

# **AGREEMENT**

**Between the**

**Utility Workers Union of America,  
AFL-CIO,  
Local 600**

**and**

**Duke Energy Ohio, Inc.  
Duke Energy Kentucky, Inc.**

**2012-2015**

## INDEX

<u>Article</u>	<u>Title</u>	<u>Page</u>
I	Recognition	3-10
II	Meetings	10-11
III	Duration	11-12
IV	Working Conditions	12-13
V	Seniority	14-15
	Job Openings	16-20
	Layoffs/Rollbacks	20-24
	Temporary Transfers	25
	Probationary Employees	26
	Temporary Employees	26
	Part-Time Employees	27-28
VI	Safety	29
VII	Grievance	29-31
	Arbitration	32
VIII	Wage Rates	33-38
	Shift Differential	41
	Sunday Premium	41
	Job Evaluation Committee	42-43
	Pyramiding of Benefits	44
IX	Absence Due to Sickness	44-47
	Vacation	48-50
X	Military Leave	50
XI	Holiday Pay	52-54
	Personal/Diversity Days	54
XII	Work Week	55
	Overtime Provisions	56-58
	Meal Compensation	58-59

## INDEX

<b><u>Article</u></b>	<b><u>Title</u></b>	<b><u>Page</u></b>
	Temporary Upgrade	59-60
XIII	Illness	60-62
	Retrogression	60-62
	Industrial Accident	62
	Death In Family	62-63
XIV	Bulletin Boards	63-64
XV	Union Duties	64
XVI	Contracting of Work	64-65
	Temporary Assignments	65-66
	Mileage	65-66
XVII	Witness Fees	66
	Jury Duty	67
XVIII	Retirement Income Plan	67-68
XIX	Health & Welfare Plans	68
XX	Hospital & Medical Plans	69
XXI	Benefit Coverage	70
XXII	Retirement Savings Plan	70-71
	APPENDIX	74-77

## AGREEMENT

Between the

Utility Workers Union of America, AFL-CIO,  
Local 600

and

Duke Energy Ohio, Inc.  
Duke Energy Kentucky, Inc.

THIS AGREEMENT is entered into between the Utility Workers Union of America, AFL-CIO, Local 600, formerly the Independent Utilities Union, hereinafter referred to as the "Union," and Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., hereinafter referred to as the "Company," through and by their duly authorized representatives.

WITNESSETH: Whereas, the parties to the Agreement as are mentioned above are desirous of maintaining collective bargaining between the Employer and its Employees, as are represented by the Union as bargaining agent, and are desirous of stabilizing employment, eliminating strikes, lockouts, curtailment of employment, and the peaceful settlement of all employer and employee disputes, and of making an honest effort to improve the conditions of both

the employer and the employees.

WHEREAS, it is deemed desirable and necessary that definite operations and practices between the Company and the employees of the Company represented by the Union be formally set forth and described, with a desire that uniformity of working conditions exist between the aforementioned Companies and such employees.

WHEREAS, the Company and the Union recognize that in order for the parties to meet the challenge of competition, the need for long term prosperity and growth, and establish employment security, each must be committed to a cooperative labor management relationship that extends from the bargaining unit members to the executive employees. The Company and the Union agree that employees at all levels of the Company must be involved in the decision making process and provide their input, commitment, and cooperation to improving productivity and helping the Company become the lowest cost producer and highest quality provider of energy service.

NOW, THEREFORE, the Company and the Union do hereby agree to the following terms and conditions, to-wit:

## **ARTICLE I**

**Section 1.** (a) The Company hereby recognizes the Union during the term of this Agreement as the sole and exclusive representative of all regular full-time and part-time employees of the occupational classifications in the units defined as "The Office, Clerical and Technical Unit" and "The Residual Unit," as described in the Order issued by the National Labor Relations Board dated August 12, 1944 and amended by the National Labor Relations Board Order dated February 24, 1967. The units so defined shall retain jurisdiction over such work as was normally performed by them prior to this Agreement but such jurisdiction shall not be expanded except by mutual agreement of the parties hereto or through due processes under the National Labor Relations Act.

A-14

(b) The Company recognizes the Union as the sole bargaining agent of the units contained in the preceding paragraph for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, or other conditions of employment, and the Company agrees to attempt to adjust any and all disputes, and any other matters, arising out of or pursuant to this Agreement, with the Union.

(c) This Agreement shall be final and binding upon the successors, assignees or

transferees of the Union and the corporate entity of the Company.

**Section 2.** (a) The Company agrees not to interfere, restrain, coerce, or discriminate against any of the members of the Union, because of his or her membership in the Union, or because of their activity as a member or officer of the Union. Should reasonable proof of any such interference, restraining, coercion or discrimination by any person in a supervisory capacity against a member of the Union be shown to the Company by the Union, the Company agrees to take immediate corrective action in connection with such complaint. It is further agreed that no member shall be discharged because of his or her service, or lawful activity as a member of the Union, nor will the Company at any time attempt to discourage membership in the Union.

(b) There shall be no discrimination, interference, restraint or coercion by the Company or the Union or their agents against any employee because of race, color, religion, sex, disability, national origin or ancestry or for any other reason. References to the masculine gender are intended to be construed to also include the feminine gender wherever they appear throughout the Agreement.

A-9 (c) The Union recognizes that the

management of the Company, the direction of the working forces, the determination of the number of men it will employ or retain in each classification, and the right to hire, suspend, discharge, discipline, promote, demote or transfer, and to release employees because of lack of work or for other proper and legitimate reasons are vested in and reserved to the Company.

(d) The above rights of Management are not all-inclusive, but indicate the type of matters or rights which belong to and are inherent to Management. Any of the rights, powers, and authority the Company had prior to entering this Agreement are retained by the Company, except as expressly and specifically abridged, delegated, granted or modified by this Agreement.

(e) The foregoing two paragraphs do not alter the employee's right of adjusting grievances as provided for in Article VII, Section 1 of this Agreement.

**Section 3.** Respecting the subject of "Union Security," the parties mutually agree as follows:

(a) All regular employees of the Company as of March 31, 2012, who are not members of the Union, shall not be required as a condition of their continued employment to join



the Union. However, after April 1, 2012, all regular employees of the Company within the bargaining unit represented by the Union who are members of the Union, or who may become members of the Union, shall be required as a condition of their continued employment to maintain their membership in the Union in good standing, subject to the annual 10 day escape period described in subsection (f) of this section.

(b) The Union agrees that neither it nor any of its officers or members will intimidate or coerce any of the employees of the Company to join or become members of the Union, nor will said Union or any of its officers or members unfairly deprive any employee within the bargaining unit represented by the Union of union membership or of any opportunity to obtain union membership if said employee so desires. In this connection the Company agrees that it will not discriminate against any employee on account of activities or decisions in connection with the Union, except as the same may become necessary on the part of the Company to carry out its obligations to the Union under this Agreement.

(c) If a dispute arises as to the actual union status of any employee, at any time, as to whether or not the employee has been unfairly deprived of or denied union membership, the dispute shall be subject to arbitration, in

accordance with the arbitration provisions of Article VII of this Agreement.

(d) The Company agrees that after April 1, 2012, and as long as this section of the Agreement shall remain in full force and effect, that all persons, before they are employed as regular employees in any classification within the unit represented by the Union, shall be required to signify, in writing, their voluntary willingness and intention to join the Union 31 days after being employed in a job classification represented by the Union. During new employee orientation, employees hired into job classifications represented by the Union, shall be required to sign the "Membership Application" and the "Payroll Deduction Authorization" cards for the Union, so that enrollment will be effective 31 days after being hired.

(e) Except for those employees mentioned in subsection (d) of this section and subject to all state and federal laws, all employees who are not members of the Union shall be required, as a condition of their continued employment, to pay to the Union a service charge as a contribution towards the administration of the Agreement in an amount equal to the dues uniformly required by Union members.

(f) The Union agrees that any present or future employee who is now or may become a

member of the Union may withdraw from membership in the Union between September 16th and September 25th inclusive of each year by giving notice by registered mail to the Labor Relations Department of the Company. However, the Union will not impose restrictions, which are prohibited by law, on employees who wish to withdraw from Union membership. The Company will forward a copy of any such withdrawal to the President of the Union. After such withdrawal, an employee shall not be required to rejoin the Union as a condition of continued employment.

(g) The Company agrees to dismiss any employee represented by the Union, at the written request of the Union, for nonpayment of union dues or service charges or to discipline employees represented by the Union in the manner herein provided for violation of this Agreement, if requested to do so, in writing, by the Union. Nothing in this clause, however, shall be construed so as to require the Company to dismiss or discipline any employee in violation of any state or federal law.

(h) The Company agrees, after receiving proper individual authorizations by means of written individual assignments in a form mutually agreeable to both parties, to deduct Union dues or service charges and initiation fees from employees' pay. This deduction shall be made a mutually agreed upon number of times each year

and shall be forwarded to the Treasurer of the Union.

(i) The Union agrees that in the event of any strike, work stoppage, slowdown, picketing or any other interference to the work or the operations of the Company by any individual employee or group of employees in the bargaining unit represented by the Union this section of the Agreement is then and there and by reason thereof automatically canceled and of no further force and effect; provided, however, that the Company shall upon the presentation of proof satisfactory to the Company, within 10 days thereafter, that the Union did not directly or indirectly authorize, permit, endorse, aid or abet said strike, work stoppage, slowdown, picketing or interference referred to, reinstate this section of the Agreement, which section, if reinstated will, from and after the date of reinstatement, be of the same validity, force and effect as if it had not been canceled. In this connection, it is the expressed intention of the parties that for the purpose of making this cancellation provision effective without affecting the other sections of the Agreement, this Agreement is to be considered a severable agreement. Should the automatic cancellation of this section occur, it is the intention and agreement of the parties that all other sections and provisions of the Agreement remain in full force and effect as therein provided. The Company agrees that it will not deliberately

arrange or incite such interference to the work or operations of the Company as are referred to in this section.

**Section 4.** The Company agrees that it will not attempt to hold the Union financially responsible or institute legal proceedings against the Union because of a strike, slowdown or work stoppage not authorized, abetted or condoned by the Union. The Union agrees that, in the event of an unauthorized work stoppage, it will in good faith and without delay exert itself to bring the work stoppage to a quick termination and insist that the employee(s) involved cease their unauthorized activities. To that end, the Union will promptly take whatever affirmative action is necessary. Furthermore, the Union agrees that any employee or employees who agitate, encourage, abet, lead or engage in such a strike, work stoppage, slowdown or other interference with the operations of the Company shall be subject to such disciplinary action as the Company may deem suitable, including discharge, without recourse to any other provision or provisions of the Agreement now in effect.

## **ARTICLE II**

A-32 **Section 1.** The Company agrees to designate and authorize a representative or representatives to meet with The General Board of the Union. It is agreed that these meetings

shall be held quarterly, at a time mutually agreed upon, and at any other time upon the written request of either party to this Agreement. These meetings will be held within seven days after such request is made.

**Section 2.** The Company agrees to meet and confer with any special committee of the Union, duly appointed by the President to administer any activity relating to the welfare of the members of the Union.

### **ARTICLE III**

**Section 1.** (a) This Agreement and the provisions thereof, shall become effective April 1, 2012 and shall continue in full force and effect until April 1, 2015, and from year-to-year thereafter unless changed by the parties.

(b) Either of the parties hereto desiring to change any section or sections of this Agreement and/or to terminate this Agreement shall notify the other party in writing of the desired changes at least 60 days prior to April 1, 2012 or any subsequent anniversary date. During this 60-day period, conferences shall be held by and between the parties hereto, with a view to arriving at a further Agreement, and in all events this Agreement shall remain in full force and effect during the period of negotiations. A-32

(c) In the event agreement is reached on or before April 1, the 2008 – 2012 Agreement will be extended for a mutually agreed number of calendar days. The Union shall have one-half of the mutually agreed number of calendar days immediately following the date an agreement is reached in which to submit the Agreement to its membership for ratification and in case of failure to ratify, in order that the Company shall have the remaining one-half of the mutually agreed number of calendar days as notice before a strike or work stoppage commences. Providing the mutually satisfactory Agreement is ratified by the membership within the first one-half of the mutually agreed number of days following the date an agreement is reached, such Agreement will be made retroactive to the 1st day of April and any agreed upon wage adjustments will be made retroactive to the 1st day of April.

**Section 2.** It is agreed that this Agreement may be amended or added to at any time by the written consent of both parties hereto.

#### **ARTICLE IV**

**Section 1.** The Company agrees to do nothing to encourage an employee to bargain individually.

**Section 2.** The Company agrees that if a matter rightfully termed a Union activity is

referred by an employee to his or her representative or delegate, and this is taken up with the supervisor or any one qualified or authorized to act for the Company, such Company representative shall not initiate, negotiate, or discuss this question with the employee without affording the representative or delegate of the division an opportunity to be present.

**Section 3.** Departmental supervisory personnel will notify the departmental union delegate when a significant change or condition affecting that department or a work group within that department is contemplated by the management of the particular department. When major organizational changes affecting personnel in various departments are contemplated, the Company agrees to notify the Union, in writing, at least 14 calendar days in advance of the change and, upon written request by the President of the Union, a meeting shall be arranged between the Company and the Union to discuss such changes.

**Section 4.** Copies of bulletins issued by the Company concerning working conditions for any division or department represented by the Union shall be forwarded to the General Board of the Union.



## **ARTICLE V**

**Section 1.** The principle of seniority is recognized by the Company. There shall be two types of seniority defined as follows:

1. System service shall be based upon the length of time an employee has been continuously employed by the Company, and shall be the governing factor in establishing vacation dates.
2. Classified seniority shall be the length of time worked by an employee on a specific classified job.

