



Florida
Power
CORPORATION

INTEROFFICE CORRESPONDENCE

Labor Relations
OFFICE

G2E
MAC

231-4152
TELEPHONE

SUBJECT: **UNION CONTRACT NEGOTIATIONS**

TO: **Supervisors of Bargaining Unit Employees**

DATE: **May 9, 1997**

Attached is the Memorandum of Changes to the Union contract as agreed upon between the Management and Union Committees on April 30, 1997. It is subject to ratification by vote of the Union membership which is scheduled for May 19, 1997. After an affirmative vote, the new contract becomes effective December 9, 1996, for a three (3) year term through December 5, 1999.

Please bring your copy to the Contract Explanation Meetings which will be scheduled later. Until you receive a copy of the new contract, this Memorandum of Changes will serve you as the official understanding of all revisions. After the new contract is distributed, the Memorandum of Changes will still be useful for clarification and guidance. If questions of interpretation arise before the Explanation Meetings are held, please call the Labor Relations Department for assistance.

Copies of the Memorandum of Changes are being furnished to the Union Committee for their use in communicating with their membership. Feel free to share your copies with any Union member who does not have access to one.


S. E. Uebel

Attachment

cc Officers

**Memorandum of Changes
Agreed Upon as of
April 30, 1997
Between Florida Power Corporation and
Local Unions 433, 626, 682, 1412 and 1491 of the
International Brotherhood of Electrical Workers
to Become Effective December 9, 1996,
and Extending Through December 5, 1999**

Item 2 Serviceman Seniority

Seniority will be respected in the filling of vacancies for the Serviceman position; the way the Troublemaker position is currently handled.

Revise **Article III, Section 4** as follows:

All job vacancies shall be filled from the present personnel of the Company whenever possible. At the time of selection, an employee shall be qualified to perform the duties of the job classification for which he is selected. However, he shall be given a reasonable time, not exceeding thirty (30) working days, in which to acquaint himself with the new job or location and prove his ability to handle the job satisfactorily. Should an employee during such trial period fail to satisfactorily carry out the duties and responsibilities of the new job, he shall be returned to his former job without loss of seniority. Thirty (30) working days shall mean thirty (30) scheduled working days after the employee is given responsibility for the new job and the applicable wage rate. An applicant selected for the Assistant Load Dispatcher position, Distribution Dispatcher position, all classifications in Transmission Construction, Substation Construction and System Protection and Control, and plant personnel transferring from one plant to another will have necessary time up to a maximum of ninety (90) calendar days in which to prove his ability to handle the job satisfactorily. **In the filling of regular or temporary vacancies for the Serviceman position, seniority will be respected.**

Item 3 System Protection & Control Technicians - Seniority & Training

In the event of a roll in the System Protection and Control Department, seniority will be respected by classification. Training will be provided.

Item 4 **Fleet Services Department Restructure**

Restructure the Fleet Services Department. Reclassify the following classifications:

Fleet Services Mechanic re-titled to Fleet Services Mechanic A
 Fleet Services Mechanic Apprentice to Fleet Services Mechanic B

Eliminate the Fleet Services Helper classification. Incumbents in the Fleet Services Helper classification will remain at their current rate of pay in the Laborer position, where full time Laborer work is being performed, a regular Laborer position will be posted.

The classifications in Fleet Services Department will be as follows:

Exhibit "A":

**Fleet Services Department
 Seniority Group 08**

Job Classifications	Hourly Rates of Pay			
(S) Working Foreman, Fleet Services			22.11	22.85
(S) Fleet Services Mechanic A			18.94	20.07
(S) Fleet Services Storekeeper			18.24	19.29
(S) Fleet Services Mechanic B	14.99	15.29	15.60	15.91
(S) Fleet Services Assistant Storekeeper			11.45	12.01
			13.63#	15.24
* Laborer			8.67	9.18
				12.54
				13.07
				16.25
				16.91

Progression beyond the 5th step of the Fleet Services Assistant Storekeeper classification will be subject to successful demonstration by testing knowledge of routinely used parts and materials, vendor and manufacturing parts catalogs, stock numbers, inventory control procedures and record keeping.

Item 5 **90 Days to Prove Ability - Chiefs, Masters & Working Foreman**

Add Chiefs, Masters and Working Foremen to allow 90 days in which to prove their ability to perform their job satisfactorily.

Revise **Article III, Section 4** as follows:

All job vacancies shall be filled from the present personnel of the Company whenever possible. At the time of selection, an employee shall be qualified to perform the duties of the job classification for which he is selected. However, he shall be given a reasonable time, not exceeding thirty (30) working days, in which to acquaint himself with the new job or location and prove his ability to handle the job satisfactorily. Should an employee during such trial period fail to satisfactorily carry out the duties and responsibilities of the new job, he shall be returned to his former job without loss of seniority. Thirty (30) working days shall mean thirty (30) scheduled working days after the employee is given responsibility for the new job and the applicable wage rate. An applicant selected for a **Chief position, Master position, Working Foreman,** Assistant Load Dispatcher, Distribution Dispatcher, all classifications in Transmission Construction, Substation Construction and System Protection and Control, and plant personnel transferring from one plant to another will have necessary time up to a maximum of ninety (90) calendar days in which to prove his ability to handle the job satisfactorily.

