



Drainage Utility Transfer to EPCOR

April 24, 2017

Message to Drainage Employees

The City's Drainage utility has a proud history of providing excellent service to the citizens of Edmonton. We are committed to ensuring this continues as its operations are transferred to EPCOR.

Following City Council's April 12 decision, discussions have taken place between EPCOR, City Administration and CUPE 30, CSU 52, IBEW 1007, and the City of Edmonton Management Association. Our conversations will continue and they will focus on paving the way for a smooth transition of Drainage staff and operations.

The transition will be phased in over time, so in your daily work, Drainage will continue to operate the same way it does today. Transition teams are being established and will work toward an expected September 1, 2017, transfer date.

As we proceed, we know you will have a lot of questions. We ask for your patience as we work through the many details that need to be addressed. We don't have all the answers at this point, but getting more and regular information to you in the coming weeks and months will be a top priority for us.

For now, we are providing a Q&A that summarizes EPCOR's key commitments to Drainage employees.

A blue ink signature of Stuart Lee, consisting of a series of fluid, connected strokes.

**Stuart Lee, President & CEO
EPCOR Utilities Inc.**

A blue ink signature of Linda Cochrane, written in a cursive style.

**Linda Cochrane
City Manager**

Questions and Answers

What happens now City Council has approved the transfer of Drainage to EPCOR?

The transition will be phased in over time, so Drainage will continue to operate the same way it does today. The expected transfer date is September 1, 2017. EPCOR will be providing more and regular information in the weeks ahead.

Will my position face contracting out? Will there be layoffs in redundant areas?

All Drainage and identified shared service employees will have job security. There will be no layoffs. Temporary employees will have the same job security rights as they do today, as set out in the collective agreements.

EPCOR expects to realize operational efficiencies over time. This will be managed with no layoffs or reduction in service to customers.

Will my salary and benefits change?

All existing collective agreements with the City are still in effect. EPCOR will negotiate with the Unions to harmonize wages, benefits and terms and conditions between the City and EPCOR collective agreements as soon as practical. These negotiations will include any transition issues that may arise.

Non-union Drainage employees will have the opportunity to transfer to EPCOR with current salaries and will be transitioned to EPCOR's Total Rewards and benefit plans.

Will I have to upgrade my education to fit with EPCOR's minimum standard for hiring?

No. Drainage employees will be grandfathered into the EPCOR system regardless of their level of education, and all provisions related to education and minimum standards of the existing collective agreements with the City will be honoured.

Will EPCOR offer retirement packages for employees that are near or at retirement age?

No. All Drainage and identified shared service employees will have the opportunity to transfer to EPCOR. There will be no layoffs and any reduction in positions will be managed over time through attrition only.