

## ALLIANCE PARTNERS ATTEND CAUCUS MEETINGS

### OWNER CAUCUS

Jerry, Payton, Co-Chairman, TVA

Joe Hegendeffe, Co-Chairman, KCP&L

### KEY TOPICS

**DRUG TESTING.** MOST Administrator Roger Erickson opened the owner caucus with a reminder that the Board of Trustees has reduced the annual drug testing budget by \$.5 million, from approximately \$800,000 to \$300,000. The test was deemed redundant, considering that owners have a variety of random, jobsite drug testing programs in place.

Owners reached a consensus that the annual test should be fully reinstated, as it serves as a deterrent to drug use and ensures that members report to the job site already tested.

Drug use and drug policing varies by geography, with Michigan Local 169 reporting no incidents. It was noted that TVA uses drug-sniffing dogs when a behavioral problem exists; Jerry Payton reported that the use of dogs has yielded positive results.

**RECRUITMENT/PROJECT STAFFING.** Owners are concerned about insufficient labor to meet work requirements. There is a shortage of certified welders. Most owners are paying certified



MOST Administrator ROGER ERICKSON

apprentices journeymen rates to man projects and using other incentives. Some are also turning to ironworkers, sheet metal workers and steamfitters to fill the void.

The continuing loss of Boilermakers to retirement remains a concern. Boilermakers need to adapt to the loss of members as other trades are doing and use strategic planning. Growing oil and gas industries also compete for skilled workers.

The next two-years will show a peak in coal generating assets. After that time, there will

# OWNER CAUCUS

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JERRY, PAYTON, Co-Chairman, TVA



JOE HEGENDEFFER, Co-Chairman, KCP&L

be a reduction in coal generating plants, so the need for additional recruitment may take care of itself. The question to the Boilermakers needs to be, "How can the owners group support a strategy for staffing needs in the future?"

**BOILERMAKER DELIVERY SYSTEM/REFERRAL RULE CHANGES.** Absenteeism remains an issue, although the Most Boilermaker Delivery System and reformulated referral rules are designed to set penalties. Enforced penalties can exacerbate the problem of insufficient staffing.

Owners are monitoring a legal case in Michigan in which a Boilermaker has filed suit against specific referral rule changes.

**GENERAL COMMENTS.** The owners expressed appreciation for what the Boilermakers have achieved in the past 25 years. They noted that other crafts follow what the Boilermakers do – in substance abuse, the MOST Boilermaker Delivery System, Safety Training and human performance initiatives.

While the Boilermakers have been progressive in addressing issues presented by the owners, a fundamental problem is that the owners

can't ask the union to continue to improve if the owners themselves don't know where the industry is headed. Regulatory changes, fuel source competition, market forces and other factors make predicting future needs extremely difficult.





GREG PURDON, Chairman, *Enerfab*

## CONTRACTOR CAUCUS

Greg Purdon, Chairman

### KEY TOPICS

**MANPOWER.** The contractor caucus stressed that tripartite partners need to work together as a group to better forecast labor demand, especially in light of current and projected manpower shortages. The caucus cited the Ohio Valley as a region that has done an excellent job in the past of utilizing the MOST manpower forecasting tool.

But more involvement is needed from owners, contractors and locals, since manpower is of paramount importance to the Alliance's collective success. Approaches need to be developed to jointly and collectively recruit, plan, and forecast to meet the impending demands.

The contractor group recognizes that employ-

ing apprentices at a ratio outlined in collective bargaining agreements is important to keeping apprentices employed and growing and is also important in the recruitment process. The group identified the need to reach young people and to promote construction careers as something relevant and attractive. A better approach is also needed to use the Helmets to Hardhats program for recruitment.

**DRUG TESTING IMPROVEMENTS AND COST SAVINGS.** MOST should explore the possibility of accepting other drug tests as a way to get men to work faster, reduce costs, and minimize the number of tests an individual needs to take.

**CONFERENCE OPTIMIZATION.** Conference timing and location should be reviewed in terms of what works best from an owner's perspective. The format and content should be evaluated to make sure it is meaningful.

One proposed change is to identify issues prior to the conference and allow participants to sign up for specified groups to develop solutions. This might be more productive than spending caucus time simply identifying issues.

**LEADERSHIP TRAINING.** Improving the skills of frontline supervision is important to the Alliance's collective success. There should be a review of participation levels and the methods used to market the leadership program. The Tripartite Alliance needs to do a better job embracing and promoting this program.





