

2005 Memorandum of Changes
Agreed Upon as of January 31, 2006
Between Florida Power Corporation and
Local Unions 433, 626, 682, 1412, and 1491 of the
International Brotherhood of Electrical Workers
to Become Effective November 28, 2005
and Extending Through December 7, 2008

Article I – Recognition and Representation

Item 3 Revise **Article I, Section 2 (B)** – change to read as follows:

All employees hired on a regular basis are to serve a probationary period of six (6) months from the original date of regular employment and are to be considered as on trial during such a period. During this trial period, such employees should show an aptitude for the work in which they are engaged and the ability and desire to advance to the skilled classifications. In the event an employee makes a voluntary transfer or is promoted, the probationary period may be extended an additional six (6) months when notified by the Company, in writing, delivered to the Union at least fifteen (15) days prior to the expiration of the six (6) month period. During their probationary period **and for a period of six (6) months thereafter, not to exceed a total of twelve (12) months**, employees have no bidding rights under Article III of this Agreement, except for a bid to a higher job classification or if there is a reduction in force per Article III, Section 8 (A). The Company may, at its option, transfer or dismiss ~~such~~ employees **during their probationary period**. Should an employee who is dismissed during his/her trial period later become re-employed, he/she shall receive credit, for purposes of Company and department seniority, only for the time he/she was actually employed during the original trial period. However, in all other matters these employees shall be entitled to benefits provided by this agreement.

Item 5 Revise **Article I, Section 2 (D)** – change to read as follows:

(D) A reasonable number of ~~student~~ **newly assigned** engineers may be assigned work in any department in classifications covered by the Bargaining Unit as a part of their training and, while so employed, shall neither be affected by provisions of this Agreement, nor shall their employment affect the status of employees covered by this ~~A~~agreement. **They shall work under the direction of a Journeyman and shall not affect the regular crew make-up.** No ~~student-engineer~~ **engineers** shall work at any one job or classification for a period in excess of six (6) months.

Article II – Company-Brotherhood Relations

Item 2 Revise **Article II, Section 1** change to read as follows:

New second Paragraph (B) and (C) (first paragraph to be Paragraph (A))

(A) The Union recognizes that the management of the Company and the direction of the working affairs, including the right to hire, discipline, suspend, discharge, promote, demote, or transfer, for sufficient and reasonable cause, to establish and enforce rules and regulations consistent with any applicable terms of this agreement, remain with and are vested in the Company; subject, however, to the employees' rights for adjustment through the grievance procedure.

(B) **The Company confirms that the regular bargaining unit employees represented by the Union are the primary workforce for performing work that is done on a regular and continuous basis by classifications listed in Exhibit "A". However, the Company has the right to subcontract work; the Company agrees not to layoff any regular employee as a direct result of such action. In the event that there are regular employees on layoff with seniority (per Article III, Section 8) within the same plant or work headquarters where the Company intends to subcontract work normally done by regular bargaining unit employees, employees qualified to perform that work will be recalled from layoff. For purposes of this paragraph, a layoff does not include the abolishment of a vacant position or a transfer of positions.**

(C) **The Company and the Union agree to meet annually to review the nature and extent of work that the Company reasonably anticipates it will contract out in the next twelve (12) months. At such meeting, the Company will consider any work rule improvements offered by the Union that have the potential to reduce the Company's utilization of subcontractors.**

In addition:

All pending contracting out grievances (per list mutually agreed upon) will be permanently withdrawn

Item 167k Revise **Article II, Section 7** – change to read as follows:

(A) It is the policy of the Union to encourage all members and other employees to render loyal and efficient service to the Company. The Union will take proper measures that are within its authority to see that this policy is followed by the membership. The Union recognizes that as a public utility it is of great importance for the Company to have good public relations and will continue to encourage and influence Union members to make themselves available for emergency work and at all

times deal with the public in a courteous manner. Officers of the Company and the Union and its members shall in all matters pertaining to this agreement take into consideration that the Company is a public service corporation and that the safety and good will of the general public, including the customers of the Company, and the continuity of service to them are of primary importance. **The Union is contracted to do all overtime work in the same manner as straight time work. An employee is required to work overtime hours when requested unless he has a justifiable reason to excuse himself from doing so.**

Delete Red Edge 27

Item 167f Revise **Article II, Section 9** – change to read as follows:

(A) 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.

(B) **The parties agree that hauling of materials, supplies and equipment is not the exclusive work of bargaining unit personnel. Supervisors and other Non-union personnel will continue to do so only in the interest of efficiently expediting Company operations.**

(C) **Non-bargaining unit employees will not make special trips between cities for the exclusive purpose of hauling heavy materials normally handled by bargaining unit employees.**

Delete Red Edge 13

Item 8 Revise **Article II, Section 10 (B)** – change to read as follows:

(B) Production Department employees, **Energy Control Center employees** and Stores Department employees ~~assigned to Production facilities~~ shall live within one (1) hour travel time of their reporting headquarters. Employees shall make a permanent move within nine (9) months after reporting to the new headquarters. (see also item 132)

Item 11 Revise **Article II, Section 12** – change to read as follows:

Management and the Union Committees will meet at least once a year **no later than October 1st** for a full and complete discussion of the Employee Benefit Plans-- medical insurance, life insurance,

employee retirement plan, and savings plan. The purpose of the meeting will be to discuss the operation, status, and cost of the various plans. This will be for the purpose of a full understanding of the plans and is not intended for the purpose of negotiating changes.

Article III – Seniority, Promotions, Demotions, Transfers, Lay-offs, and Re-Employment

Item 12 Revise **Article III, Section 3 (C) (2)** – change to read as follows:

(2) When an employee with ~~fifteen (15)~~ **ten (10)** years or more service with the Company becomes permanently unable to perform the duties of his job classification, due to on-the-job injury or illness (excluding alcohol or drug related illnesses), he will be assigned to another job which he is able and qualified to fill by mutual consent between the Company and the Union, with no reduction in pay. Once the rate for his assignment has been determined, it shall not be subject to any general wage increase until such time as the regular rate for his new classification reaches or exceeds the rate so determined above.

Item 13 **Agreement regarding Chiefs and Masters**

Note: In accordance with Article III, Section 12(D), Fossil-Production Department Chiefs and Masters can work in lower classifications. Chiefs and Masters must maintain their qualifications as Journeymen and will work as Journeymen when assigned. In addition, as supported by the Seffern Arbitration (250.1184), the assignment of work to bargaining unit employees is not exclusively work performed by Chiefs or Masters and may be performed by supervision.

Item 14 **Chief Nuclear Waste Systems Technician**

(Housekeeping item. Item agreed to in 2002) Revise **Article III, Section 3 change to read as follows:**

(E) Along with other qualifications, for an applicant to be considered for the positions of Master Mechanic, Chief Electrician, Chief Instrument Mechanic, Chief Control Technician, Chief Laboratory Technician, Chief Nuclear Health Physics Technician, Chief Nuclear Chemistry Technician, Chief Nuclear Technical Support Technician, Chief Nuclear Electrician, Nuclear Master Mechanic, **Chief Nuclear Waste Systems Technician**, and Chief Nuclear Operator, he must have held, for at least one (1) year with the Company, the Journeyman position in the progression for which he is applying.

Item 15 Revise **Article III, Section 3** by adding new Paragraph (H) as follows:

(H) (1) Departmental Seniority for bidding into the Distribution Dispatcher or Distribution Dispatcher (Relief) classifications will include seniority in the Line Department, the Substation Construction and Substation Maintenance Departments, and the System Protection Control Department, or any combination thereof. Employees bidding into the Distribution Dispatcher or Distribution Dispatcher (Relief) classifications from these seniority departments shall have held or must currently hold Journeyman classifications or above. In the event of a roll, employees in the Distribution Dispatch classification may exercise seniority in previously held seniority groups.

(2) Employees bidding into the Service Dispatcher classification shall have held or must currently hold Journeyman classifications or above from the Line Department seniority group.

Note: Article III, Section Paragraph (H)(1) shall only apply while the Distribution Control Center is centralized in St. Petersburg.

Item 16 and Revise **Article III, Section 4** – change to read as follows:
Item 167b

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 **ninety (90)** ~~thirty (30)~~ **scheduled** 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 position, Assistant Load Dispatcher position, Distribution Dispatcher position, all classifications in Transmission Construction, Substation Construction and System Protection and Control, Plant Operator, and Assistant Plant Operator will have necessary time up to a maximum of ninety (90) calendar days in which to prove his ability to handle the job satisfactorily. 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 their ability to handle the job satisfactorily, except for Chief Operators, Plant Operators and Assistant Plant Operators who will be allowed up to a maximum of one hundred eighty (180) calendar days~~ **to prove their ability to handle the job satisfactorily. The selected employee will be informed of his satisfactory performance as soon as it can be determined during this period of time. It is understood that this provision does not extend the time during which an employee may decline to accept a job for which he has bid, as described in**

Article III, Section 7 (G). In the filling of regular or temporary vacancies for the Serviceman position, seniority will be respected.

Delete Red Edge Letter #5

Item 17 Revise **Article III, Section 6** – change to read 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 **twenty five hundred dollars (\$2500.00)**~~fifteen hundred dollars (\$1,500.00)~~. 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 **twenty five hundred dollars (\$2500.00)**~~fifteen hundred dollars (\$1,500.00)~~. In the application of this paragraph a transfer from Lineman to Serviceman or Troublemaker 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 19 Revise **Article III, Section 7(D)** – change to read as follows:

(D) Within ten (10) days after the date of posting of the notice, any employee may make application in writing to the Labor Relations Department, ~~Florida Power Corporation~~ **Progress Energy Florida**, St. Petersburg, Florida, for the job that is open. Application **can, at the employee's option, either be made electronically through the Labor Relations Web Site or** ~~shall be made~~ through United States mail. **Submission through the web site shall be received and submissions through United States mail shall be** postmarked not later than midnight ten (10) calendar days after date of posting. Should an employee be on vacation and away from his normal place of work during all of the ten (10) day period, he may be allowed an additional five (5) days in which to make application provided the Labor Relations Department is notified within the five (5) day period that an application is being filed.

Item 21 Revise **Article III, Section 7(G)** – change to read as follows:

(G) An employee who bids on a job vacancy and is selected will be considered as accepting and will be transferred to the new position as promptly as is practically possible. **This means that unless unusual circumstances exist which would greatly hamper operations, the selected employee should be transferred to his new position and not held until his/her replacement has been**

secured. Under such circumstances a temporary replacement should be made, if one is available, in preference to holding the employee. If the Company does not transfer an employee within two weeks of his/her selection, after that date the Company will upgrade the employee to the rate of pay of the new position, if higher than his/her current rate of pay. [Remainder of paragraph to remain the same]

Delete Red Edge Letter 11

Item 23 and
Item 126 and
Item 167a

Revise **Article III, Section 8 (A)** – change to read as follows:

(A) 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 **at that location** except where provided for in other sections in this agreement, provided the employee **is qualified for the position and** 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. **An employee in the Production Department (non-nuclear) who has an equivalent classification listed in Nuclear Operations in Exhibit "A" rolling into the Nuclear Plant may only roll into a "Special Rate" classification. However, prior to such roll, the employee should exhaust both opportunities to roll a non-nuclear equivalent classification and opportunities for appointment to a non-nuclear equivalent vacancy on the 120 Day Log. When attempting to exhaust these opportunities, the employee shall only have to roll or be appointed to a vacancy in an equivalent classification for which the employee does not have to relocate his/her residence in accordance with Article II, Section 10(B).** ~~Classifications listed under Nuclear Operations in Exhibit "A" which have an equivalent classification 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-off due to lack of work in his present department, such retained seniority may be used in the former department as his protection against lay-off. Upon receiving notice that his job is to be abolished, the employee shall within ten (10) days of receipt of notice, notify the Company of his wishes as to assignment. **Seniority, as referred to in this paragraph means system-wide departmental seniority, as established by the seniority roster. For the purpose of this Article, geographic relocation of an entire headquarters, with no reduction in number or type of classifications covered in the Agreement, does not mean that a job in a classification is discontinued at that location. In this instance, employees may be reassigned**

to the new geographical location without abolishing/posting. Employees who are reassigned to the newly established headquarters shall have their drive time grandfathered.

Delete Red Edge 1

Item 24 Revise **Article III, Section 8(A) (1)** – Change to read as follows:

(1) All regular employees who are laid off shall be offered severance pay equivalent to two (2) weeks pay for every year of service to the Company. An employee with less than one (1) year of service shall be offered two (2) weeks pay. An employee who accepts the severance pay waives the rights provided in paragraph (B). **For purposes of this sub-paragraph, “lay off” shall not include a job abolishment or roll where a position, having the same classification and for which the employee whose job is abolished or who is rolled is qualified, is:**

a) created by the Company at another location where the employee could work in compliance with the requirements of Article II, Section 10 without moving his/her residence, or

b) exists at another location for which there have been no qualified bidders and where the employee could work in compliance with the requirements of Article II, Section 10 without moving his/her residence.

In both cases above, the Company shall assign the employee to the vacant position, if agreed to by the employee, after the position has been posted in accordance with Article III, Section 7 and remains vacant. Additionally, in both cases above (a&b), “another location” shall not include going to a Travel Crew. If the employee does not agree to the assignment, he/she will have the rights set out in paragraph (B).

Item 30 Revise **Article III, Section 8**, adding new section (D) as follows:

(D) (1) The Company and the Union will meet annually for the purpose of discussing new technology that the Company is seriously evaluating that could have an impact on employment in the bargaining unit. The Company and the Union will also meet at the request of either party.

(2) Prior to announcing to employees, or the implementation of any significant Company initiative that will result in the layoff, restructure, or reorganization of bargaining unit employees as a direct result of the implementation of new technology, the Company will discuss with the Union the nature of the technological change, the reasons behind the Company’s implementation of the new technology and the impact of the technology on bargaining unit employees. The Company shall also present a communications plan to the Union prior to

discussing it with the bargaining unit employees. Following announcement of the initiative to employees, the Company will meet with the Union to explore training or job opportunities that may be created or would be available to bargaining unit employees and to discuss possible transition plans for employees affected.

Item 167m Revise **Article III, Section 12 (B)(1)** – change to read as follows:

(B) (1) If an employee is temporarily assigned to a higher job classification covered by this agreement, for one (1) hour or more, except as provided under Article III, Section 12 (B) (2), he shall be paid not less than the minimum rate established for the classification to which he is assigned or one (1) full step in the higher grade job above his present rate with a minimum of five cents (\$0.05), whichever is greater. The employee who has had previous experience in the job with the Company shall be paid at the higher rate to which his previous experience entitles him. The senior available employee regularly assigned in each location who is qualified to do a good, workmanlike job will be given such temporary assignment. **In the application of this paragraph, employees on the maintenance shift are considered available for the day shift, however, the senior employee on either of the two shifts will receive preference for the upgrade.**

Delete Red Edge Letter #33

Item 35 Revise **Article III Section 12 (F)**- change to read as follows:

(F) ~~On the regular schedule, w~~**W**hen the Chief Instrument Mechanic, Chief Electrician, Master Mechanic, Chief Laboratory Technician, Chief Control Technician, Chief Fuel Equipment Operator, Chief Health Physics Technician, Chief Nuclear Chemistry Technician, Chief Nuclear Technical Support Technician, Chief Nuclear Electrician and Nuclear Master Mechanic leading the work of two (2) or more men is absent from the plant, the senior qualified Journeyman ~~under his direction~~ **under his line of progression** will be temporarily assigned to the higher classification. When a crew of three (3) or more journeymen or apprentices of the same craft is working on call-outs or prearranged overtime, and the Chief Instrument Mechanic, Chief Electrician, Master Mechanic, Chief Laboratory Technician, or Chief Fuel Equipment Operator normally leading their work is not in the plant, the senior qualified Journeyman will be temporarily upgraded to the higher classification. It is understood that this does not require more than one upgrading in each of the above classifications at a given time.

Article IV - Holidays

Item 37 Revise **Article IV, Section 1, (B)** – change to read as follows:

(B) If a holiday falls on a Sunday, the following Monday shall be observed as a holiday, except by ~~shift~~ employees **any employee** in any department **who is normally scheduled for work that day**, who will observe the holiday on the day on which it falls. **When the December 24 holiday falls on a Sunday, the following Monday shall be observed as the holiday, and the December 25 holiday shall be observed on the following Tuesday, except by employees who are normally scheduled for work that day, who will observe the holidays on the days on which they fall.**

Add new paragraph (C) to Section 1, as follows:

(C) If a holiday falls on a Saturday, unless it is the Christmas Day or New Year's Day holiday, the preceding Friday shall be observed as a holiday, except by any employee in any department who is normally scheduled to work that day, who will observe the holiday on the day on which it falls. When the Christmas Day or New Years Day holiday falls on a Saturday, the following Monday shall be observed as the holiday, except by employees who are normally scheduled for work that day, who will observe the holiday on the day on which it fell.

Item 39 Revise **Article IV, Sections 2 and 3, and add new Section 4** – change to read as follows:

Section 2

All employees shall receive holidays with pay for the holidays specified in Section 1 of this Article. If a holiday falls on the employee's day off, he shall be allowed eight (8) hours, ten (10) hours or twelve **(12)** hours pay, depending on his schedule, at straight time rates or a day off within a reasonable time at the option of the employee, for which he shall be paid eight (8), ten (10), or twelve (12) hours, depending on his schedule at his straight time rate, plus premium pay at one and one-half (1 1/2) times his straight time rate for all hours he is required to work on said day. The day off shall be at a mutually satisfactory time, **but it must be scheduled and taken within twelve (12) months of the actual holiday. Otherwise, the employee, at his or her option, shall be paid for the holiday.** The floating holiday is to be a day selected by the employee mutually agreeable to both the employee and the Company **but it must be scheduled and taken within the calendar year that the holiday falls.**

Section 3

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,

ten (10) hours or twelve (12) hours pay, depending on work schedule, at the straight time rate. At the employee's option, the employee may forego the eight (8), ten (10) hours or twelve (12) hours straight time pay and have a day off within a reasonable time. The day off shall be at a mutually satisfactory time, **but must be scheduled and taken within twelve (12) months of the actual holiday. Otherwise, the employee, at his or her option, shall be paid for the holiday.** Call-outs are subject to minimum call-out provisions of this agreement.

Section 4

Employees must be employed on the day that a holiday is observed in order to be paid for the holiday or permitted a day off in lieu of being paid for the holiday in accordance with Sections 2 and 3 above.