Item 6 **Eight (8) Hour Shifts**

Eight (8) hours shifts will be scheduled from 7-3, 3-11 and 11-7.

Revise **Article VI, Section 2 (B)(2)** as follows:

Where the job is operated twenty-four (24) hours per day, seven (7) days per week, including Sundays and holidays, such employees shall work on eight (8)-hour shifts: 12 midnight to 8:00 a.m., 8:00 a.m. to 4:00 p.m., 4:00 p.m. to 12 midnight. Shift employees in plants on cyclic operation may be assigned to work **one (1) or two (2) or three (3) eight (8)-hour shifts per day, scheduled from 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m. and 11:00 p.m. to 7:00 a.m.;** ~~or one (1) or two (2) eight (8)-hour~~ or one (1) or two (2) ten (10)-hour shifts, at Management's option, between the hours of 4:00 a.m. and 11:00 p.m., unless otherwise mutually agreed to by the Company and the Union. Hours shall be consecutive. Other than the above schedule of hours may be set up, if requested by a two-thirds majority of the affected employees. Such request shall be in writing, signed by the employees making the request and

shall be restricted to one (1) complete change during a contract year. Shift employees shall not be scheduled to work a regular straight-time schedule that requires them to work more than one hurry-back (that is, work eight (8) hours, be off eight (8) hours, and work eight (8) hours) at their straight-time rate per work week. An additional Dispatcher may be scheduled for an eight (8)-hour shift as required at hours other than those specified in this paragraph. Schedules shall be posted and so arranged that work periods and days off shall be rotated.

Item 8 **Licensed Operators at Nuclear Plant**

Management and Union agreed to address the subject indemnification of Licensed Operators at the Nuclear Plant no later than July 1, 1997.

Item 9 **Change Timeframes in the Posting Notice/Roll Process**

Structure the posting notice timeframes. Revise Article III, Section 7 (A) to reflect 10 calendar days and revise Article III, Section 7 (C) to increase the amount of time to post a vacant position from 30 to 90 days.

Revise language as follows:

Article III, Section 7 (A):

All job vacancies in all classifications, regular, and contingent assignments shall be posted on the proper bulletin board for a period of ten (10) days. Temporary positions will be offered to qualified regular employees on lay-off status before such positions are offered to outside applicants. An expedited process will be utilized to avoid delays in filling temporary positions.

Article III, Section 7 (C):

Within ninety (90) days after a job becomes vacant it will either be posted or, if it is to be discontinued, such information will be included on a posting notice within that period.

Item 13 **Fossil Operations Rolling into Nuclear Operations Positions**

Revise Article III, Section 8 (A). Classifications listed under Fossil Operations may roll into equivalent classifications listed under Nuclear Operations in Exhibit "A." Those employees who are not qualified to immediately assume the full duties of the equivalent Nuclear classifications due to badging, training, and ANSI 18.1 requirements may be held in their present position or assigned elsewhere at the Crystal River Energy Complex until they can be absorbed into the Nuclear Plant. This is to ensure that the Nuclear Plant is able to maintain a qualified staff in accordance with NRC requirements. The employees whose rolls are delayed per the above will not receive the Nuclear wage until they report to the Nuclear Plant.

Revise **Article III, Section 8 (A)** as follows:

In the reduction of forces, or where a job in a classification is discontinued at a location, all lay-offs, demotions or adjustments resulting therefrom, shall be made in inverse order of seniority of the employees in the respective departments except where provided for in other sections in this agreement, provided the employee has the ability to perform the work. An employee will be permitted to use his departmental seniority to obtain a job in a higher classification, where he had previously worked in the classification on a regular or contingent assignment. Special Maintenance, designated by "SM" in Exhibit "A," shall not be considered as a higher classification in the application of this Article. **Classifications listed under Nuclear Operations in Exhibit A which have an equivalent classification listed under Fossil Operations are not considered as a higher classification in the application of this article.** Seniority retained in a former department may not be used in his present department for any purpose. However, in the case of lay-offs due to lack of work in his present department, such retained seniority may be used in the former department as his protection against lay-offs. Upon receiving notice that his job is to be abolished, the employee shall within ten (10) working days of receipt of notice, notify the Company of his wishes as to assignment.

Item 14 **Business Manager - Reinstatement to His Former Position**

Revise **Article VIII, Section 1** to reflect the fact that if the Business Manager is reinstated to his former position, the employee who he displaces shall be considered to have rolling rights according to Article III, Section 8(A).

Revise Article VIII, Section 1 as follows:

Should an employee become Business Manager or Assistant Business Manager for the System Council on a full-time basis or accept a position with the International Brotherhood of Electrical Workers, he shall be granted a leave of absence without pay from the Company, upon due and timely notice. He will retain his rights to retirement benefits and savings plan. He may continue his benefits under the Employees Life Insurance Plan by paying the full premium on his policy. He will retain his rights to the Medical Plan by paying the full premium. During such leave of absence he shall not lose any seniority and, upon application for reinstatement, if filed within thirty (30) days after the expiration of his leave of absence, he shall be reinstated to his former position, or to one as nearly comparable as possible if his former position has been abolished. It is understood and agreed, however, that such an employee must possess the mental and physical ability to do the work to which he is assigned. It is also understood and agreed, that upon his reinstatement, the employee being displaced by him shall be considered to have rolling rights according to Article III Section 8(A).