# BOILERMAKER CAUCUS

Kyle Evenson, Chairman

## KEY TOPICS

**FIT FOR DUTY PROGRAMS.** The union would like an explanation from contractors as to their plans for fit for duty programs going forward.

**SCHEDULING OF OUTAGES.** The union would like a clear explanation of why outages can't be scheduled better to accommodate manpower needs. Even a week or two, either way, pushed back or forward would make a difference in certain areas. The union has discussed this issue and will do its part recruiting skilled workers, and ramping up apprentice numbers, but until that happens, contractors might look into making a slight change and work with the Business Managers on scheduled outages.

**OWNERS & CONTRACTORS USING THE MOST RANDOM DRUG TESTING PROGRAM.** The union discussed this topic but fully anticipates this will be a topic addressed by the full conference, so it was decided to wait for the issue to come to the floor for general discussion.

**CALLING COMMON ARC WELDERS & UPDATING CERTIFICATIONS.** Contractors need to check the number of welders they actually need when ordering Boilermakers for their jobs. The referral rules state in Article 8.6, Request Special Skill: "A bona fide request by employers for Boilermakers with special skills and abilities shall be honored and filled in accordance with Article 8.1. To assure all employers an adequate supply of Boilermaker welders for each job shift, the union shall refer welders to jobs at no more than one hun-

dred twenty-five percent (125%) of the available welding leads connected to machines in service. Exceptions to this rule shall be allowed for job conditions that require rotation



KYLE EVENSON, Executive Director, CSO

of welders because of unusual or safety related working conditions."

Updating welder certifications is still a problem in most of the areas. This message needs to get down to frontline supervisors, who need to be reminded to pay particular attention to referral rule, 8.7.1.1, Preferred Welders: "Preferred welders must be currently registered in Common Arc. Upon failure to promptly update

certification of all welders on each job site, an employer may not be allowed to use priority referral of Common Arc welders or preferred welders on future jobs as determined by the National Committee after recommendation from the Local Committee. It is the intent of the National Joint Rules and Standards Committee that employers utilizing the Common Arc Program in a Local must make an earnest effort to certify all welders who avail themselves to scheduled Common Arc tests."

**GENERAL COMMENTS.** Business Managers expressed frustration that issues discussed at caucuses seem to stall, with no follow-up action being taken. The consensus is that if the union's concerns could be assured of reaching the contractors' frontline supervisors that they might be more successfully resolved. The union caucus suggests that the issues be communicated by NACBE and that the union receive confirmation that those concerns did indeed reach the frontline supervisors.

## PRESIDENT JONES OPENS CONFERENCE WITH SALUTE TO MOST



**“MOST BECAME THE ENGINE OF PROGRESS AND INNOVATION FOR OUR SLICE OF THE CONSTRUCTION INDUSTRY.”**

CONFERENCE CHAIRMAN and International President Newton B. Jones opened the National Tripartite Alliance conference October 7 with a salute to the 25th anniversary of MOST, recalling MOST’s founding in 1989 and its development into an industry-leading “engine of progress and innovation.”

Today, he said, the “electric power industry is sailing into uncharted seas . . . with the triple threat of an overreaching EPA, the rapid deployment of alternative energy sources and a struggling economy that has suppressed power demand.” But, he added, the tripartite alliance continues to work together as “a bulwark against uncertain times” and it continues to create programs to benefit the industry partnership.

Two of the newest programs – the MOST Boilermaker Delivery System and the Boilermaker Code – promise to bring additional value to the industry, he noted. He followed with a preview of

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“Living the Code,” a new film that explains the need and purpose of the Boilermaker Code as a set of qualities toward which all members should strive.

## PURDON DELIVERS NACBE ADDRESS



GREG PURDON, CEO, Power & Industrial Division, *Enerfab*

GREG PURDON, CEO, Power & Industrial Division, Enerfab, Inc., president of the National Association of Construction Boilermaker Employers, and chair of the MOST Programs, delivered an address on behalf of NACBE.

Purdon contrasted MOST’s founding year, 1989, and 2014 in terms of the mix of power generation fuel sources as well as safety performance stats. He pointed out that total energy output in those two comparison years has not changed much and that despite all the hype about renewables, those energy sources only represent about 6.5 percent of total U.S. power generation today.

However, he said, safety performance in the comparison years has seen impressive changes, thanks to MOST. “Monumental improvements have been achieved in the OSHA recordable rate and the lost time injury rate. This is something we all should be proud of.”

## CONSULTANT, ALSTOM EXEC PROVIDE ENERGY UPDATES

STEPHEN FOTIS, a Partner with VanNess Feldman, and Mark Morey, Director of Fuel Intelligence for Alstom Power, gave individual presentations on energy topics.