Article V - Vacations

Item 41 Revise **Article V, Section 1(A)** – change to read as follows:

Section 1

(A) Regular employees who commence employment on or before June 30 and who have completed their probationary period shall be entitled to one (1) week of vacation in that year, and to two (2) weeks of vacation in their second calendar year of employment. Regular employees who commence employment on or after July 1 and who have completed their probationary period shall be entitled to two (2) weeks of vacation in their second calendar year of employment. A regular employee, who has completed his probationary period, shall be given one (1) week vacation if employment with the Company commenced between July 1 and December 31, both inclusive of the previous year and has been continuous. If employment with the Company commenced on or before June 30 of the previous year and has been continuous, two (2) weeks vacation shall be allowed. [Remainder of paragraph to be remain unchanged]

Article VI – Hours of Labor and Overtime

Item 45 Revise **Article VI, Section 2 (B)** – change to read as follows:

~~(B) — Shift Employees~~

~~———— (1) Shift employees are marked in Exhibit "A" of this agreement with the symbol "SH," shall work five (5) eight (8)-hour days per workweek, consecutively where possible.~~

~~(2) Where the job is operated twenty four (24) hours per day, seven (7) days per week, including Sundays and holidays, the regular workweek shall consist of eight (8), ten (10) or twelve (12) hour shifts. Any 12 hour shift schedule will apply only to shift (SH) employees and may only be implemented upon a "50% plus one" vote of all regular bargaining unit employees voting in the respective shop. After that time, employees may elect to return to their previous schedule by a vote of "50% plus one" of all regular bargaining unit employees voting in the respective shop. For the purposes of the 12 hour shift schedule, affected employees shall be allowed to vote to get on and vote to get off once per contract year. The SH employees in the following work groups at the Nuclear Plant are considered one shop for purposes of this paragraph: Operations, Health Physics and Chemistry. The workweek ends for the shift ending nearest midnight Sunday and the succeeding workweek begins immediately thereafter. The eight hour shift schedule shall consist of: 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) 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 workweek. 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.~~

~~————— (3) When operating employees in the Production Department are working on maintenance, they will work the same regular daily work schedule as the regular maintenance employees. However, they may be reassigned to operating shifts as required. Reassignment to the 8 a.m. to 4 p.m. operating shift at straight time may be made without notice. Reassignment to other operating shifts will be at overtime rates unless twenty four (24) hours notice is given.~~

~~————— (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.~~

~~————— (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.~~

(B) Shift Employees

(1) Shift employees are marked in Exhibit "A" of this agreement with the symbol "SH". The regular workweek shall consist of eight (8), ten (10) and/or twelve (12) hour shifts. Ten hour shifts for Operators can only be used for when they are working maintenance/training/relief week (maintenance relief week schedule shall be determined by management based on business need, in accordance with Section 2 (B) (2).

(a) Any 12 hour shift schedule will apply only to shift (SH) employees and may only be implemented upon a 60% vote of all regular bargaining unit employees voting in the respective shop. The shift rotation schedule will be selected by a majority of the affected employees from a selection provided by the Company prior to a 12 hour shift schedule vote.

(b) For locations other than Combustion Turbine plants on cyclic operations, where employees have not voted to accept twelve (12) hour shifts, there shall be one vote held per location per calendar year, with the vote to take place by closed ballot at the work location no later than November 30 of the respective calendar year (except that for 2006 there will be a vote no later than February 28, 2006). Both the Company and the Union agree to remain neutral as to the outcome of the vote. Any vote by a shop will be conducted by secret ballot and administered by a Local Union Officer or steward not associated with the affected shop. For locations where 12 hour shifts have been voted in, employees may elect, after twelve (12) months, to return to their previous schedule by a vote of 60% of all regular bargaining unit employees voting in the respective shop.

(c) The workweek ends for the shift ending nearest midnight Sunday and the succeeding workweek begins immediately thereafter. For employees working the eight hour shift schedule the day shift shall be between the hours of 6:00 a.m. and 2:00 p.m. The second shift shall be between 2:00 p.m. and 10:00 p.m. The third shift shall be between 10:00 p.m. and 6:00 a.m. For employees working ten hour shifts the hours worked shall be between 6:00 a.m. and 4:00 p.m. For employees working 12 hour shifts the hours of work for the day shift shall be between 6:00 a.m. and 6:00 p.m. The evening shift shall be between 6:00 p.m. and 6:00 a.m. Hours shall be consecutive.

(d) Shift employees at Combustion Turbine plants on cyclic operation may be assigned to work one (1) or two (2) or three (3) eight (8)-hour shifts per day, scheduled between 6:00 a.m. to 2:00 p.m., 2:00 p.m. to 10:00 p.m., and 10:00 p.m. to 6:00 a.m.; or one (1) or two (2) ten (10)-hour shifts, at Management's option, between the hours of 4:00 a.m. and 12:00 p.m., unless otherwise mutually agreed to by the Company and the Union. Hours shall be consecutive.

(e) 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.

(f) Shift employees on eight hour shift schedules 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 workweek. An additional Dispatcher may be scheduled for an eight (8) hour shift as required at hours other than those specified in this paragraph.

(g) Schedules shall be posted and so arranged that work periods and days off shall be rotated. Schedules may be changed by giving the affected employees 24 hours notice. Where 24 hours notice is not provided, the affected employees shall be compensated at a premium rate of one and one-half times their wage rate for a period of time until it is 24 hours later than the date the notice was given.

(2) Maintenance/Training/Relief Week of Operating Employees in the Production Department and the Energy Control Center:

(a) When employees are working maintenance, they will work the same regular daily work schedule as the regular maintenance employees. However, they may be reassigned to operating shifts as required. Reassignment to the 6:00 a.m. to 2:00 p.m. operating shift, or the day shift at locations that have twelve (12) hour shift schedules, at straight time may be made without notice. Reassignment to other operating shifts will be at premium rates unless twenty-four (24) hours notice is given.

(b) Employees when assigned to training, shall work five (5) consecutive eight (8) hour days, or four (4) consecutive ten (10) hours, inclusive of mealtime, per workweek, between the hours of 7:00 a.m. to 5:00 p.m., Monday through Friday. When there are not enough training hours scheduled for a full week of training, the actual hours of training will be indicated on the schedule. When employees are not scheduled for training, the employees will be reassigned to maintenance/relief week duties for the remainder of the workweek.

(c) When employees are working a relief week, they may be reassigned to operating shifts as required. Reassignment to the daytime operating shift at straight time may be made without notice. Reassignment to other operating shifts will be at premium rates unless twenty-four (24) hours notice is given.

(d) If an employee is rescheduled to the operating shift, the employee will be paid in accordance with the applicable portions of the contract for his new schedule and have the opportunity to earn at least as much as the employee would have on the original schedule for that week. If the difference between the old schedule and the rescheduled work week is less than eight (8) hours, the employee can:

(i) choose not to work and not be paid for those hours. This will not be counted against the employee's attendance record.

(ii) work the number of hours the employee was shorted.

(e) If an employee is rescheduled to a vacant shift and was originally scheduled to work the following shift that would have required the employee to work twenty (20) or more hours in a twenty-four (24) hour period, the employee shall be excused from working the shift, but shall be paid for the shift.

(3) 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 their normal scheduled workweek, exclusive of upgrades, they will receive premium pay for all hours worked on the other operating shift.

(4) 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.

Note: It is understood between the parties that the intent of "The regular workweek shall consist of eight (8), ten (10) and/or twelve (12) hour shifts" under Article VI Section 2(B)(1), is for hybrid twelve hour schedules and/or pulling operators off shift for purposes such as to prepare clearances for planned and forced outages, support projects, procedure development.

Item 49 and
Item 50 Revise **Article VI, Section 2 (C) (1)** – change to read as follows:

(1) Troublemens **and Lighting Technicians** shall be scheduled 5-8s or 4-10s, at Management's option, per workweek, exclusive of meal time, with days off being consecutive. When a Troublemens is assigned to a regular daily work period beginning later than 1:00 p.m., he shall work eight (8) or ten (10) consecutive hours. ~~Troublemens will be paid an additional thirty five (\$0.35) cents per hour for all hours paid.~~ Shift differential will be paid as provided for in Article X, Section 3. Seniority will be respected in the assignment of work schedules.

Note: The existing \$.35 Troublemens premium will be placed into the base wage and reflected in Exhibit "A".

Item 51 Revise **Article VI, Section 2 (C) (4)** – change to read as follows:

(4) Stores Department employees shall be scheduled either 5-8s or 4-10s, exclusive of meal time, at Management's option. Schedule shall be Monday through Saturday, between the hours of 6:00 a.m. to 9:00 p.m., in all headquarters except Wildwood where coverage may be from 6:00 a.m. to 11:30 p.m., **except for Tractor-Trailer Operators, whose hours shall be from 6:00 a.m. until 1:00 a.m. the following day.** Stores Department employees assigned to the Production Department may be scheduled in accordance with the work schedule of that facility. Shift differential will be paid as provided for in Article X, Section 3. Seniority will be respected in the assignment of work schedules.

Item 1671 Revise **Article VI, Section 2 (C)(5)** – change to read as follows:

(5) ~~Instrument Mechanics, Instrument Mechanic-Water Analysts, Water Analysts, Laboratory Technicians, Assistant Laboratory Technicians, and Combustion Turbine Technicians and Process Technicians~~ shall be scheduled 5-8s, exclusive of meal time, per workweek between the hours of 6:00 a.m. and 6:00 p.m., or eight (8) consecutive ten (10)-hour days, exclusive of meal time, between the hours of 6:00 a.m. and 6:00 p.m., Thursday through Thursday, with the subsequent Friday through Wednesday off. **Employees in these classifications may also be scheduled for shift work along with all other maintenance employees under Article VI, Section 2 (C)(8), during conditions such as outages and plant start-ups.**

Delete Red Edge #30

Revise Exhibit "A" to remove the above stricken classifications.

Item 53 Revise **Article VI, Section 2(C) (7)** – change to read as follows:

(7) Special Line Crews shall be scheduled ~~either 5-8s or 4-10s at Management's option,~~ exclusive of meal time, Monday through ~~Sunday~~Saturday, provided that the hours of work shall be between 6:00 a.m. and ~~10:00~~9:00 p.m. (daylight savings time), ~~except on Saturday, hours shall be between 6:00 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.~~ **The SL Crew can be "split" and placed on different schedules. Seniority shall be respected in the selection of schedules.**

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~~ **Sunday through Wednesday** or ~~Tuesday~~ **Wednesday** through Saturday schedules shall not be made more than once in any six (6) month period, ~~except as provided in Item 65, point 4, page 11 of the 1994 Memorandum of Changes and Item 73, page 22 of the 1996 Memorandum of Changes, regarding split schedules for five (5) or six (6) day coverage.~~ 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.~~ **After sundown, the Special Line Crews may perform emergency restoration, pre-arranged outages (within normally scheduled hours), and streetlight maintenance and installation.**

All employees, when scheduled to work on Special Line Crews, shall receive ~~seventy-five cents (\$0.75)~~ **one dollar and thirty five cents (\$1.35)** per hour additional. [Remainder of Section 7 to be unchanged]

Note: For the purposes of Training, an employee on the SL Crew may be rescheduled to 5-8's with no less than a one week notice. The Training shall be off site training and in duration of three days or more.

Item 55 Revise **Article VI, Section 2(C) (11)** – change to read as follows:

(11) Special Maintenance (SM) employees, Production Department, shall be scheduled eight (8)-hour shifts between the hours of ~~11:00 p.m. to 7:30 a.m.,~~ 6:00 a.m. to 6:00 p.m., ~~or~~ 3:00 p.m. to

~~11:30 p.m.-12:00 midnight, and 10:30 p.m. and 7:30 a.m.,~~ per day for five (5) consecutive days, ~~from~~ ~~11:00~~**10:30** p.m. Sunday to ~~11:00 p.m.-12:00 midnight~~ the following Saturday; or ten (10)-hour shifts per day for four (4) consecutive days, at Management's option, between the hours of 6:00 a.m. to 6:00 p.m. Monday through Saturday; or ~~8:30-00~~ p.m. to 7:00 a.m. Sunday through Friday; 3:00 p.m. to 4:00 a.m. Monday through Saturday (rest days or holidays falling within such work period will not be considered as breaking the four (4) or five (5) consecutive work days). Seniority will be respected for the purpose of ten (10)-hour scheduling. Shift differential shall be paid as provided for in Article X, Section 3.

Item 56 Revise **Article VI, Section 2 (C) (12)** – change to read as follows:

(12) Service Dispatchers may be scheduled Monday through Friday, between the hours of 6:00 a.m. and 10:00 p.m. and be scheduled 5-8s or 4-10s at Management's option, per workweek, inclusive of mealtime, with days off being consecutive. Shift differential shall be paid as provided for in Article X, Section 3. Seniority shall be respected in the assignment of shifts. Service Dispatchers shall work five (5) consecutive eight (8) hour days per workweek, Monday through Friday, between the hours 7 a.m. and 7 p.m.

Item 44 The parties agreed to include the following note in the 2005 Memorandum of Changes:
For the Line Department only: Exclude Line Department from Item 65 of the 1994 Memorandum of Changes, page 10, pertaining only to the 30 day notice to terminate 4-10's.

Revise **Article VI, Section 2(D)** – change to read as follows:

(1) Employees in the Line Department marked as "NS" in Exhibit "A" shall work 5-8's or 4-10's, not counting time out for meals, per workweek, Monday through Friday inclusive, between the hours of 6:00 am and 6:00pm daily. Management shall provide a seven (7) day notice to an operations Center, excluding (SL) crews, for going off, or coming on 4-10 hour days. An Operation Center's 4-10 hour schedule shall remain in place for a minimum of two (2) weeks. No Operations Center shall be subject to a change between the 5-8 or 4-10 hour schedule more than four (4) times a year. Changes between the 5-8 or 4-10 hour schedule shall take place on the first day of the workweek.

~~(1)~~**(2)** Each of the two (2) work groups which comprise the Meter Department (Meter Operations and Meter Technical Services) shall be scheduled either 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 7:00 a.m. to 6:00 p.m.

~~(2)~~**(3)** Substation Construction & Substation Maintenance Department employees shall be scheduled either 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 6:00 a.m. and 6:00 p.m.

~~(3)~~**(4)** Building Maintenance Department employees shall be scheduled either 5-8s or 4-10s, exclusive of meal time, at Management's option, seven (7) days per week between the hours of 7:00 a.m. to 9:00 p.m., when working outside a forty (40) mile radius from their regular working headquarters; 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 7:00 a.m. to 9:00 p.m., when working within a forty (40) mile radius of their regular working headquarters.

~~(4)~~**(5)** Meter Reader-Collectors shall be scheduled either 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 6:00 a.m. to 6:00 p.m. ~~R&D Man shall be scheduled 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 6:00 a.m. to 8:00 p.m. R&D Man ("S") shall be scheduled 5-8's or 4-10's exclusive of meal time, Monday through Friday, at Management's option, between the hours of 1:00 p.m. to 11:00 p.m.~~

~~(5)~~**(6)** Air Conditioning Maintenance Department employees shall be scheduled either 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 6:00 a.m. and 11:00 p.m.

~~(6)~~**(7)** Each of the ~~three (3)~~ **two (2)** work groups which comprise the Central Repair Department (Transformer Repair and System Tool and ~~Special Equipment Pool~~) shall be scheduled either 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 6:00 a.m. to 6:00 p.m.

Item 167o Revise **Article VI, Section 4 (A) (3)** – change to read as follows:

- (3) All off-schedule hours including all work in the twenty-four (24) hours next following the change of schedule where twenty-four (24) hours advance notice of the change of schedule is not given. **Off schedule is defined as an assignment to a different shift and not a change in start time. A change in start time is not a change in schedule unless it falls outside the hours identified for the respective department in Article VI. Changes in start times do not require 24 hour notice. If an employee's starting time is to be changed, the Company shall give notice to the employee as soon as the new start time is established, or as soon as possible thereafter.**

Delete Red Edge 35

Item 63 Revise **Article VI, Section 4 (D)** – change to read as follows:

(D) When working an eight (8) ~~or ten (10)~~ hour shift, ~~when~~ an employee is required to worked eight (8) hours or more on his first regularly scheduled day off, ~~he~~ shall be paid two (2) times his regular rate of pay for all hours worked on his second regularly scheduled day off. **When working a ten (10) hour shift, an employee required to work on his first, second or third regularly scheduled days off shall be paid one and one-half (1-1/2) times his regular rate of pay for all hours worked on those regularly scheduled days off. However, if an employee working a ten (10) hour shift has worked at least eight (8) hours on both his first and second regularly scheduled days off, he shall be paid two times (2) his regular rate of pay for all hours worked on his third regularly scheduled day off.** In the application of this paragraph, nothing in this agreement shall require the Company to work the employee on ~~both~~ his first, ~~and~~ second, **and, if applicable, third** regularly scheduled days off.

Item 49 Revise **Article VI, Section 4 (E)** – change to read as follows:

(E) ~~There shall be no compounding or duplication of payment for any hours worked.~~ **This paragraph eliminated in the 2005 negotiations.**

Note: The above paragraph appears twice in the current MOA and this deletion is merely to eliminate duplicate language.

Item 167j Revise **Article VI, Section 5 (A)** – change to read as follows:

(A) If an employee covered by this agreement is called out after the close of his scheduled workday and before the beginning of his next scheduled workday, he shall be paid a minimum of two and one-half (2 1/2) hours at the applicable overtime rate; except if called out for a reconnect, disconnect, or reconnect for non-pay he shall be paid a minimum of two (2) hours at the applicable overtime rate. If he is called out before his regular starting time and works through his regular work period, then only the time actually worked shall be paid. **In the application of this paragraph, if the employee completes his work so that there is a break prior to the time he normally reports, that work period should be treated as a separate call-out and paid the minimum of two (2) or two and one-half (2 ½) hours as applicable. In the case of pre-arranged work, nothing prohibits an employee being assigned other work so that his work continues into his regular work period.**

Delete Red Edge 26

Item 73 Revise **Article VI Section 5 (B)** – change to read as follows:

(B) When prearranged overtime construction or maintenance work is scheduled to be performed on a holiday or on scheduled days off, at least four (4) hours of work will be provided at the applicable overtime rate of pay. **If the Company does not provide four (4) hours of work, the Company shall still be obligated to pay four (4) hours of pay.** If an employee is required to report for any other prearranged overtime work, ~~he~~**the employee** shall be paid the same minimum as that applicable to a call-out.