Item 15
& 16

Assignment to Any Non-Bargaining Unit Position

Delete second paragraph of Article III, Section 12 (A)(1) regarding seniority limit.

Seniority accrual is limited to 520 straight time hours per calendar year for the time spent temporarily assigned to any non-Bargaining Unit position. Seniority will be adjusted upon return to the Bargaining Unit position for hours in excess of 520.

Effective upon the ratification date for all positions except Foreman. The limit for employees temporarily assigned to Substitute/Temporary Foreman is being changed from 480 hours to 520 straight time hours for the entire 1997 calendar year.

Add new Article III, Section 8 (A)(3):

In the event any Bargaining Unit employee is temporarily assigned to any non-Bargaining Unit position, Bargaining Unit seniority will be deducted for all hours accumulated in excess of 520 straight time hours in any calendar year. Upon returning to his former Bargaining Unit position, his seniority will be re-established as of the date that the employee returned to his former Bargaining Unit position.

Item 17 **Bargaining Unit Work**

Revise **Article II, Section 9** to include any non-Bargaining Unit employee will not do work normally done by Bargaining Unit employees except during emergencies or for the purpose of instructing.

Revise **Article II, Section 9** as follows:

Except as provided elsewhere in this agreement, when a qualified Bargaining Unit employee is reasonably available, manufacturer **or vendor** representatives, supervisors, or **other Company employees** will not do work normally done by Bargaining Unit employees except during emergencies or for the purpose of instructing.

Item 20 **Laid-off Employees-Seniority Rights**

Increase the lay-off period from one (1) to two (2) years.

Revise **Article III, Section 2(A)** as follows:

When laid off for a period of more than **two (2) years**, seniority shall accumulate during such period of lay-off up to a maximum of **two (2) years**.

Item 21 **Laid-off Employees-Seniority Rights**

If laid-off employees are beyond the two (2) year lay-off period, they will have additional seniority restored up to three (3) years if rehired.

Revise **Article III, Section 8 (B)** as follows:

In the event of a reduction in force, regular full-time employees will be offered the opportunity to replace temporary or casual employees, in the same department, provided they are qualified, as protection against lay-off.

If a facility is to be closed, the Company shall notify the Union at least sixty (60) days in advance.

An employee who has been laid off due to lack of work shall be considered in the same manner as though he had applied through the posting procedure, for any opening which occurs within **two (2) years** immediately following the lay-off,

in a classification that he may be qualified to fill, provided he has made application to the Company in writing for reinstatement in such classification. Laid off employees who are beyond the two (2) years lay-off period will have additional seniority restored up to three (3) years if rehired.

Item 23 **Distribution Dispatcher Reliefs**

Remove the note from Exhibit "A" regarding Distribution Dispatcher Reliefs.

Note of clarification: Time not actually dispatching to be used for training or job enhancements.

Item 24
& 26 **Meter Department Restructure**

Restructure the Meter Department.

In the Suncoast Region only, Meter Shop Meterman work duties expanded to include in the field test/checks of metering 240 volts or lower (as measured at the source).

A transfer from Field Meter Technician to Working Foreman shall be considered as a promotion for the purposes of moving expenses.

Reclassify incumbent employees as follows:

Old Classification

Meter Technician
Regional Meterman
None
Meterman A & B, & Meter Test Specialist
Meterman A
Meterman C
Laborer

New Classification

Meter Technician
Field Meter Technician
Working Foreman
Meterman
Dielectric Test Specialist
Meter Worker
Laborer

The classifications will be as follows:

**Meter Department
Seniority Group 03**

<u>Job Classifications</u>	<u>Hourly Rates of Pay</u>		
(NS) Meter Technician	22.91	23.33	23.69
(NS) Field Meter Technician	22.11	22.85	
(NS) Working Foreman	22.11	22.85	
(NS) Meterman	17.26	17.82	18.38
			18.94
			19.50
			20.07
			21.21
(NS) Dielectric Test Specialist	18.08	18.42	18.77
			18.94*
			20.07*
			21.21*
(NS) Meter Worker #	12.73	13.38	14.04
Laborer	8.67	9.18	9.69

* Grandfathered wage rate for employees who are at this rate of pay prior to December 8, 1996.

Will shop test single phase meters.

Item 27 Combustion Turbine Work Assignments

Restructure the Combustion Turbine Department and the requirements for holding or obtaining a position in the department.

Combustion Turbine Operations Classifications

Combustion Turbine Maintenance Operators (CTMO)

Classification Requirements

- Bid In → Step 1 1 journeyman skill specified at posting.
- Step 2 1 year to attain a second progression skill. Operations skill and site specific skill must be performed at a competent level within 6 months.

NOTE: Skills training will be provided to assist successful applicants in meeting the minimum qualifications for Step 2.

Combustion Turbine Technician (CTT)

Bid In → Step 1 1 journeyman skill specified at posting + 2 progression skills. Operations skill and Site specific skill must be performed at a competent level within 6 months.

NOTE: Skills training will be provided to assist successful applicant in meeting minimum qualifications for additional progression skills.

Upon attainment of an additional progression skill a Step #1 CTT will be promoted to Step #2 CTT.

