

## CVEA Tackles the Aging of an Industry



**Terry DeLay, CVEA Valdez Plant Operator for over 20 years instructs Kyle Anderson, Valdez Plant Operator Trainee, on lock out/tag out techniques at the Valdez Diesel Plant.**

Photo by Nick Springer

The aging of the American workforce has emerged as a critical issue facing American productivity in the 21<sup>st</sup> century. As the 'Baby Boomer Generation' reaches retirement eligibility, the impact will be felt across both the public and private sectors. These 78 million individuals born between 1946 and 1964 have accumulated a wealth of experience and knowledge, and represent 44 percent of America's workforce.

For electric utilities, whose service quality and reliability depends on maintaining an adequate, knowledgeable workforce, managing the upcoming retirement transition is a particular challenge. More than 50 percent of the utility workforce is age 45 or older.

In 2009, the U.S. Bureau of Labor Statistics indicated that 30 percent or more of the existing utility workforce was or will be eligible for retirement in the next five years. A study by the Center for Energy Workforce Development in 2007 revealed that 40-60 percent of utilities' skilled workers and engineers could retire by 2012. It further concluded that growing demands for electricity would lead to an even greater demand for skilled workers in the years ahead, as companies make major investments in new power plants and energy efficiency.

Here today, CVEA finds itself right at the center of this storm. In the last five years, 15 percent of the Cooperative's workforce has retired. In the next 5-10 years 48 percent are within retirement age. CVEA has made significant strides in

addressing this issue by creating workforce development initiatives that will help meet future needs for skilled employees.

### Training Programs

In 2009, two Power Plant Operator Trainee positions were created when two Plant Operators at the Glennallen Diesel Plant retired. They were created to promote hiring local candidates who are energetic, enthusiastic, hard working, quick learning, and looking for a career in power plant operations with CVEA. It is preferred that trainees have a background in the mechanical, electrical, plumbing, or power plant operation fields, but not required; the Trainee position receives two years of hands-on training on the various functions of the job.

Currently there are three Trainee positions involved in the two-year training program, with the potential for additional positions opening in the future; one Operator, with over 25 years of experience, retired in May and there are currently four Power Plant Operators that are approaching retirement in the near future.

The program will allow Trainees to work with seasoned Operators learning how to operate the power plants and perform dispatching. By the time the seasoned Operators are ready to retire, the Trainee would be nearing the completion of the training program allowing them to step into the Operator position. This program helps to bridge the large learning curve

associated with becoming a Plant Operator.

In addition to Plant Operators, the average CVEA Lineman has been on the job for over 10 years and nearly half are nearing retirement. CVEA currently has no Lineman trainee or apprenticeship program; however, for those interested, an apprenticeship program through the Alaska Joint Electrical Apprenticeship and Training Trust (AJEATT) would provide the needed skills and knowledge to work on the distribution, transmission, and substation systems of the electrical utility. Interested candidates must apply and be accepted to this program.

### **NRECA Management Internship Program**

According to the National Rural Electric Cooperative Association (NRECA), 40 percent of industry Chief Executive Officers and 22 percent of Senior Managers are eligible for retirement. This is true for CVEA's CEO, Robert Wilkinson, who is currently eligible for retirement.

NRECA, the organization dedicated to representing the national interests of electric cooperatives across the country, first developed the Management Internship Program when many first generation General Managers were getting ready to retire in the late 60s and 70s.



**Tour of the RESCO Warehouse familiarizing MIP participants with all the parts and pieces needed to provide electric service to members**

Photo by Jaime Matthews

The first MIP class graduated in 1970. Currently there are nearly 1,400 graduates; over 30 percent of current CEO/General Managers are graduates including CVEA's own Robert Wilkinson, who graduated from MIP in 1996.

MIP is a six week intensive training course that is split into three separate two-week sessions that covers over 25 topics related to cooperative electric utilities, business, and communi-



**Jaime Matthews receives MIP diploma from program Director Gary Pfann**

cations and interpersonal relations. The main benefit of MIP is to have well trained leaders at CVEA who are not only familiar with electric industry issues and practices, but to develop overall communication and leadership skills.

Jaime Matthews, CVEA Manager of Finance and Administration, was chosen to attend MIP this year. She has worked in the electric industry for 13 years, with the last 7 at CVEA. She is thankful for the opportunity to have attended and feels her training at MIP will make her a better leader at CVEA, and within the electric industry. Jaime believes MIP has given her a level of confidence that didn't exist before. According to Matthews, "Our Cooperative and the entire industry have many challenges that lie ahead. I don't have all the answers, but after MIP I have more tools in my toolbox that will help me address these challenges in the future."

Jaime says that her network has expanded through MIP, providing her opportunities to learn from others facing similar issues in the industry. She has already implemented changes at CVEA that benefit the member, including money savings on capital credit allocation notices that just went out. While at MIP, one of the assignments was to pick a project that would benefit CVEA. Her project was to build a Renewal and Replacement (R&R) Plan. The R&R Plan is a financial tool to maintain CVEA's generation assets with the goal of keeping rates stable. She will be completing and presenting this project in upcoming months.

When asked about her most important lesson learned, she replied, "I think my favorite was the Meyers Briggs assessment. It outlined traits of various personalities and how each can adapt to work together effectively. I believe this is a very important quality of a good leader. I find myself thinking of this and utilizing what I learned daily."

Travis Million, CVEA Manager of Power Generation, will also be attending MIP in 2013-14.

If you have questions regarding the contents of this article or any other CVEA topic, contact Sharon Crisp at 822-5506, 835-7005 or email [crisp@cvea.org](mailto:crisp@cvea.org). ■

Sources: National Rural Electric Cooperative Association, Center for Energy Workforce Development, U.S. Department of Energy, and [tdworld.com](http://tdworld.com).