It shall be considered a break in system service and seniority when an employee has been off the Company payroll, except when an employee has:

- (1) Been laid off because of lack of work and has not, at any time during the period of layoff or during a period not to exceed three years from the date of layoff, refused to return to work for the Company in a capacity formerly held or comparable to the capacity formerly held, by the employee. However, actual time away will be deducted from the employee's system service.

- (2) Been granted a leave of absence for good cause by consent of the Company, without loss of system service and seniority rights, providing the employees are available whenever necessary for the Company's medical examinations during the leave of absence. However, the employees will receive vacation in accordance with the second paragraph of Article IX, Section 5. Requests for leave of absence and consent hereto shall be in writing.
- (3) Entered the military service of the United States or has been conscripted by the United States Government. No deductions for time away shall be made from the employee's system service and seniority record.
- (4) Resigned voluntarily and subsequently been re-hired. Actual time away will be deducted from the employee's system service and seniority record, and, while previous system service shall be maintained, no classified seniority shall be retained.

Existing system service and seniority records shall not be rearranged to meet the above requirements in exceptions (1), (2) and (3), but they shall be met in all cases beginning

March 21, 1983.

A-30                    **Section 2.** (a) Job available postings  
A-65 for job classifications covered by this Agreement  
A-66 shall be provided by the Company and posted  
A-67 for a period of seven calendar days on the  
A-68 appropriate bulletin boards and/or on the Duke  
Energy Job Opportunities Portal page.

(b) If after the initial posting the job opening has not been filled by a qualified applicant from the department or division, the job available notice will then be reposted for a period of seven calendar days on all bulletin boards throughout the Company where there are employees covered by this Agreement. In certain cases where it is known that there are no qualified applicants within a division or a department, the initial posting may be waived and the job posting will then be initially posted throughout the Company where there are employees covered by this Agreement. However, if applications are received from employees within the department requesting the job opening, these applications will be given consideration before those received from employees in other departments. Furthermore, anytime employees are accepted for a job opening on a lateral or cross bid, they shall not be eligible to laterally or cross bid again for a period of six months from the date of acceptance. The only exception to this six

month waiting period is that employees may cross bid to another headquarters within the same bidding area at any time.

(c) In those departments where the multiple posting system is in use, employees are permitted to submit their applications for promotions, lateral bids or cross bids in advance of an opening according to the multiple posting administrative procedures of the applicable department. A-3  
A-7

(d) It is agreed that classified seniority will be considered within a department, district or departmental section concerning available advancements, although other qualifications for the particular position will of necessity be considered. All other factors being sufficient, the employee oldest in the point of classified seniority shall be given a reasonable opportunity to qualify for the position.

(e) Should the classified seniority of any two or more employees be equal, the respective seniority position of such employees shall be determined by the Union randomly drawing the names of the affected employees. The Company will be notified of the results, in writing. A-20  
A-21  
A-44  
A-66  
A-67  
A-68

In the event no fully qualified individual has bid on a Union wide job opening, the

previous experience requirement only will be waived, with the exception of positions within the General Clerical sequence, and an employee will not be disqualified for promotion on the basis of not having passed through a lower job in the promotional sequence if otherwise qualified. Employees who have at least one half of the required previous experience and are in the direct promotional sequence of a job opening, posted Union wide, where previous experience has been waived, will be considered for the job before all other non-qualified employees. Any claim of discrimination in this connection may be taken up by the Union as a grievance.

(f) An employee may waive his right to promotion, providing such waiver is presented to the Company in writing and does not prevent other employees from acquiring experience in the job held by the employee. When an employee waives his right to promotion, the employee next in seniority, other qualifications being sufficient, shall be entitled to such promotion. When it is necessary to fill an open position, and no employees are willing to promote, the Company may assign the junior qualified employee to promote to the job classification.

(g) If no qualified regular full-time employee has been accepted following the

posting procedure and consideration of requests for demotion, second consideration for non-technical job openings shall be given to part-time employees within the bargaining unit based on qualifications as determined by the Company. For technical job openings, the Company will give second consideration to part-time employees with a technical degree and/or technical expertise based on qualifications as determined by the Company. As a result of these determinations, if the top two or more part-time applicants have equal assessments, then the non-technical or technical job opening will be offered to the applicant with the greatest system seniority.

(h) Should the job opening not be filled after the posting procedure above, at the discretion of management, consideration may be given to requests for transfer which have been received from employees outside the bargaining unit or may be filled from outside the Company.

(i) If the particular job opening is not filled within 60 days from the expiration date of the bargaining unit-wide posting, the job opening will be reposted in accordance with the job posting procedure outlined above.

(j) The job posting procedure outlined above does not restrict the Company's right to cancel a job posting at any time.

(k) An employee shall not have seniority rights to bid on a demotion but may, in writing by letter or by submitting a bid for a posted job opening, request consideration for a demotion. However, if an employee's request for demotion is granted by the Company, any accumulated classified seniority will be forfeited in job classifications above the job to which he demotes.

(l) The Company and the Union agree that the job posting procedure will be waived for the employment of Co-ops, as probationary employees in job classifications represented by the bargaining unit, providing that the next opening in the same job classification and bidding area is posted and made available to employees within the bargaining unit. If such opening is not filled by a bargaining unit employee, openings in the same job classification and bidding areas will continue to be posted and made available to employees within the bargaining unit until such time that a bargaining unit employee fills one of the openings.

A-49                    **Section 3.** (a) In the event of any  
A-55 layoffs or curtailments of employment, rollbacks

and layoffs shall be made in accordance with system seniority rights. When the Company reduces the number of employees in a job classification, the Company will use the following process to determine rollbacks and layoffs. Employees with the least amount of System Service seniority within the job classification that is targeted for a reduction will be relegated back and be assigned to vacant positions and/or replace full-time employees in the bidding area with the least amount of System Service seniority. Displaced employees must be qualified for the job classification to which they are assigned and the job classification must be within the same bidding area and below their former job classification. Displaced employees will be reclassified into the next lower job classification within their bidding area for which they are qualified, if there are employees in that job classification and they have less system seniority than the displaced employees. Displaced employees will have their wage rates red-circled for a period of 18 months. At the end of 18 months, their wage rates will be reduced to the maximum wage rate of the job classification to which they were reclassified. Displaced employees who are assigned to perform work in lower level job classifications, if qualified, will be reassigned to higher job classifications as they become available within the bidding area, until the displaced employees return to assignments



within their former job classification; obtain a job within the bidding area at the same or higher wage level as their former job classification; or, obtain a job in another bidding area. Displaced employees will not be assigned to or be required to perform the duties of job classifications at levels higher than their former job classification.

Any employees unable to be assigned to vacant positions and/or replace full-time employees in the bidding area will be subject to layoff.

Part-time Meter Readers will be laid off before any full-time Meter Readers are rolled back or laid off. The same holds true for part-time and full-time call-takers in the Call Center.

Where multiple part-time employees in a job classification at the same location are scheduled to work a total of 40 or more hours per week, a qualified displaced full-time employee in the same bidding area may replace the part-time employees by accepting a full-time job at that location, if the department can still schedule straight time coverage for the required hours.

A full-time displaced employee with at least 15 years of service and subject to layoff, if qualified, will be allowed to displace the employee with the least amount of system seniority outside of the displaced employee's

bidding area. Those employees with 15 or more years of service will have their wage rates red-circled for 18 months.

Displaced employees unable to displace full-time employees and subject to layoff, if qualified, will be allowed to replace employees in part-time positions within their bidding area, by accepting the wage rate, benefits, work hours and other terms and conditions of employment of the part-time employee. The two exceptions are Meter Reading and Call Center, where these employees may retain their full-time status and accept the wage rate applicable to new full-time employees in these departments. Full-time employees within the Customer Relations bidding area, but outside the Call Center and Meter Reading Departments, may displace a maximum of four part-time employees in each department (i.e., Call Center and Meter Reading) within a 12-month period.

Employees who were rolled back prior to April 1, 2012 and their wage rates are red-circled, will continue to have their wage rates red-circled.

An employee will not have the right to recede to a position within his bidding area that he did not pass through before reaching his present position. For purposes of this section, if an employee is unable to exercise system seniority rights in lower job classifications within his

department because he did not pass through those job classifications before reaching his present position, he will be credited with system seniority in all job classifications lower than his initial job within the bidding area which are in the same direct promotional sequence. Under no circumstances may an employee exercise seniority rights outside his own bidding area or in the selection of a specific job within a classification.

(b) In a department where there have been layoffs and a subsequent increase in employment exists within three years, the Company agrees to recall those employees in the department who have suffered a layoff because of lack of employment, in the reverse order of the dates of their layoffs. It is further agreed that the Company will notify the employee or employees, in writing by registered or certified mail, to report back to work. The Company agrees to send a copy of these letters to the Union at the time of the mailing of the original. If they do not report back to work within a 15-day period, the Company shall have the right to recall the next employee in line.

(c) It shall be the duty of all employees, including those on layoff status, to have their proper post office address and telephone number on file with their individual departments and the Human Resources Department of the

Company.

(d) The Union may designate a witness to tests given in a departmental section, and shall have the right to review the results of these departmental tests upon request. This does not apply to standard tests given by the Staffing Services Division or by outside consultants. A-4

(e) The Company will make an effort to find another job classification for which an employee is qualified if his job is abolished. An employee who, because of this job abolishment, is assigned to a classification having a lower rate of pay, will maintain his existing level of pay until the maximum wage rate of the job classification to which he is assigned is equal to his existing wage rate. This provision does not affect the right of an employee to bid on a future posted job opening for which he may be qualified.

**Section 4.** (a) Temporary transfers from one department, district, or departmental section to another will not affect an employee's system service or seniority rank and his record will remain posted in the department, district, or departmental section from which he was transferred.

(b) Permanent transfers from one A-2

department, district, or departmental section to another will not affect an employee's system service or classified seniority, which will be used to determine his system service and seniority rank in his new department, district, or departmental section.

(c) When an employee has successfully bid on a posted job and his move to the posted job is delayed, consideration shall be given to the proper adjustment of the employee's seniority rank so that the employee will not be penalized with respect to future promotions. The employee will receive a seniority date and the wage rate of the job on which he has been accepted no later than the beginning of the third week after the employee is notified that he has been accepted for the new job.

**Section 5.** All new employees shall be classed as probationary for a period of one year and shall have no system service or seniority rights. After one year's service as a probationary employee, they shall be reclassified and their system service and seniority record shall include their previous employment as a probationary employee.

A-6 **Section 6.** Temporary employees shall be those hired for a specific job of a limited duration, not to exceed six months unless agreed

upon by both parties, and shall not acquire system service or classified seniority rights. The Union shall be notified of the hiring of such employees.

**Section 7.** (a) Part-time employees shall be those hired to perform a continuing specific work requirement that is temporary in nature or less than 40 hours per week. Part-time employees will only be used for part-time applications in order to supplement the regular full-time workforce, unless otherwise agreed. While the intention is for part-time employees, who are non-temporary in nature, to be regularly scheduled to work less than 32 hours per week, the actual hours worked may be greater due to temporary operational needs or trading of hours with other employees. The departments utilizing part-time employees will develop schedules to be worked by such personnel. However, schedules for part-time employees may at times vary according to work needs. These employees will work in bargaining unit positions and will be paid the minimum wage rate for the job classification or at a specially negotiated rate. They shall not acquire classified seniority rights. Part-time employees may be laid off for any reason without recall rights. Such layoffs shall not be subject to the grievance procedure. Benefits for part-time employees shall be on a prorated basis as agreed to by the parties.

A-48  
A-61

(b) Part-time employees may request consideration for other part-time openings and may submit applications for openings in regular full-time positions. When part-time employees become full-time employees, they shall be credited with system service for the length of time they were employed by the Company as a part-time employee on or after January 1, 1996. For part-time employees who become full-time employees after April 1, 2008 and who have been employed as part-time for at least 12 consecutive months prior to becoming full-time, the probationary period shall be reduced from one year to nine months.

(c) The overtime provisions of this Agreement, including meal compensation, will only apply to part-time employees when they work in excess of their regular scheduled hours per day or eight hours per day, whichever is greater. Part-time employees will not be called out for overtime assignments unless all full-time available employees have been called. The total number of part-time employees, excluding those in the Call Center and Meter Reading work groups and those hired to perform a continuing specific work requirement that is temporary in nature, will not exceed 5% of the total number of full-time employees performing work represented by the Union.

## **ARTICLE VI**

**Section 1.** The parties hereto recognizing the importance of safety projects and regulations for the protection of the health, life and limb of all employees, agree to make all reasonable efforts to maintain such rules and regulations conducive to the health and safety of all concerned. The Company will notify the Union leadership of any work related accident resulting in the hospital admission or death of any employee in the bargaining unit.

## **ARTICLE VII**

**Section 1.** Any dispute or disagree- A-18  
ment arising between an employee and the A-32  
Company or the Union and the Company may become the subject of a grievance. However, with respect to any claim or dispute involving the application or interpretation of an employee welfare or pension (includes defined benefit and 401(k) plans) plan, the claim or dispute shall not be resolved under the grievance procedure outlined herein, but instead, shall be resolved in accordance with the terms and procedures set forth in the relevant plan document. Additionally, should the content of any communication relating to employee benefits conflict with the terms of the relevant plan document, the terms of the plan document shall govern. Recognizing the importance of resolving



disputes or disagreements in a peaceful and timely manner, grievances shall be processed in accordance with the following procedure:

### **1st Step**

An employee must file any grievance, involving wages, hours of work, conditions of employment, or of any nature arising out of this Agreement with the employee's supervisor. The grievance shall first be taken up with the supervisor involved, within 20 days of its occurrence or 20 days from the time the employee or the Union became aware of the occurrence. The initial meeting shall be held between the supervisor(s), the employee involved and the elected union representative or delegate. Grievances in this step shall be answered verbally at the meeting or within 5 days of the conclusion of the meeting. The supervisor will also inform the Union of the appropriate management person to notify in the event that the Union wishes to pursue the grievance to the second step.

