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January 17, 2017

Brothers and Sisters,

As you have heard, EPCOR has made another bid to acquire the City of Edmonton's Drainage Department. The details of the proposed transfer are that EPCOR would take over operations of the Drainage Department (excluding the planning section), along with the debt associated with drainage projects (approximately \$447 million) and in return, increase the annual dividend paid to the City by \$20 million.

CSU 52 has members in both the City of Edmonton and EPCOR, and we have been assured that this transfer will not directly result in the loss of any jobs; however, despite this assurance, CSU 52 opposes this transfer.

Our opposition to this transfer is based on the belief that our drainage utility (a utility that belongs to and serves all citizens of Edmonton) is best kept as a public, transparent operation. A transfer to EPCOR (that, despite being wholly owned by the City, operates as a private, for-profit corporation) would greatly diminish the transparency and accountability of this asset. While Drainage within the City reports in public (via City Council's Utility Committee) and is bound by Freedom of Information legislation, a move to EPCOR would take away those measures of accountability. The bottom line is that EPCOR is not bound by FOIP laws and neither the Board of Directors' meetings nor the EPCOR Shareholder meetings are open to the public.

As far as staffing is concerned, CSU 52 has been assured that there will be no direct job losses associated with this transfer. Despite this, a report commissioned by City Council (compiled by Grant Thornton) raises concerns as it identifies that EPCOR intends to realize cost-savings by reducing staff through attrition (not filling positions as they become vacant), as well as reducing absenteeism. The report does not indicate how work done by these vacated positions will be covered off.

While the appeal of the City transferring debt off their books and increasing the annual dividend is apparent, a transfer of our drainage utility to EPCOR wrestles control of one of our most essential services away from the public that it serves and into the boardroom of a private corporation. CSU 52 has opposed this transfer each time it has been proposed (this is, in fact, the third time that EPCOR has moved to take over Drainage) and we oppose the transfer now because our drainage utility is too important to give away to a private corporation.

If you believe that Drainage should stay within the City of Edmonton, I would encourage you to contact your City Councillor and voice your concern (visit the City's website for their contact information). Information about the proposed transfer is posted on CSU 52's website and if you have any questions, please do not hesitate to contact me at the union office.

In solidarity,

A handwritten signature in blue ink that reads 'Lanny Chudyk'.

Lanny Chudyk
President, Civic Service Union 52