Step 2 1 journeyman skill and 3 progression skills.

OTHER PROVISIONS:

- Roll by seniority (per Memorandum of Agreement)
- Abolish CTT test.
- CTT's in Step 1 are encouraged but not required to advance to higher pay steps.
- CTMO & CTT - Positions will be posted by classification rather than by step. Journeyman skill will be specified in the posting. For purposes of postings the following apply:
- Operation skill shall be defined as plant operations skills.
- Lab Technician, Instrument Mechanic-Water Analyst, Health Physics and Nuclear Chemistry Technicians will be considered as plant operational skill for the purposes of bidding on CTMO and CTT positions.
- Nuclear Calibration and Nuclear Technical Support Technicians will be considered as I&C skill for the purposes of bidding CTMO and CTT positions.

- Old Step 1 and 2 CTMO's will become new Step 1 CTMO's at current wage rate. Old Step 3 CTMO's will become new Step 2 CTMO's. Old Step 1 and Step 2 CTT's will become new Step 1 CTT at current wage rate. Old Step 3 CTT's will become new Step 2 CTT's. Incumbent CTMO's and CTT's will be grandfathered in their current classifications.
- Interviews with applicants will be based on the Core Task for the specified journeyman skill position, or the progression task list for the specified additional progression skill.

<u>Wage rate</u>	<u>Step 1</u>	<u>Step 2</u>
CTMO	21.42	21.99
CTT	23.11	23.69

DEFINITIONS

CORE TASK LIST - The list of tasks found in the development manual which all journeyman electricians, mechanics, I&C technicians and plant operators are required to demonstrate competence in their respective disciplines.

JOURNEYMAN SKILL - Has demonstrated knowledge of, and the ability to perform all the tasks listed in the **CORE TASK LIST** for their respective discipline.

PROGRESSION TASK LIST - A subset of the **CORE TASK LIST** for the disciplines of electrician, mechanic, I&C technician and plant operator, required to perform competently a progression skill.

PROGRESSION SKILL - Has demonstrated knowledge of, and the ability to perform all the tasks listed in the **PROGRESSION TASK LIST** for their respective disciplines

SITE SPECIFIC TASKS - Tasks which all CTMO's and CTT's at a CT site are required to perform competently in their respective disciplines which are not common to all other CT sites.

Item 33 **SM Ratio**

SM Ratio will be 1:1. The 1:1 ratio will be reached through attrition. (NS) positions will not be abolished and reposted as SM unless vacant. Seniority will be recognized in the shift assignments of SM employees. The 1:1 ratio will be determined by the number of journeyman and apprentices in each respective Maintenance Shop, including Chiefs and Masters.

In the event three (3) or more Bargaining Unit employees are regularly assigned to a respective Maintenance Shop on backshift maintenance, one of the positions will be posted as a regular Master Mechanic or Chief.

Item 34 **Operating Employees Rescheduled When on Four (4) Shift Schedule**

When Operating Employees on a four (4) shift schedule are rescheduled the following will apply:

- (1) In an effort to minimize the rescheduling when working a four (4) shift schedule, step-ups in progression will be handled on shift, for less than five (5) consecutive days.
- (2) Article VI, Section 2 (B)(4) does not apply when responding to an employee request to be rescheduled.
- (3) Nothing in this provision will require more than one person to be rescheduled from their normal assigned Operating shift.

Add new **Article VI, Section 2 (B)(4)**:

When Operating employees in the Production Department are working a four (4) shift schedule and are reassigned from their normal shift to other operating shifts for less than five (5) consecutive days, exclusive of upgrades, they will receive premium pay for all hours worked on the other operating shift.

Item 35 **Operating Employees Rescheduled Due to Upgrade to Non-Bargaining Unit Position**

When Operating Employees, who are scheduled to be off on Saturday and Sunday, are re-scheduled, exclusive of upgrades, to fill a vacant shift created by the temporary assignment of another Operating employee to a non-bargaining unit position, the re-scheduled employee will be paid premium time for all hours worked on Saturday or Sunday.

Add new **Article VI, Section 2 (B)(5)**:

If Operating employees who have Saturday and Sunday as off-scheduled days on the weekly schedule are rescheduled, exclusive of upgrades, to fill a vacant shift created by the temporary assignment of another Operating employee to a non-bargaining unit position; they will be paid premium time (time and one-half) for the hours worked on Saturday or Sunday.

Item 39 **Joint Safety Committee**

New Article VII, Section 8 (A) (1)-(7) to establish a Joint Safety Committee to be responsible for developing and recommending an effective safety program for all employees covered by the Agreement.

Add new section to **Article VII Section 8 (A)**:

(1) The Company and the Union recognize the need for a strong Health and Safety Program for the benefit of all employees covered by this agreement.

(2) The Joint Safety Committee will be responsible for developing and recommending to the Company an effective Safety Program for all employees covered by this agreement, including changes or additions to safety and health rules, interpretations of OSHA regulations, investigate conditions and accidents which have a legitimate impact on the health and safety of employees.

(3) The Company and Union agree to recognize membership of the Joint Safety Committee. The Committee shall consist of three members designated by the company and three members designated by the Union. The Union will appoint a Safety Representative to serve as a lead contact for the Joint

Safety Committee. The Company and the Union agree to exchange issues prior to each meeting.