Delete Red Edge #22.

Item 71 **Article VI, Section 5** – add new paragraphs D and E as follows:

(D) When the Company determines the need for Company resources to respond to emergent call-outs in the Line Department in Distribution, and/or in the R & D Man classification, the Company shall call the affected overtime call-out list at the headquarters, one (1) time, exhausting all telephone numbers, not to exceed three (3), provided by each employee, where the service restoration is needed. If sufficient employees do not respond to the call-out from that headquarters, the Company shall utilize the overtime call-out list at a neighboring headquarters and the nearest traveling crew, provided the crew is working in the area. If sufficient employees still do not respond to the call-out, then the Company, at its discretion, may utilize other available resources to restore service.

(E) Off-System Response. The Union and Company recognize the desirability of responding to restoration duty outside the Progress Energy system in order to assist other utilities in restoring power to their customers. Employees who respond to restoration duty outside the Progress Energy system shall be compensated at a rate of one and one half (1½) times the regular rate of pay for all hours worked, except when otherwise required by this Agreement. For response to restoration duty outside the Progress Energy system, the Company will determine the number and location of employees to be selected.

Note: For deployment outside of the Progress Energy system, the use of Distribution Travel Crews will not change from the current practice.

Upon ratification of a new contract by the bargaining unit, the Company will remove any operations center currently on Mandatory Weekend On-Call from those mandatory obligations. Future initiating events will be handled in accordance with Article VI, Section 5(C).

Within six months after ratification, the Company and the Union agree to review the call-out process and explore opportunities that may exist to improve the process for both parties. This meeting will also deal with the Mandatory Weekend On-Call schedule and its future need.

Item 167h Revise **Article VI, Section 6 (A)** – change to read as follows:

(A) **(1)** All prearranged and emergency overtime shall be distributed as 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 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.

(2) It is clearly understood that there are cases where it will be unreasonable to call the low man. Sharing of emergency overtime is an example of this situation. The low man in the respective classification does not have to be called for all overtime work. Management shall have a justifiable reason for not using the low man, such as, due to inefficiency, a job continues past normal quitting time and the crew stays to finish the project, or job familiarity. The Company has the obligation to distribute overtime as nearly equally as reasonable and supervisors should always work in this direction.

Delete Red Edge 23

Item 167d Revise **Article VI, Section 6 (B)** – change to read as follows:

(B) When an employee is temporarily assigned to a higher classification for several consecutive days, he will assume the overtime of the high man in the higher classification at his location as of the date of transfer. When he returns to his regular classification, the overtime **including red time** he made while assigned to the higher classification will be added to the record of his overtime in his regular classification. **This provision shall also apply to temporary and contingent assignments to levels parallel to or higher than an employee's regular assignment as well as temporary and contingent assignments to higher levels.**

The supervisor of the employee's regular assignment is designated to obtain the overtime data from the contingent or temporary assignment headquarters.

Delete Red Edge Letter #10

Item 167c **Article VI, Section 6** - add new paragraph (G) as follows:

(G) All work on primary cables requiring hand-applied splices, secondary network cables, and related network equipment shall be installed and maintained by the network section of the Line Department. When a call-out for underground URD trouble is necessary, the low overtime-qualified persons on the overhead and URD crews will be called first. When qualified overhead and URD personnel are not available, the Network personnel will be called for URD trouble.

Delete Red Edge #8

Item 77 **Filling of Shifts**

Note: Distribution Dispatchers (SH) and Distribution Dispatchers (Relief) (SH) shall follow Article VI Section 6(A).

Management retains the right to fill a vacancy on a shift.

Additionally, for (SH) employees, when the Company determines to fill a vacancy on a shift the order of calling will be as follows:

1. Call the off duty employee(s) per the overtime list, then
2. Split the shift with the on-duty employees

Delete Red Edge #37

Item 167p **Article VI, Section 6** – add new paragraph (H)

(H) Holiday work is not overtime work for employees already scheduled to work on that day. Holiday pay is premium pay and not overtime pay. Therefore, hours worked on a holiday during the employee's regularly scheduled days and hours are not posted as overtime on the overtime list. When the Company requires an employee to work a holiday that he/she would otherwise have off, the Company shall first offer the holiday work by the overtime list. If not enough employees accept the holiday assignment, and employees are then forced to work, they shall be forced by inverse seniority.

Delete Red Edge 36

Item 79 Revise **Article VI, Section 9** – change to read as follows:

Upon prior notice to the supervisor, employees of the same classification **who are qualified and able to perform the work scheduled, and who are** working regularly scheduled hours, may exchange hours of work within the workweek with one another provided no overtime or ~~inconvenience~~ **or rescheduling of training** is caused the Company.

Article VII – General Working Conditions

Item 80 Revise **Article VII, Section 2** – change to read as follows:

Section 2 – All Apprentices and Groundman

(A) It is agreed that there shall be no more than one (1) Apprentice to each ~~Lineman~~ **Journeyman** in the Line Department (~~including Serviceman~~), Electrician in the Substation Department, ~~Mechanic in the Fleet Services Department~~, and Journeyman level employees in the Production Department.

~~(B) **Substation Electrician Apprentice and Line Apprentice classification only.**~~

~~Beginning classifications will be Lineman Apprentice or Substation Electrician Apprentice and consist of eleven (11) steps.~~

~~During the first three steps, Apprentices will not work on energized lines or equipment. After receiving proper training they can climb poles and work on de-energized lines or equipment with direct supervision.~~

~~During the fourth step, Apprentices may work on de-energized lines or equipment with indirect supervision. With direct supervision, Apprentices may work on energized lines or equipment up to a maximum of 500 volts, and after being properly instructed, may work from an aerial basket.~~

~~During the fifth and sixth steps, Apprentices may work on energized primary lines and equipment with direct supervision. Apprentices in these steps may work on de-energized lines and equipment without supervision provided a Journeyman is on the job site.~~

~~During the seventh step, Apprentices may work on any energized lines or equipment without supervision, when in the opinion of the supervisor it is safe for them to do so. They will be upgraded to Lineman or Electrician when performing such work.~~

~~Apprentices must be capable of performing work on energized lines and equipment without direct supervision to be considered for upgrade.~~

~~Direct supervision shall be defined as working directly with a Journeyman. When the Apprentice is in the bucket, then the Journeyman shall be on the ground.~~

~~Indirect supervision shall be defined as working within sight and sound of a Journeyman.~~

(B) Substation Electrician Apprentice

(1) The Substation Electrician Apprentice classification shall consist of eleven (11) steps as noted in Exhibit "A"

(2) The Substation Electrician Apprentice classification shall not work on energized lines or equipment during the first three (3) steps. After proper training, an Apprentice may work on de-energized lines and equipment with direct supervision.

(3) During the fourth (4th) step, Substation Electrician Apprentices may work on de-energized lines or equipment with indirect supervision. With direct supervision, the Apprentice may work on energized lines or equipment up to a maximum of five hundred (500) volts, and after being properly instructed, may work from an aerial basket.

(4) During the fifth (5th) and sixth (6th) steps, Substation Electrician Apprentices may work on energized primary lines and equipment with direct supervision. Apprentices in these steps may work on de-energized lines and equipment without supervision provided there is a Journeyman on the job site.

(5) Substation Electrician Apprentices at seventh (7th) step may work on any energized lines or equipment without supervision, when in the opinion of the supervisor that it is safe for them to do so. They shall be upgraded to Journeyman when performing such work. Substation Electrician Apprentices must be capable of performing work on energized lines and equipment without direct supervision to be considered for upgrade.

(6) Direct supervision shall be defined as working directly with a Journeyman. When an Apprentice is in the bucket, then the Journeyman shall be on the ground.

(7) Indirect supervision shall be defined as working within sight or sound of a Journeyman.

(C) Lineman Apprentices & Lineman Apprentices (SL)

(1) The Lineman Apprentice classification shall consist of eight (8) steps as noted in Exhibit "A".

(2) During the first (1st) step, Lineman Apprentices may work on de-energized lines or equipment with indirect supervision. With direct supervision, Apprentices may work on energized lines and equipment energized up to five hundred (500) volts and, after being properly trained, may do work from an aerial basket.

(3) During the second (2nd) and third (3rd) steps, Lineman Apprentices may work on energized primary lines and equipment with direct supervision. Apprentices in this step may work on de-energized lines and equipment without supervision provided there is a Journeyman on the job site.

(4) During the fourth (4th) step, Lineman Apprentices may work on any energized lines or equipment without supervision, when in the opinion of the supervisor it is safe

for them to do so. They will be upgraded to Journeyman when performing such work. Lineman Apprentices must be capable of performing work on energized lines and equipment without direct supervision to be considered for upgrade.

(5) Direct supervision shall be defined as working directly with a Journeyman. When an Apprentice is in the bucket, the Journeyman shall be on the ground.

(6) Indirect supervision shall be defined as working within sight or sound of a Journeyman

(D) Groundman & Groundman (SL)

(1) The Groundman classification shall consist of three (3) steps as noted in Exhibit "A".

(2) A Groundman is not eligible to bid on, be placed into, or be promoted into a Lineman Apprentice vacancy until they have completed the third (3rd) step in Exhibit "A". Additionally, the Groundman must have successfully completed the Groundman Mandatory Task List, be qualified by a Supervisor, be a competent climber, and perform work from a standing pole.

(3) A Groundman is not eligible for upgrade to Lineman Apprentice for task or job duty assignments during the first two (2) steps. A Groundman during the third (3rd) step may be upgraded to Lineman Apprentice after he/she has been qualified by a Supervisor, is a competent climber, and can perform work from a standing pole.

(4) A Groundman with less than ninety (90) days work experience as a Groundman, shall not participate on any off-system-storm restoration effort.

(5) A Groundman in Distribution, may not work from an aerial basket.

(6) During the third (3rd) step, A Groundman in Transmission may assist a Journeyman in a double aerial basket on transmission work only. All conductors must be de-energized.

(7) It is understood that qualified Groundman should be looking to progress, and should be bidding on positions that are within the required driving distance to the headquarters of the Groundman's residence.

Add new paragraph (E) as follows:

(E) Aerial Basket Work

An employee working from an aerial basket shall be a Journeyman, or an Apprentice training under the direction of a Journeyman.

During the first (1st) step, after being properly trained, Apprentices in the Distribution Line Department may work from an aerial basket. All work shall be de-energized.

During the third (3rd) step, a Groundman in the Transmission Line Department may assist a Journeyman in a double aerial basket on transmission work only. All conductors must be de-energized.

During the first (1st) step, when working directly with a Journeyman, Apprentices may work on energized transmission lines and equipment from an aerial basket, if in the opinion of the supervisor, it is safe for them to work on.

Upgraded Laborers are not considered Apprentices in the Application of Article VII, Section 2 (E).

This job assignment shall be offered to the senior employee in each location who is qualified to do a good workmanlike job while working from the aerial basket.

Note: Revise Article VII Section 8 – Delete Section (G) and replace with **This paragraph was deleted during 2005 negotiations.** This language is replaced by the revisions of the above paragraph.

Note: It is understood that the Groundman and Lineman Apprentice classifications are progressive steps to the Journeyman classification. It is advantageous to both the Union and the Company for employees to progress and continue through the line of progression. It is also recognized that employees progress at different rates.

Effective with the ratification date of this agreement, all current Lineman Apprentices, and Lineman Apprentices (SL) in steps one (1), two (2), and three (3) shall be reclassified to the new Groundman and Groundman (SL) classifications maintaining their current step in those new classifications. During the course of progressing through the steps outlined in Article VII, Section 2 (D), subsequently re-classified Groundman, and Groundman (SL) employees employed on or before the ratification date shall continue with the periodic progression procedure of the 2002 Agreement, and move directly to the Lineman Apprentice or Lineman Apprentice (SL) classification. This will occur upon the Groundman or Groundman (SL) completing step three (3), being qualified by their Supervisor, being a competent climber, and can perform work from a standing pole, without any requirement of posting or bidding of the position.

Effective with the ratification date of this agreement, any Groundman and Groundman (SL) hired after the ratification date of this agreement shall be subject to the provisions of Article VII Section 2 (D). Groundman and Groundman (SL) hired after this date will be required to await postings for Lineman Apprentice and Lineman Apprentice (SL) positions in order to progress through the bidding process.

Effective with the ratification of this agreement, any Distribution headquarters (excluding Scheduled employees) that is comprised of eight (8) or fewer employees, or any Transmission Crew, may at Management's option, elect to re-classify in place as a Lineman Apprentice any qualified Groundman on that crew or at that headquarters. For such reclassification to occur, the Groundman must have completed the Mandatory Groundman Task List, be qualified by their Supervisor, be a competent climber, and be able to perform work on a standing pole.

During the course of this agreement, if the Company determines that the workforce in the Distribution Line Department becomes stationary due to the lack of Groundman bidding on vacant Lineman Apprentice positions, the Union will agree to discuss any additional options with the Company to rectify the issue.

Item 167q **Article VII, Section 2** – add new paragraph (F)

(F) Management agrees to upgrade a qualified Electrician/Lineman Apprentice to Lineman when the Apprentice, and one other person other than a Journeyman, is sent out with work that involves constructing or maintaining an energized or de-energized circuit. Examples of work where upgrade would be paid are:

- 1. Installing a pole and transformer.**
- 2. Installing a pole and street lights with circuits involved.**
- 3. Installing underground cable or conduit in energized switch gear or energized live front transformers.**

Examples where upgrade is not paid on de-energized circuits are:

- 1. Installing and removing poles.**
- 2. Setting padmount transformers and pads.**
- 3. Installing and removing anchors.**
- 4. Installing pole and street lights with no circuits involved and similar activities.**
- 5. Trenching, installing underground cable and conduit in trench or deadfront transformers.**

Delete Red Edge Letter #38

Item 82 Revise **Article VII, Section 7** – change to read as follows:

~~(E) — When an employee is called out in an emergency and misses a meal thereby or if while on emergency or prearranged work he needs a meal which he would not normally need if not called out for work, the Company will provide or pay for the meal. This provision does not apply to noontime lunches during prearranged work.~~

~~— (F) — The lunch period of Non-Shift and Scheduled employees shall begin not later than one (1) hour after they customarily start their lunch period. Where it is impossible to comply with the above, the employee shall be paid at the applicable overtime rate for the normal lunch period and, as soon as the~~

~~emergency is over, shall be given time off to eat his lunch, not to exceed one half (1/2) hour, without loss of regular pay.~~

~~———— (G) ——— (1) ——— When employees are required to report for work one and one half (1 1/2) hours or more before regular starting time, they will have such meals as they customarily eat before going to work paid for by the Company and lunch where the employees normally bring their lunch. When the work continues past the regular starting time, the employees shall be allowed time off with pay not to exceed one half (1/2) hour to eat, except Shift workers will have their meal brought to them and eat it on the job, where they must remain on duty.~~

~~————— (2) ——— When work continues one and one half (1 1/2) hours or more after regular quitting time, (i.e., eight (8) hours after regular starting time exclusive of meal time), employees will have their next meal paid for by the Company provided the extended work period has prevented the employees from obtaining their next meal in their usual manner. When an employee is required to work past his meal time as specified above, he shall be provided a meal by the Company as soon as reasonably possible and be paid at his overtime rate for the time required to eat it, not to exceed one half (1/2) hour. If the work continues, additional meals will be paid for and time to eat them as specified above after each five (5) hours of work. When employees are scheduled to work ten (10) hour extended workdays, the newly scheduled starting and quitting times will be considered regular starting and quitting times for the purpose of this paragraph; provided, however, if an employee is required to work one half (1/2) hour or more beyond the ten (10) hours, he shall be entitled to meals and pay for time to eat them as provided above.~~

~~————— (3) ——— For twelve (12) hour shifts, when work continues one half (1/2) hour or more after regular quitting time, employees will have their next meal paid for by the Company provided the extended work period has prevented the employees from obtaining their next meal in their usual manner. When an employee is required to work past his meal time as specified above, he shall be provided a meal by the Company as soon as reasonably possible and be paid at his overtime rate for the time required to eat it, not to exceed one half (1/2) hour. If the work continues, additional meals will be paid for and time to eat them as specified above after each five (5) hours of work. When employees are scheduled to work twelve (12) hour workdays, the scheduled starting and quitting times will be considered regular starting and quitting times for the purpose of this paragraph.~~

~~———— (H) Reasonable effort will be made to observe the employees' normal meal time.~~

~~————— (I) ——— All meal provisions of this agreement shall apply on the employees' off-schedule days, in the same manner as on regularly scheduled workdays.~~

(E) **Emergency Call Outs**

(1) Employees shall earn a meal allowance when they are called out to work anytime within three (3) hours after the end of the scheduled quitting time. Employees who are called out and work outside the period described above, shall earn a meal allowance after having

worked five (5) continuous hours. In either case, the employee shall earn additional meal allowances every five (5) hours if the employee works continuously.

(2) When an employee is called out for emergency work on off scheduled days and a normal meal time is interrupted, the employee shall be entitled to a meal allowance. A normal meal time for the purpose of this Paragraph is: Breakfast 6:00 am to 8:00 a.m., Lunch 11:00 a.m. to 1:00 p.m. and Dinner 4:00 p.m. to 6:00 p.m. After qualifying for the first meal allowance within these time frames, employees continuing to work will qualify for another meal allowance every five (5) hours thereafter.

(F) The lunch period of Non-Shift and Scheduled employees shall begin not later than one (1) hour after they customarily start their lunch period. Where it is impossible to comply with the above, the employee shall be paid at the applicable overtime rate for the normal lunch period and, as soon as the emergency is over, shall be given time off to eat his lunch, not to exceed one-half (1/2) hour, without loss of regular pay.

(G) Reporting Early and Working Holdover Overtime on Regularly Scheduled Days.

(1) When employees are required to report for emergency work one and one-half (1 1/2) hours or more before regular starting time, they shall earn a meal allowance for breakfast and lunch. When the work continues past the regular starting time, the employees shall be allowed time off with pay for breakfast not to exceed one-half (1/2) hour to eat. However, if employees are given time off to eat prior to their normal reporting time, they will eat on their own time, rather than on Company time, even though the work itself may continue past the regular start time. Shift workers will have their meal brought to them and eat it on the job, where they must remain on duty.

(2) When employees are required to report for pre arranged work one and one-half (1 1/2) hours or more before regular starting time, they will earn a meal allowance for breakfast. When the work continues past the regular starting time, the employees shall be allowed time off with pay not to exceed one-half (1/2) hour to eat. However, if employees are given time off to eat prior to their normal reporting time, they will eat on their own time, rather than on Company time, even though the work itself may continue past the regular start time. Shift workers will have their meal brought to them and eat it on the job, where they must remain on duty.