### **2nd Step**

If the parties are unable to resolve the grievance following the first step, within 10 workdays of the first step response, the Union may submit a written grievance to the management of the department designated in the first step. Department management will schedule a

meeting with a small committee representing the Union within 20 workdays after receipt of the written grievance. A written decision will be sent by email and/or US Mail to the President of the Local Union within 20 workdays of the Step 2 meeting.

### **3rd Step**

If the parties are unable to resolve the grievance following the second step, within 20 workdays of the second step response, the Union may notify the Labor Relations Department in writing of its desire to advance the grievance to the third step of the grievance procedure. The Labor Relations Department will schedule a meeting with the appropriate management representatives and a small committee representing the Union within 20 workdays after receipt of the written request. The Labor Relations Department will render a written decision within 20 workdays of the date of the third-step meeting. The written response will be sent by email or US mail to the President of the Local Union.,

In the case of a discharge, the Union may bypass the first step of the grievance procedure and submit a written grievance requesting a second step grievance meeting, within 10 days following the date of discharge.

## **Arbitration**

**Section 2.** (a) If the parties are unable to resolve the grievance following the third-step, the Union, within 30 workdays of receipt of the third step response, may notify the General Manager, Labor Relations in writing of its desire to advance the grievance to arbitration.

(b) Upon receipt of the Union's notification, the parties will promptly petition the Federal Mediation and Conciliation Service (FMCS) for a panel of seven arbitrators and an arbitrator will be selected by the parties. In the event that no acceptable arbitrator appears on the panel of arbitrators submitted by FMCS, either party may request an additional panel from FMCS.

(c) The arbitrator so selected shall hold a hearing as promptly as possible on a date satisfactory to the parties. If a stenographic record of the hearing is requested by either party, the initial copy of this record shall be made available for the sole use of the arbitrator. The cost of this initial copy and its own copy shall be borne by the requesting party, unless both parties desire a copy. If both parties desire a copy they shall equally share the cost of the arbitrator's copy, and shall each bear the cost of any copies of the record they desire.

(d) After completion of the hearing and

the submission of the post-hearing briefs, the arbitrator shall render a decision and submit to the parties written findings that will be binding on both parties to the Agreement.

(e) The arbitrators' and other joint expenses mutually agreed upon shall be borne equally by both parties.

(f) Any grievance that is not taken to the next step within the time limits specified will be deemed to have been withdrawn. If at any step in the grievance procedure, the Company does not answer within the designated time frame, the Union may notify the Company of its desire to advance the grievance to the next step of the grievance procedure. Any time limits may be extended by written agreement between the parties.

(g) The arbitrator shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement. It is also mutually agreed that there shall be no work stoppage or lockouts pending the decision of the arbitrator or subsequent thereto.

## **ARTICLE VIII**

**Section 1.** (a) The parties hereto agree that the wage rate schedules in effect immediately prior to the execution of this Agreement shall be amended as follows:

## MAXIMUM HOURLY WAGE RATES

### Clerical (non-Manual) Maximum Wage Rates

	<b>As of April 1, 2011</b>	<b>April 1, 2012</b>	<b>April 1, 2013*</b>	<b>April 1, 2014**</b>
	<b>Base Increase</b>	<b>0.0%</b>	<b>1.0%</b>	<b>1.0%</b>
	<b>Lump Sum</b>	<b>1.0%</b>	<b>1.0%</b>	<b>1.25%</b>
N1	\$13.51	\$13.51	\$13.65	\$13.79
N2	14.95	14.95	15.10	15.25
N3	16.71	16.71	16.88	17.05
N4	16.71	16.71	16.88	17.05
N5	17.94	17.94	18.12	18.30
N6	19.58	19.58	19.78	19.98
N7	19.58	19.58	19.78	19.98
N8	21.73	21.73	21.95	22.17
N9	23.24	23.24	23.47	23.70
N10	24.98	24.98	25.23	25.48
N11	24.98	24.98	25.23	25.48
N12	26.04	26.04	26.30	26.56
N13	27.20	27.20	27.47	27.74
N14	28.20	28.20	28.48	28.76

Meter Reader Maximum Wage Rates A-6

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>0.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.25%</b>
MR1	\$16.66	\$16.66	\$16.83	\$17.00
MR2	16.85	16.85	17.02	17.19
MR3	19.79	19.79	19.99	20.19
MR4	23.46	23.46	23.69	23.93
MR5	25.24	25.24	25.49	25.74
MR6	17.81	17.81	17.99	18.17

Customer Projects Resource Specialist A-21  
 Maximum Wage Rates

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>0.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.25%</b>
A5	\$29.43	\$29.43	\$29.72	\$30.02

Call Center Maximum Wage Rates A-61

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>0.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.25%</b>
C1	\$23.37	\$23.37	\$23.60	\$23.84
C2***	15.08	15.08	15.08	15.08
C3***	15.08	15.08	15.08	15.08
C4***	12.00	12.00	12.00	12.00

\*\*\* Employees above maximum will receive a lump sum increase only.

Customer Service Representative—Service Installation  
 & Revenue Services Representative A-61  
 Maximum Wage Rates A-64

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>0.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.25%</b>
C5***	\$18.50	\$18.50	\$18.50	\$18.50

\*\*\* Employees in these classifications are not eligible for the annual wage increase. Employees at the maximum rate of pay receive lump sum increases only equal to the negotiated general wage increase for clerical employees.

### Manual Maximum Wage Rates

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>0.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.25%</b>
07	\$26.72	\$26.72	\$26.99	\$27.26
10	25.30	25.30	25.55	25.81
12	28.84	28.84	29.13	29.42
15	28.84	28.84	29.13	29.42

### Technical Maximum Wage Rates

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>
T1	\$21.10	\$21.31	\$21.52	\$21.74
T2	23.05	23.28	23.51	23.75
T3	25.56	25.82	26.08	26.34
T4	27.39	27.66	27.94	28.22
T5	29.43	29.72	30.02	30.32
T6	30.72	31.03	31.34	31.65
T7	31.99	32.31	32.63	32.96
T8	33.19	33.52	33.86	34.20
T9	34.15	34.49	34.83	35.18



Customer Projects Coordinator

A-44

Maximum Wage Rates

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>
CP1	\$26.21	\$26.47	\$26.73	\$27.00
CP2	30.90	31.21	31.52	31.84
CP3	37.68	38.06	38.44	38.82

Local Information Technology

A-73

Maximum Wage Rates

As of April 1, 2011		April 1, 2012	April 1, 2013*	April 1, 2014**
<b>Base Increase</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>
<b>Lump Sum</b>		<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>
IT1	\$35.76	\$36.12	\$36.48	\$36.84
IT2	30.74	31.05	31.36	31.67
IT3	26.00	26.26	26.52	26.79

\* The wage increases listed in this column will be further increased (decreased) by 1 cent per hour for each full 0.2% increase (decrease) of more than 4.0% in the U. S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2012 index as the zero base and percentage increases calculated from that base

after each quarter. The increase, if any, will be reflected in the payroll period beginning on April 1, 2013, July 8, 2013, September 30, 2013, and January 6, 2014, based on the indexes of January 2013, April 2013, July 2013, and October 2013, respectively.

\*\* The wage increases listed in this column will be further increased (decreased) by 1 cent per hour for each full 0.2% increase (decrease) of more than 4.0% in the U. S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2013 index as the zero base and percentage increases calculated from that base after each quarter. The increase, if any, will be reflected in the payroll period beginning on March 31, 2014, July 7, 2014, September 29, 2014, and January 5, 2015, based on the indexes of January 2014, April 2014, July 2014, and October 2014, respectively.

(b) These wage rate increases shall not apply to the minimum wage rates of starting job classifications.

(c) The wage increases mentioned above shall not apply to any employee whose present wage rate is on or above the new maximum wage rate of his job classification, except employees who are on physical

retrogressions, who shall receive the increase applicable to their individual wage rate as of the indicated dates of increase.

(d) Manual employees shall be provided the higher of a \$10.00 promotional increase above the maximum wage rate of the job classification from which they promote, or the minimum wage rate of the job classification to which they promote. Clerical and Technical employees shall be provided the higher of a \$10.00 promotional increase or the minimum wage rate of the job classification to which they promote. This provision will not apply when the maximum wage rate of a job classification is not at least \$10.00 above the maximum wage rate of the job classification from which it promotes.

A-40 (e) Whenever the difference between the minimum and maximum wage rates of a job classification is not divisible by \$4.00, the intermediate wage rates will be by \$4.00 steps, with the exception of the last step to the maximum wage rate of the job. In such case the increase to the maximum wage rate will include the \$4.00 increment plus the odd amount necessary to equal the maximum wage rate, provided, however, that the total amount of this increase is less than \$8.00.

(f) Any employee in the Union who was on or below the maximum wage rate of his job

classification as of the indicated dates of increase shall receive the increase applicable to the maximum wage rate of his job classification.

(g) The shift differentials and Sunday premium paid to employees on scheduled shifts on classified jobs will be as follows:

Name of Shift	Definition of Shift	Shift Differential Cents Per Hour
		April 1, 2012 – March 31, 2015
Day Shift	Where the majority of the scheduled hours worked are between 8:00 a.m. and 4:00 p.m.	\$0.00
Afternoon Shift	Where the majority of the scheduled hours worked are between 4:00 p.m. and 12:00 Midnight	\$1.70
Night Shift	Where the majority of the scheduled hours worked are between 12:00 Midnight and 8:00 a.m.	\$1.75

When the majority of the hours in a shift are on a Sunday, a Sunday premium will be paid to an employee for all scheduled straight time hours worked on that shift.

Sunday Premium	\$1.85
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(h) The nature of the work involved under each payroll classification shall be defined, A-40

as nearly as possible, by the Company and occupational classifications and job descriptions shall be prepared by the Company and be subject to review by the Union.

A-21 (i) The Job Evaluation Committee of the  
A-38 Company will be responsible for evaluating all  
A-40 new or revised job classifications. The evaluation  
A-41 established by this Committee will be used to  
A-44 determine the maximum wage rate for each new  
or revised job classification. Results of the  
evaluation will be communicated to the Union at  
least two weeks before the effective date of the  
new or revised job classification.

(j) The Union shall appoint a Classification Committee consisting of not more than five members who may review the evaluation and wage rate of any new or revised classification. The Union's Committee may, by request, meet with the Company's Committee as soon as possible at a mutually agreeable time, but within 30 days after the Union has been notified by the Company of the proposed new or revised classification, for the purpose of presenting any information relative to the evaluation of a new or revised classification. The Union will be notified after the Company's Committee has reviewed the information presented by the Union. All wage rates so established shall be final and binding and not subject to the grievance and arbitration

procedure. However, if any revised wage rates are reduced as a result of the evaluation(s), they will not be placed into effect until the Company and the Union have had an opportunity to negotiate them during full contract negotiations, even though the revised job classification will be in effect. Employees, presently in, or promoting to, such job classifications will continue to receive wage adjustments in accordance with the other provisions of the Agreement just as if the wage rate had remained at the same level until a new Agreement is reached.

(k) When the Union believes that a new or revised job description does not adequately describe the principal duties and minimum qualifications necessary to provide a sufficient basis for evaluating that job description, a letter outlining the Union's suggested changes may be sent to the management of the appropriate department for consideration. However, there will be no recourse to the grievance and arbitration procedure because of the language of a job description or the evaluation of a job classification.

(l) Where the Union deems an employee to be improperly classified, it will be considered as a grievance and shall be handled under the grievance procedure described elsewhere in this Agreement.

**Section 2.** (a) With the exception of shift differential premium, and a holiday occurring during an employee's vacation, it is agreed that under no circumstances shall any section of this Agreement be interpreted to provide the pyramiding of a benefit or premium payment to employees covered by this Agreement. For example, no employee may claim sick pay while receiving vacation pay or holiday pay while receiving sick pay.

(b) It is further agreed that there shall be no interruption in the payment of one benefit in order that employees may receive payment for another benefit. For example, employees may not interrupt vacation to begin sick leave or interrupt sick leave to include a holiday. The only exceptions to this provision are that an employee's sick pay may be interrupted to include vacation pay and that vacation pay may be interrupted to include death in family pay as set forth in the Agreement.

## **ARTICLE IX**

**Section 1.** ABSENCE DUE TO SICKNESS OR ACCIDENT: (a) Regular employees who are actively working on January 1, regular employees who return to work from an authorized extended absence on or after January 1, probationary employees who become regular employees on or after January 1, shall be paid as

gross wages, for absent time due to bona fide illness or injury, a maximum annual amount equal to 40 hours at their regular Straight Time Pay. Such payment shall be made by the Company on the nearest practicable regular pay day following the date such employee becomes eligible.

(b) After a part-time employee with 12 months of service or a full-time employee has been continuously disabled, subject to medical determination, and unable to return to work for more than seven consecutive calendar days, the employee will receive Short-Term Disability pay consisting of up to 26 weeks of pay per incident with payment based on the schedule below or until the employee is able to return to work, whichever occurs first.