(4) It is agreed that the establishment and enforcement of safety rules and regulations and the responsibility under the Occupational Safety and Health Act is management's responsibility.

(5) It is agreed that the Local Safety Committees will function in an advisory capacity to the Joint Safety Committee.

(6) The Committee will not involve itself in disciplinary action. It is neither the intention of the Company or the Union to use this program for the purpose of creating work rules governing hours of work and conditions of employment.

(7) Meetings shall be held at least quarterly or as needed.

Item 43 **Non-Productive Time**

Energy Supply:

Breaks will be taken by employees or work groups during scheduled work periods when convenient and with minimal disruption to the work in progress. Employees are expected to take the minimum time necessary at the end of the day to put tools and equipment away, and wash up.

Energy Delivery:

The Company and Union agree that rain time can and should be productively used when feasible. Practices including training, safety programs, vehicle stocking, materials reuse, and reliability patrols (from vehicle) are encouraged. Management and employee efforts to increase the productive use of rain time within the intent of this memorandum is supported by the Union.

Item 46 **Revise COORS.**

No specific changes have been made to the Call Out Overtime Response System. However, the Company and the Union agree that after hours emergency response calls for a partnership to successfully meet our customer's service expectation. The focus of this partnership is to accomplish two things:

- 1) Enhance the Company's reputation and build a long term relationship, so that when given a choice, our customers will consider FPC favorably.
- 2) Enhance job security for employees.

As well, the Company and the Union acknowledge that a dynamic exists between the Company's real and legitimate emergency response needs and many employees reasonable expectations about their ability to use their after work hours to engage in normal lifestyle activities. These employees look for the Company's callout needs and the customer's service expectations to be handled in a way that recognizes this.

This "dynamic" can be mitigated by accommodations made and accepted by both the Union and the Company. The Company and the Union will continue to look for appropriate accommodations that support this key partnership. Both committees agree to meet in the calendar year 1997 to discuss this issue and possible changes.

Item 47**Common Overtime List**

Revise Red Edge No. 8 (see Attachment 1) to provide for a common overtime list in the Line Department to include St. Petersburg only, (Clearwater not included). When overhead line crews and network crews are located at the same headquarters, a common overtime list will be used when determining overtime for underground trouble. Overhead trouble will continue to be called to qualified personnel. Network trouble will continue to be called to network personnel.

Revise **Article VI, Section 6 (A)** as follows:

All prearranged and emergency overtime shall be distributed as nearly equally as reasonably possible among the employees in their respective classifications at each regular working headquarters. It is understood, however, that the sharing of such overtime shall not delay work, but every reasonable effort shall be made to distribute overtime as nearly equally as possible. For Scheduled and Non-Shift employees this will be accomplished where reasonable by calling the low man in the respective classification on the posted list. It is understood that no Shift employee shall be required to work sixteen (16) consecutive hours if it can be avoided. Where reasonable, this will be accomplished by calling the low man in the respective classification on the posted list who is off duty that day. If emergency work occurs within the last one (1) hour

of the employee's regular scheduled day, and overtime is expected to result, the assignment(s) shall be offered to the employee(s) by the current overtime list at the respective work headquarters. This does not apply to continuation of work.

Item 48 **Overtime Rollback to Zero Every Year**

Every year posted overtime will be revised by bringing each person in each classification back to zero.

Revise **Article VI, Section 6 (D)** as follows:

Every year starting on the effective date of the **1996** Exhibit "A" of this agreement, posted overtime in each classification at the respective headquarters of each Bargaining Unit employee will be revised by bringing each **employee** in each classification to zero. When an employee is promoted to or transferred into another classification, or a new employee is hired, he will assume overtime hours equal to that of the high man in the classification at that location. When classifications are zeroed, names will be listed in the same order as on the previous listing.

Item 51 **First Step Grievance Procedure Revised**

The supervisor is now required to give a first step written response to the employee, with a copy to Labor Relations.

Revise **Article IX Section 2 (A)(1)** as follows:

The employee concerned and/or his Union representative must discuss the issue with the immediate supervisor within thirty (30) days of the incident which caused the grievance. If the parties are unable to resolve the issue through this discussion, the employee and/or his Union Representative must submit the grievance to the supervisor, in writing, within ten (10) days of the discussion. The supervisor will respond, **in writing, with a copy to the Labor Relations Department**, within ten (10) days following receipt of the written first step grievance. If no mutually satisfactory solution is found and the employee or the local union desires to pursue the grievance, the grievance shall be filed through the U.S. Mail in writing to the Labor Relations Department of the Company within ten (10) days after **the supervisors written first step response**.

Item 52 **Negotiate Separate Contracts**

If requested by Management, the Union agrees to negotiate a separate contract or contracts if one or more SBU become separate companies. Further, the Union agrees to re-open the existing contract, upon request, if retail competition legislation is enacted. In the absence of such requests, the existing contract will apply.

Add new **Article I, Section 1 (A)(1)** as follows:

In the event that the Company reorganizes and one or more Strategic Business Units (SBU's) become separate companies, the Union agrees that upon request by the Company, the Union will bargain in good faith to establish a separate labor agreement or agreements for the new company or companies. Further, if state or federal legislation is enacted to establish retail competition in the electric utility industry during the term of this agreement, the Union agrees that upon request by the Company, negotiations will be opened to revise this Agreement. The Company agrees that in the absence of such request(s), the existing agreement will apply.