(3) Holdover on eight hour and extended hour shifts.

(a) When work continues one and one-half (1 1/2) hours or more after regular quitting time for employees on an eight (8) hour shift, (i.e., eight (8) hours after regular starting time exclusive of meal time), employees will earn a meal allowance. If the work continues, additional meals will be paid for and time to eat them as specified in paragraph G (5).

(b) When employees are scheduled to work ten (10) hour extended workdays, the newly scheduled starting and quitting times will be considered regular starting and quitting

times for the purpose of this paragraph; provided, however, if an employee is required to work one-half (1/2) hour or more beyond the ten (10) hours, he/she shall earn a meal allowance.

(c) During scheduled outages in Fossil Production and Refueling outages at CR3, when an employee is scheduled to work twelve (12) hour extended workdays, the employee shall earn one meal allowance, however, there is no paid meal time for the meal allowance earned. The newly scheduled starting and quitting times will be considered regular starting and quitting times for the purpose of this paragraph; provided, however, if an employee is required to work one-half (1/2) hour or more beyond the twelve (12) hours, the employee shall earn paid meal time in accordance with paragraph G (5).

(4) Holdover on Ten or Twelve hour shifts - When work continues one-half (1/2) hour or more after regular quitting time for employees on a ten (10) or twelve (12) hour shift, (i.e., ten (10) or twelve (12) hours after regular starting time exclusive of meal time), employees will earn a meal allowance. If the work continues, additional meals will be paid for and time to eat them as provided in paragraph G (5). When employees are scheduled to work ten (10) or twelve (12) hour workdays, the scheduled starting and quitting times will be considered regular starting and quitting times for the purpose of this paragraph.

(5) Employees shall be compensated for time to eat meals, earned in paragraph 3 and 4 above, not to exceed one-half (1/2) hour after they have worked three hours past the regular quitting time. Additional meal allowances and paid meal periods shall be earned every five (5) hours thereafter, as long as the employee keeps working. If employees are not provided time to eat during the work period, the one half (1/2) hour paid meal period shall be claimed at the end of the work period.

(H) Reasonable effort will be made to observe the employees' normal meal time.

(I) Pre-arranged Overtime

(1) Off Scheduled Days - All meal provisions of this agreement shall apply on the employees' off-schedule days, in the same manner as on regularly scheduled workdays. No meals or paid meal times are provided for this work unless the hours of work are changed from the pre-arranged start and stop times without prior notice. In this event, employees shall be compensated for holdover or early reporting as provided in paragraph (G) above.

(2) Off Schedule Hours on Regular Scheduled Days - Employees shall earn a meal allowance when they are pre-arranged to work anytime within three hours after the end of the normal quitting time. Employees who are pre-arranged to work outside the period described above, shall earn a meal allowance after having worked five (5) continuous hours. In either case, the employee shall earn additional meal allowances every five (5) hours if the employee works continuously.

(J) For all meals earned under the provisions of this contract and not provided directly by the Company, the employee will receive ~~\$12.75~~\$13.75 on the next regular paycheck. Reasonable effort will

be made to provide the earned meal(s) to the employee upon request. **For all meal allowances earned, management, at its option, may provide a meal or pay the meal allowance.**

(K) Meals and lodging furnished by the Company as a requirement of this agreement shall be free of charge to the employees; provided, however, that the employee will pay such taxes as are required by the Internal Revenue Service.

Delete Red Edge #15

Delete Red Edge # 20

Delete Red Edge # 21

Item 133 Revise **Article VII, Section 8 (A)** – change to read as follows:

Section 8 - - Safety

(A) The safety of employees is a matter of paramount importance, and no employee shall be required to take undue risks in the performance of his duties. Where not specifically covered by this agreement, the Company Safety Rules shall govern the work. An employee may refuse any job which he/**she** reasonably considers to be unsafe for him/her to perform ~~unless it is work that is normally performed by employees in his job classification.~~

(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. **The Company and the Union will cooperate in promoting safety throughout the various operations of the Company and will work together to oversee the development and implementation of safety and health programs.**

(2) It is agreed that the establishment and enforcement of safety rules and regulations, the responsibility under the Occupational Safety and Health Act and the provision of a safe work place are management's **exclusive** responsibility.

(3) A Health and Safety Steering Committee will be established. The H&S Steering Committee will consist of the System Council U-8 Business Manager (or designee) and two other representatives selected by the Union and three representatives selected by the Company, two of whom will be executives of the Company. The functions of the H&S Steering Committee, which will meet a minimum of two (2) times a year, will include:

(a) To discuss significant safety and health issues which have arisen in the workplace or which are brought forward by either the Union or the Company.

(b) To identify, review, and monitor safety trends and issues relevant to work groups.

(c) To share industry events and external best practices.

(4) Business Unit Safety Committees for each Business Unit will be established which shall meet quarterly. The membership of such committees will consist of three (3) representatives selected by the Union, one of whom will be a Local Union President (or his designee) whose Local includes a part of the Company Business Unit, and two (2) other bargaining unit employees from that Business Unit, and three section managers from the Company. The functions of the Business Unit Safety Committees include:

- (a) To monitor Business Unit safety targets and indicators.
- (b) To assist in developing, and reviewing the implementation of the Business Unit Safety Program.
- (c) To review safety tools, devices and equipment.
- (d) To review the results of accident investigation teams.
- (e) To review safety orientation and training programs.
- (f) To recommend changes to the Accident Prevention Manual.
- (g) To develop the guidelines that will govern the operation of these Committees.
- (h) To conduct joint safety visits.

(5) Whenever an investigation team is appointed by the Company to investigate a lost time accident or significant near miss event involving a regular bargaining unit employee, it shall include two (2) employees from the bargaining unit familiar with the line of work in issue. Such employees will be selected by the Union Business Manager (or his designee). Bargaining unit employees on an investigating team will not be involved in any disciplinary action that may be taken against any bargaining unit employee. Union representatives on an accident investigation team must agree to all requirements set out for team membership regarding participation, communication of information and confidentiality (if required). The results of all accident investigations, including lessons learned and future corrective action, if any, will be timely shared with the Health and Safety Steering Committee, Business Unit Safety Committees and bargaining unit employees.

(6) Both parties affirm their commitment to Local Safety Teams. The membership of the Local Safety Teams shall consist of the employees at the location(s) where the Company creates the Local Safety Team(s), as well as one or more Company-designated managers or supervisors. The chairperson and all officers of each Local Safety Team will be elected by the non-management employees of the Safety Team, excepting the follow-up committee chairperson, who shall be selected by management. Elections shall be held once every twelve (12) months. If a member of the Local Safety Team vacates his/her position during the twelve (12) month term, a replacement shall be voted on by the employees in that location at the next regular scheduled safety meeting. The Local Safety Team will have the responsibility of

implementing safety programs and creating meeting agendas, including any compliance-related topics.

(7) The Health and Safety Steering Committee and Safety Teams noted above will not involve themselves in disciplinary action, and will not consider any issue over which a grievance is pending. It is not the intention of the Company or the Union to use this Committee or these Teams for the purpose of creating work rules or for the discussion of topics not directly related to safety.

(8) It is agreed that the Local Union President, and the Chairman of the local safety team (provided that employee is in the bargaining unit) shall from time to time visit work sites and facilities in conjunction with Management. The time to do these visits shall be mutually agreed to, and in accordance with Article VIII, Section 3.

[Remainder of Section 8 to remain unchanged]

Item 85 Note: The Company and the Union agree to explore a Joint Training Program for the Line Department.

Item 87 Revise **Article VII, Section 8 (B)** – change to read as follows:

In the handling of all work, ~~superintendents and foremen are~~ **supervision is** required to see that a sufficient number of skilled **and trained** workers are assigned to the job, equipped with the necessary safety devices to do the work properly and safely, as outlined by the Company's Safety Rules.

Item 88 Revise **Article VII, Section 8 (F)** – change to read as follows:

(F) At least two Journeymen shall be assigned to the work when working on lines or equipment energized at more than 500 volts, including the installation or removing of transformers in a three-phase transformer bank on a pole that has an energized primary conductor and all transformers on a pole having three-phase energized primary conductors ~~in a vertical configuration~~; except that one Journeyman may restore service or remove immediate hazards to life or property where he can do so without undue hazard to himself. It is understood that the above requirements do not apply to crews engaged in pole hauling, setting or pulling, or aerial basket work. **It is further recognized by the Company and the Union that, when the work is of an especially hazardous nature, the Supervisor and the Journeyman shall apply Article VII 8 (C).**

Delete Red Edge Letter #6

Delete Red Edge Letter #7

Item 167r **Article VII, Section 8** – add new paragraph (K) as follows:

(K) (1) Ground help is defined as a competent person within 200 feet or less and within voice communication of the pole being worked on. An Apprentice (not an upgraded Groundman) working on the pole in the secondary position with conductors or devices de-energized and grounded is also considered as ground help.

(2) When aerial work is energized, ground help shall remain on the ground in the immediate vicinity of the vehicle.

(3) Primary shall be covered and stinger or jumpers removed by the Journeyman. During this procedure, the ground help shall be on the ground.

(4) Two buckets working on the same pole must have a person on the ground in the immediate vicinity of the vehicles.

(5) When an Apprentice is in the bucket, then the Lineman shall be on the ground.

Delete Red Edge 39

Item 167i Revise **Article VII, Section 11** – change to read as follows:

Section 11 – Replacement of Climbing Tools

(A) Employees in climbing classifications will initially obtain at their expense new climbing tools. When replacement of an employee's tool belt, safety strap, climber straps, pads, gaffs and climbers is necessary due to normal wear and tear incurred while working for the Company, the Company will pay full cost of equivalent replacement.

(B) **The Company will, where practical, provide adequate facilities for the safekeeping of employees' property required in the performance of their work. However, employees have the primary responsibility for the safety of their own personal property. Tools and other personal property required in the performance of the employees' work will be replaced by the Company if stolen from Company property where all available security and theft protection devices were properly utilized. The decision to replace stolen articles, however, will rest with management and will depend on the circumstances surrounding the loss.**

Delete Red Edge Letter #25

Item 89 Revise **Article VII, Section 13 (A)** – change to read as follows:

(A) Periodically, the Company may contract its outage, maintenance or construction services to plants and facilities owned by other utilities or businesses. To staff the temporary work force assigned to such contract maintenance, **except as otherwise set forth below in Paragraph (F)**, the Company will

post the positions required and select the senior qualified employee(s) for the temporary work assignment. Contract specifics will be presented to employees with the posting.

Add new Paragraph (F) to Section 13 as follows:

(F) For major maintenance or outage work that is to take place on any combustion turbine units owned by other utilities or businesses, and that the Company elects to make available to regular bargaining unit employees, the Company will solicit volunteers from its Combustion Turbine and/or Jet Engine travel crews. The Company will then select from among the volunteers, if any, the senior qualified employee(s) for the temporary work assignment. For scheduled outages, if not enough regular employees volunteer for the temporary assignment, then the Company will post the remaining positions in accordance with paragraph (A) above. All other provisions of Section 13 will apply.

Item 90

Article VII – add new Section 14 -- Work Attire – as follows:

The Company and the Union agree that the appearance of Company employees is important to a positive perception of the Company. For regular employees in the Energy Control Center, the Distribution Dispatch Center, the Control Rooms in Fossil power plants, and employees working in the Service Dispatcher offices, a sleeved and collared shirt, appropriate pants (which can include denims but not shorts or sweat pants) and close-toed shoes must be worn. Such clothing is to be clean and in good repair. Any printing or logos must be business-appropriate. At the option of employees in the above work areas/classifications, the Company will pay for seven (7) Company-logo-ed collared shirts (long or short sleeved). These shirts will be replaced at the Company's expense as needed upon approval by supervision. Such shirts will be purchased through various Company-approved catalogs or web sites.

Article VIII – Release of Employees for Union Business

Item 92

Revise **Article VIII, Section 2** - change to read as follows:

(A) When it will not seriously interfere with the proper operation of the Company's business, the Company agrees to excuse from Company duty without pay any employee whose services are required for Union work, upon written request of the Union at least two (2) days in advance; provided, however, that releases of this character shall not exceed thirty (30) working days in any one calendar year, or such longer period as may be agreed upon between the Company and the Union.

(B) Employees who are members of the Union's System Committee who miss overtime hours made available while on Union Business with the Company will, at the employee's option, have their hours of overtime adjusted on the call out list.

Item 94 Revise **Article VIII, Section 3** – change to read as follows:

Employees who are members of the Union's committees will be allowed time off to attend meetings with Company officials. They shall give their respective supervisors three (3) days' notice of their desire to attend such meetings. The number of members of the Union to attend such meetings on Company time shall be limited to the number reasonably necessary to attend to the business at hand but in no event more than five (5). However, at 2nd Step grievance meetings, the Company will pay for no more than three (3) bargaining unit members to attend, including a single grievant, and two members of the Local Union Grievance Committee. As to 3rd Step grievance meetings, the Company will pay for no more than five (5) System Committee members plus grievant(s) to attend. For Policy grievances, the Company will pay for up to five (5) members of the Union System Committee to attend. The Company shall pay such employees at their regularly hourly rates for reasonable time lost from their regularly scheduled work while actually attending such meetings. In no event shall this time allowance be more than eight (8) **ten (10), or twelve (12)** hours (**depending on the schedule of the employee**) in any one day or more than forty (40) hours in any one workweek. Members of the union's negotiating committee who are Shift employees shall be scheduled on the day shift (that is, between the hours of 7:00 a.m. and 6:00 p.m., Monday through Friday) during contract negotiations. The provisions of this paragraph shall not apply during arbitration proceedings.

Article IX – Grievances and Arbitration

Item 166 Revise **Article IX, Section 2(A)(2), 2(A)(3) and 2(A)(4)** – change to read as follows:

(2) Between the Grievance Committee of the Local Union and the supervisor and the supervisor's immediate superior and a representative of the Labor Relations Department at a meeting to be held within thirty-one (31) days of the receipt of the written grievance by the Company, **provided that any information request(s) submitted by the Union have been responded to by the Company prior to the meeting. If the information request(s) has not been responded to, then the meeting shall be held in abeyance until the information request has been responded to. The Grievance Committee then shall have sufficient time, not to exceed thirty (30) days from the postmark date of the Company's response, in which to investigate the grievance before the meeting is held. A meeting will be held within thirty one (31) days after the Union has notified the Company that the Grievance Committee has investigated the grievance.** Within twenty (20) days after the meeting is held, the Company shall postmark its response to the Grievance Committee. If the Grievance Committee

desires to pursue the grievance then it shall within twenty (20) days after the postmark of the Company's response, postmark its notice to the Labor Relations Department that the grievance is to be taken to the third step; then

(3) Between the System Council Committee (which shall not consist of more than five (5) members) and representatives of the Company at a meeting to be held within forty (40) days after notice from the Grievance Committee is received. **If additional information request(s) are made by the Union, then the meeting shall be held in abeyance until the information request has been responded to. The System Committee then shall have sufficient time, not to exceed thirty (30) days from the postmark date of the Company's response, in which to investigate the grievance before the meeting is held. A meeting will be held within forty (40) days after the the Union has notified the Company that the Grievance Committee has investigated the grievance.** The Labor Relations Department will appoint an appropriate management panel. An International Representative may be present. Within twenty (20) days after the meeting is held, the Company shall postmark its decision to the System Council Business Manager.

(4) Should any matter that has been referred to representatives of the parties as provided in the third step above not be satisfactorily adjusted either party may demand arbitration of the matter by giving written notice to the other within **one hundred eighty (180)** ~~forty (40)~~ days of the postmark date of the Company's third step answer.

Add new Section 2, Paragraph (C)

(C) Neither party shall use the information request process to unduly burden the other or to delay unreasonably the holding of grievances.

Note: Require the parties to adhere to the language of Section 3, Paragraph (A). That is, when a case is referred to arbitration, the parties will proceed to order an arbitration panel and agree to promptly set the case for arbitration before an arbitrator, effective January 1, 2007.

Backlog

By December 31, 2006 the Union shall review all outstanding grievances that are currently pending arbitration to see if they can be withdrawn, discontinued or settled with the Company. Both parties shall put a good faith effort into resolving a portion of the grievances that are pending arbitration. The Union shall provide the Company with the list of grievances for possible resolution.

Item 97 **Article IX, Section 2** – Add new paragraph (D) as follows:

(D) For purposes of the Company answering grievances at the second step or third step, and of the Union referring grievances to the third step or arbitration, as set forth in Paragraph (A) (2), (3) and (4) above, a party, at its option in lieu of the U. S. mail, may utilize electronic mail (email) to transmit its grievance answer or referral. The date and time that such email is sent shall be the relevant date for purposes of compliance with the time limits in Paragraph (A) (2), (3) and (4). Second and third step grievance responses from the Company shall also be sent via U.S. mail to the System Council Business Manager, by Company mail to the grievant, and by Company mail or email to the Local Unions.

Article X – Wage and Wage Administration

Term of Agreement Three years, from November 28, 2005 to December 7, 2008

Revise **Article X, Section 1** – change to read as follows:

(A) The wages to be paid shall be at the rates stated in the schedule attached hereto, marked Exhibit "A," and made a part hereof. The effective date of the wage schedules shall be ~~December 2, 2002, December 5, 2003 and December 3, 2004~~ November 28, 2005, November 26, 2006 and November 27, 2007 as indicated in Exhibit "A." Such wages shall be paid biweekly not later than Friday.

Item 167n **Article X, Section 1** – new paragraph (B):

(B) Progression within the wage rate ranges in Exhibit “A” shall be made at intervals of six months provided the performance of the employee is satisfactory. For the purposes of this paragraph, six months shall be equal to 1040 hours of time worked. Straight time and overtime hours combined may be used to accumulate 1040 hours, however, no more than 80 hours may be accumulated each pay period.

