

## SETTLEMENT AGREEMENT

In full and complete settlement, on a non-precedent, non-prejudicial basis, of the grievances set forth below, Florida Power Corporation (“Company”) and the IBEW System Council U-8 (“Union”) hereby agree as follows:

1. The Company will create and post 40 new full time bargaining unit positions in the Line Department by June 1, 2001. The Company hopes to have all of these positions filled by December 31, 2001. These positions will constitute a net increase of 40 jobs over and above the existing 32 vacancies.
2. The Company will remove any 90 day hold on vacant positions in the Line Department and will act to fill all 32 vacancies as expeditiously as possible.
3. The Company agrees that, through December 1, 2002, before contracting out overhead work in Distribution in the Line Department, the Company will provide advance notice of such subcontracting to the appropriate Union officials. This requirement will not apply in cases of emergency. The notice will be given in enough time to provide the Union with a reasonable opportunity to discuss with the Company alternatives to contracting out the work. After considering alternatives that may be timely raised by the Union, the Company may nevertheless contract out the work in the exercise of its business judgment.
4. In the event the Union contends that the Company has not provided notice in accordance with Paragraph 3 as to a particular contracting out, the Union may file a grievance alleging that such contracting out was in violation of the Memorandum of Agreement.
5. The Union will withdraw and consider settled, with prejudice, the grievances noted on the attached Appendix A. Grievances noted with an asterisk (\*) encompass multiple issues; those grievances are resolved only as to the contracting out issues.
6. The Union will seek withdrawal of Unfair Labor Practice Charge No. 12-CA-21050. The Union agrees to file with the NLRB whatever documents necessary to accomplish this withdrawal.
7. The Union through December 1, 2002 will not file or process any further grievances, unfair labor practice charges or any other actions or claims over overhead subcontracting in the Line Department, provided a) that the Company has complied with the provisions of Paragraph 3 above or b) the Company is not engaging in any overhead subcontracting in the Line Department which directly results in Line Department employees being laid off (including the new positions set out in Paragraph 1). In the event such layoffs do occur in this period, the Union may file grievances challenging that subcontracting under the Memorandum of Agreement as well as claim violation of this Settlement Agreement.

8. During this period, none of the actions or inactions of either party may be used by the other party as evidence of a past practice or precedent in support of its interpretation of the Memorandum of Agreement.
9. Both parties retain any arguments and positions currently possessed regarding the contracting issues in the Line Department, other than those made in the grievances and NLRB Charge resolved in Paragraphs 5 and 6.

For the Company:

Richard V. M. Krosung

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Date: 4/09/01

For the Union:

W. O. Englund  
4/16/01

## APPENDIX A

### Pending Contractor Grievances (Line Dept.)

88-0114	94-02-0288
89-02-0213	94-02-0329
90-02-0006	95-02-0088
90-02-0065	95-02-0174
90-02-0111	95-02-0178
90-02-0116	95-02-0182
91-02-0233	95-02-0202
91-02-0257	96-02-0058
92-02-0067	96-02-0141
92-02-0301	97-02-0026
93-02-0060	97-02-0091
93-02-0228	97-02-0118
93-02-0245	97-02-0137
93-02-0247	97-02-0143
93-02-0277	97-02-0144
93-02-0443	97-02-0151
94-02-0022	98-02-0118
94-02-0041	99-02-0021
94-02-0049	99-02-0044
94-02-0072	00-02-0042
94-02-0148	00-02-0092
94-02-0149	00-02-0093
94-02-0239	00-02-0094
94-02-0240	00-02-0170*
94-02-0287	00-02-0171*