STEPHEN FOTIS, Partner, *VanNess Feldman*

Fotis summarized the raft of EPA regulations that have been developed in recent years that are impacting new and existing-source coal-fired power plants. He explained that the regulations, which also impact waste ash, effluent and water use, place incredible stress on the energy industry. However, these rules have seen legal challenges and more lawsuits are likely to emerge, making the final iteration of the various rules uncertain.

Morey explained ongoing changes in Europe’s power and energy markets. He said Europe’s power generation is well diversified and that Europe has established clear objectives for 2020, including 20 percent reductions in CO<sub>2</sub> emissions, a goal of 20 percent renewables and a 20 percent increase in energy efficiency.



MARK MOREY, Director of Fuel Intelligence, *Alstom Power*



## MCGARVEY SPEAKS ABOUT IMPROVING BUILDING TRADES BRAND

SEAN MCGARVEY, PRESIDENT of North America's Building Trades Unions, spoke about the need for all trades to pursue excellence in their jobs and their relations to owners and contractors.

"For several years, our unions have collectively been hard at work to rebuild the brand for North America's Building Trades Unions," he said.

In viewing the Boilermakers' new "Living the Code" film, McGarvey stated, "I was struck by its honesty and the willingness of this great union to hold a mirror up to itself and ask the fundamental question of 'How do we get better?'"

McGarvey added, "We embrace the notion that re-constituting a successful brand for the 21st Century requires us to see what we do through the eyes of the owner and contractor partners. I want to thank the membership of the Boilermakers for embracing our new value structure and our code of excellence."



SEAN MCGARVEY, left, Building Trades President, and Boilermakers President NEWTON B. JONES



# LOCAL 11 RECEIVES CHARLES W. JONES AWARD

THE CHARLES W. JONES Award, which honors the local lodge demonstrating the highest use of seven specified MOST programs during the preceding year, went to Local Lodge 11 of East Helena, Mont.

International President Newton B. Jones presented the award to L-11 BM-ST Jess LaBuff, who accepted the award on behalf of the lodge members.

MOST Administrator Roger Erickson pointed out that since the award was established, participation rates in the various programs have improved markedly. Local 154 (Pittsburgh) received the first award in 2011, followed by Local 85 (Toledo, Ohio), in 2012, and Local 433 (Tampa, Fla.) in 2013.



L-11 (East Helena, Mont.) BM-ST Jess LaBuff, fourth from left, accepts the Charles W. Jones award on behalf of his lodge's members. L. to r., Gary Evenson, D-CRS; Greg Purdon, CEO, Power & Industrial Division, Enerfab; Newton Jones, IP; J. Tom Baca, IVP; and Roger Erickson, MOST Administrator.



## DAY 3 FOCUS IS ON CO<sub>2</sub>, BOILERMAKER CODE

### B&W SPEAKER ADDRESSES CCS STATUS

STEVE MOORMAN, Babcock & Wilcox's Manager of Business Development for Advanced Technology, addressed the status of carbon capture and storage technologies in light of the EPA's CO<sub>2</sub> regulations. He cited projects such as Kemper and Future Gen as examples of large-scale CCS efforts at least partially funded by the Department of Energy that seek to establish applications that can be broadly applied to the coal-fired power generation fleet.

Moorman said these projects are developing slowly and that pre-combustion and post-combustion technologies are both expensive and complex. He said the few plants being built with CCS technology cost up to three times as much as super- and ultra- supercritical facilities, making them cost prohibitive to build.

"In my opinion, the average utility would find it hard to make a business case for developing one of these plants," he said.

Moorman added that some plants can help offset the high costs of CCS because they are located near oil fields that can use CO<sub>2</sub> for enhanced oil recovery, but siting limitations make this option unavailable for most coal-fired power plants.



STEVE MOORMAN, Babcock & Wilcox, Manager of Business Development for Advanced Technology

### SYNTHETIC BIOLOGY INDUSTRY SEEKS TO MONETIZE CO<sub>2</sub>

MAXX CHATSKO, EDITOR of SynBioBeta, asked conference participants, "What if, instead of treating CO<sub>2</sub> as a waste product, we could use it as a feedstock in biochemical manufacturing to produce valuable products?"

Chatsko cited a number of high-tech companies that are researching processes – and in some cases already using them – where CO<sub>2</sub> forms the building block for products such as automobile tires sucrose and ethylene glycol (a compound used in the manufacture polyester fibers and products).