Delete Red Edge 34

Item 101 Revise **Article X, Section 4** – change to read as follows:

(A) The Company will pay the amount of **Twenty Dollars (\$20.00)** ~~Fifteen Dollars (\$15.00)~~ for each day worked by a regular employee on the Distribution Traveling Crew, the Transmission (including

Substation Construction & Maintenance) Traveling Crew, and to those employees in Fleet Services who regularly travel throughout the Company. This ~~Twenty Dollar (\$20.00)~~ ~~Fifteen Dollar (\$15.00)~~ payment will be paid to Distribution Travel Crews, Transmission Travel Crews, and Fleet Services employees for days worked when they are required to show up within a ~~forty (40)~~ **fifty (50)** mile radius from their headquarters or if they have no assigned headquarters from their legal residences. In addition, the Company will pay the amount of ~~Seventy-five Dollars (\$75.00)~~ **Eighty-five Dollars (\$85.00)** to the above employees for each day worked at a work location that is outside a ~~forty (40)~~ **fifty (50)** miles or more radius from their headquarters or if they have no assigned headquarters from their legal residence. However, this payment of ~~Seventy-five Dollars (\$75.00)~~ **Eighty-five Dollars (\$85.00)** per diem must comply with all applicable IRS regulations and guidelines.

(B) The Company will pay the amount of ~~Twenty Dollars (\$20.00)~~ ~~Fifteen Dollars (\$15.00)~~ for each day worked by a regular employee on the System Maintenance Crew (SMC) when working at their home plant. In addition, the Company will pay the amount of ~~Seventy-five Dollars (\$75.00)~~ **Eighty-five Dollars (\$85.00)** to each of these employees for each day worked at a work location other than their home plant. This payment of ~~Seventy-five Dollars (\$75.00)~~ **Eighty-five Dollars (\$85.00)** per diem must comply with all applicable IRS regulations and guidelines. For the System Maintenance Crew, their home plant (Anclote, Bartow, Crystal River or Suwannee) will be the one closest to their legal residence.

(C) The Company will pay the amount of ~~Twenty Dollars (\$20.00)~~ ~~Fifteen Dollars (\$15.00)~~ for each day worked by a regular employee on the Gas Turbine Crew, the CT Jet Mechanic Crew and the traveling CTT/CTMO Crew (CT Maintenance Services Employees) for days worked when they are required to show up within a **fifty (50)** mile ~~forty (40)~~ radius from their legal residences. In addition, the Company will pay the amount of ~~Sixty-five Dollars (\$65.00)~~ **Eighty-Five Dollars (\$85.00)** to each of these employees for each day worked at a work location that is outside a **fifty (50)** ~~forty (40)~~ mile or more radius from their legal residence. This payment of ~~Sixty-five Dollars (\$65.00)~~ **Eighty-Five Dollars (\$85.00)** per diem must comply with all applicable IRS regulations and guidelines.

(D) Casual or Temporary employees in the Production Department will receive ~~Fifty Dollars (\$50.00)~~ **Sixty Dollars (\$60.00)** for each day worked when assigned to work at facilities outside a fifty (50) mile radius from their legal residence.

(E) **When employees are working out of town on a major storm (Hurricane or Tropical Storm) or catastrophe, the Company shall provide lodging and meals for the employees, in lieu of per diem.**

Exhibit A and Miscellaneous Items and Benefits

Item 105

Agreement to Contract Out Building Maintenance and Non-nuclear Air Conditioning Maintenance and Set Terms for Outsourcing Such Work.

The Company desires to contract out work in these two departments except for Air Conditioning Maintenance work performed in the Nuclear Plant and as otherwise set out below.

Current employees in the Air Conditioning Maintenance Department shall be transferred to the Crystal River Nuclear Plant and be reclassified in place as Shift (SH) in Exhibit A. These employees may be assigned by management to perform work at any of the locations at the Crystal River Energy Complex, the Emergency Operation Facility and the South Region Office.

The Company shall post a Master Air Conditioning Mechanic (SH) at the Crystal River Nuclear Plant. Prior to the general wage increase, the wages for the Master Air Conditioning Mechanic shall be as follows:

30.36	30.81	31.32
-------	-------	-------

Note: Change * in Exhibit "A" under Air Conditioning Maintenance Department from 4% to 6% upgrade for working in the Nuclear Plant.

The provisions of Exhibit "B" apply to employees of Crystal River Unit No. 3 including Air Conditioning Maintenance Department employees assigned to Crystal River Unit No. 3. Where not specifically covered in Exhibit "B" the existing provisions provided elsewhere in the Memorandum of Agreement will take precedent.

The current Building Maintenance Department employees shall be retained in their current classifications for the term of the new Memorandum of Agreement unless otherwise agreed to between the Company and the Union, or at the employee's option, shall receive severance in accordance with Article III, Section 8(A)(1).

These Building Maintenance Department employees shall perform preventative maintenance, troubleshooting and minor repair on various facility systems including but not limited to HVAC, gates, furniture, emergency generators, overhead doors, interior floors and floor covering, and exterior building maintenance. They shall be expected to use field force automation devices (hand held) to receive, create, update and close work orders electronically.

Employees may be requested to work across regional boundaries at the discretion of management. Overtime based on the location of the work within the regions shall be distributed as evenly as reasonably possible.

The Union agrees to withdraw all pending grievances pertaining to the contracting out of Air Conditioning Maintenance and Building Maintenance Work.

Item 107

Return Heavy Hauling to Substation Construction and Substation Maintenance Departments

The Company desires to return certain groups in the Central Repair Department to the Substation Construction and Maintenance Department. As part of this move, new classifications will be created to separate the groups in the two different departments. The group to be moved is made up of the classifications that report to the Heavy Moving group, also previously known as the Special Equipment Pool. These classifications support Substation Construction and Maintenance crews and the System Transmission Construction crews and it is a better fit for these classifications.

In order to make this change, the Company proposes to create new classifications in Seniority Group 6. Employees in the Heavy Moving Group (previously known as the Special Equipment Pool) will be reclassified in place. The new classifications are as follows:

Proposed	Existing	Pay Rate
Heavy Hauling Working Foreman	Working Foreman	Same
Heavy Hauling Rigger Maint.Mech/Rigger Maintenance Mechanic	Maintenance Mechanic	Same
Heavy Hauling Rigger *	Maint. Mech. App., EO	6 steps

* Consolidate Maintenance Mechanic Apprentice and EO into one position. The six steps of the pay rate for Heavy Hauling Rigger, prior to the general wage increase, will be:

19.01 19.95 20.85 21.78 22.64 23.39

Note: Consolidate the Maintenance Mechanic Apprentice and Equipment Operator into one position. For the employees currently holding Maintenance Mechanic Apprentice positions, they shall have their wages brought up to the level they held while in the Equipment Operator classification or their current level of pay, whichever is greater.

Effective with the ratification date of this Agreement, employees in the above classifications that are moved from the Central Repair Department to the Substation Construction and Maintenance Department shall take their seniority with them. For a period of two years following the ratification of this Agreement, the affected employees shall also retain their seniority in the Central Repair Department and may use this seniority for applying for positions in both the Central Repair Department and the Substation Construction and Maintenance Department.

Item 108 **Change the Classification name of Fleet Services Mechanic to Fleet Services Technician**

Fleet Services Mechanic (A) to Fleet Services Technician (A)
 Fleet Services Mechanic (B) to Fleet Services Technician (B)

Note: The change of classification names above will not change the current testing requirements for the above classifications.

Item 110 **Protective Clothing**

The parties agree to increase the Fleet Services Uniform allotment from \$55.00 to \$100.00.

Item 112 **Increase the wage rate for Working Foreman classification**

The wage rate relationship between Working Foreman and Lead Lineman has become inverted.

Working Foreman should be, and historically has been, paid at a higher wage rate. Recently, however, Lead Lineman is being paid more at first step. Here are the current wage rates for both classifications:

Working Foreman	\$28.03	\$28.98
Lead Lineman	\$28.08	

The attached spreadsheet shows the previous wage rates for these positions. The wage disparity began after the 1999 agreement when Linemen were given a \$.20 per hour increase prior to the general wage increase and Working Foremen were not.

The Company proposes to increase the wage rate of all Working Foreman classifications \$.20 per hour on a one time basis prior to receiving any general wage increase for 2006. The \$.20 adjustment will be applied to both steps.

Item 117 Laboratory Tech/Special Laboratory Tech Premium Pay

Note:

For those plants in the South Region with a Class C drinking water production facility or a wastewater treatment plant, an LT/SLT may obtain a State of Florida (SOF) water plant operator and/or waste water treatment plant operator certificate on a voluntary basis.

If a LT/SLT obtains and holds a SOF certified drinking water plant operator certificate or a SOF wastewater treatment plant operator certificate at the minimum level required at a plant, he/she shall receive a one time lump sum bonus in the amount of \$1,000 and an ongoing annual lump sum payment of \$500.

If a LT/SLT obtains and holds both a drinking water plant operator certificate and a wastewater treatment plant operator certificate at the minimum level required at a plant, he/she shall receive a one time lump sum bonus in the amount of \$1,500 and an annual lump sum payment of \$750.

For any lump sum premium described above to be paid, the plant at which the LT/SLT is employed must utilize the facility (e.g. drinking water production or wastewater treatment) that the applicable certificate supports.

Employees that are eligible to receive any one time lump sum bonus described above shall be limited to the one time sum bonus once throughout the duration of their career with the Company.

Once certification is obtained for water plant operation, the company will reimburse LT/SLT for the initial costs to obtain certification and renewal costs of certification (every 2 years, CEU costs and certificate renewal costs).

The premiums described above shall be paid to no more than two LT/SLT at any site during any given year. If there are more than two employees at any site holding the applicable certifications, then the premiums will be offered by seniority. For the purpose of this paragraph, Crystal River 1&2 and Crystal River 4&5 plants shall be considered separate sites.

The Company, at its sole discretion, shall have the right to utilize bargaining unit employees, non-bargaining unit employees, or contractors to manage the performance of any drinking water plant or wastewater treatment plant at any site.

Revise **Article VI Section 2 C(13)** – change to read as follows:

(13) Special Laboratory Technicians shall be scheduled five (5) eight (8)-hour days per workweek, 7:00 a.m. to 3:30 p.m., exclusive of meal time, 3:00 p.m. to 11:00 p.m. or 11:00 p.m. to 7:00 a.m., inclusive of meal time with two (2) consecutive days off, or ten (10)-hour days **per workweek**, at Management's option, between the hours of 6:00 a.m. to 6:00 p.m. or 3:00 p.m. to 4:00 a.m. or 8:30 p.m. to 7:30 a.m. **with three (3) consecutive days off**. ~~Eight (8) consecutive ten (10)-hour days will be scheduled Thursday through Thursday with the subsequent Friday through Wednesday off.~~ **Schedules shall be posted and so arranged that work periods and days off shall be rotated.** Assistant Laboratory Technicians may be assigned to work according to the Special Laboratory Technician schedule as needed. Shift differential will apply. Special Laboratory Technicians may be placed on a "backshift" in the following circumstances only: start-ups and shutdowns; outages; condenser leaks (salt leaks); cooling tower chlorination and de-chlorination (biocide treatment); chemical cleaning of boilers; chemical upsets which could cause damage to personnel, equipment, or the environment; generator purge or fill; and in other circumstances as determined to be necessary by the Company and agreed to by the Union, whose agreement shall not be unreasonably withheld.

Item 123

Fire Brigade

Designated Fire Brigade members will receive a one dollar (\$1.00) premium added when on Fire Brigade duty.

Designated Fire Team Leader will receive an additional one dollar (\$1.00) premium when on Fire Brigade duty.

The current practice of selecting the shift complement of Fire Brigade members will remain unchanged.

Item 124

Seniority for Laborers

Seniority shall be recognized in the shift assignments of Laborer A (Production) classification. This shall be accomplished by noting in Exhibit A, under Production Department (Fossil Operations), in the explanation of the (**) as follows: **Seniority shall be recognized in the assignment of shifts for Laborer (A).**

Exhibit "B"Item 125 **Changes to Exhibit "B"****EXHIBIT "B"
Crystal River Plant Unit No. 3****1.0 CONDITIONS FOR THE SELECTION OF PERSONNEL FOR CRYSTAL RIVER UNIT NO.
3****1.1 NRC PHYSICAL EXAMINATION and PHYSICAL REQUIREMENTS**

(A) Everyone selected for a position requiring an Operator's License in Unit No. 3 must meet the minimum standards for physical conditions as prescribed by the Nuclear Regulatory Commission.

(B) Management and the Union will discuss employees who are unable to routinely perform job requirements and may appoint the affected employee to a Non-Nuclear equivalent position.

1.2 TECHNICAL QUALIFICATIONS

Employees who will be attending NRC license training will be interviewed as needed to ensure that the employee is aware of the expectations required for the training. If an employee has previously failed to complete an NRC license training program due to academic performance they may be bypassed for selection in future classes. All successful applicants for positions at Crystal River Unit No. 3 included in Exhibit 'A' Production Department (Nuclear Operations) must be deemed qualified within the requirements established in Article III, of the Memorandum of Agreement. In addition, an employee will be deemed qualified only when the following have been satisfactorily completed within the time frame established in Article III, Section 4 of the Memorandum of Agreement.

(A) Screening and other applicable testing required by state and federal laws and the Nuclear Regulatory Commission, and

(B) Meet the requirements of ANSI N-18, I-1971 and subsequent revisions, and

(C) Written and/or practical examinations needed to demonstrate proficiency of skills, as required by state, federal law and Nuclear Regulatory Commission laws and regulations- **and,**

(D) The Company and the Union support the need to operate a Nuclear facility within industry guidelines. The Company will meet and discuss with the Union any new guidelines prior to the implementation.

2.0 WAGE SCHEDULE

See Exhibit "A."

3.0 TRAINING OF EMPLOYEES

(A) The provisions established for the payment of wages and for working conditions to accomplish the training of personnel to operate Unit No. 3 are solely for this Unit and will not be considered precedent setting.

(B) ~~Operators,~~ **Operating Employees** when assigned to training shall work a five consecutive eight hour days or four (4) consecutive 10 hour days, inclusive of mealtime, per workweek, between the hours of 7 a.m. and 9 p.m., Monday through Sunday. **Operating Employees may be assigned back to plant duties if no training is scheduled on a certain day (s) of the training week. The actual hours of training will be indicated on the schedule. If an employee is rescheduled to the operating shift, the employee will be paid in accordance with the applicable portions of the contract for his new schedule and have the opportunity to earn at least as much as the employee would have on the original schedule for that week. If the difference between the old schedule and the rescheduled work week is less than eight (8) hours, the employee can:**

(1) choose not to work and not be paid for those hours. This will not be counted against the employee's attendance record.

(2) work the number of hours the employee was shorted.

If an employee is rescheduled to a vacant shift and was originally scheduled to work the following shift that would have required the employee to work twenty (20) or more hours in a twenty-four (24) hour period, the employee shall be excused from working the shift, but shall be paid for the shift. Reassignments to all operating shifts will be at premium rates unless twenty-four (24) hours notice is given.

(C) Bargaining Unit licensed operators shall be paid a lump sum of ~~one thousand dollars (\$1,000)~~ **one thousand three hundred dollars (\$1,300)** every year for successfully passing the annual requalification examination on the first attempt. In addition, licensed operators passing the NRC Biennial Written exam shall be paid a lump sum for that year of two thousand \$2,000 dollars for scores of 88% or greater, or one thousand \$1,000 dollars for scores between 84% and 87.9%.

(D) Non-Operational personnel, when assigned to training, shall work a schedule consistent with Exhibit "B", Section 11.2.

(E) Non-licensed operators shall be paid a lump sum of three hundred dollars (\$300) for passing Job Performance Measures and a comprehensive examination on the first attempt during annual requalification exam.

3.1 VISITS HOME

If an employee is temporarily assigned away from the Crystal River No. 3 Plant for training or non-Florida Power Corporation ~~Company~~ work and separated from his immediate family, he will be provided air travel home based on the following schedule listed below. This will include reimbursement for any expense for limousine service, auto rental, parking lot fees, etc.

Length of Course or assignment	No. of Visits
1—3 weeks <u>1-28 days</u>	0
4 weeks or more <u>29 days or more</u>	Every two weeks

If the temporary assignment location is such that air travel is impractical, the Company will furnish the required transportation in the most convenient form available.

9.0 OUTSIDE EMPLOYEES

An outside employee temporarily assigned to work at Crystal River Unit No. 3 who holds a ~~yellow badge certification~~ Radiation Worker qualification will be upgraded to his a comparable nuclear classification or be upgraded 4% where no comparable nuclear classification exists.

11.0 NON-OPERATING EMPLOYEES

This section applies to all Crystal River Unit No. 3 Non-operating classifications included in Exhibit "A" Production Department (Nuclear Operations).

11.1 The Company will post four (4) or more shift schedules that provides four (4), five (5), or seven (7) day coverage, to rotate all employees equally. Schedules will be posted by January 31st of each year. In addition, shift schedules may be rescheduled for:

- A. Unit outages (planned or unplanned)
- B. Unit output curtailments including startups and shutdowns
- C. Unit entering a limiting condition of operation for ~~5 days or more~~ whose action statement length is for 72 hours or more and the LCO entry was for planned maintenance
- D. Hurricanes and Tropical Storms that are expected to impact the Unit
- E. Preparation for one of the above conditions, (not to exceed fourteen calendar days prior to or after the above conditions)

At the conclusion of the exceptions above, the employee will return to his normal shift rotation.

11.2 Non-operating employees shall work five (5) 8 hour shifts per work week exclusive of meal time, between the hours of 10:00 p.m. to 8:00 a.m., 6:00 a.m. to 4:00 p.m., 2:00 p.m. to 12:00 midnight, or four (4) ten (10) hour shifts per workweek at managements option Monday through Friday, between the hours of 6:00 a.m. to 6:00 p.m., or 3:00 p.m. to 3:00 a.m. Days off shall be consecutive. All shift durations are exclusive of mealtime. Other than the above, schedule of hours may be set up, if requested, by a two-thirds majority of the affected employees. Such a 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. During refueling outages, shift schedules may be set Monday through Sunday, between the hours set forth above in this 11.2. During refueling outages Saturday and Sunday shall be considered as off scheduled hours and the provisions of Article VI, Section 4 (D) shall apply. Shift schedules may be altered for training required to keep qualifications with 24 hour notice without a schedule change.