The administration of short-term disability compensation for employees will be administered over a two-year period for the purposes of calculating weeks at 100% of pay. Multiple occurrences of STD in a rolling 24-month period will be paid as follows:



<b>Years of Service</b>	<b>Maximum Weeks at 100% Pay per Rolling 24 Months</b>	<b>Weeks at 66 2/3% Pay</b>
0-1	None	All
1-5	10	Balance
6-10	15	Balance
11-14	20	Balance
15-20	26	Balance
21 or more	ALL	N/A

For example, if a 14-year employee is on leave in January for 15 weeks and then another 15 weeks in March of the following year, the first illness and five weeks of the second illness will be paid at 100%. The remainder of the weeks will be paid at 66 2/3%. Any other qualifying STD absences during the rolling 24-month period would be paid at 66 2/3%.

(c) After an employee has been continuously disabled, subject to medical determination, and is unable to return to work for more than 27 consecutive weeks, and has exhausted Short-Term Disability benefits, the employee will receive Long-Term Disability benefits as described in the Company's Long-Term Disability Plan Description.

A-50 **Section 2.** Compensation will not be provided for illnesses resulting from such causes as: illegal use of drugs or alcohol, willful

intention to injure oneself, the commission of a crime, elective or cosmetic procedures not covered by the medical plan, the employee's refusal to adopt such remedial measures as may be commensurate with the employee's disability or permit reasonable examinations by the Company.

**Section 3.** It is also mutually understood and agreed that the Company shall have the right to investigate and determine for its own satisfaction the bona fide nature of any illness for which pay is requested as well as the duration thereof. In order to facilitate the scheduling of the work forces, employees who will be absent from work are expected to notify the Company as soon as possible, but not later than one hour after their regular starting times and in the case of shift workers, one hour before the start of their shifts. Unless an employee submits a legitimate excuse for not reporting the cause of absence before the end of the first hour of such absence, the employee's claim for sick leave pay shall not begin until such notice is received.

**Section 4.** When employees have received all of the disability pay to which they are entitled under this Agreement they shall be granted, upon written request on a form provided by the Company, a "leave of absence" and shall not be eligible for further disability pay benefits until they have returned to steady employment. A-5

A-52            **Section 5.** (a) An employee accrues entitlement of 1/12 of their current year's vacation for each full month the employee is employed during the current calendar year or is on STD, or leave of absence. Any employee leaving the Company's service during any calendar year shall receive payment for any unused portion of accrued vacation for that current year. However, in the event of an employee's death, the estate of the employee will be paid the unused portion of the employee's total vacation allotment for the current year.

Employees returning from military service will receive vacations with pay in the calendar year in which they return as follows:

<b>Month in which Employee Returns to Company's Employment</b>	<b>Amount of Vacation Based on System Service of Employee</b>
Up to and including June	Full
July, August and September	One-Half
After September	None

(b) In order for an employee to qualify for a vacation, the employee must have been ready, willing and able to work as a full-time regular or probationary employee during the calendar year the vacation is taken.

(c) The anniversary of employment shall determine the employee's vacation status. Every effort will be made to grant vacations at a time suitable to the employee, but should the vacation of an employee handicap the operations of the Company in any way, the Company reserves the right to require the vacation be taken at another time. Normally, preference shall be granted in the selection of vacation dates on the basis of system service.

A-1  
A-8

(d) Employees with less than one year of service with the Company shall be entitled to one day of vacation for each month worked, with a maximum of 10 total days.

(e) Employees with one year of service with the Company shall be entitled to a vacation of two weeks.

(f) Employees with seven or more years of service with the Company shall be entitled to a vacation of three weeks. Should the amount of work or other working conditions be such that the operations of the Company would be handicapped by granting of the third week of an employee's vacation, the Company reserves the right to require an employee to take his third week of vacation at such time that does not interfere with the operations of the Company.

(g) Employees with 15 or more years of

service with the Company shall be entitled to a fourth week of vacation or payment of one week's wages (40 hours) at straight time in lieu thereof. The Company may also require such employees to take the fourth week of their vacation at such time as does not interfere with the operations of the Company.

(h) Employees with 21 or more years of service with the Company shall be entitled to a fifth week of vacation or payment of one week's wages (40 hours) at straight time in lieu thereof. The Company may also require such employees to take the fifth week of their vacation at such time as does not interfere with the operations of the Company.

(i) Employees with 32 or more years of service with the Company shall be entitled to a sixth week of vacation or if required to work by the Company, payment of one week's wages (40 hours) at straight time in lieu thereof. The Company may also require such employees to take the sixth week of their vacation at such time as does not interfere with the operations of the Company.

## **ARTICLE X**

**Section 1.** Regular employees entering the armed services of the United States or employees who are conscripted by the United

States Government during a period of national emergency shall continue to accumulate full system service and full seniority and may return to their former position or one of equal pay and rank, provided they report for work with a certificate of satisfactory completion of military or governmental service within 90 days after their release from active service.

**Section 2.** (a) All Company Group Life Insurance carried by employees entering the military service will be canceled the first of the month following the beginning of the employee's leave of absence unless the employee requests to continue his insurance coverage for an additional period of time up to a maximum of 90 days after his leave of absence begins.

(b) Company Group Life Insurance of employees returning to Company service within 90 days after their release from active service will be reinstated without physical examination or waiting period.

**Section 3.** None of the foregoing provisions in this Article shall apply to those employees who are not eligible for statutory re-employment rights.

## **ARTICLE XI**

**Section 1.** (a) The following days are

observed as regular holidays which will be recognized on the indicated dates. The Company may change the date for recognizing a holiday if the date indicated is changed by a legislative enactment or if the prevailing community practice is not consistent with the indicated date.

<b>HOLIDAY</b>	<b>DATE RECOGNIZED</b>
New Year's Day	January 1
Memorial Day	Last Monday – May
Independence Day	July 4
Labor Day	First Monday – September
Thanksgiving Day	Fourth Thursday – November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

(b) If the recognized date of a holiday occurs on a Saturday or Sunday, the Company will have the option of either celebrating that holiday on another date which is consistent with community practice or paying eight hours of regular straight time holiday pay in lieu thereof for the holiday.

(c) Regular employees whose duties do not require them to work on holidays will be paid straight time. Regular employees who are scheduled to work on a recognized holiday will be paid at time and one-half for the first eight hours worked in addition to their straight time holiday pay. However, those employees who work less than the eight hours scheduled will have their

straight time holiday pay correspondingly reduced.

(d) Regular employees who are called out to work on a recognized holiday for a period of four hours or less not contiguous with hours worked into or out of the holiday will be paid for four hours at time and one-half in addition to their straight time holiday pay. Employees who are called out to work on a recognized holiday for more than four hours not contiguous with hours worked into or out of the holiday but less than eight hours will be paid for eight hours at time and one-half in addition to their regular straight time holiday pay. Employees who are required to work more than eight hours on a recognized holiday will be paid at the rate of double time for all such work in excess of eight hours. An employee must work either his full scheduled day before, or his full scheduled day after a holiday to be entitled to receive holiday pay. An employee will not be compensated for travel time on a call-out which occurs on a regular holiday.

A-11

(e) When a holiday falls within an employee's vacation, the employee shall, at the discretion of the Company, either be allowed an additional vacation day at such time in the same year as shall be mutually agreed upon between the employee and his supervisor or shall receive eight hours additional pay to compensate for the loss of such holiday pay.



(f) An employee beginning a leave of absence will not receive holiday pay for holidays occurring after the last day worked except when the employee works the full calendar day immediately before a recognized holiday which is in the same pay period.

A-51            **Section 2.** (a) An employee who has completed six months of service with the Company shall be entitled to four compensated Personal days off and one compensated Diversity day off each calendar year. Requests for Personal/Diversity days must be made at least seven calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, a day off with less than a seven calendar-day notification may be approved by an employee's supervisor. Arrangements for all Personal/Diversity days must be made with supervision on or before November 1 of each year or it shall be lost. The Company reserves the right to limit the number of employees who can be off on a specific day. If a Personal/Diversity day is not used during a year, it shall be lost and no additional compensation shall be granted. Any employee discharged from the Company for any reason shall not receive compensation for any remaining Personal/Diversity days.

(b) The administration of Personal/Diversity days shall be the same as vacation days with the exceptions as outlined in paragraph (a) above and that Personal/Diversity days must be taken in full day increments.

## **ARTICLE XII**

**Section 1.** (a) It is agreed that the present establishment of 40 hours per week of the Company will remain in effect, except in those divisions where longer or shorter hours are now being worked, and the Company guarantees employment of not less than 40 hours per week for 52 weeks of each year to all employees represented by the Union as bargaining agent, who are available and ready to work, and who are regular full time employees of the Company, except those on a less than 40 hour basis now. No such employees shall be required to work more than 40 hours in any one week, consisting of seven days, nor more than eight hours in any one day except as hereinafter provided.

(b) Nothing in this section will affect in any manner the right of the Company to make temporary or permanent reductions in forces when considered necessary by the Company.

(c) Nothing in this Agreement shall be deemed to require the Company or the Union to commit an unfair labor practice or other act which

is forbidden by, or is an offense under, existing or future laws affecting the relations of the Company with the employees bargained for by the Union.

A-12                    **Section 2.** (a) The work week of an  
A-17 employee for payroll purposes and for determining off-days shall consist of seven consecutive days with a minimum of two scheduled off days and be from midnight Sunday to midnight the following Sunday. Employees working on a shift beginning two hours or less before midnight will be considered as having worked their hours following midnight.

A-71                    (b) Regular scheduled hours of work per day will be at straight time for regular scheduled work days, time and one-half for the employee's first scheduled off-day in the work week, double time for the employee's second scheduled off-day in the work week and time and one-half for any additional scheduled off-days in the work week. Any time in excess of the employee's regular scheduled hours per day will be paid at the rate of time and one-half except the employee's second scheduled off-day worked which will be paid at double time.

(c) Employees required to work more than 16 consecutive hours will be paid double time for all time worked in excess of, and contiguous with, the 16 consecutive hours.

(d) Schedules for all employees will be based on the time prevailing in the City of Cincinnati.

(e) In no case will an employee be forced to take time off in lieu of overtime pay. The Company shall be the sole judge as to the necessity for overtime work, and the employee shall be obligated to work overtime when requested to do so. When overtime occurs in a group or department, where more employees are qualified and available to work than are necessary at the moment, the Company agrees to establish a system of selecting the employees who are to work, in a sincere effort to equalize overtime work. The employees will be notified in advance, whenever possible, when they are required to work overtime.

**Section 3.** (a) The Union recognizes the need for shift work and weekend work in order to provide for continuous operation, and overtime rates will apply as set forth in Article XII, Section 2.

(b) An employee who is transferred from his regular shift to another shift shall be notified of said transfer at least 24 hours prior thereto. A-13

**Section 4.** (a) Employees called out for other than planned overtime shall be paid a A-74

minimum of four hours at the appropriate overtime rate. Travel time of one-half hour each way will be allowed on a call-out when such call-out exceeds four hours of continuous work that is not contiguous with a regular scheduled shift. Employees will not be compensated for any travel time for planned overtime; or on a call-out when the employee is not released from work before his regularly scheduled shift; nor will travel time be allowed when overtime is worked continuously at the end of a regularly scheduled shift.

(b) Planned overtime shall be defined as time worked upon notice to an employee given before leaving his headquarters or place of reporting, or in case of an off-day, during or before what would have been his scheduled hours on that day, that he is to report outside of his regular schedule on any succeeding day. Such time worked shall be paid for at the appropriate overtime rate but not for less than four hours unless such planned overtime extends into or directly follows the employee's regularly scheduled work day, when it shall be paid for at the appropriate overtime rate for the actual hours worked.

**Section 5.** (a) Employees working two hours or more in excess of their normal work day, shall receive a meal, or compensation in lieu thereof, and an additional meal, or compensation in lieu thereof, after each additional five hours of

continuous overtime work over and above the original two hours mentioned above.

(b) Employees called out on either their scheduled off day, or four or more hours before his regularly scheduled starting time, shall be furnished a meal, or compensation in lieu thereof, for each contiguous five hour interval worked even though he works into his regularly scheduled work day.

(c) The meal compensation allowance referred to above shall be as follows:

<b>Effective April 1, 2012 – March 31, 2015</b>
\$11.00

**Section 6.** It is further agreed by the A-46 Company that any manual employee temporarily advanced to a higher classification shall receive the minimum rate of pay applicable to that classification if such work is for four hours or more. If such work is for more than four hours the employee shall receive the minimum rate of pay applicable to that classification for the remainder of the normal day worked. In the administration of this section of the Agreement, a temporary assignment shall be construed to mean any job assignment which is not expected to continue for more than 90 consecutive days.

**Section 7.** (a) Employees in this

bargaining unit temporarily assigned to a supervisory position outside the bargaining unit for four hours or more, shall receive \$1.50 per hour above the maximum rate of pay of either their job classification, or the highest rated job classification they supervise, whichever is greater.

(b) Employees promoted to a job outside the bargaining unit and who return to the bargaining unit within six months, shall retain all classified seniority accumulated up to the date of their promotion. If employees who were in a job outside the bargaining unit for more than six months, return to the bargaining unit, they will be placed in a starting job classification and receive a classified seniority date behind all employees. No employee may return to a bargaining unit job classification, if as a result, an employee represented by the Union would be laid off.

### **ARTICLE XIII**

**Section 1.** (a) The Company agrees that upon his or her return to work from illness or disability, consideration will be given to the employee's physical condition, and, if possible, a less vigorous type of work will be granted at no reduction in the employee's regular pay for a temporary period to be determined by the employee's and the Company's physicians.