Chatsko said that in addition to creating valuable products, the biochemical use of CO<sub>2</sub>

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MAXX CHATSKO, Editor of SynBioBeta

could reduce emissions by more than 90 percent, reduce petroleum demand, lower prices for consumers, boost profits and create jobs. He said a number of large companies are investing in these technologies, such as BP, Siemens and Google. He invited tripartite participants to look at ways to collaborate in the effort to use CO<sub>2</sub> as a productive commodity rather than a waste product.

## TRAINING PROGRAM WILL TEACH, REINFORCE BOILERMAKER CODE

DALE "SKIPPER" BRANSCUM, Director of Construction Sector Services, outlined the Boilermakers' training plan to instill the Boilermaker Code and the Boilermaker Creed into every member of the union.

He said that training would begin with the film, "The Boilermaker Code: Ending the Red Ass Era." Shown to the conference on Tuesday, October 7th, the film offers a frank description of missteps and bad behavior from years ago that have harmed the owners, contractors and union. The film also describes positive behaviors and approaches that strengthen the union's ability to obtain work and retain customers.

Conference Chairman and International President Newton B. Jones introduced a modified version of the film that is intended for viewing by owners. The owner version emphasizes the Boilermakers' code of excellence and the union's commitment to promote and reinforce the code throughout the organization.



DALE "SKIPPER" BRANSCUM, Director, Construction Services



Branscum said the training program, which is still under development, will be interactive, using direct dialogue, role playing and other techniques to get members thinking about the consequences of negative behavior, not only in terms of lost work but also in terms of damaged reputations and financial losses to owners and contractors.

He said those members who are placed on the penalty list for infractions will be required to complete an online refresher course.

### **CAUCUS CHAIRS PRESENT SUMMARIES**

CAUCUS CHAIRS PRESENTED the work of their respective groups to the full conference for consideration. The groups met on Monday morning, October 6, and the issues they identified were included in the MOST Minutes on Tuesday, October 7.

Presenting for the owner caucus were co-chairs Jerry Payton, TVA, (top right) and Joe Hegendeffe, KCP&L (right). Greg Purdon, Enerfab (below right), presented for the contractor caucus, and Kyle Evenson, Boilermakers (below), presented for the union caucus.







# 25 YEARS OF EXCELLENCE



*Twenty-five years ago, our industry saw a need for change that focused on elevating Boilermaker performance, instilling a culture of safety and bringing added value*

throughout the union-contractor-owner relationship. From this need, a joint effort of the Brotherhood and NACBE created the Manpower, Optimization, Stabilization and Training trust fund, or MOST. (“Manpower” was changed to “Mobilization” in 1991.) MOST enabled the Boilermakers and signatory contractors to establish a funding mechanism for program development and administration, and soon the National Tripartite Alliance began pioneering innovative approaches to safety, training, drug testing and other industry priorities.

International President Charles W. Jones introduced MOST in 1989 during the Construction Division conference in Kansas City. His dedication to increasing the skills of Boilermakers while providing value to owners and contractors was formally recognized when MOST was awarded one of the construction industry’s highest honors – the Construction Innovation Forum NOVA Award.

The collective efforts put forth through MOST have saved lives, reduced lost time and compensable injuries, improved productivity, and saved owners and contractors billions of dollars.

MOST focuses on improving the quality and skill levels of Boilermakers while providing efficiency and cost effectiveness to the industry. A recent addition to the MOST programs, the Boilermaker Delivery System, is an Internet-based application that provides hiring halls greater efficiency in managing manpower requests while allowing Boilermakers broader access to the traveler’s pool, thus increasing their opportunities for work. In addition, the system is aligned with the Joint Referral Rules to help reduce job-hopping and absenteeism. Another program in development – the Boilermaker Code – is designed “as a guidepost for all Boilermakers to perform at the highest levels in their industry,” according to International President Newton B. Jones.

As we celebrate this silver anniversary, MOST remains a pillar of excellence, standing apart as a forum to discuss and solve industry challenges, fulfill the promise of safety for Boilermakers, and deliver unmatched value to our business partners.



*With an emphasis on safety, training and removing redundancies, MOST developed numerous self-initiated programs that established significant benefits for our industry. Programs such as:*

- **MOST Substance Abuse**, which created a national Boilermaker drug-screening program resulting in a 99% pass rate.
- **MOST OSHA 10/30**, a program that has saved the industry billions of dollars and led to a reduction of over 90% in reported injury rates.
- **MOST Common Arc**, which reduces redundant welder testing and delivers an average cost savings of 98% annually.



For more information on MOST, visit [MOSTprograms.com](http://MOSTprograms.com)