11.3 When the exceptions to the posted schedules listed in 11.1 are entered and expected to continue for **three (3) five (5)** or more days, non-operating employees may be scheduled to work either one (1) or two (2) ten (10)-hour extended shifts exclusive of meal time, ~~for a minimum of five (5) or more consecutive workdays.~~ The regular starting time of the first shift will be between 6 a.m. and 8 a.m., and the second shift will be between 4:30 p.m. and ~~6:30~~ **7:00 p.m.**, Monday through Saturday or one (1) or two (2) twelve (12) hour extended shifts for a minimum of five (5) or more consecutive workdays. The regular start time of the first shift will be between 6:00 a.m. and 8 a.m. and the second shift will be 6:00 p.m. and 8 p.m. Days off shall be consecutive. ~~(rest days and holidays falling within such work period will not be considered as breaking the five (5) or more consecutive workdays)~~ During refueling outages, shift schedules may be set Monday through Sunday, between the hours set forth above in this 11.3. During refueling outages Saturday and Sunday shall be considered as off scheduled hours and the provision of Article VI, Section 4 (D) shall apply. Schedules may be changed by giving them twenty-four (24) hours notice of changes in schedule. Shifts will be rotated every 30 days. **Employees may opt to stay on the backshift in accordance with Article VI Section 9.**

12.0 OPERATING EMPLOYEES

12.1 Operating employees shall work ~~five (5)~~ (5) eight (8) hour shifts per workweek inclusive of meal time between the hours of 10:00 p.m. to 8:00 a.m., 6:00 a.m. to 4:00 p.m., 2:00 p.m. to 12:00 p.m.; or ~~(B)~~ twelve (12) hour shifts; the regular start time for the first shift will be between the hours of 6:00 a.m. and 8:00 a.m., and the second shift between 6:00 p.m. and 8:00 p.m. Days off shall be consecutive. **This schedule may include a combination of 8, 10, and 12 hour shifts.** Other than the above, schedule of hours may be set up, with Management approval, if requested by a two-thirds majority of the affected employees. Such a 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. Other provisions of Article VI, Section 2 (B) ~~paragraph 2~~ will apply.

12.2 Management may assign operating employees to a day shift to prepare for planned and forced outages, support projects and procedure development for a period not to exceed 3 months. Employees reassigned will be offered by seniority.

14.0 OVERTIME

14.1 Overtime limitations – The maximum allowed hours of work per work week for all employees will be limited in accordance with ~~NRC Generic Letter 82-12 (Nuclear Power Plant Staff Working Hours)~~ and any other applicable NRC requirements.

14.2 Operating employees needed to fill crew vacancies created by shift rotations that have an operational overtime shift, may be required to split shifts, or fill the entire shift, as prearranged overtime. For the purposes of schedule consistency, the method of filling the shift will be determined by a majority of the affected employees by vote held no later than January 31 of each calendar year for that year's schedule.

14.3 Employees desiring to turn down the prearranged overtime may do so, however, minimum staffing for the shift will be maintained by using the overtime list.

15.0 WORK ASSIGNMENTS

15.1 Plant cleanup days with non-bargaining unit and bargaining unit personnel can be performed 2 times per year and following item "A" or "D" described in section 11.1.

16.0 APPLICABILITY

The provisions of Exhibit "B" apply to employees of Crystal River Unit No. 3, **including Stores and Air Conditioning Maintenance Department employees assigned to Crystal River Unit No. 3.** Where not specifically covered in Exhibit "B" the existing provisions provided elsewhere in the Memorandum of Agreement will take precedent.

- ~~All nuclear classifications receiving 3% will be increased to 4%.~~
- ~~Reactor Operator License Classifications will receive an additional .25/hour premium to base wages.~~

Exhibit A

The Company proposes a 2% wage increase to the following classifications prior to the General Wage Increase agreed to by the parties. Current employees in these classifications will be grandfathered into these pay scales. The current pay scales in Exhibit "A" will be maintained and classified as "Special Rate". Employees who roll into the Nuclear Plant per Article III Section 8(A), will be profiled in the "Special Rate" classification. After these employees become qualified to work independently, they will be promoted from the "Special Rate" to higher classification listed below. New Job Codes will be created for each of the Special Rate classifications.

Nuclear Department

Nuclear Chief/Master JCC#0954,0948,0955,0880,0890,0886	30.97 31.43 31.95
Nuclear HP, Calibration, Chemistry Tech Support Technicians JCC#0951, 0953, 0952, 0881	27.17 30.10
Nuclear Certified Welder Mechanic JCC#0887	28.97
Nuclear Electricians, Mechanics JCC#0891, 0888	26.00 27.34 28.56

Amend Exhibit "A", note at end of Production Department (Nuclear Operations), to provide that "Upon receipt of RO license, a \$3.65 premium will be added to the base wage rate. Upon receipt of SRO License, a \$3.80 premium will be added to the base wage rate. In addition, these premiums will be increased by the percentage wage increase for each year of the Memorandum of Agreement.

Item 128 **Exhibit "C"**

Add Subsection d) to Section I.A. - Standards as follows:

d) Employees enrolled in the Apprenticeship Program are not exempt from the Roll Process. However, if Apprentices are rolled from their classification, at their option, they will be placed into the next available Apprentice position in the discipline and at the respective headquarters from which they were rolled without regard to the bidding process. If there is more than one Apprentice rolled out of his/her position, vacancies in the Apprenticeship Program in the discipline of the rolled Apprentices will be filled in the order of the seniority of the Apprentices who were rolled.

Item 129 **Exhibit "D" - Additional Qualification for Assistant System Protection and Control Technicians**

The following shall be added to Exhibit "D", Attachment "A" "Job Qualifications for Assistant System Protection and Control Technician."

Add a fourth bullet to the final section titled Qualification Tests that reads:

Must possess a minimum two (2) year degree in Electronics, Electrical Technology or similar field of study, or an honorable discharge from the military where the candidate held a job in electronics or other related field, or five (5) years experience in a Journeyman classification.

Item 130 **Overtime Protocol – Crystal River Fossil Plants**

Remove from the Memorandum of Agreement the Sequence to Call for Overtime for fossil plants at Crystal River (page 127) and the Outage Protocol Crystal River Site (page 128). Add to the Memorandum of Agreement the Memorandum of Understanding, System Maintenance Crew, dated September 2, 2004.

The following note is to be placed in the 2005 Memorandum of Changes:

Crystal River Fossil Maintenance

The following should apply to the maintenance positions only. There shall be one reporting headquarters at Crystal River for all fossil maintenance employees referred to as the CR Maintenance Organization. For all matters pertaining to the Memorandum of Agreement Crystal River 1&2, 4&5, and the Coal Yard shall be recognized as one headquarters. The current language regarding the SM Ratio in Item 33 of the 1996 Memorandum of Changes will be suspended. The Company shall allow the current 36 NS

employees who have been affected by the reorganization at Crystal River to remain NS through the term of the new contract. The balance of the sixty-two (62) maintenance positions will be SM employees through the term of the new contract. If a NS employee should leave his position, the Company shall maintain the position as NS and post accordingly by the terms of the MOA. Should additional net new maintenance positions be added to the CR Maintenance organization, the Company shall post these positions as NS until the SM ratio is met. Once the ratio is met, the language of Item 33 of the 1996 MOC will apply. The Company is to rescind the recent bids and rolls to the Crystal River Site SMC, rescind all rolls to the Nuclear Plant and other locations, except for rolls from the SMC-System organization, rescind rolls of Nuclear employees rolling other Nuclear employees, rescind the roll to Turbine CWM(SM), and will return all of the affected employees to the classifications they held at their previous headquarters, i.e. designated either NS or SM. All SMC-Site positions on the 120 day log will remain as SM and be reclassified to CR Maintenance Organization without reposting. Any employee who placed a forced bid to another location will be asked if they want to retain the position or return to their previous position.

South Region Stores

There shall be one reporting headquarters at Crystal River for all Fossil Stores employees, to be referred to as South Region Stores. For all matters pertaining to the Memorandum of Agreement, Crystal River 1&2, 4&5, and the Coal Yard shall be recognized as one headquarters. The Company will rescind the recent bids and rolls to the South Region Stores locations, rescind the one roll to the Nuclear Plant, and return all of the affected employees to the classifications they held at their previous headquarters. The only exceptions to this will be the employees who bid on the three net new Storekeeper I positions and progression Assistant Storekeeper positions.

Union to withdraw all pending grievances pertaining to the 2005 restructuring at Crystal River Fossil

Item 132

New Exhibit "E"

EXHIBIT "E"

Energy Control Center (ECC)

1.0 CONDITIONS FOR THE SELECTION OF PERSONNEL FOR ASSOCIATE DISPATCHER, ASSISTANT DISPATCHER, ASSISTANT DISPATCHER 1 OR DISPATCHER AT THE ECC

1.1 Minimum Education Requirements

1.1.1 A two year degree in electrical technology and 6 years of directly related experience from the System Protection & Control, Substation Construction & Maintenance, Line or Production Departments is required. Military certifications as mutually agreed to by the Company and Union, will be accepted in lieu

of the two year degree in electrical technology. At the discretion of the Company, a four year engineering degree from an accredited university is acceptable in lieu of the two year degree and 6 years of experience.

1.1.2 The 6 years of directly related experience in the Production Department is calculated to include the cumulative time spent in the following Job Classifications: Chief Nuclear Operator, Nuclear Operator and Assistant Nuclear Operator, Chief Operator, Plant Operator, Combustion Turbine Technician, Electrician, Control Technician.

1.1.3 The 6 years of directly related experience in the Substation Construction & Substation Maintenance Department is calculated to include the cumulative time spent in any Job Classification except the following: Equipment Operator and Laborer.

1.1.4 The 6 years of directly related experience in the Line Department is calculated from the cumulative time spent in the Distribution Dispatcher, Distribution Dispatcher (Relief), Electrician Apprentice, Electrician, Lineman Apprentice, Lineman, and Lighting Technician classification.

1.1.5 Until February 3, 2008 only, the Company will accept Company employee candidates who do not possess the required two year degree, provided that they sign an Indenturement Agreement mutually agreed upon by the Company and the Union. All minimum requirements except the two year degree must be satisfied to qualify for this exception. After February 3, 2008, all candidates must meet all education requirements at the time of selection.

1.1.6 The minimum requirements set forth above will not be applied to employees in the Assistant Dispatcher or Dispatcher classification prior to February 3, 2005.

1.2 Selection Requirements

1.2.1 Applicants must meet the requirements stated in Section 1.1 of Exhibit E.

1.2.2 Applicants must receive an acceptable score on the current EEI SOPD test or an equivalent test chosen by the Company in the future.

1.2.3 Applicants must receive an acceptable assessment from a Company chosen third party evaluator. This assessment may include but not be limited to written or oral psychological testing, fitness exams, and interviews.

1.2.4 Upon selection, qualified candidates (i.e. employees entering the Dispatcher progression) will be enrolled in the Progress Energy – Florida Dispatcher Qualification Program (PEF DQP).

1.3 Training Requirements / DQP

1.3.1 Before attaining a Dispatcher position, all Associate Dispatchers, Assistant Dispatchers and Assistant Dispatcher 1s shall become qualified and proficient in the areas defined in the DQP. Qualification and proficiency shall be demonstrated by successful completion of the Progress Energy Qualification Program. If an Associate Dispatcher, Assistant Dispatcher 1 or an Assistant Dispatcher is not able to successfully complete the Progress Energy Qualification Program, he/she shall be returned to the position that he/she held prior to holding a position in the ECC Department without loss of seniority.

Then, the employee who is displaced by the former Associate Dispatcher, Assistant Dispatcher 1 or Assistant Dispatcher will be given roll rights in accordance with Article III, Section 8.

1.3.2 Successful completion of the Progress Energy System Operator or Dispatcher Qualification Program is required for the Dispatcher, Assistant Dispatcher, Assistant Dispatcher 1 and Associate Dispatcher job classifications.

1.3.3 Associate Dispatchers, Assistant, and Assistant 1 Dispatchers will be reclassified in place to Dispatcher upon successful completion of the Dispatcher Qualification Program and upon achievement of NERC certification at the highest level, currently the RA (Reliability Authority) level.

1.3.4 Since Associate Dispatchers are not a primary part of the control room staff, the maximum durations for PEF DQP steps will be one half those for an Assistant Dispatcher. Therefore, successful completion of the PEF DQP for an Associate Dispatcher must be accomplished within two years.

1.3.5 Associate Dispatcher and Assistant Dispatcher 1 requirements in the PEF DQP are the same as those for Assistant Dispatchers. The order of DQP step completion will be determined by the Company and may vary by individual based on training needs and staffing requirements.

1.3.6 Associate Dispatchers that are promoted will retain credit for all completed portions of the PEF DQP.

1.3.7 PEF DQP maximum durations will be adjusted proportionally based on the time requirements for the unfinished portions of the program.

2.0 DUTIES

2.1 Associate Dispatchers, Assistant Dispatchers and Assistant Dispatcher 1s

2.2 Assistant Dispatcher 1 will have the same qualifications, duties and responsibilities as an Assistant Dispatcher.

2.3 Associate Dispatcher and Assistant Dispatcher 1 positions will be posted in accordance with Article III, Section 7(A). Associate Dispatchers are the only qualified bidders for Assistant Dispatcher 1 positions, unless there are zero Associate Dispatchers at the time of the posting. Management will comply with Article III, Section 7(C) in regards to the vacated Associate Dispatcher, Assistant Dispatcher and Assistant Dispatcher 1 positions.

2.4 With respect to Associate Dispatchers, Assistant Dispatchers and Assistant Dispatcher 1s, eventual qualification as a Dispatcher is mandated according to the DQP. Employees who have failed out of the DQP may not be eligible for readmission to the program.

2.5 Associate Dispatchers, Assistant Dispatcher 1s, and Assistant Dispatchers may be assigned to perform control room duties for which they are DQP qualified.

2.6 When temporary upgrades or contingent assignments are required to fill Assistant Dispatcher, Assistant Dispatcher 1 or Dispatcher positions, then DQP time limits will be adjusted accordingly.

3.0 WAGE SCHEDULE

3.1 Exhibit "A" contains wages for all job classifications in the Energy Control Department.

3.2 Individuals that become qualified via the DQP after Dec. 2, 2005, will be paid at first step Dispatcher wage. Subsequently, Dispatchers receive step increases every six months provided individual has exhibited satisfactory performance and improvement as determined by the supervisor.

3.3 Dispatcher wages listed in Exhibit A only apply when an employee has qualified under the DQP on all Control Room tasks.

3.4 Associate Dispatcher, Assistant Dispatcher and Assistant Dispatcher 1 wages defined in Exhibit A are awarded in accordance with the DQP. Successful completion of a step in the PEF DQP will result in a step increase for pay for the Associate Dispatchers, Assistant Dispatchers, and Assistant Dispatcher 1s.

3.5 Employees transferring to the Associate or Assistant Dispatcher 1 positions who currently hold a higher wage rate will continue to hold that higher wage rate until either they successfully complete the PEF DQP, or are eligible for a higher step wage in the Associate or Assistant Dispatcher 1 classifications due to PEF DQP step completions. These employees will be designated as Associate Dispatcher (Special Rate) or Assistant Dispatcher 1 (Special Rate).

4.0 BIDDING ON OTHER VACANCIES

4.1 Dispatchers within the ECC Department may bid out of the ECC Department, but may not leave their position until a qualified replacement is available, not to exceed one hundred eighty (180) days. For promotional opportunities a release date will be mutually agreed to between the hiring supervisor and the existing supervisor (not to exceed 120 days), and the employee shall receive any wage increase that is due during this period.

4.2 Any employee in an ECC classification who bids out of the ECC Department will be required to meet the requirement noted in Section 1.2.3 of Exhibit E upon successfully bidding back to an ECC Department position.

4.3 Any employee in an ECC classification who bids out of the ECC Department and remains out of the ECC Department for more than 5 years will be required to enroll in the Dispatcher Qualification Program upon successfully bidding back to an ECC Department position and shall be paid at the last step he/she received prior to leaving an ECC classification.

5.0 SCHEDULES OF WORK

5.1 Associate Dispatchers (S) and Assistant Dispatcher 1s (S) shall work five consecutive eight hour days, exclusive of mealtime, between the hours of 6 a.m. and 6 p.m., Monday through Friday, except as noted in paragraph 5.3 below.

5.2 Dispatchers and Assistant Dispatchers shall work a schedule according to the provisions of Article VI Section 2(B).

5.3 A trainee is anyone enrolled in the PEF Dispatcher Qualification Program or PEF Dispatcher Continuing Training Program. For the field and OJT portion of the trainee's DQP training, the trainee may be scheduled to work the same hours as the employees the trainee is assigned to.

6.0 CERTIFICATIONS / TRAINING

6.1 All Dispatchers shall be and remain NERC Certified System Operators at the level deemed appropriate by management (currently the Reliability Authority level).

6.2 All System Operators must comply with all training and certification requirements approved by any applicable State and Federal laws or regulations.

6.3 Self study is expected while working in the control room. Dispatchers are expected to remain proficient at all control room tasks.

7.0 WORK ATTIRE

Article VII, Section 14 shall apply.

8.0 APPLICABILITY

8.1 The provisions of Exhibit "E" apply to employees of the ECC. Where not specifically covered in Exhibit "E", the existing provisions provided elsewhere in the Memorandum of Agreement will take precedent.

8.2 This Exhibit is for the ECC. The provisions of all existing ECC Memorandum of Understanding continue in effect unless inconsistent with this Exhibit E.

Revise **Article II Section 10(B)** – change to read as follows:

(B) Production Department employees, **Energy Control Center employees**, and Stores Department employees assigned to Production facilities shall live within one (1) hour travel time of their reporting

headquarters. Employees shall make a permanent move within nine (9) months after reporting to the new headquarters. (see also item 8)

Add the following classifications to Exhibit "A" (scale is prior to any general wage increase):

(SH) Dispatcher	34.36 35.05 35.65 37.28
(SH) Assistant Dispatcher	31.78 32.34 32.78
(S) Assistant Dispatcher 1	29.00 29.50 30.00
(S) Associate Dispatcher	27.00 27.50 28.50

Item 53

New Exhibit "F"

Exhibit F

Distribution Area Travel Crews

- These positions will be posted Non Shift (NS) for Lineman, Lineman Apprentice, Groundman, and Equipment Operator at the discretion of Management.
- Management maintains the right to post and abolish positions in accordance with the Article III Section 7. The number of Travel Crew positions within a region will not exceed twenty percent (20%) of the total number of Line Department (Distribution) positions within a region.
- These crews will work either five (5) eight (8) hour or four (4) ten (10) hour days. Depending on the need, the crew may be split and each part of the crew can be on separate schedules of four (4) ten (10) hour or five (5) eight (8) hour days. When a crew is working outside of the fifty (50) mile radius, they will work four (4) ten (10) hour days. Seniority will be respected for the assignment to crews with differing work schedules or of work outside the fifty (50) mile radius for one (1) week or greater.
- Employees assigned to a Distribution Area Travel Crew will receive per diem in accordance with Article X, Section 4 (A). Travel time will be allowed during straight time hours when show up is changed.
- Employees assigned to Distribution Area Travel Crews shall be subject to call out and call out expectations in accordance with Article VI, Section 5.