(b) If an employee with 25 or more years of service becomes physically unable to satisfactorily and safely perform the regular duties of his classification, an effort will be made by the Company to find work of a less strenuous nature for which he is qualified and to which the employee will be retrogressed. The employee's wage rate will be reduced by \$4.00 per week at the time of the assignment to a job of a lower classification and at six months' periods will be reduced by \$4.00 steps until the employee's wage rate is equal to the maximum wage rate of the job classification to which he has been retrogressed.

(c) If an employee with 20 to 24 years of service becomes physically unable to satisfactorily and safely perform the regular duties of his job classification, he may request a demotion to a lower classification requiring work of a less strenuous nature for which he is qualified to perform. If such a demotion is granted by the Company, the employee will be assigned to a lower classification and will have his wage rate red-circled until it is equal to the maximum wage rate of the job classification to which he has been demoted. Employees whose wages have been red-circled and who subsequently achieve 25 years of service will become retrogressed in accordance with paragraph (b) above.



(d) If an employee with less than 20 years of service becomes physically unable to satisfactorily and safely perform the regular duties of his job classification, he may request a demotion to a lower classification requiring work of a less strenuous nature for which he is qualified to perform. If such a demotion is granted by the Company, the employee will be assigned to a lower classification and will have his wage rate established at the maximum wage rate of the job classification to which he has been demoted.

**Section 2.** Injured employees who are unable to work because of an industrial accident will be paid a supplement in an amount equal to 100% of their weekly wage (40 hours), less the state mandated compensation. This supplemental industrial accident compensation will begin after the initial seven calendar day waiting period and will continue for not more than 26 weeks of continuous disability. If, however, an industrial accident disability continues for two or more weeks, the employee will receive this supplemental industrial accident compensation for the initial seven day waiting period.

**Section 3.** Upon the death of the designated relatives of an employee, the employee, upon request, may be entitled to the stipulated maximum number of calendar days off for which the employee is entitled to receive

regular pay for not more than the indicated number of consecutive working days, including the day of the funeral. No pay will be granted for regular scheduled off days.

<b>Relationship</b>	<b>Maximum Consecutive Calendar Days Off</b>	<b>Maximum Consecutive Working Days Off With Pay</b>
Spouse or Domestic Partner	7	5
Child/Step/Foster	7	5
Mother/Step/Foster	7	5
Father/Step/Foster	7	5
Brother	7	5
Sister	7	5
In-Laws (father, mother, brother, sister, son or daughter)	5	3
Grandchild	5	3
Grandparent/Spouse's Grandparent	4	2

If an employee has reported to work and is notified of a death in the family and leaves the job, the day will not be charged as one of the consecutive working days for which the employee is entitled to receive regular pay.

#### **ARTICLE XIV**

**Section 1.** The Company agrees to erect bulletin boards at locations to be selected

by the Union and the Company. The use of these boards is restricted to the following: notices of Union meetings, notices of Union elections, notices of changes within the Union affecting its membership, and any other notices issued on the letterhead of the Union and signed by the President and Secretary of the General Board. There shall be no other general distribution or posting by the members of the Union of pamphlets, or political literature of any kind, except as herein provided.

## **ARTICLE XV**

**Section 1.** Any member or members not to exceed three members elected or employed by the Union whose duties for the Union require their full time shall be granted a leave of absence by the Company for six months and additional six months' periods thereafter, provided that each member is from a different promotional sequence or that the Company has granted permission for two members to be from the same promotional sequence. On return to the employ of the Company, such employees shall be employed at their previous classification or other higher classification within this unit for which they may be qualified.

## **ARTICLE XVI**

A-72

**Section 1.** (a) The Company agrees to

notify the Union of the contemplated hiring of any outside contractors to do work normally performed by regular employees covered by this Agreement. Such notification will be given if it is contemplated that the work will be in excess of 2,000 man-hours.

(b) It is the sense of this provision that the Company will not contract/outsource any work which is ordinarily done by its regular employees if as a result thereof, it would become necessary to lay off any such employees.

**Section 2.** (a) Each employee shall have a specific headquarters for reporting for work. However, the right of the Company to effect transfers and reassignments to properly run its business is recognized.

(b) When it is necessary to temporarily assign employees to a headquarters other than their own or to a job site reporting location that is further from their home than their regular headquarters, these employees will be paid mileage at the prevailing rate based on the additional round-trip mileage employees are required to drive. No mileage compensation will be paid for the temporary assignment if the other reporting location is closer to the employee's home. Employees reassigned (non-temporary assignment) to a different headquarters will be paid mileage compensation

A-15

during the first 14 calendar days of the reassignment.

(c) When an entire work group is assigned to a new headquarters, paragraph (b) of this Article shall not apply.

(d) Job site reporting and other temporary assignments will be offered on a voluntary basis. If there is an insufficient number of volunteers, assignments will be made on a junior qualified basis. When assigning the junior qualified, unusual or extenuating circumstances will be taken into consideration.

(e) Employees may be assigned to drive Company vehicles from and to the job site from home or sites close to home. If Company vehicles are used in such a manner, the mileage provisions for job site reporting are not applicable. An option to the mileage provision is that employees may, during a job site reporting assignment, pick up and return a Company vehicle to their regular headquarters, provided travel is on their own time.

## **ARTICLE XVII**

**Section 1.** Witness Fees. Regular pay and reasonable or required expenses will be allowed employees who may be summoned or requested to testify for the Company.

**Section 2.** (a) Employees required to serve on a jury shall be compensated on the basis of their regular salary. Employees must report to work during the working hours when they do not need to be present for jury duty.

(b) An employee working on either a night or afternoon shift at a time when he is scheduled for jury duty, who is unable to postpone the jury duty until a time when he will be working on a day shift, may request the Company to assign him to a day shift schedule. Such a request must be made at least seven working days before the jury duty service is scheduled to begin. When the term of jury duty for such an employee has ended, he shall return to his normal working schedule.

## **ARTICLE XVIII**

**Section 1.** RETIREMENT INCOME PLAN: (a) Eligible Union employees will participate, or continue to participate, in the existing Cinergy Corp. Union Employees' Retirement Income Plan (the "Retirement Income Plan"); provided, however, that effective January 1, 2009, the cash balance feature provided under the Retirement Income Plan shall be amended to provide that all future pay and interest credits provided thereunder to eligible Union employees will mirror the pay and interest credits provided as of the date of this Agreement

under the Duke Energy Retirement Cash Balance Plan (i.e., 4% - 7% depending on age and years of service).

(b) In consideration of the additional benefits incorporated in the Retirement Income Plan, the parties to this Agreement agree that the Company will not reduce the benefits and the Union will not request any change in the Retirement Income Plan until the expiration of the Agreement which becomes effective on April 1, 2012.

## **ARTICLE XIX**

**Section 1.** Any insurance benefit plans under the Duke Energy Health & Welfare Benefit Plans not specifically referenced elsewhere in this Contract (i.e. life insurance, supplemental, accidental death and dismemberment and dependent life insurance) that the Company maintains and/or implements for the general non-unionized employee population shall also be provided to the bargaining unit employees at the same benefit levels, costs and plan design structure as for the non-unionized employees. The Company has the right to add, eliminate, and alter or to make any other changes to these insurance benefit plans or the employee costs for the plans, consistent with any changes it makes for the general, non-unionized employee populations.

## **ARTICLE XX**

**Section 1.** HOSPITAL AND MEDICAL A-42  
PLANS: (a) Health care coverage shall consist A-42a  
of the specially negotiated EPO Plan and shall A-57  
remain in effect for the term of the 2008 – 2012  
Contract. All terms of the specially negotiated  
EPO Plan, regarding plan design, covered  
services, premiums and other employee costs,  
shall be in accordance with the 2008  
negotiations letter of agreement entitled “Health  
Care Benefits.”

(b) Any other health care plans  
(medical or dental) that the Company  
unilaterally implements at its sole discretion for  
the general non-represented employee  
population shall also be provided to the  
bargaining unit employees at the same costs  
and plan design structure as for the non-  
represented employees. It is expressly  
understood that the right to add, eliminate, and  
alter or to make any other changes to these  
health care plans or to employee costs for the  
plans, is reserved to the Company.

(c) The Company’s part of the premium  
will continue to be paid while an employee is  
receiving illness or accident compensation  
provided the employee was covered by such a  
contract immediately prior to their sickness or  
industrial accident.



## **ARTICLE XXI**

A-57            **Section 1.** The level of benefit coverage within the medical, dental, flexible spending accounts, basic and additional life, long-term disability, and pension plans will remain substantially equivalent to the coverages mutually agreed upon during negotiations.

## **ARTICLE XXII**

**Section 1.** (a) Eligible Union employees will participate or continue to participate in the existing Duke Energy Retirement Savings Plan for Legacy Cinergy Union Employees (Midwest), successor plan to the Cinergy Corp. Union Employees' Savings Incentive Plan (the "Retirement Savings Plan"); provided, however, that, effective January 1, 2009, the matching contribution formula (rate and definition of eligible compensation) applicable to eligible Union employees who participate in the cash balance feature under the Retirement Income Plan shall be amended to mirror the matching contribution formula provided under the Duke Energy Retirement Savings Plan for all participants other than "Cinergy Traditional Employees" as of the date of this Agreement (i.e., 100% match on pre-tax and Roth 401(k) contributions up to 6% of the

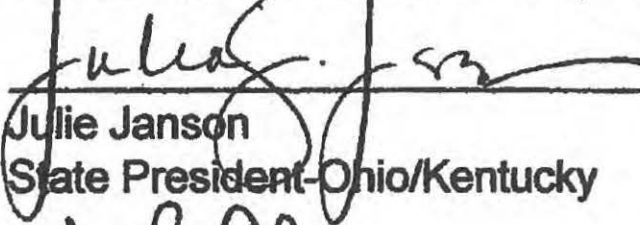
participant's eligible compensation, with no incentive matching contribution opportunity).

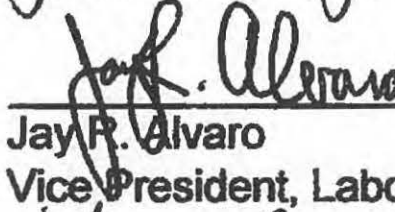
(b) The Savings Incentive Plan is contained in the Company's publication "Duke Energy Retirement Savings Plan for Legacy Cinergy Union Employees (Midwest)," which includes highlights of the Plan, as amended, complete text of the Plan, and complete text of the Trust Agreement.

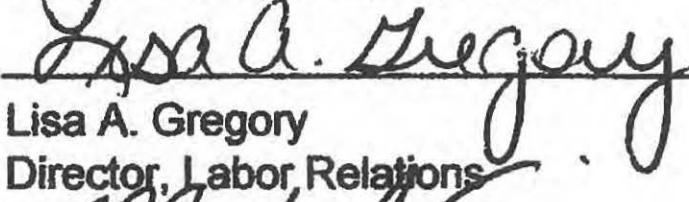
(c) The Company hopes and expects to continue the Savings Incentive Plan indefinitely, but it must reserve the right to alter or amend it or to discontinue Company contributions to it at any time. However, under no circumstances shall any part of the corpus or income held by the Trustee of the Savings Incentive Plan be recoverable by the Company or be used for or diverted to any purposes other than for the exclusive benefit of the employee participants or their beneficiaries as provided in the Savings Incentive Plan.

IN WITNESS WHEREOF, the Utility Workers Union of America, AFL-CIO, Local 600, formerly the Independent Utilities Union, Cincinnati, Ohio and Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., do hereby, by their duly authorized agents, execute and sign this Agreement in duplicate on this 17<sup>th</sup> day of September, 2012.

