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**Testimony of John Miksad
Senior Vice President of Electric Operations
Consolidated Edison Company of New York
State Assembly Hearing
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Good morning. I am John Miksad, Con Edison's Senior Vice President of Electric Operations. I want to thank you for the opportunity to update you on Con Edison's operations during this labor dispute.

In my 31 years with the company, I've had to deal with many challenges. And this is one of the more significant and unusual challenges I have experienced.

Let me be clear. This lockout is something we never wanted to happen. Our responsibility to our customers required us to make careful plans to manage potential labor problems with this contract including the possibility of a strike. But, this was the last thing we wanted to happen. The union leadership left us no choice.

Over the years, I have worked with many of the men and women in our union workforce and consider them colleagues and friends. Many of my fellow managers feel the same way. We all value our union employees and want them back. Today, I will speak about an easy way to achieve that.

I will also speak about our tireless efforts to keep the energy flowing on behalf of the nine million New Yorkers who depend on us every day. And, I will talk about why we are unwilling to allow this difficult circumstance to compromise the safe and reliable operation of our system.

It's important for the public to know that this is what the lockout is about: the union leadership's unwillingness to provide 72 hours' notice to strike so that we can allow for a safe transfer of the operation of the energy delivery system for our customers. We consider contract negotiations a separate issue. While we believe we have offered a fair contract which promises that our union employees will continue to enjoy healthy compensation, this is not the forum to battle over the contract.

Today marks 25 days since company managers took over the operation of our systems. Again, I want to say that we greatly value our workers and their skills, dedication, and commitment. We want them back. A simple signature by union leaders, agreeing to a 72-hour notice before calling a strike, is the only thing that stands between getting 8,000 people off picket lines and back on the job. Such notice is necessary and prudent given the essential service we provide. We are not looking to take away the union's right to strike. It is simply a matter of providing advance notice which is critical to protect the safe and reliable service that New Yorkers expect and deserve.

I am here to report that the energy delivery system is functioning well. Our ability to fulfill our commitment to powering New York is due to the 5,000 engaged and focused managers who are running the system, and the successful execution of a well thought out contingency plan. The fact that we have not compromised service to our customers or the safety of our employees and the public is a testament to the effectiveness of our contingency plan.

Of course, we cannot accomplish 100 percent of the work without 100 percent of our workforce. We acknowledge that some services are affected and we are making necessary adjustments. So, according to plan, we've prioritized the work related to safety and reliability. The bottom line is that we are making sure that the work most critical to our operations is getting done.

We are responding to emergencies. The lights are on. The stock market is open, the subways are running, and hospitals are performing their critical functions. It's summer in the city and air conditioners are humming. New York City is open for business. We bear a tremendous responsibility to the world's most dynamic and demanding marketplace. And it is a responsibility that we are continuing to meet even under the present circumstances.

Our contingency plan is working and will continue to guide our mission until our union employees are back to work. Since July 1, we've endured three heat waves in as many weeks. Last Wednesday, we set a peak electricity delivery record for 2012. We surpassed that record the following day without any issues. Severe thunderstorms, hail, and winds in excess of 50 miles an hour broke last week's heat, but caused thousands to lose power. In less than 24 hours, we had everyone's power restored. We will remain engaged and focused and ready to face the challenges that may lie ahead.

The contingency plan identified essential tasks and staffing levels necessary to keep our electric, steam, and gas systems operating. More than a thousand first line supervisors are leading the charge. On average they have 10-years of service, and many came up through the union ranks. Another 1,500 support staff are working with them, giving their all to keep systems reliable and safe. 1,200 employees are working within their home organizations, doing whatever it takes to fill those responsibilities. And we have nearly 700 contractors working in the field, helping us keep the energy flowing.

In the months leading up to the contract deadline, we made sure all of our managers had training appropriate to their assignments. For some, it involved refresher training. For others, we taught the fundamentals required for the job. Every last manager assigned to the field received required OSHA safety and job training, and was given the proper protective equipment to fulfill their duties.

Processes and procedures are in place to keep our employees and the public safe. The company takes great pride in its commitment to safety. We adhere to the highest safety standards. We had our safest year on record in 2010, and surpassed that record in 2011. And we want to build on that record to keep our workers safe.

While we aim for a zero-injury workplace, incidents may happen. I can report that in the last three and a half weeks our safety record has been as good or better than it was before the lockout.

I know the committees are interested in our safety performance. So let me brief you on every employee injury so far. I'll start with the most serious injury - - one worker received 2nd degree facial burns while working in a manhole. He was treated at Cornell, and is now back at work. Two other employees received first aid for minor burns, one to the neck, the other to the hand. One employee suffered a fractured elbow from a slip while exiting a vehicle. Seven employees have sustained other less serious injuries or muscle strains from slips, falls or minor vehicle accidents. Another employee sustained skin irritation from applying insect repellent. We also had an employee suffer temporary hearing loss from an air horn blown in his ear by a union picketer.

It is important to note that we have health and safety professionals in the field monitoring safety compliance 24/7. I've been out there as well and I can confirm safety procedures are being followed. And OSHA has inspected various work locations with no findings. We'll remain vigilant in adhering to all safety requirements.

It is because of our commitment to safety - as well as reliability - that we asked the union leadership to sign a reasonable notice of a strike. Why do they refuse to make this commitment?

Without advance notice, we would be unable to move our managers quickly into position to fill critical roles. We obviously could not assure reliable energy to customers if our union workers were to suddenly walk away from our operating systems. We can't have understaffed energy control centers and substations. We must have people in place to respond to and fix gas leaks, power problems, or downed power lines. Exposing our customers and the general public to the potential for serious safety hazards or a loss of service would be irresponsible and unacceptable. Without the right people in the right places, a serious situation could turn catastrophic.

This request for notice is more than reasonable. Even Verizon's CWA membership committed to 7 days' notice before striking. And I would argue that we provide a more essential service. We are requiring not 7 days notice, but just 72 hours. The union leadership is placing their ability to strike without warning ahead of the needs and the safety of our workers and our customers.

I am here today to urge the committee, everyone in this room, and fair-minded union workers to encourage the union leadership to sign the fair notice document so that our people can come back to work. It is the right thing to do for the sake of our customers. And it is the right thing to do for our 8,000 union employees and their families.

In conclusion, I want you to understand that we are doing whatever it takes to keep the power flowing to the nine million New Yorkers who expect and deserve our best.

But do not underestimate how committed we are to get our highly valued and skilled union workers back to work. I implore everyone in this room to join us in urging the union leadership to accept our offer to sign the advance strike notice for the sake of everyone we serve.

We don't want to take away anyone's ability to strike. We owe our customers our best efforts to provide uninterrupted and safe service. It is our responsibility to keep our business strong and sustainable for our customers, the dynamic region that relies on us, and our employees, today and into the future.