

Ex-Public Service workers win \$1.6 million

Federal judge finds 'corporate deception,' orders severance pay

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Public Service Co. of Colorado must pay \$1.6 million in severance pay to 90 former employees, a judge has ruled.

In a strongly worded opinion, Cheyenne U.S. District Judge Clarence A. Brimmer found the gas and electric company misrepresented the impact of selling a division with about 400 workers.

"The court finds the stance of PSC human resources and benefits personnel that plaintiffs ... were not asking the 'right ques-

tions' as to severance a shocking example of corporate deception," the judge wrote in the 35-page ruling.

A three-day trial was held in May.

The debate began when Public Service sold its Information Technology and Systems Department to a subsidiary of IBM. The sale was projected to save Public Service \$190 million over 10 years.

Most of the 400 affected workers did not lose their jobs, but the court found that Public Service had misrepresented the impact the change would have on the workers.

Brimmer found that the company had secretly changed a benefits plan and he held PSC responsible

for a "breach of fiduciary duty."

Todd McNamara, the attorney representing the workers, said he would file an identical lawsuit and seek class-action status to recover the lost pay for the other 300 technical workers not included in this action.

Employees' shares of the award will range from \$3,300 to \$37,300.

A PSC spokesman said the company never meant to misrepresent anything to employees.

"The company was in no way intending to be deceptive to these employees. The company was up front with them," said Mark Salley.

He said the company has not decided whether to appeal, but said that costs might dissuade the company from further action.