**DUKE ENERGY OHIO, INC.  
DUKE ENERGY KENTUCKY, INC.**

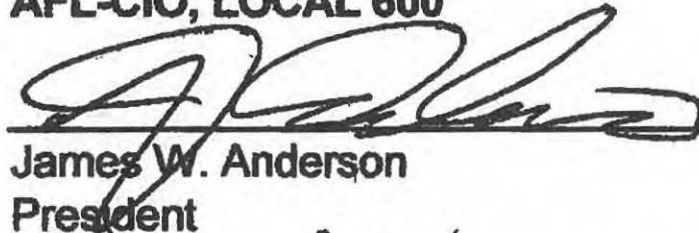
  
\_\_\_\_\_  
Julie Janson  
State President-Ohio/Kentucky

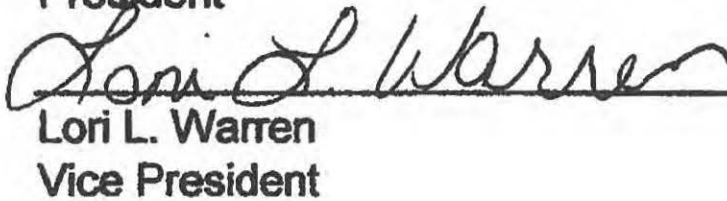
  
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Jay R. Alvaro  
Vice President, Labor Relations

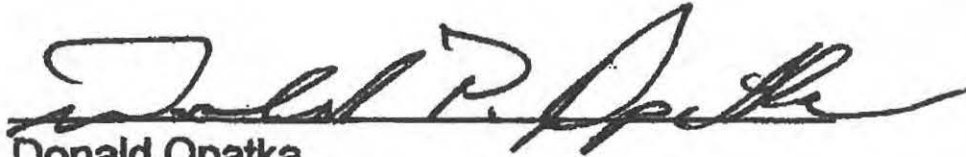
  
\_\_\_\_\_  
Lisa A. Gregory  
Director, Labor Relations

  
\_\_\_\_\_  
Michael A. Ciccarella  
Labor Relations Consultant

**UTILITY WORKERS UNION OF AMERICA,  
AFL-CIO, LOCAL 600**

  
\_\_\_\_\_  
James W. Anderson  
President

  
\_\_\_\_\_  
Lori L. Warren  
Vice President



Donald Opatka  
UWUA Region III Director



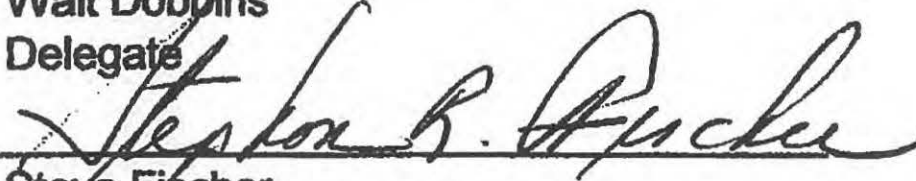
Shirley Cockrell  
Treasurer



Steve Kowolonek  
Secretary



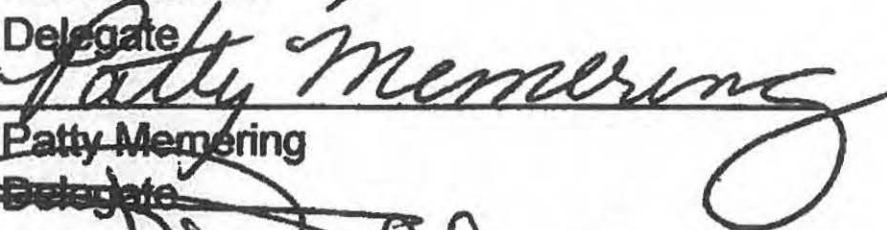
Walt Dobbins  
Delegate



Steve Fischer  
Delegate



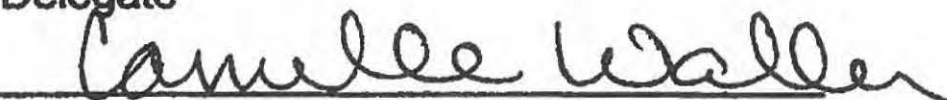
Mike Hoffman  
Delegate



Patty Memering  
Delegate



DL Wallace  
Delegate



Camille Waller  
Delegate

## APPENDIX A

### HISTORICAL DOCUMENTS PRESERVED AND MADE PART OF THIS AGREEMENT FOR INTERPRETATION AND APPLICATION INDEX BY DOCUMENT NUMBER

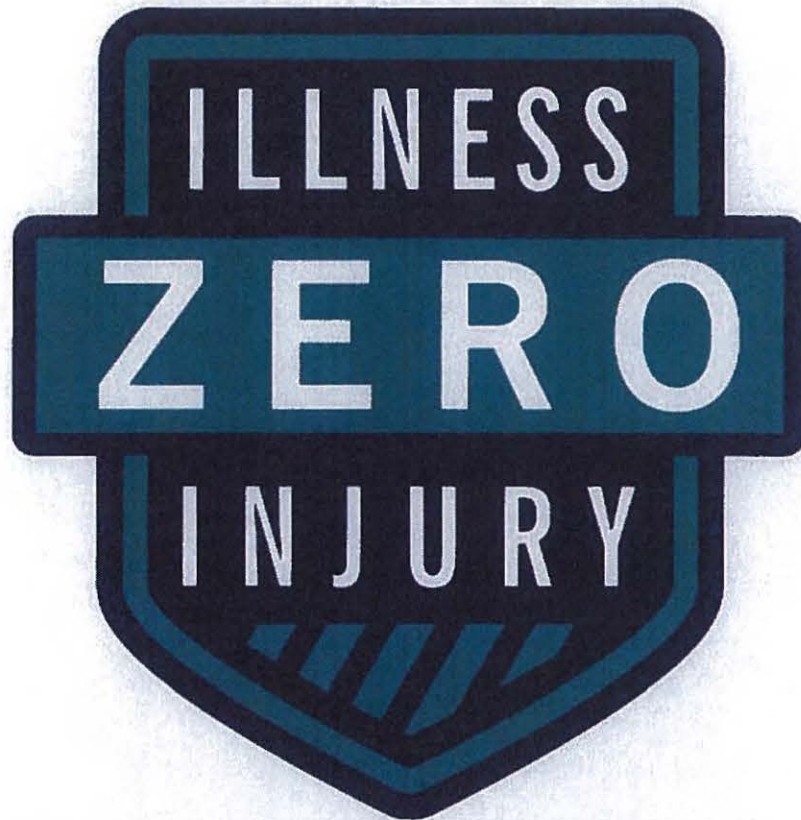
Document Number	Document Date	Article	Subject
A-1	12/22/1971	IX, 5(c)	Vacation Selection
A-2	07/16/1974	V, 4(b)	Inter-Department Transfers
A-3	03/28/1977	V, 2(c)	Multiple Posting System in Property Department
A-4	03/28/1977	V, 3(d)	Testing Procedures When Employees Promote
A-5	04/13/2012	IX, 4	Leaves of Absence
A-6	04/18/1989	V, 6	Hiring Co-ops – Union Notification
A-7	04/18/1989	V, 2(c)	Multiple Posting System – Electric Operations
A-8	04/13/2012	IX, 5(c)	Partial Day Vacation Administration
A-9	04/18/1989	I, 2(c)	Falsification and Tampering with Company Records
A-11	04/16/1992	XI, 1(d)	Holiday Call-Out
A-12	04/16/1992	XII, 2(a)	Flextime
A-13	04/16/1992	XII, 3(b)	24 Hour Notice – Change of Shift

<b>Document Number</b>	<b>Document Date</b>	<b>Article</b>	<b>Subject</b>
A-14	04/16/1992	I, 1(a)	Reorganization of Distribution Operations Division
A-15	04/16/1992	XVI, 2(b)	Out-of-Town Work or Training
A-17	04/13/2012	XII, 2(a)	Four 10-Hour Day Guidelines
A-18	04/16/1992	VII, 1(a)	Personal Attorneys
A-20	07/19/1994	V, 2(e)	Gas Operations Trainer
A-21	01/11/1998	V, 2(e) VIII, 1(a) VIII, 1(i)	Customer Projects Resource Specialist
A-30	05/29/2002	V, 2(a)	Journey Person Job Sequence
A-32	05/29/2002	II, 1 III, 1(b) VII, 1(a)	Time Off for Union Duties/Business
A-38	09/02/1998	VIII, 1(i)	BOGAR Job Evaluation System
A-39	12/05/2000	V, 2(a)	Decentralization of Order Completion Work
A-40	12/29/2000	VIII, 1(e) VIII, 1(h) VIII, 1(i)	Manual, Clerical and Technical Job Classifications
A-41	05/14/2003	VIII, 1(i)	Disconnect Non-Pay, Succession and Special Reads
A-42	06/10/2004	XX, 1(a)	Post-Retirement Medical

<b>Document Number</b>	<b>Document Date</b>	<b>Article</b>	<b>Subject</b>
A-42a	04/13/2012	XX, 1(a)	Amendment to Sidebar letter A-42 Post Retirement Medical Benefits
A-44	04/13/2012	V, 2(e) VIII, 1(a) VIII, 1(i)	CPC Letter
A-46	04/21/2005	XII, 6	Temporary Upgrading in Clerical and Technical Jobs
A-48	04/21/2005	V, 7(a) VIII, 1(a)	East Meter Reading
A-49	04/21/2005	V, 3(a)	Interplant Seniority Rights
A-50	04/21/2005	IX, 2	Treatment for Substance Abuse
A-51	04/21/2005	XI, 2(a)	Personal/Diversity Day Requests
A-52	04/21/2005	IX, 5(a)	Vacation Carryover
A-55	04/21/2005	V, 3(a)	Job Elimination Situations
A-57	06/02/2008	XX, 1(a) XXI, 1	Health Care Benefits
A-58	06/02/2008	Misc.	Retirement Plan Agreement
A-59	06/02/2008	Misc.	Sabbatical Vacation Bank and Vacation Credit Programs
A-60	06/02/2008	Misc	Union Employee Annual Incentive Program (UEIP)
A-61	04/13/2012	V, 7(a) VIII, 1(a)	Cincinnati Call Center
A-62	06/02/2008	Misc.	Part-Time Employee Benefits

<b>Document Number</b>	<b>Document Date</b>	<b>Article</b>	<b>Subject</b>
A-63	06/02/2008	Misc.	Meter Reading Travel Allowance
A-64	04/13/2012	VIII, 1(a)	Revenue Services Representative
A-65	04/13/2012	V, 2	Competency Based Selection
A-66	04/13/2012	V, 2(a) V, 2(e)	Seniority Listing for Filling Office Coordinator Positions
A-67	04/13/2012	V, 2(a) V, 2(e)	New Service Contact Center
A-68	04/13/2012	V, 2 V, 2(e)	Customer Relations Bid Area
A-69	04/13/2012	Misc	Meter Reading Transition Assistance
A-70	04/13/2012	Misc	Voluntary Severance Program
A-71	04/13/2012	XII, 2(b)	Overtime Provisions
A-72	04/13/2012	XVI, 1	Outsourcing Affecting Job Elimination
A-73	11/16/2009	Misc	LIT Job Progression
A-74	03/31/2011	XII, 4(a)	On Call Rotation – Local IT Support
A-75	01/16/2012	Misc	G.I.S. Job Progression





# **CONTRACT**

between

Duke Energy Ohio, Inc.  
Duke Energy Kentucky, Inc.

and

USW, AFL-CIO-CLC

on behalf of

Local No. 12049  
&  
Local No. 5541-06

**2011 – 2016**



## TABLE OF CONTENTS

<u>Article</u>	<u>Title</u>	<u>Page</u>
I	Purpose and Responsibilities.....	2
II	Recognition of the Union.....	4
III	Recognition of Management.....	6
IV	Union Security and Check-off.....	7
V	Classification and Wages.....	10
	Shift Differential.....	13
	Sunday Premium.....	13
	Job Evaluation Committee.....	14
	Temporary Assignments.....	16
VI	Seniority.....	17
	Probationary Periods.....	18
	Promotion.....	20
	Job Posting.....	22
	Layoffs and Demotions.....	26
VII	Hours of Work.....	27
	Overtime Guidelines.....	28
	Call-Out.....	30
	Planned Overtime.....	30
VIII	Working Conditions.....	31
	Change in Schedule.....	31
	Transfers and Reassignments.....	32
	Foremen's Duties.....	34
	Safety and Health.....	34
	Contracting Out.....	35
	Meal Compensation.....	36

<u>Article</u>	<u>Title</u>	<u>Page</u>
	Transportation .....	37
	Witnessing for Company .....	37
	Jury Duty .....	37
	Paydays .....	38
	Retrogression.....	38
	Job Abolishment .....	38
	General Illness .....	39
	Hospital and Medical Plans .....	42
	Insurance .....	43
	Industrial Accidents.....	44
	Inclement Weather.....	44
	Bereavement Leave.....	44
	Bulletin Boards .....	46
	Union Office .....	46
	Personal Days.....	47
IX	Administration and Grievance	
	Adjustment .....	49
X	Arbitration .....	50
XI	Discipline and Discharge .....	52
XII	Holidays .....	52
XIII	Vacations .....	55
XIV	National Defense .....	59
XV	Department Stewards .....	60
XVI	Retirement Benefits .....	60
	Retirement Income Plan .....	60
	Savings Incentive Plan.....	60

<u>Article</u>	<u>Title</u>	<u>Page</u>
XVII	Interruption or Pyramiding Benefits ..	61
XVIII	Duration .....	62

APPENDIX A

Historical Documents Preserved And Made a Part of This Agreement For Interpretation and Application .....	66-77
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**USW  
2011 – 2016  
CONTRACT**

This Contract, dated June 3, 2011, is agreed upon between Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., hereinafter referred to as the “Company,” and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW), hereinafter referred to as the “Union.”

The Company and the Union recognize that in order for the parties to meet the challenge of competition, the need for long-term prosperity and growth, and establish employment security, each must be committed to a cooperative labor management relationship that extends from the bargaining unit members to the executive employees. The Company and the Union agree that employees at all levels of the Company must be involved in the decision making process and provide their input, commitment, and cooperation to improving safety, productivity and helping the Company become the lowest cost producer and highest quality provider of energy service.

**ARTICLE I  
SECTION 1**

**ARTICLE I – PURPOSE AND RESPONSIBILITIES**

Section 1. (a) It is the intent and purpose of the parties hereto that the terms and conditions of this Contract will promote and improve the economic relations between the Company and its employees who are members of the Union, to the mutual benefit of both parties. To that end, there is established herein the basic agreements as to hours of work, rates of pay, working conditions, and a method of providing for the peaceful and satisfactory adjustment of differences of opinion and interpretations of this Contract that may arise from time to time to be observed by the parties hereto during the life of this Contract.

Section 2. (a) It is expressly understood and agreed that the services to be performed by the employees covered by this Contract pertain to and are essential to the operation of a public utility and to the welfare of the public dependent thereon and in consideration thereof, as long as this Contract and conditions herein be kept and performed by the Company, the Union agrees that under no conditions and in no event, whatsoever, will the employees covered by this Contract, or any of them, be called upon or permitted to cease or abstain from the continuous performance of the duties pertaining to the positions held by them under this Contract. The Company agrees on its part to do nothing to provoke interruptions of or

**ARTICLE I**  
**SECTION 2**

prevent such continuity of performance of said employees, insofar as such performance is required in the normal and usual operation of the Company's property and that any difference that may arise between the above-mentioned parties shall be settled in the manner herein provided.

