lobbying fees	9,025	-	-	-	9,025	36,125	-	-	-	36,125
Other	3,366	-	-	-	3,366	15,799	-	-	-	15,799
Total expenses	\$ 1,458,033	\$ 1,126	\$ -	\$ 10,000	\$ 1,469,159	\$ 7,625,201	\$ 6,261	\$ 2,923	\$ 10,925	\$ 7,645,310

CITY COUNCIL SANDY TESTIMONY BY VICE PRESIDENT SLEVIN

STATEMENT OF JAMES SLEVIN, VICE PRESIDENT, LOCAL 1-2, NEW YORK, UTILITY WORKERS UNION OF AMERICA, AFL-CIO

COMMITTEES ON CONSUMER AFFAIRS, TECHNOLOGY AND LOWER MANHATTAN REDEVELOPMENT
FRIDAY, JANUARY 18, 2013

SPEAKER QUINN, COMMITTEE CHAIRS CABRERA, CHIN AND GARODNICK GOOD AFTER-NOON. I AM JAMES SLEVIN, VICE PRESIDENT OF LOCAL 1-2. WITH ME ARE LOCAL 1-2 SENIOR BUSINESS AGENTS JAMES SHILLITTO AND ROBERT STAHL, WHO ARE EXPERTS IN CON EDISON'S ELECTRIC OPERATIONS.

THANK YOU FOR INVITING THE TESTIMONY OF OUR UNION, UWUA LOCAL 1-2, THE UTILITY WORKERS WHO KEEP THE LIGHTS ON IN NEW YORK CITY. WE WELCOME THIS OPPORTUNITY TO BRING TO THE LIGHT OF DAY THE ARROGANCE, NEGLECT AND CONTEMPT CON EDISON HAS FOR THE RATEPAYERS OF NEW YORK CITY AND ITS LACK OF PREPAREDENESS FOR SANDY AND THE MISSTEPS THAT FOLLOWED.

On behalf of our nearly 8,000 members, who have been working around the clock since October 29 to restore essential utility services, the importance of our efforts as first responders cannot be overstated. If our first class City is to continue to foster economic development, it has to have a first-class electric distribution system. Our members pursue this objective 24/7. And our members are not just utility workers—they are community residents, whose family lives—if not homes—were also upended by this storm. Con Edison on the other hand has resorted to solutions that are more like a Third-World Country, using shortcuts and band-aids so that it can preserve its shareholder value, not the services it is required to provide.

We welcome the opportunity to be involved both in assessing the efforts that were undertaken, and in developing ways to improve our ability to respond to future events.

In the weeks since the storm waters receded, we have begun our own internal investigation of the state of Con Edison's system, in the days leading up to the storm, through the restoration, and into the near and long-term future. Our investigation has focused on information that we have obtained from our members. They have a unique perspective to offer, in that Con Edison's working men and women have been on the front lines—both in operating the system on a day-to-day basis, and in restoring service, house by house, to the millions affected by Sandy.

Our investigation is ongoing. In the meantime, our major findings thus far include the following:

- As the Council well knows, the issues surrounding Con Ed's distribution system are long standing. There are no doubt several causes, but a central focus should be the scope of the Company's workforce. In the years since the advent of deregulation, Con Ed has slashed its union workforce to the bone. Since 2008 alone, the Company's union workforce has been cut by nearly 1500 members. The problem is simple: there is too much work on the system for too few utility workers.

- Concerns with the system were exacerbated during last summer's ill-advised Lockout. When our members came back to work, we found that the Company's makeshift workforce had been dealing exclusively with emergency situations, while essential day-to-day maintenance was not being performed. Our members have been playing catch up ever since.