- Per Diem and Reimbursement of Meals for Callouts on Off-Scheduled Days:
Distribution Area Travel Crews who are called out on off-scheduled days will receive meals per the Memorandum of Agreement if working within fifty (50) miles of the headquarters and shall not receive per diem. Employees working callout or prearranged overtime outside a fifty (50) mile radius shall receive per diem in accordance with Article X, Section 4(A) and are not subject to the overtime meals provisions of Article VII. Note: Per Diem covers three meals per day. On those days when the employees are on Per Diem, they will be entitled to additional meals if work continues five and one-half hours beyond their regular scheduled quitting time on a ten hour day. Employees will be paid for time to eat meals on overtime in accordance with Article VII, Section 7 of the MOA.
- The ratio of Apprentice to Journeyman will be as in the current contract.
- When working outside the fifty (50) mile radius, the Temporary headquarters (show up) will be established at a location where meals and lodging, suitable to the company, are available within a ten (10) minute drive. If temporary headquarters (show up) meeting this criteria are not obtained, travel time will be allowed for all employees from temporary headquarters (show up) to lodging. If the employee wishes to commute to and from a more distant point, that employee will only receive travel time as outlined as above.
- Sufficient time shall be allowed for orderly moving of the Distribution Area Traveling Crews where temporary headquarters (show up) are changed from one location to another. Off-scheduled hours required for moving will be paid at overtime rates.
- Employees not required for the moving of Company equipment may move their personal vehicles and/ or trailers at the same time the crew moves. Subject to the approval of the Supervisor, employees who normally operate company equipment may arrange for other employees to drive such equipment in order that they may move their personal vehicles and/ or trailers.
- When working outside the fifty (50) mile radius, and when a Distribution Area Travel Crew has moved its temporary headquarters (show up) during the time an employee is on vacation, he will be allowed travel time from his established home to the new temporary headquarters (show up) on his return from vacation, provided, however, that this shall apply to only one vacation period each year.
- Each geographic location where a Distribution Travel Crew is established will constitute a single separate headquarters at the work location.

Note: Following Ratification of the Memorandum of Agreement, in 2006 the Company will post forty-eight (48) net new Distribution Travel Crew Line positions. No Line Department positions will be abolished in order to create these new positions.

Item 134 **Medical Benefits**

Increase annual deductibles and out-of-pocket limits for FPC600 and 400 PPOs as follows: (Effective date of change January 1, 2007)

FPC400 PPO

Office visit copay	Current None	Proposed (PCP/Specialist) \$25 / \$35
Deductible:	Current (Ind. / Fam.) \$400 / \$800	Proposed (Ind. / Fam.) \$750 / \$1,500
Out-of-Pocket*:	Current (Ind. / Fam.) \$1,500 / \$3,000	Proposed (Ind. / Fam.) \$3,000 / \$6,000
Co-insurance:	Current(in/out network) 85%/75%	Proposed (in/out network) 80%/60%

Add coverage for annual wellness exams (adult routine physicals & well child visits) (Paid at 100% for in-network providers; subject to coinsurance for out-of-network providers).

FPC600 PPO

Deductible:	Current (Ind. / Fam.) \$600 / \$1,000	Proposed (Ind. / Fam.) \$1,500 / \$3,000
Out-of-Pocket*:	Current (Ind. / Fam.) \$2,500 / \$5,000	Proposed (Ind. / Fam.) \$4,000 / \$8,000
Co-insurance:	Current(in/out network) 85%/75%	Proposed (in/out network) 80%/60%

Add coverage for annual wellness exams (adult routine physicals & well child visits) (Paid at 100% for in-network providers; subject to coinsurance for out-of-network providers).

Note: Wellness exams are not subject to deductibles.

Deductibles paid shall also be included when determining out-of-pocket limits.

Item 137 **Domestic Partner Benefits**

Note: The Bargaining Unit shall be included in any benefit availability that is offered to non-bargaining unit employees in regards to Domestic Partners.

Item 138 **Medical Benefits**

The Company will continue to monitor available health plans in all areas, with a specific focus on north Florida. If any plans become available in that area that meet the Company's standards, the Company will actively pursue possible inclusion of bargaining unit employees in such plans.

Item 139 **Health Advantage Plan**

Adopt Health Advantage Plan for active bargaining employees, their spouses and eligible dependents enrolled in the FPC600 and FPC400 PPO plans. Effective May 1, 2006

Background

- Health Advantage is a disease management program sponsored by Progress Energy and administered by a professional healthcare management company.
- The Health Advantage program was implemented effective 1/1/04 for all active non-bargaining employees and all retirees enrolled in PGN sponsored self insured medical options.
- Voluntary program at no cost to employees, their spouses and eligible dependents or retirees.

Item 140 **Medical Benefits – Prescription Drugs**

Effective March 1, 2006, increase the employee co-payment for prescription drugs under the FPC 400 and 600 PPO plans as follows:

	Current	Proposed
Retail (up to a 30 day supply)		
Generic	\$10	<u>\$10</u>
Brand Name/Preferred Brand Name	\$20	<u>\$20</u>
Non-Preferred Brand Name	\$30	<u>\$35</u>
Mail Order (up to a 90 day supply)		
Generic	\$20	<u>\$25</u>
Brand Name/Preferred Brand Name	\$40	<u>\$50</u>
Non-Preferred Brand Name	\$60	<u>\$85</u>

Item 144 **Retiree Life Insurance**

Change retiree life insurance benefit from 1 times base pay at retirement (and ½ pay at and after age 70) to \$20,000 for life. Change would be effective for employees retiring on or after June 1, 2006. Bargaining Unit employees age 55 and older as of June 1, 2006, will be grandfathered under the terms of the current plan.

Item 149 **Savings Plan and Retirement Plan Changes**

Note: Benefits under the Savings Plan for Employees of Florida Progress Corporation (401(k) plan) and Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation (defined benefit/cash balance plan) are based on earnings defined as the regular basic rate of pay based on working the standard 2,080 hours. For regular fulltime Bargaining Unit employees, the payroll system will use 80 hours for each pay period, even if the actual hours worked are less or more than 80 (overtime or double time).

Item 155 **Drug and Alcohol Policy**

Drug, Alcohol and Safe Work Policy

Drug & Alcohol Policy

All employees while on Company property and when performing or reporting to work are expected to be free of the influence of illegal drugs, alcohol or other controlled substances. In addition, all employees are responsible for self-assessment of their ability to perform their work in a safe, reliable and trustworthy manner.

The Company maintains its high degree of concern for the safety of its employees and will continue to support programs that enhance the safety and well being of all employees. The Company expects employees to report to work in a state of mind and physical condition that will allow them to perform their assigned duties in a competent and safe manner. The Company will utilize resources necessary to ensure that a safe work environment exists and that employees will not be exposed to situations where the illegal possession and/or use of drugs or controlled substances exist, or where the abuse of alcohol could impact safety and/or performance.

Drug & Alcohol Use - The unauthorized use, possession, distribution, manufacture, dispensation, or sale of illegal drugs or other controlled substances not prescribed by the employee's licensed medical doctor for the employee's use, on Company business or property, in Company-supplied vehicles or during hours of work (including meal breaks), is prohibited. Likewise, being under the influence of alcohol, illegal drugs or controlled substances not prescribed by the employee's licensed medical doctor for the employee's use, on Company business or property, in Company-supplied vehicles or during hours of work (including meal breaks), is prohibited. Any suspected illegal substances found in the workplace may be turned over to the appropriate law enforcement agency.

Compliance with this policy is a condition of employment. Violations will result in disciplinary action, up to and including termination.

Reporting violations - All employees who observe conduct or have knowledge that may indicate a violation of this policy should report such observation to supervision, their local Human Resources representative, Corporate Security or to the Ethics Line at 1-866-8-ETHICS. Willful failure to report the above violations by employees with unescorted access to a nuclear plant may result in discipline up to and including termination.

Employee Assistance Program - The Employee Assistance Program (EAP) is available to help employees with personal or health-related problems that might affect job performance. Use of the EAP will not excuse action that is otherwise in violation of this policy. The EAP (see HRI-SUBS-00021) can be contacted by calling 1-800-662-8800. With the exception of management referrals or conditions that pose a threat to plant safety, the safety of the employee or others, employee and dependent contact with the EAP counselors will remain strictly confidential, unless otherwise required by law.

Types of Testing

1) Pre-employment Testing - All persons to whom the Company makes an employment offer are required to complete pre-employment drug testing after an offer is made. The pre-employment drug test

must be completed prior to the commencement of employment. For more information, see SEC-SUBS-00050 and SEC-SUBS-00051, Drug and Alcohol Program.

Pre-employment drug testing - The Company will not hire those candidates who illegally use or possess drugs or controlled substances. To help identify these individuals, the Company requires job candidates to undergo a drug test (urine testing) prior to their employment.

Employment candidates in any job category, regular or temporary, will be required to have a drug test if the individual is being considered for initial employment, or re-employment. (after a break in service of ninety (90) days or more, or if the previous drug screen was conducted more than one year previously)

Drug testing procedure – Pre-employment drug testing will be carried out per SEC-SUBS-00050 and SEC-SUBS-00051, Drug and Alcohol Program.

The Section responsible for testing (OHS, Nuclear, Security) will inform the appropriate Human Resources representative of the eligibility for employment of each candidate based on the results of the test. However, specific medical information regarding drugs will remain confidential and will not be made available to the hiring supervisor.

Any candidate disqualified for employment will not be eligible to reapply for (five) 5 years. A candidate who refuses to undergo drug testing will not be considered for employment.

2) Pre-access Drug & Alcohol Testing - If an existing employee applies for a position for which unescorted access to a nuclear plant is required or if for any reason the employee is to be granted unescorted access to a nuclear plant, the employee will be required to undergo a drug test. If the drug test is positive, unescorted access to nuclear plants will be denied for a period of five years.

In addition, the employee will be given a mandatory referral to EAP and suspended without pay until he or she can pass a subsequent drug test prior to returning to work in a non-nuclear capacity. The employee will be required to pass a drug test within 30 workdays after being cleared to return to work by the EAP. If the employee is unable to pass the drug test, the employee will be terminated. If the employee passes a drug test within 30 workdays, he or she will be returned to work in a non-nuclear capacity without back pay and will be required to undergo any additional drug testing that may be required or recommended by EAP. If the employee is found to be again unable to pass a drug test due to a second violation of this policy or if an employee fails to comply with the EAP recommendations, the employee will be terminated. Employee drug testing will follow standard protocols per applicable procedures.

In addition SEC-NGGC-2140, Fitness for Duty Program, applies to all persons granted unescorted access to the protected areas of a Nuclear Plant and includes personnel required to physically report to the Technical Support Center (TSC) or Emergency Operations Facility (EOF) in accordance with plant emergency plans and procedures.

3) Reasonable Suspicion - Current employees may be subject to a drug and/or alcohol test when there is reasonable suspicion that they may be under the influence of alcohol or have used or are under the influence of illegal drugs. Reasonable suspicion means suspicion based on specific personal observations that the Company can describe concerning the appearance, behavior, speech or breath odor of the on-duty employee, or as otherwise suspected in accordance with the following paragraph. If any testing is performed as a result of such suspicions, the Company will provide to the employee within forty-eight (48) hours a written statement of the observations or evidence on which reasonable suspicion is based. Failure to submit to such a test will result in termination. For more information, see SEC-SUBS-00050 and SEC-SUBS-00051, Drug and Alcohol Program.

Based on observation of the employee's behavior by at least one supervisor or direct observation of the use by employees relayed to a supervisor, the employee may be required, with the consent of a higher level of management (General Manager, Director, etc.), to submit to a drug and/or alcohol test. Reports of drug use or aberrant behavior which are not confirmed by observations of a supervisor or manager shall not constitute reasonable suspicion or be grounds for testing. Reasonable suspicion testing may also be conducted based on reasonable suspicion of illegal drug use arising from internal investigations or evidence provided by law enforcement officials. Such testing arising from internal investigations or law enforcement officials will require the concurrence of the Legal Department.

4) Regulated Testing – The Company conducts the following types of government regulated drug and alcohol testing on employees, including random testing:

(i) **Nuclear Regulatory Commission** - This drug and alcohol testing program complies with 10 CFR Part 26 and covers all individuals with unescorted access to the Company's nuclear plants and other individuals required to physically report to a Technical Support Center or Emergency Operations Center in accordance with the emergency response plans and procedures of the nuclear plants. For more information, see SEC-NGGC-2140, Fitness for Duty Program.

(ii) **Department of Transportation (FMCSR)** - This drug and alcohol testing program complies with the Federal Motor Carrier Safety Regulations and applies to all employees who are on duty and operate a commercial motor vehicle in interstate or intrastate commerce and are subject to the commercial driver's

license requirements. For more information, see SAF-SUBS-00043, DOT Motor Carrier Safety (FMCSR) Drug and Alcohol Program, which is incorporated into this Policy.

(iii) **Department of Transportation (RSPA)** - This drug and alcohol testing program complies with the Research and Special Programs Administration Regulations and applies to all employees (including applicants) who perform in an operation, maintenance or emergency-response capacity on a pipeline, pipeline system or at a liquid natural gas facility. For more information, see SAF-SUBS-00056, DOT Pipeline Safety (RSPA) Drug & Alcohol Program, which is incorporated into this Policy.

5) Post Accident Testing – Employees directly involved in a job-related accident may be required to submit to a drug and alcohol test as soon as reasonably possible after the accident. If emergency medical care is needed, the post-accident drug and alcohol test will occur after emergency medical treatment has been provided. A job-related accident is defined as an accident occurring on Company property, in Company-supplied vehicles or during working hours (including meal breaks) which is:

- (B) An event that causes death to an individual, or
- (C) An event that causes injury to an individual that requires the medical attention of a doctor or nurse practitioner, excluding routine first aid treatment, unless otherwise justified by reasonable suspicion.
- (D) An event that has a serious safety or operational impact; and/or an event where damage or loss to the Company exceeds \$10,000 (to be reasonably estimated at the time of the event).

Substances Covered and Cut-Off Levels

- 1) Regulated Tests - For employees subject to regulated testing, substances covered and cut-off levels shall be in accordance with Department of Transportation or NRC Fitness for Duty regulations.
- 2) Unregulated Tests – For employees who undergo non-regulated drug testing, substances covered and cut-off levels shall be in accordance with the NRC Fitness for Duty regulations.

Routine, Random Inspections

The Company may from time to time conduct routine, random inspections or inspections based on reasonable suspicion to check for drug violations.

Violation of Policy by Contractors, Consultants and Others

If the circumstances described above involve individuals not directly employed by the Company, such as contractors, consultants and others who perform work indirectly for the Company on Company premises and/or in the immediate proximity of Company employees, the following action will be taken:

- The individual will be directed to stop working immediately and to leave the Company premises or work site. The individual's access to the Company will be permanently revoked.
- Any substances seized will be turned over to Corporate Security.
- The individual's employer will be notified.

Drug or alcohol related conviction notification

The Company requires employees who are convicted of a criminal drug law violation to notify their supervisor no later than five calendar days after the conviction. "Conviction" means a conviction by the court, a plea of guilty to the charges or any other plea considered by the courts as a conviction. Failure to notify the supervisor within five calendar days may result in discipline, up to and including termination.

Disciplinary Action for Positive Drug or Alcohol Test**Reasonable Suspicion, Regulatory or Random Test**

If a drug test is positive, the employee (except those with unescorted access to the Nuclear Plant as set out in the second paragraph below) will be suspended without pay until he or she can pass a subsequent drug test. In addition, the employee will be given a mandatory referral to EAP. The employee is required to pass a drug test within 30 workdays after being cleared to return to work by the EAP. If the employee is unable to pass the return-to-work drug test, the employee will be terminated. If the employee passes the return-to-work drug test, he or she will be returned to work without back pay.

If the drug test is positive for an employee with unescorted access to the Nuclear Plant, the employee will be terminated.

If the employee tests positive for drugs and it is a second positive test for drugs under this Policy at any time, the employee will be terminated.

If an employee tests positive for alcohol at or above .04 percent blood alcohol, the employee will receive a mandatory referral to the Employee Assistance Program. The Employee Assistance Program may refer the employee to treatment, rehabilitation facilities or agencies at the employee's expense.

If the employee tests positive for alcohol at or above .04 percent blood alcohol again due to a second violation of this policy at any time, the employee will be terminated from employment.

Post Accident Test

Any employee tested as a result of a post accident test who tests positive for illegal drugs, or positive for alcohol at or above .04 percent blood alcohol will be terminated.

Disciplinary Action for the Sale, Possession or Use of Drugs and Alcohol

Any employee found by the Company to have sold, possessed, used, delivered or received illegal drugs or controlled substances not prescribed by the employee's licensed medical doctor while on Company property, during working hours (including meal breaks) or while in a Company-supplied vehicle will be terminated.

The unauthorized use of alcohol by any employee found by the Company to have used alcohol while during working hours, on Company property and/or while in a Company-supplied vehicle may result in discipline up to and including termination.

Compliance with EAP, Follow-Up Testing and Programs

For employees who have returned to work, they shall be required to comply with any program recommended by EAP. In addition, they may be required to undergo follow-up testing. Such testing will be conducted as required by applicable federal or state laws, rules or regulations. Where such laws, rules or regulations are not specific as to the number of follow-up tests, or there are no laws, rules or regulations applicable, then the employee will be subjected to testing no more than once a month for the first six months and no more than nine (9) tests in a twelve (12) month period after return to work.

Failure to comply with any substance abuse program set up by or through the EAP will result in discipline, up to and including termination. An employee may be required by the Company to provide a release to it, but only for the purpose of the Company verifying the employee's compliance with any requirements imposed on the employee by the EAP.

Self identification**A) Drugs**

Prior to a known violation of this policy, any employee who has a drug-related problem may voluntarily contact his/her immediate supervisor. The Supervisor will process a mandatory referral to the Employee Assistance Program. The Employee Assistance Program may refer the employee to treatment, rehabilitation facilities or agencies. The employee will be able to use any available Mental Health/Substance Abuse benefit allowed under his/her Medical Benefit Plan to cover part or all of the expense of any treatment program. The employee will also be eligible to use Healthcare Leave and/or Short Term Disability during the period of approved rehabilitation. Following a release to return to work by the EAP, if the employee is unable to pass a return-to-work drug test within 30 workdays, the employee will be terminated. If the employee passes the return-to-work drug test, and if the employee does not have unescorted access to a nuclear plant, he or she will be returned to work and will be required to undergo any additional drug testing that may be required or recommended by EAP. If the employee later fails any future drug test, the employee will be terminated. If the employee does have unescorted access to a nuclear plant, that access will be revoked.