(b) The Company agrees that it will not attempt to hold the Union financially responsible or institute legal proceedings against the Union because of a strike, slowdown or work stoppage not authorized, abetted or condoned by the Union. The Union agrees that, in the event of an unauthorized work stoppage, it will in good faith and without delay exert itself to bring the work stoppage to a quick termination and insist that the employee(s) involved cease their unauthorized activities. To that end the Union will promptly take whatever affirmative action is necessary. Furthermore, the Union agrees that any employee or employees who agitate, encourage, abet, lead or engage in such a strike, work stoppage, slowdown or other interference with the operations of the Company shall be subject to such disciplinary action as the Company may deem suitable, including discharge, without recourse to any other provision or provisions of the Contract now in effect.

(c) No employee shall be required to cross a picket line to perform work that is not necessary to provide the normal services of the Company. A supervisor shall notify individuals who are picketing



**ARTICLE I  
SECTION 2**

that Company employees must provide service and shall make arrangements for employees to safely cross the picket line to perform such work. The Company agrees, in the case of new construction work involving Field Operations Forces to notify the Sub-District Office of the Union not less than 24 hours in advance of any situation requiring the crossing of a picket line.

**ARTICLE II – RECOGNITION OF THE UNION**

**A41** Section 1. (a) The Union is recognized as the sole and exclusive collective bargaining agency for those employees who are employed under the classifications listed in the job descriptions manual.

This Contract shall be final and binding upon the successors, assignees or transferees of the Union and the corporate entity of the Company.

(b) Employees in the following categories are specifically excluded from the collective bargaining unit represented by the Union: clerical, dispatchers, draftsmen, foremen, and all supervisory employees with authority to hire, promote, discharge, discipline or otherwise effect changes in the status of employees, or effectively recommend such action.

(c) The Company recognizes the Union as the sole collective bargaining agency in matters concerning wages, hours of work and working conditions for all employees, as defined above, in the following Departments, Divisions and Sections:

**ARTICLE II  
SECTION 1**

**LOCAL UNION 12049**

**DUKE ENERGY OHIO AND KENTUCKY**

**Gas Operations**

**Field Operations**

**Corrosion Control**

**Systems Operations**

**Production – Gas Plants**

**POWER DELIVERY**

**Compliance & Service Delivery OH/KY/IN**

**Service Delivery**

**Meter Services**

**LOCAL UNION 5541-06**

**DUKE ENERGY OHIO AND KENTUCKY**

**Gas Operations**

**Field Operations**

**Systems Operations**

**Production – Gas Plants**

**Power Delivery**

**Compliance & Service Delivery OH/KY/IN**

**Service Delivery**

(d) There shall be no discrimination, interference, restraint or coercion by the Company or its agents against any employee because of membership in the Union.

(e) There shall be no discrimination, interference, restraint or coercion by the Company

## **ARTICLE II SECTION 1**

or the Union or their agents against any employee or officer of the Union because of race, color, religion, sex, disability, national origin or ancestry or for any other reason. References to the masculine gender are intended to be construed to also include the feminine gender whenever they appear throughout the Contract.

(f) Nothing in this Contract shall be deemed to require the Company or the Union to commit an unfair labor practice or other act which is forbidden by, or is an offense under, existing or future laws affecting the relations of the Company with the employees bargained for by the Union.

## **ARTICLE III – RECOGNITION OF MANAGEMENT**

Section 1. (a) The Union recognizes that the management of the Company, the direction of the working forces, the determination of the number of employees it will employ or retain in each classification and the right to hire, suspend, discharge, discipline, promote, demote or transfer, and to release employees because of lack of work or for other proper and legitimate reasons are vested in and reserved to the Company.

(b) The above rights of Management are not all-inclusive, but indicate the type of matters or rights which belong to and are inherent to Management. Any of the rights, powers, and authority the Company had prior to entering this Agreement are retained by the Company, except

**ARTICLE III  
SECTION 1**

as expressly and specifically abridged, delegated, granted or modified by this Contract.

**ARTICLE IV – UNION SECURITY AND CHECK-OFF**

Section 1. (a) Any employee who is a member of the Union on the effective date of this Contract, shall, as a condition of continued employment, maintain membership in the Union to the extent of paying the periodic membership dues uniformly required of all Union members subject to the annual 10 day escape period hereinafter described.

(b) Any employee who is not a member of the Union on the effective date of this Contract, and who chooses not to become a member, shall be required as a condition of continued employment, to pay to the Union each month, as a contribution toward the cost of the administration of this Contract, a service charge equal in amount to the monthly dues uniformly required of Union members.

(c) New employees, hired by the Company after the effective date of this Contract, shall be required to join the Union as a condition of continued employment on the 31<sup>st</sup> day of employment in a job classification represented by the Union.

(d) The Union agrees that any present or future employee who is now or may become a member of the Union may withdraw from

**ARTICLE IV  
SECTION 1**

membership in the Union between December 15 and December 31, inclusive, of each year by giving notice of this desire to do so by registered or certified mail to the Labor Relations area of the Company. After such withdrawal an employee shall not be required to rejoin the Union as a condition of continued employment.

(e) The Company, for all employees in the bargaining unit who have furnished the Company with voluntary check-off authorization cards, shall deduct from those employees' pay each week, dues or service charges and promptly remit the same to the International Secretary-Treasurer of the Union on a monthly basis. The initiation fee of the Union shall also be deducted and remitted to the International Union.

(f) The amount of dues or initiation fees to be deducted by the Company, within the limitations set forth on the voluntary check-off cards, shall be computed on the basis of the formula provided by the International Union. An initiation fee in an amount specified by the Union will also be deducted from the employee's pay. The Company will cooperate with the Union to change the dues computation period upon proper notice from the International Representative.

(g) The Union agrees that neither it nor any of its officers or members will intimidate or coerce any employees of the Company into joining the Union. The Company agrees that neither it nor any of its

**ARTICLE IV  
SECTION 1**

management representatives will attempt to persuade any employee from joining the Union.

(h) The Union agrees that in the event of any strike, work stoppage, slowdown, picketing or any other interference to the work or the operations of the Company by any individual employee or group of employees in the bargaining unit represented by the Union, this section of the Contract is then and there and by reason thereof automatically canceled and of no further force and effect; provided, however, that the Company may upon the presentation of proof satisfactory to the Company, within 10 days thereafter, that the Union did not directly or indirectly authorize, permit, endorse, aid or abet said strike, work stoppage, slowdown, picketing or interference referred to, reinstate this section of the Contract, which section, if reinstated will, from and after the date of reinstatement, be of the same validity, force and effect as if it had not been canceled. In this connection, it is the expressed intention of the parties that for the purpose of making this cancellation provision effective without affecting the other sections of the Contract, this Contract is to be considered a severable Contract. Should the automatic cancellation of this section occur, it is the intention and agreement of the parties that all other sections and provisions of the Contract remain in full force and effect as therein provided.

(i) The Union shall indemnify and save the Company harmless against any and all claims, demands, law suits, or other forms of liability that

**ARTICLE IV  
 SECTION 1**

may arise out of or by reason of action taken by or not taken by the Company in reliance upon any check-off authorization cards signed by the individual employees and furnished to the Company by the Union for the purpose of complying with any of the provisions of this Section.

**ARTICLE V – CLASSIFICATION AND WAGES**

Section 1. (a) The wage schedules described in the Contract in effect immediately prior to the date of this Contract, including all adjustments to those wages which were due to increases in the C.P.I. during the term of that Contract, shall be amended as follows:

Wage Level	As of May 15 2010	Effective May 15 2011	Effective May 15 2012	Effective May 15 2013	Effective May 15 2014	Effective May 15 2015
1	\$20.24	\$20.64	\$21.11	\$21.58	\$22.12	\$22.68
2	20.65	21.06	21.54	22.02	22.57	23.14
3	20.98	21.40	21.88	22.37	22.93	23.51
4	21.90	22.34	22.84	23.35	23.94	24.54
5	23.42	23.89	24.43	24.98	25.60	26.24
6	24.07	24.55	25.10	25.67	26.31	26.97
7	25.01	25.51	26.08	26.67	27.34	28.02
8	26.30	26.83	27.43	28.05	28.75	29.47

**ARTICLE V  
 SECTION 1**

<b>Wage Level</b>	<b>As of May 15 2010</b>	<b>Effective May 15 2011</b>	<b>Effective May 15 2012</b>	<b>Effective May 15 2013</b>	<b>Effective May 15 2014</b>	<b>Effective May 15 2015</b>
9	27.11	27.65	28.27	28.91	29.63	30.37
10	27.48	28.03	28.66	29.31	30.04	30.79
11	28.76	29.34	30.00	30.67	31.44	32.22
12	30.16	30.76	31.46	32.16	32.97	33.79
13	31.70	32.33	33.06	33.81	34.65	35.52
14	32.14	32.78	33.52	34.27	35.13	36.01
15	32.60	33.25	34.00	34.77	35.63	36.53
16	33.53	34.20	34.97	35.76	36.65	37.57

Level 5–Construction Assistant, Mechanic III (incumbent); Level 6–Meter Specialist III; Level 7–Gas Systems Operations Mechanic III, Mechanic Operator III; Level 8–Premise Mechanic, Gas Plant Operator III; Level 11–Gas Plant Operator II, Meter Specialist II; Level 12–Gas Systems Operations Mechanic II, Mechanic Operator II, ; Level 13–Service Mechanic “B”, Welder II, Gas Plant Operator I, Meter Specialist I, Tool Repair Specialist; Level 14–Welder I; Level 15–Gas Systems Operations Mechanic I, Mechanic Operator I, Service Mechanic “A”; Level 16–Inspecting Mechanic.

(b) Any employee in the bargaining unit represented by the Union who was on or below the maximum hourly wage rate of his job classification



**ARTICLE V**  
**SECTION 1**

on May 15, 2011, shall receive an hourly increase in accordance with the increase applicable to the maximum wage rate of his job classification in accordance with the provisions of the Contract.

(c) The hourly wage rate increases referred to herein shall not apply to the minimum hourly wage rates of starting job classifications.

(d) Employees shall be provided the higher of a 25¢ promotional increase above the maximum wage rate of the job classification from which they promote, or the minimum wage rate of the job classification to which they promote. This provision will not apply when the maximum wage rate of a job is not at least 25¢ above the maximum wage rate of the job classification from which it promotes.

(e) Whenever the difference between the minimum and maximum wage rates of any hourly rated job classification is not divisible by ten the hourly wage rates will be by 10¢ steps, with the exception of the last step to the maximum hourly wage rate of the job classification. In such case the increase to the maximum hourly wage rate will include the 10¢ increment plus the odd amount necessary to equal the maximum hourly wage rate, provided, however, that the total amount of the increase is less than 20¢.

(f) Employees who are below the maximum hourly wage rate of their job classification shall continue to receive such length of service increases as they may be entitled to under the

**ARTICLE V  
SECTION 1**

operation of the job classification and wage evaluation plan.

(g) The shift differentials paid to employees on scheduled shifts on classified jobs will be paid as follows:

<b>Name and Definition of Shift</b>	<b>Shift Differential Cents Per Hour</b>
<b>Day Shift</b> Where the majority of the scheduled hours worked are between 8:00 a.m. and 4:00 p.m.	\$0.00
<b>Afternoon Shift</b> Where the majority of the scheduled hours worked are between 4:00 p.m. and 12:00 Midnight.	\$1.65
<b>Night Shift</b> Where the majority of the scheduled hours worked are between 12:00 Midnight and 8:00 a.m.	\$1.70

**Sunday Premium**

When the majority of the regularly scheduled hours in a shift are on Sunday, a premium amount will be paid as follows:

<b>May 15, 2011 – May 15, 2016</b>
\$1.80

(h) The Company shall prepare occupational classifications and job descriptions which will define, as nearly as possible, the nature of the work involved under each classification. All required changes in job classifications or promotional sequences will be initiated by the Company.

**ARTICLE V**  
**SECTION 1**

**A28** (i) When a job description has been revised by the management, a representative of employees will be given an opportunity to suggest changes to the revised job description before it is submitted to the Company's Job Evaluation Committee. After the management has reviewed the changes to the job description, if any, suggested by the Union representative, the job description will be submitted to the Company's Evaluation Committee. The Union representative shall have an opportunity to submit written comments regarding the duties of the job to the Company's Evaluation Committee. There will be no recourse to the grievance and arbitration procedure because of the language of a job description or the evaluation of a job classification.

(j) The Job Evaluation Committee of the Company will be responsible for evaluating all new or revised job classifications. Prior to the evaluation of revised job descriptions, the representative of the Union may accompany the management representative to explain his written comments to the Committee. The evaluation established by this Committee will be used to determine a proposed maximum wage rate for each new or revised job classification. The wage rate resulting from this evaluation will be communicated to the Union as far in advance as possible, but not less than 30 days, of the proposed effective date for the installation of the new or revised classification.

**ARTICLE V**  
**SECTION 1**

(k) The Union shall maintain a Classification Committee consisting of not more than five members who may review the evaluation and wage rate of any new or revised classification. The Union's Committee may, by request, meet with the Company's Committee as soon as possible at a mutually convenient time, but within 30 days, after the Union has been notified by the Company of the proposed new or revised classification for the purpose of presenting any information relevant to the evaluation of the new or revised classification, which has been included in the previous written comments of the Union representative. The Union will be notified after the Company's Committee has reviewed the information presented by the Union. All wage rates so established shall be final and binding and not subject to the grievance and arbitration procedure. However, if any revised wage rates are reduced as a result of the evaluation(s), they will not be placed into effect until the Company and the Union have had an opportunity to negotiate them during full contract negotiations, even though the revised job classification will be in effect. Employees, presently in, or promoting to, such job classifications will continue to receive wage adjustments in accordance with the other provisions of the Agreement just as if the wage rate had remained at the same level until a new Agreement is reached.