CITY COUNCIL SANDY TESTIMONY BY VICE PRESIDENT SLEVIN

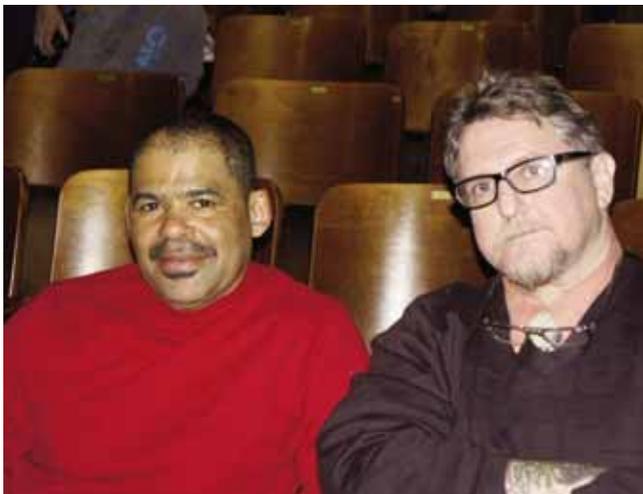
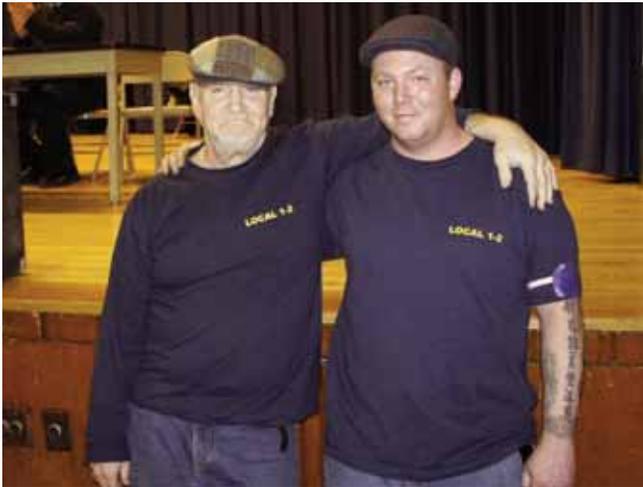
- Once the storm hit, our restoration efforts were supplemented by several thousand utility workers from other parts the country. While mutual aid is an accepted practice among utilities, and we appreciated the help, the costs of these efforts may well exceed any benefits to Con Ed's ratepayers. No two utility systems are identical, and the differences can be very significant. For example, California utilities had their trucks flown into New York City. They are too big to navigate the narrow streets of Brooklyn and Queens. Our first hand and front line impression is that the majority of the utility workers brought in to help had no training on performing service restoration in the unique urban utility environment in which we operate every day. As a consequence, trained Con Ed workers had to take time away from their tasks to ensure that mutual aid workers were able to conduct their operations without injuring themselves or customers.
- Inadequate materials management impeded our efforts. While Con Ed had advance warning of the storm, it failed to secure the necessary spare parts. They ran out of poles, for example, and even gasoline for their vehicles.
- Worse, some of the parts that were secured were the wrong ones—and there is apparently no ability to return them. Staffing deployments were mysterious. The few—and grossly inadequate—number of linemen responsible for addressing issues in the Bronx were diverted to Westchester while Bronx residents sat in the dark. Neither the Union nor the public has been provided an explanation for this staffing deployment decision.
- Our efforts were also hampered by simple things. Our members function as first responders, but do not have that official status. As a result, workers responding to the emergency were stuck on the same long gas lines as other City residents. Also they were turned away when vehicle restrictions were imposed by the Mayor. We suggest action to ensure that when our members are engaged in storm restoration activities-or any power emergency- they are treated as first responders, which will facilitate entrance into and movement through the five boroughs. It was our men and women who restored lower Manhattan after the World Trade Center attacks, pushing 3,600 miles of cable to get the financial district back to work.
- Even now, months after the storm, lower Manhattan—just blocks from the New York Stock Exchange—still has office buildings that are running off of backup generators located on City streets. This is, to put it mildly, inconsistent with any efforts to promote economic development. If we are to achieve this goal, we neither can nor should treat this situation as the new normal. It is unacceptable. And we know that Con Ed does not have the equipment on hand to tie in to the grid these major office buildings

A recent statement from the Consumers Union to the Moreland Commission summed up the situation well, stating that “in an emergency the capacity of utilities to respond and provide good customer service comes down to the basic issue of having the people and the equipment to do the job.” Based on our investigation to date, Con Ed had neither sufficient trained personnel nor all of the needed equipment.

It seems that the ratepayers should ask whether or not Con Ed CEO Kevin Burke's cozy relationship with the Stock Market, which seems to be the focus of the Con Ed's efforts, where the dividend is king, is compromising the delivery of Con Ed's services to its customers. We think the answer is self-evident.

We look forward to working with all of you to ensure that New York City is a place in which electric service is provided in a safe, reliable, and durable manner.

FEBRUARY MEMBERSHIP MEETING





UTILITY WORKERS UNION OF AMERICA
Local 1-2, Affiliated with AFL-CIO
5 West 37th Street, 7th Floor, New York, NY 10018



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LOCAL 1-2

UTILITY WORKERS UNION OF AMERICA, A.F.L.- C.I.O.

MEMBERSHIP MEETING

PLACE: THE HIGH SCHOOL OF FASHION INDUSTRIES
225 WEST 24TH STREET, NEW YORK, NY
(BETWEEN 7TH & 8TH AVENUE)
DATE: THURSDAY, APRIL 25, 2013
TIME: 6:15 P.M.

ADMISSION ONLY TO MEMBERS IN GOOD STANDING
BY UNION CARD OR COMPANY I.D. CARD

Fraternally,

Lucia E. Pagano
Secretary-Treasurer

IT'S IMPORTANT