Item 53 **Term of Agreement**

Provide for a three (3) year contract term through December 5, 1999.

Revise **Article XII, Section 1** as follows:

This is the March 26, 1947, agreement between the Company and the Union as has been heretofore amended from time to time. Such agreement is further amended **December 8, 1996**, and when signed by the Company and the Union and approved by the President of the Company and the International President of the Union, such amendment shall become effective **December 8, 1996**. The agreement, as amended, shall remain in full force and effect through **December 5, 1999**, and from year to year thereafter, subject to changes and termination in way provided herein.

Item 54 **Medical Plan****1. Medical Premium Cap for Future Retirees**

Establishes a medical premium cap (i.e., maximum) of \$6,500 for pre-65 retirees, and \$3,500 for post-65 retirees, effective 1/1/98. The Company will pay its portion of the per retiree cost of the medical premium based on the age/service matrix, (see Attachment 2) up to the cap. The retiree will pay all of the medical premium in excess of the cap, in addition to the amount of the premium they would normally pay according to the age/service matrix that became effective 1/1/93.

The Company will provide information to the Union on an annual basis regarding retiree medical plan costs. Upon request by the Union, within thirty days after such information is provided, the Company agrees to negotiate regarding the Retiree Medical Premium Caps.

- 2. \$400 deductible for individuals and \$800 for families will become effective 1/1/98. The out-of-pocket maximum limits will remain the same (\$1,500/\$3,000).**
- 3. Reduce outpatient coverage, effective 1/1/98. Reimbursement of 90% for in-network and 80% for out-of-network outpatient services.**
- 4. Reduce co-payment levels to 85% in-network and 75% out-of-network, effective 1/1/98.**
- 5. Eliminate the carry-over provision for deductible and out-of-pocket limits. Expenses from one year (including the 4th quarter of 1997) can no longer be applied to help reach a deductible or out-of-pocket maximum in the following year.**
- 6. Increase the maximum outpatient hospice benefit from \$2,000 to \$3,000.**
- 7. Add mammography screening, effective 5/1/97.**
- 8. Add well-child care, effective 5/1/97.**
- 9. Add PSA screening, effective 5/1/97.**
- 10. Add PAP smears, includes annual testing and related tests, effective 5/1/97.**

11. Add adoption expenses, effective 1/1/98. Employees who adopt a child will be eligible for reimbursement of up to \$2,000.00.
12. New flex reimbursement account improvement, effective 1/1/98. Management will contribute \$100 to the employee's health care account in 1998 if that employee contributes a minimum of \$240 or more during the year. If the employee contributes \$1000 or more to a dependent care account in 1998, that employee's account will receive an additional \$300 in company contributions.

Item 57
& 58

Savings Plan

The following changes will be made to the savings plan effective 1997:

1. Company will pay the participant fee.
2. Participant will pay the expense ratios except Progress and Echelon.
3. 75% guaranteed match; no goals or supplemental.
4. 60-month loan repayment period.

Item 61

Retirement Plan

The following changes will be made to the Bargaining Unit retirement plan, effective as indicated:

1. The participants Final Average Earnings will be the high four calendar years in career or high 48 consecutive months in last 120, whichever is greater, effective 1/1/97.
2. If the value of a terminated vested employee's future retirement benefit is \$7,500 or less, effective 1/1/97, the employee may elect a lump sum upon termination.
3. Joint & Survivor Annuity reverts to Life Annuity if spouse predeceases retiree, effective 1/1/98. This would also apply to current retirees effective 1/1/98.

4. Early Retirement: Improve factors as follow, effective 1/1/98:

<u>If pension starts at this age</u>	<u>15-25 years</u>	<u>25-34 years</u>	<u>35+ years</u>
65	100%	100%	100%
64	96%	100%	100%
63	92%	100%	100%
62	88%	100%	100%
61	84%	100%	100%
60	80%	100%	100%
59	75%	93%	100%
58	70%	86%	100%
57	65%	79%	100%
56	60%	72%	100%
55	55%	65%	100%

Item 63 **Life Insurance**

The following changes in the Bargaining Unit life insurance plans will become effective 1/1/98:

1. Add Accidental Death and Dismemberment coverage option, effective 1/1/98.
2. Add option for life insurance coverage for five times annual base pay (active employees), no proof of insurability will be required of those employees who have the option for four times annual base pay, effective 1/1/98.

Item 65 **Medical and Life Insurance Premiums Paid When Employee on Medical Leave**

The medical and life insurance premiums will be paid 100% by the Company when a Bargaining Unit employee is placed on medical leave. This will apply only in the event an employee is on a no-pay status due to the employee's medical condition.

Item 67 **Vacation by Seniority**

When vacations are arranged, seniority will be given preference. Consecutive weeks of vacation will be considered as one period for scheduling purposes.