B) Alcohol

It is the employee's responsibility to seek treatment before alcohol abuse adversely affects job performance. The Company's position on alcohol rehabilitation is to assist and not punish the employee who voluntarily seeks to undergo treatment. Prior to a known violation of this policy, any employee who has an alcohol related problem may voluntarily contact his/her immediate supervisor, who will process a mandatory referral to the Employee Assistance Program. The Employee Assistance Program may refer the employee to treatment, rehabilitation facilities or agencies. The employee will be able to use any available Mental Health/Substance Abuse benefit allowed under his/her Medical Benefit Plan to cover part or all of the expense of any treatment program. The employee will also be eligible to use Healthcare Leave and/or Short Term Disability during the period of approved rehabilitation.

After an employee has completed a program of approved alcohol rehabilitation, any further use of alcohol that affects job performance or safety, or any positive test for alcohol at or above .04 percent blood alcohol, will result in disciplinary action up to and including termination.

Note: The following will not be included in the published Drug and Alcohol policy:

Annual Report to Union:

Upon request by the Union after January 1 of a calendar year, the Company will provide to the Union, no later than March 1, a report of the number and the results of Random, Reasonable Suspicion, and Post-

Accident tests that were performed in the previous calendar year on bargaining unit employees. The report will be broken down to show the number and results of each type of test performed. This report will include the results of both regulated and non-regulated testing.

Policy Revisions:

Any revisions to this policy will be reviewed and if needed negotiated with the Union.

Training:

The Company will agree to provide supervisory training that 1) emphasizes supervisors' roles and responsibilities in implementing the Drug, Alcohol and Safe Work Policy, and 2) trains supervisors in techniques for recognizing the symptoms of drug and alcohol abuse.

New employees at their New Employee Orientation will be informed of the Drug, Alcohol and Safe Work Policy and provided a copy at that orientation.

Existing Employees will be provided refresher training so that they will be informed of the revised Drug, Alcohol and Safe Work Policy and provided a copy at the training.

Item 156

Long Term Disability

The Company will amend the Long Term Disability (LTD) plan for bargaining unit employees to provide as follows:

During the first 12 months of disability, an employee will be eligible for LTD if the employee is continuously disabled by reason of sickness or injury from being able to perform his/her Company-assigned duties, as determined by his/her personal physician and a medical provider chosen by the LTD Plan Administrator, without regard to whether the employee would be considered totally disabled by the Social Security Administrator.

[After first 12 months of disability, eligibility to remain per current language of the LTD Plan]

Item 159

401(k) Plan for Bargaining Unit Employees

The Company proposes to modify the Savings Plan for Employees of Florida Progress Corporation (401(k)) plan for bargaining unit employees) to eliminate the six (6) month waiting period for new hires

and rehires to participate in the plan. This change would be effective for employees employed on the date of ratification. To be effective April 1, 2006 after Board of Directors approval.

Item 161 **Appliance Purchase Program**

Effective June 1, 2006, the Company's Appliance Purchase Program will terminate and bargaining unit employees will no longer be able to finance electrical appliances at zero percent interest from the Company. All outstanding loans as of that date will continue in accordance with their terms. The following shall replace the Appliance Purchase Program:

No later than July 1, 2006, the Company will pay to all regular bargaining unit employees the amount of \$100, grossed up for taxes.

Item 164 **Changes to Meter Reader Classification**

As a result of the institution of Mobile Meter Reading, the parties agree to the following:

New Classification

The Company proposes to create a new classification, Data Collector, will be created in the Meter Reading Department. This position will be responsible for performing meter reading tasks via the mobile meter reading technology.

Management will determine the qualifications for the new position that will include passing the Meter Reader Test. The CAST, MASS, and POSS tests are not required for the Data Collector position.

Data Collectors will be upgraded to the Meter Reader classification when performing traditional meter reading duties. Time spent in performing Meter Reader duties will be aggregated for each work day. Upgrades will be paid in fifteen (15) minute increments.

The current classifications of Meter Reader will be retained and employees in this classification will continue to perform traditional meter reading tasks as well as mobile meter reading.

Work Assignments and Routing

Data Collectors and Meter Readers will be responsible for all work that involves reading meters. This can include check reads, re-reads and read only assignments.

Routes will be classified as Data Collector routes and Meter Reader Routes. Data Collector routes are those that will be read using mobile technology. Meter Reader routes will be those that will be made up of meters that are still read manually.

The Company will determine these routes and the makeup of the routes. Seniority shall be respected in the assignment of shifts.

Routing of Data Collector and Meter Reader work may result in employees' routes crossing multiple traditional Operations Center boundaries.

Wages and Schedules

The wage rate for Data Collector will be \$13.15 prior to the general wage increase, effective with the ratification of the MOA. Data Collectors shall be Scheduled (S) employees. This allows for increased productivity of mobile routes to be driven during non-daylight hours to avoid traffic congestion.

Article VI Section 2 (C) – add new paragraph (15) as follows:

(15) Data Collectors shall be scheduled 5-8s or 4-10s, Monday through Friday, at Management's option, per workweek, exclusive of meal time, with days off being consecutive. When a Data Collector is assigned to a regular daily work period beginning later than 1:00 p.m., he/she shall work eight (8) or ten (10) consecutive hours. Shift differential will be paid as provided for in Article X, Section 3. Seniority will be respected in the assignment of work schedules. There shall be no manual meters read after dark.

Item 88 of the 1996 Memorandum of Changes

Suspend until December 31, 2006 the agreement in the 1996 Memorandum of changes restricting Temporary Meter Readers to working 600 hours per year.

Item 165

Changes to R & D Man Classification

The parties agreed to the following changes to the R&D Man classification and related articles of the MOA.

Abolish the requirement from Item 38 of the 2002 negotiations that require that reductions in the R&D Man classification first come from the second shift R&D positions.

There shall be no more than forty percent (40%) of the R&D Man at each respective headquarters assigned to the second shift.

Revise **Article VI Section 2 (C)** – add new paragraph 14 as follows:

14) R&D Man shall be scheduled 5-8s or 4-10s, exclusive of mealtime, Monday through Friday, at Management's option; between the hours of 6:00 a.m. to 12:00 midnight. There shall be no more than forty percent (40%) of the R&D Man classification at each respective headquarters assigned to the second shift. Seniority shall be respected in the assignment of shifts. Shift differential shall be paid as provided for in Article X Section 3.

Revise **Article III Section 12 (B) (1)** change to read as follows:

(B) (1) If an employee is temporarily assigned to a higher job classification covered by this agreement, for one (1) hour or more, except as provided under Article III, Section 12 (B) (2), he shall be paid not less than the minimum rate established for the classification to which he is assigned or one (1) full step in the higher grade job above his present rate with a minimum of five cents (\$0.05), whichever is greater. The employee who has had previous experience in the job with the Company shall be paid at the higher rate to which his previous experience entitles him. The senior available employee regularly assigned in each location who is qualified to do a good, workmanlike job will be given such temporary assignment, **except as provided in Section 12 (B) (3).**

Add new Section 12 (B) (3) as follows:

(B) (3) For purposes of temporary assignment to the R & D Man classification the Company at its discretion may upgrade a qualified Lineman Apprentice or a qualified Meter Reader based upon the business need. Upgrade shall be offered by seniority. The senior available employee regularly assigned in each location who is qualified to do a good, workmanlike job will be given such temporary assignment.

Revise **Article VI Section 2 (D)** change to read as follows:

(4) Meter Reader-Collectors shall be scheduled either 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 6:00 a.m. to 6:00 p.m. ~~R&D Man shall be scheduled 5-8s or 4-10s, exclusive of meal time, Monday through Friday, at Management's option, between the hours of 6:00 a.m. to 8:00 p.m. R&D Man ("S") shall be scheduled 5-8's or 4-10's exclusive of meal time, Monday through Friday, at Management's option, between the hours of 1:00 p.m. to 11:00 p.m.~~

Item 167 **Red Edge Letters**

The Union agrees to delete the following Red Edge Letters, with the understanding that the current practices are not changed. The agreement to remove these Red Edges is due to the fact that they do not apply anymore or are covered in the MOA.

#3, #12, #17, #28, #31, #32

Red Edge #'s 4, 14, 18 and 29 shall be scanned into the 2005 MOC in their entirety. The disposition of all Red Edge Letters is indicated below with the page and item numbers where the reference may be found.

Red Edge Letter	Issue	Comments
1	Reduction in Forces - "Roll Back"	Included language in Article III, Section 8 (A) - See page 7 Item 167a.
2	N/A	Removed in Prior Negotiations
3	Contingent Assignment - Special Equipment Operator and Winch Truck Driver	No language in MOA or MOC
4	Emergency Work - Crossing Boundary Lines	Placed in its entirety in the MOC
5	90 Day Trial Period Plant Personnel	Included language in Article III, Section 4 - See page 5 item 167b
6	Aerial Basket Work	Included language in Article VII, Section 2(E) see page 25 Item 80
7	Conventional Line Work	Deleted as part of item 88
8	Network and URD	Included language in Article VI, Section 6, new paragraph (G). See page 22 item 167c.
9	N/A	Removed in Prior Negotiations
10	Overtime While on Contingent Assignment	Included language in Article VI, Section 6(B). See page 21 item 167d
11	Transfer of Employees	Included in language in Article III, Section 7(G). See page 6 item 21
12	Temp Upgrade and Call outs	No language in MOA or MOC
13	Hauling Materials	Included language in Article II, Section 9. See page 3 item 167f.
14	Line Department Call-Outs	Included in its entirety in MOC.
15	Work Continuation Meal Provision	Removed after new meals language negotiated in item 82.
16	Laborers Driving	Removed. Plant helpers no longer in Exhibit "A"
17	Laborer crew	No language in MOA or MOC
18	Vacation and days off	Placed in its entirety in the MOC. The parties further agree to revisit this issue within six (6) months to see if agreement can be reached as to changes that may be acceptable to both parties.

19	N/A	Removed in Prior Negotiations
20	Payment for Lunch Following Early Reporting	Removed after new meals language negotiated in item 82.
21	Payment of Time for Breakfast	Removed after new meals language negotiated in item 82
22	Pre-arranged Overtime	See page 20 item 73
23	Overtime Distribution	Included language in Article VI, Section 6(A). See page 21 item 167h
24	N/A	Removed in Prior Negotiations
25	Policy on Replacement of Employee's Tools	Included in language in Article VII, Section 11. See page 34 item 167i
26	Call-Outs Prior to Regular Working Time	Included in language in Article VI, Section 5(A). See page 19 item 167j
27	Availability for Overtime	Included language in Article II, Section 7(A). See page 2 item 167k
28	Training of New Aerial Bucket Truck Drivers	No language in MOA or MOC
29	Meter Reader Work During Rain	Placed in its entirety in the MOC
30	Scheduling in Production Department	Included in language in Article VI, Section 2 (C)(5). See page 16 item 167l
31	Employee Home Telephone Numbers	No language in MOA or MOC
32	Use of Company Vehicles	No language in MOA or MOC
33	Change in Item 28 of 1975 MOC	Included in language in Article III, Section 12(B)(1). See page 9 item 167m
34	Periodic Wage Increases	Included in language in Article X, Section 1. See page 38 item 167n
35	Change of Schedule for Non-Shift (NS) Employees	Included in language in Article VI, Section 4(A). See page 18 item 167o.
36	Assignment of Holiday Work	Included in language in Article VI, Section 6, new paragraph H. See page 22 item 167p.
37	Scheduling of Distribution Dispatchers	Placed clarification language into the MOC, page 22 item 77.
38	Upgrading of Lineman Apprentice	Included in language in Article VII, Section 2. See page 27 item 167q.
39	Ground Help	Included in language in Article VII, Section 8. See page 34 item 167r

Item 169 **General Wage Increase and Journeyman Increase**

Effective November 28, 2005 3.25%
 Effective November 26, 2006 3.2%
 Effective November 27, 2007 3.0%

Prior to the November 28, 2005 General Wage Increase, Journeyman in the Line and Substation Construction and Substation Maintenance Departments shall receive a \$.25 increase to the base wage rate.

Item 170 **Notification to the Union of Bargaining Unit new-hires**

Note: At the end of each quarter, the Company will furnish to the Business Manager, System Council U-8, a listing of all bargaining unit employees hired in that quarter, their job classifications and work locations.

Item 171 **Item 41 Project Work**

If an Item 41 project needs to work an extended schedule, i.e. 7-12's, it will be accomplished by offering it to regular employees on other Item 41 projects, and then to employees at that headquarters, per the overtime list. If the extended schedule is no longer needed, then the regular employees shall return to their respective Item 41 project or headquarters.

Item 172 **Changes to Disciplinary Action Policy**

APPLICATION OF DISCIPLINARY ACTION

General Information

7. A disciplinary action, once announced, ~~should~~ **shall** not be increased without evidence that the offense was more serious than it first appeared.

REMOVING UNFAVORABLE CORRESPONDENCE

Letters of reprimand involving warnings or disciplinary action and other unfavorable matters originating after employment with the company ~~may~~ **shall** be removed from the employee's file after a period of three years, during which nothing of an unfavorable nature is entered in the file. ~~This removal is subject to the approval of the supervisors concerned who will be given the opportunity for advising the employee of the action.~~ The supervisor will hand the unfavorable letters to the employee for disposal.

SEPARATION FROM EMPLOYMENT

INVOLUNTARY DISCHARGE

Quit Without Notice Separation of employment by the employee when reasonable notice (normally two weeks) is not given or employee is absent from the job without reporting for more than two days, **unless extenuating circumstances reasonably prevented the employee from reporting and giving notice of the absence.**

Item 49 The parties agreed to remove the Schedule of Time Limits for filing grievances from the back of the Memorandum of Agreement.

UNION AGREEMENT INTERPRETATIONS
FLORIDA POWER CORPORATION
PERSONNEL DEPARTMENT

SUBJECT: Emergency Work - DATE: 01/17/67
Crossing Boundary Lines
Between Working Headquarters

TO: Supervisors of Employees Covered by Union Agreement

We wish to clear up any uncertainty about Management's position regarding distribution of overtime between reporting headquarters. Because separate reporting headquarters maintain separate overtime lists, we recognize the importance of calling out emergency crews from the reporting headquarters serving the trouble area.

One purpose of establishing separate reporting headquarters is to establish crews nearest to points of possible trouble. Therefore, in the majority of cases the crews who are normally responsible for a customer are called out to work cases of trouble for that customer. There are cases in the more highly populated areas where the boundary line is somewhat artificial in which the decision to cross a boundary line becomes somewhat of a problem. There will be cases that a crew is finished up in one district when a case of trouble occurs in a neighboring district and it is the supervisor's judgment that he can more quickly restore service to the customer by using the crew already on duty.

There will be doubtful cases concerning the relative advantage of using the neighboring crew. The supervisor should then recognize the other consideration of balancing overtime payments when making his decision. In the usual case, however, the problem is clear-cut and we, of course, wish to have the crew called that is normally responsible during daylight operation.

The above statements are excerpted from a recent grievance between the St. Petersburg and Pinellas Park Districts areas and the full text of the grievance decision is being distributed to those directly interested.


T. F. Thompson

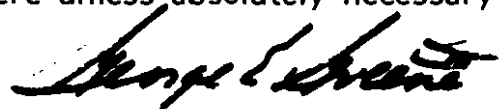
tft/ncc

cc: Mr. G. E. Greene
Mr. M. L. Overton

Interpretation of Union Agreement
Letter No. 18 (continued)
Page Two
08/28/70

Company policy on the days off preceding the designated vacation week remains as outlined in Mr. M. F. Bunnell's memorandum of April 25, 1962, "In most cases, the employee will have off days immediately preceding the designated vacation week. It is the Company policy that when an employee has finished his week's work in the week preceding his vacation, he is free to leave on his vacation trip and would not be asked to work overtime on the off days preceding his vacation, except it be an unusual emergency that makes it necessary. It would have to be a situation where the employee's services are urgently needed, such as an impending hurricane.

"When employees have had their requested vacation schedule approved, most of them make plans for a vacation trip, which sometimes include leaving immediately following the completion of work in the week preceding. To change one's plans at the last moment may cause much inconvenience and possibly some expense where reservations are involved, and we should not interfere unless absolutely necessary."



George E. Greene, III

geg/tsj

cc: Mr. M. L. Overton

UNION AGREEMENT INTERPRETATIONS
FLORIDA POWER CORPORATION
PERSONNEL DEPARTMENT

SUBJECT: Meter Reader Work During Rain DATE: 02/19/73
TO: Supervisors of Employees Covered by Union Agreement

Article VII, Section 9, Work During Rain, reads as follows:

"During rain the only line, outdoor substation or exposed underground work to be done shall be that of emergency nature. It will be the policy of the Company to give reasonable consideration to limiting the outside work of other employees when inclement weather conditions exist, providing the nature of the work will permit postponement."

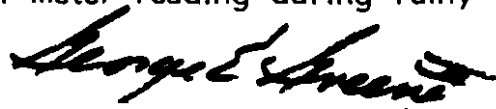
Meter Readers, of course, are "other employees" for whom "reasonable consideration" will be given to limiting the outside work.

In 1970, B. L. Griffin, then Director of Division Operations, wrote Mr. Overton regarding this subject. The test of his letter was as follows:

"This is to confirm to you that on April 6, at a meeting of the Central Division District Managers, I discussed with them the subject of reading meters in the rain. We talked in terms of the basic criteria - that meters would get read and not estimated, but certainly reasonableness and common sense would be applied when reading in the rain was necessary. We would not expect Meter Readers to remain in the office purely because it was a rainy day; they should go to the field and read during slack periods of rain and drizzle, but stay in their vehicles during downpours.

"We do plan to read meters in the rain, but, as stated above, we would expect everyone involved to use reasonableness and common sense as a criteria in this issue."

Mr. Griffin's letter to Mr. Overton serves to expand on the intent of the contract language and should serve to guide supervisors of meter reading personnel regarding questions of meter reading during rainy weather.



George E. Greene, III

geg/tsj

cc: Mr. M. L. Overton