Revise **Article V, Section 2** as follows:

It is understood and agreed that vacations shall be so arranged as to be mutually convenient to both the employee and the Company. In arranging vacations, seniority with the Company will be given preference. **Employees may take their vacations in weekly periods of seven (7) consecutive days. Consecutive weeks are considered as one vacation period for scheduling preference.** Vacations of less than one (1) week may be approved by the supervisor. A vacation schedule for each year shall be established not later than March 31.. Employees who have not indicated their vacation preferences by March 15, shall be given preference for available vacation periods on a first-come basis. It is understood and agreed that vacation periods may be changed by mutual consent between the employee and the Company at any time. **Prior to March 15, employees may indicate their vacation choices in numerical order of preference by writing the appropriate numerals in the designated blocks for each vacation period; i.e., #1 for first choice, #2 for second choice, etc. First choice selections are determined solely by seniority. Subsequent choices are determined by numerical order; seniority will prevail in the event of identical numerical choices for the same period.** Vacation can be taken any time between January 1 and December 31.

Item 69 **Holidays**

At the employee's option, the employee may forego the pay and have a day off within a reasonable time.

Revise **Article IV, Section 3** as follows:

All employees who are required to work on a day observed as a holiday shall be paid time and one-half of that straight time rate for such hours worked and in addition shall be allowed eight (8) hours or ten (10) hours pay, depending on work schedule, at the straight time rate. At **the employees** option, the employee may forego the eight (8) or ten (10) hours straight time pay and have a day off

within a reasonable time. The day off shall be at a mutually satisfactory time. Call-outs are subject to minimum call-out provisions of this agreement.

Item 70 **Workers' Compensation**

Revise the workers' compensation program as follows:

1. When an employee is unable to perform his job due to an occupational injury or illness, the employee will receive the same net take home pay as he would have received had he not been injured. The employee's non-productive time will be charged to workers' compensation.
2. Once an employee with an occupational injury or illness reaches Maximum Medical Improvement (MMI) status, future medical services associated with that injury will require a \$10 co-payment per medical services visit from the employee. The co-payment shall not apply to emergency care provided to the employee.

Item 73 **SL Crews**

The Special Line (SL) premium will be increased to 75 cents per hour when an employee is scheduled to work on the SL crews on schedules of 8 hours per day or 10 hours per day.

The daylight savings time schedule of 6 a.m. to 9 p.m. will begin no earlier than May and end during October.

The SL crews can be "split" and placed on different schedules. Seniority will be respected. As one example, a 12-man SL crew can be scheduled as follows:

<u>8-man component</u>		<u>4 man-component</u>	
Wed-Sat	4-10's	Mon-Thurs	4-10's
Tues-Sat	5-8's	Mon-Fri	5-8's

Revise **Article VI, Section 2 (C) (7)** as follows:

Special Line Crews shall be scheduled either 5-8s or 4-10s, at Management's option, exclusive of meal time, Monday through Saturday, provided that the hours of work shall be between 6:00 a.m. and 9:00 p.m. (daylight savings time), except on Saturday, hours shall be between 6 a.m.

and 6:00 p.m., starting no earlier than May and ending during October, and between 6:00 a.m. and 6:00 p.m. Monday through Saturday starting during October.

When it becomes necessary to change schedules, where days worked or hours of work are to change, within the limits, including reporting times, employees will be given one (1) week notice of such change. Changes will be made on the first day of the workweek. Changes between the Monday through Friday or Tuesday through Saturday schedules shall not be made more than once in any six (6) month period, except as provided in point 4, page 11 of the 1994 Memorandum of Changes and Item 73 of the 1996 Memorandum of Changes. When a temporary vacancy occurs on an existing Special Line Crew, such vacancy may be filled by rescheduling another employee by giving him at least twenty-four (24) hours prior notice of change in schedule.

Seniority will be respected in the choice of employees available for rescheduling to Special Line Crews. Notice shall not be required to return such employee to his normal schedule. Except in emergencies, Special Line Crews will not perform routine maintenance or construction work after sundown.

All employees, when scheduled to work on Special Line Crews, shall receive seventy-five cents (\$0.75) per hour additional. ~~while on an eight (8) hour per day schedule, five days per week; thirty five cents (\$0.35) per hour additional when working a ten (10) hour schedule four days per week.~~

It is agreed that not more than a maximum of thirty-five percent (35%) of the total number of Line Department positions at a location will be Special Line Crew positions, except in Line headquarters with two (2) or less Line Crews (defined as lead by a first Line Exempt Supervisor) where the ratio shall not exceed 50%. The ratio will be calculated by dividing the total number of (SL) Line Department Bargaining Unit positions at the headquarters by the total number of (NS) Line Department Bargaining Unit positions at the headquarters.

These (SL) positions will be established by the creation of new positions or by posting vacancies that occur at the headquarters as (SL).

Item 74 **Shift Differential**

The shift differential shall be increased to 70 cents per hour for all hours worked between 4:00 p.m. and 12:00 midnight. A shift differential of 90 cents per hour will be paid for all hours worked between 12:00 midnight and 8:00 a.m. Overtime worked by employees will be paid at the shift differential rate for the shift the employee works the overtime.

Revise Article X, Section 3 as follows:

A shift differential will be applicable to employees in classifications designated as Shift in Exhibit "A," certain specified Scheduled classifications, and to employees who temporarily relieve in such classifications. ~~If 50% or more of such employee's regular straight-time scheduled shift falls between the hours of 4 p.m. and 12 midnight, he shall receive a shift differential of sixty cents (\$0.60) per hour for all hours actually worked on such shift. If 50% or more of such employee's regular straight-time scheduled shift falls between the hours of 12 midnight and 8:00 a.m., he shall receive a shift differential of eighty cents (\$0.80) per hour for all hours actually worked on such shift.~~ In the application of this paragraph, employees shall receive a shift differential of seventy cents (70¢) per hour for all regular or overtime hours worked between 4:00 p.m. and 12:00 midnight. Employees shall receive a shift differential of ninety cents (90¢) per hour for all regular or overtime hours worked between 12:00 midnight and 8:00 a.m. Shift differential shall not be paid for any time not worked.

Item 77 **RO and SRO License Premium**

The license premium paid for RO and SRO licenses will be increased to \$3.40 and \$3.55, respectively.

Revise Exhibit A note as follows:

(L) =License required. Upon receipt of RO License, a **\$3.40** per hour premium will be added to the base wage. Upon receipt of SRO License, a **\$3.55** per hour premium will be added to the base wage.

Item 84 **Transmission Crews - Subsistence and Reimbursement of Meals for Callouts on Off-Scheduled Days**

Transmission Construction crews who are called out on off-scheduled days will receive meals per the Memo of Agreement if working in their home area with no subsistence. If the call out requires an overnight stay, they will receive \$50 subsistence with no meal reimbursement. During pre-arranged work on off-scheduled days, they will receive subsistence at the appropriate "at home" or "out-of-town" rate, with no meals.

NOTE: Subsistence covers three meals per day. On those days when the employees are on subsistence, they will be entitled to additional meals if they report five hours prior to their regular scheduled starting time or if work continues five and one-half hours beyond their regular scheduled quitting time on a ten hour day or six and one-half hours beyond their scheduled quitting time on an eight hour day. Although employees are not reimbursed for the first evening meal, i.e., one-half hour beyond their scheduled quitting time on a ten hour day, they are entitled to one-half hour pay for time to eat the meal.

Item 86 **Moving Expenses**

Increase actual moving expenses reimbursed due to a promotion from \$650.00 to \$750.00. Add employee option of \$1,000.00 flat rate, as specified below.

Pending arbitrations regarding moving expenses were settled by this item.

Revise Article III, Section 6 as follows:

If an employee is moved from one location to another at the request of the Company or because the Company discontinues a job which results in an employee moving to another location, either through displacement or application, actual moving expenses incurred in moving shall be paid by the Company, or, at the employee's option, the Company will pay \$1,000.00. If an employee is required to move because of a promotion for which he has made application, the Company will pay actual moving expenses up to a maximum of seven hundred fifty dollars (\$750.00). In the application of this paragraph a transfer from Lineman to Serviceman or Troublemán shall be considered as a promotion. Actual moving expenses are defined as expenses directly related to moving

the employee's household goods from the former residence to the new residence. This includes truck rental or the use of professional movers. Also included is one way mileage for up to two vehicles.

Item 88 **Meter Reading Department Reorganized**

- 1. Utilize the following wage scale for new hires into meter reading:

10.95 11.83 12.78* 13.80

* for temporaries 600 hours maximum per year. A commitment was made to convert at least 22 of 27 current temporary positions to full time regular employees, who will be paid according to the new wage scale.

- 2. The Company, in order to better manage costs, can temporarily assign Meter Readers and Meter Reader Collectors who volunteer to another regularly established company facility within the boundaries of the employees' regularly assigned headquarters. Such assignments will be offered by seniority.

Some examples: Apopka could have Meter Readers showup at Eustis, Apopka Operations Center, and/or at the leased space in Energy Services on Forest City Road. Jamestown could have Meter Readers showup at Longwood, Winter Park, Jamestown Operations Center, and/or Conway.

DeLand could have Meter Readers showup at DeLand Operations Center and/or Enterprise Training Center.

It would be expected that management would utilize this work rule benefit to facilitate increased read time during the regular day.

- 3. Technology Displacement and Retraining. During the term of the agreement, Management will develop an approach to retraining including the intent to announce early a plan to implement new technology and the fact that it will likely extend 5-7 years.
- 4. Incumbent Meter Reader Collector positions will not be abolished, but can be reclassified through attrition.

- 5. Management may offer, by seniority, severance packages to incumbent Meter Reader Collectors.
- 6. Management may offer, by seniority, severance packages to incumbent R&D Man positions. Vacant positions achieved would be reposted, allowing incumbent Meter Reader Collectors to progress. Vacant Meter Reader Collector positions achieved could be reclassified to new Meter Reader positions.

Item 89 **Substation Operator Pay**

The Substation Operators rate of pay will be revised as follows:

Revise Exhibit A as follows:

\$19.30 \$20.42 \$21.56

Item 91
and 92

Wages

Revise Article X, Section 1 and Exhibit "A" to reflect the following:

			<u>Effective</u>
Year One	3.5% Timing Adjustment*	1.5% Base	On ratification
Year Two		1.5% Base	12/7/97
Year Three		1.5% Base	12/6/98

* The timing adjustment amount will be included in overtime, savings plan and pension plan calculations after ratification.

Upon ratification, Bargaining Unit employees will be included in "Sharing the Success" on the same basis as all other employees for the 1997 plan year. Incentives will be earned by distinctive work groups; rewards will not be given on an individual basis.