It is understood that the right to maintain, revise or abolish any job classification or to create new classifications is the exclusive right of management.

**ARTICLE V**  
**SECTION 1**

(l) Where the Union deems an employee, or employees, to be improperly classified, it may file a grievance which shall be handled under the grievance procedure of this Contract.

(m) Members of the Union's Committee and a reasonable number of witnesses shall not suffer a loss of pay when engaged in meetings during their working hours with the Company's Job Evaluation Committee.

**A62** Section 2. (a) No employee shall regularly be called upon to perform work beyond the scope of his classification. Employees temporarily advanced to a higher classification for four hours or more in any one day shall receive either the minimum rate of pay applicable to that classification or 25¢ per hour above the maximum wage rate of their job classification, whichever is greater, but no more than the maximum wage rate of the job to which the employee is upgraded. Employees temporarily assigned to a job scaled at a lower rate of pay than their own shall not suffer financially through such a transfer.

(b) When a temporary assignment in a job classification within the bargaining unit exceeds 90 consecutive days, the assignment being temporarily filled shall be considered a vacancy and filled permanently in accordance with the posting procedure.

## **ARTICLE V SECTION 2**

(c) When an employee covered by this Contract voluntarily accepts a temporary assignment to a supervisory position, he shall be paid the same rate of his classified assignment at the time of the temporary assignment.

(d) An employee, when permanently promoted to a job classification and qualifying in all respects with the exception of time spent in the preceding classification as required in the qualification section of the job description, shall be considered as having the equivalent of such required time.

## **ARTICLE VI – SENIORITY**

Section 1. (a) System Service shall date from the time an employee first earns compensation in the employ of the Company, except as such system service may be lost in accordance with Section 6 of this Article.

(b) Classified Seniority shall date from the time an employee is permanently employed in a specific job classification. Whenever employees are accepted for job postings and their promotion is delayed by no more than 30 days or when a delay beyond 30 days is caused solely by the Company, their new classified seniority date will be adjusted to place them in their proper seniority position in relation to other employees who promoted as a result of the same posting.

## **ARTICLE VI SECTION 1**

(c) In the event that two or more employees achieve classified seniority on the same date, the respective seniority rank of such employees shall be determined by the Union. The Union shall promptly notify the Company in writing of its determination.

(d) Nothing in this Contract shall be construed in such a way that would enable an employee to use classified seniority for the selection of a particular job assignment. In justifiable cases, however, when requested by an employee a supervisor will give consideration in making job assignments to the requirements of the job to be done, the physical condition, the qualifications and the classified seniority of the employee.

(e) All new employees and all employees transferring from other bargaining units into a job classification represented by the Union shall be classed as probationary employees for a period of one year and shall have no system service and seniority rights during that period. After one year of continuous service as probationary employees, such employees shall be classified as regular employees and their system service and seniority record shall include their previous employment as probationary employees. The Company shall have the right to lay off or discharge probationary employees and there shall be no responsibility for reemployment of such employees after they are discharged or laid off during the probationary period. No unqualified probationary employee shall act as a second employee in any two-employee

**ARTICLE VI  
SECTION 1**

crew in the Field Operations or Systems Operations Sections.

(f) In order to avoid possible grievances, the Company will discuss in advance with the representatives of the Union, demotions, layoffs, and recalls from layoffs.

Section 2. (a) Classified seniority shall be administered separately in the following Departments, Divisions, and Sections:

**LOCAL UNION 12049**

**DUKE ENERGY OHIO AND KENTUCKY**

**Gas Operations**

**Field Operations**

**Ohio District**

**Kentucky District**

**Corrosion Control**

**Ohio District**

**Systems Operations**

**Ohio – Kentucky District**

**Production – Gas Plants**

**Ohio – Kentucky District**

**POWER DELIVERY**

**Compliance & Service Delivery**

**Service Delivery OH/KY/IN**

**Service Delivery**

**Ohio District**

**Kentucky District**

**Meter Services**

**Gas Measurement Center**

**Ohio District**



**ARTICLE VI  
SECTION 2**

**LOCAL UNION 5541-06**

**DUKE ENERGY OHIO AND KENTUCKY**

Gas Operations

Field Operations

Systems Operations

Production – Gas Plant

**POWER DELIVERY**

Compliance & Service Delivery

Service Delivery OH/KY/IN

Service Delivery

(b) In the cases of promotions, within each District as described above, the Union agrees that the strict classified seniority interpretations may be waived when a specific employee is unqualified for a particular promotion but in such event the Company and the Union shall discuss the matter fully and come to agreement first.

(c) The classified seniority status of employees permanently assigned from one District to another District shall be fixed without delay by discussion between the Company and the Union Grievance Committee.

(d) For a period of six months following a promotion, when an employee who has been assigned to a job classification not bargained for by the Union returns to a job classification in which they have classified seniority, their seniority will be adjusted to a date that is one day less than the classified seniority date of the employee with the

## ARTICLE VI SECTION 2

least classified seniority in the job classification within the bargaining unit to which the employee is assigned. If the employee returns to the bargaining unit greater than six months from said promotion, they shall be placed at the minimum wage rate in a job classification no higher than Service Mechanic B, Meter Specialist II, Mechanic Operator II, Gas Systems Operations Mechanic II and Gas Plant Operator II. For purposes of bidding and downbidding, all previous seniority is lost and the employee will be ranked in seniority as a newly hired employee. No employee may return to a bargaining unit job classification if, as a direct result, an employee represented by the Union would be laid off.

Section 3. (a) An employee who has satisfactorily met all the requirements for entrance into a job classification shall be given a period of 30 days in which to master the new assignment. If, at the end of such period, the employee is unable to fulfill the assignment; he shall be restored to his previous position and previous classified seniority rank.

(b) The Company shall have the right to require examinations, either oral, written or practical, to determine the fitness of employees for promotions. When such examinations are deemed necessary by the Company, the equipment and facilities necessary for such examinations will be provided by the Company. The Company agrees that the employee shall have the right to review the results of departmental tests upon request. If an

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## ARTICLE VI SECTION 3

employee indicates, within five days after receiving the results of a departmental examination, that he feels the examination was not fairly administered, the Company agrees to reexamine the employee. A Union designated witness may be present only during the practical portion of the retest. The employee, upon request, shall receive counseling based upon tests administered by the Staffing Services area of the Company or by outside consultants. An employee who does not pass an examination shall be eligible to retake that examination after three months. An employee who does not pass the examination a second time will not be eligible for reexamination for 12 months and for subsequent two year intervals thereafter.

(c) When a permanent promotion is to be  
**A27** made to a job classification bargained for by the Union, a notice of the opening shall be posted by the Company on all bulletin boards for two weeks. A copy of these notices will be mailed to the  
**A79** Presidents of the Local Unions. The period of  
**A80** posting may be reduced to seven days provided that any employees with greater classified seniority who may be off duty during the entire seven-day posting period are notified of the posting by a copy of the posting notice mailed by registered or certified mail to their home address on record in Human Resources.

(d) All bids related to posted openings should be made in duplicate and presented to the responsible supervisor who will sign both copies,

**ARTICLE VI**  
**SECTION 3**

retain one and return the duplicate to the employee for the record of the Local Union.

(e) When a posted opening occurs in a job classification, employees already in that job classification within the Seniority District may exercise their classified seniority rights to cross bid for the opening if the opening exists at another headquarters. The most senior employee already in the job classification within the Seniority District who cross bids and can qualify will be selected. Only one cross bid will be accepted for each posting. Resultant openings, which the Company desires to fill, will be filled by promotion of qualified employees from the next lower job classification or other qualified employees in the same promotional sequence in the Seniority District where the resultant opening exists.

(f) When a posted opening cannot be filled from among the qualified employees in the Seniority District in which the opening exists, the opening will be filled from qualified employees from other Seniority Districts within the Section. When the opening cannot be filled from within the Section, the opening will be filled in accordance with the appropriate provisions of this Contract.

(g) Subject to the approval of the Company and the Union any employee may waive his right to promotion if such waiver does not prevent other employees from acquiring experience in the job classification held by him. Such waiver must be submitted to the Company and the Union in writing.

**ARTICLE VI  
SECTION 3**

(h) When an employee waives his right to an opening in a job classification, the next employee shall be entitled to such opening, on a classified seniority and sufficient qualification basis, and so on until the position is filled.

(i) An employee waiving his right under this provision cannot later claim that particular job opening as a classified seniority right; however, the employee making such waiver shall not prejudice his right to accept future vacancies or positions that may occur, on a basis of his classified seniority and qualifications.

(j) An employee permanently established in a job classification under the provisions of this section of the Contract shall not be replaced later by an employee who may have developed sufficient classified seniority or qualifications.

Section 4. (a) The Company will post at least semi-annually and will maintain lists at locations mutually agreeable to the Company and the Union showing the system service and classified seniority of each employee. If exception is not taken to the list as posted within 30 days from the date of posting, the list shall be considered as correct. Copies of these lists shall be forwarded to the Local Union President and Recording Secretary.

**ARTICLE VI**  
**SECTION 4**

(b) The Company will furnish annually, upon request, to the Financial Secretary of the Local Union a complete mailing list of all employees in the bargaining unit.

Section 5. An employee's classified seniority and system service standing shall not be jeopardized due to time off for injury, sickness or leave of absence.

Section 6. An employee will lose his system service and classified seniority who:

- (1) Quits of his own accord.
- (2) Is discharged for just cause.
- (3) Employees who leave the Company involuntarily shall not lose accrued system service or classified seniority if, upon recall, they respond within six days, provided it is not obligatory on the Company to issue such a call after two years after the date of layoff. Notification of recall will be sent by registered or certified mail.

**ARTICLE VI  
SECTION 7**

Section 7. (a) Layoffs and demotions shall be made on the basis of classified seniority. Reassignments shall also be made on the basis of classified seniority and sufficient qualifications. In case of layoff an employee shall have the right to be returned to any job classification previously held by him in the course of his employment with the Company if his classified seniority is sufficient to qualify him for such job. An employee, however, shall not have the right to be demoted or assigned to any job classification which he has not previously held but will be given consideration by the Company for a Mechanic III position, at the maximum rate, before new employees are hired. Such an employee's classified seniority as a Mechanic III would be the same as the employee's system service.

(b) Every effort shall be made to continue the present policy of avoiding seasonal layoffs by finding other work for any employees likely to be thus affected, should such occasion arise.

Section 8. Any employee who may make application to the Staffing Office for transfer to a starting job not represented by the Union, for which he may be qualified will be given preference for consideration before a new employee is hired for the job.

**ARTICLE VII  
SECTION 1**

**ARTICLE VII – HOURS OF WORK**

Section 1. (a) Eight or 10 consecutive hours, exclusive of lunch time, shall constitute a working day, and four or five such days, totaling 40 hours, shall constitute a working week. Regular employees available and able to work, shall be assured of a 40 hour work week. It is understood that this provision will not affect in any manner the right of the Company to make temporary or permanent reductions in forces when considered necessary by the Company.

**A52**

(b) It is recognized that shift work is essential for employee groups covered by this Contract, in order to provide for continuous operation and service. However, insofar as possible, day work shall prevail. Where shift work is necessary, the Union and the Company shall cooperate in providing the necessary manpower, with the required ability, to fill day, afternoon, and night as well as weekend work schedules.

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(c) Except when changing schedules or agreed otherwise, employees shall have consecutive off days, but not necessarily in the same work week.

(d) The work week of an employee for payroll purposes shall be from midnight Sunday to midnight the following Sunday. Employees working on a shift beginning two hours or less before midnight will be considered as having worked their hours following midnight. Employees working on a



**ARTICLE VII  
SECTION 1**

shift ending two hours or less after midnight will be considered as having worked their hours before midnight.

(e) The work week of an employee for purposes of determining off-days shall begin on midnight Sunday and consist of seven consecutive days in which the employee is scheduled to work five days and be off two days or scheduled to work four days and be off three days.

(f) Schedules for all employees will be based on the time prevailing in the City of Cincinnati.

(g) The first eight hours of work per day will be at straight time for regular scheduled work days, time and one-half for the employee's first scheduled off-day in the work week and double time for the employee's second scheduled off-day in the work week. Any time in excess of eight hours per day will be paid at the rate of time and one-half except the employee's second scheduled off-day worked which will be paid at double time. For employees who work a four day-10 hour schedule, the first 10 hours of work per day will be at straight time for regular scheduled work days, double time for the employee's second consecutive scheduled off-day and time and one-half for all other scheduled off-days. Any time in excess of 10 hours per day will be paid at the rate of time and one-half except the employee's second consecutive scheduled off-day worked which will be paid at double time.

**ARTICLE VII  
SECTION 1**

(h) In no case will an employee be forced to take time off in lieu of time worked outside his Regular Scheduled Work Day, but should an employee elect not to work during his Regular Scheduled Work Day he shall not receive pay for such time.

(i) Employees required to work more than 16 consecutive hours will be paid double time for all time worked in excess of, and continuous with, the 16 consecutive hours.

(j) When overtime occurs within a job classification where more employees are qualified and available to work than are necessary at the moment, the Company and Union have agreed to maintain a system of selecting the employees within the job classification at each headquarters who are to work, in a sincere effort to equalize overtime work, through a set of overtime guidelines that have been established and are contained in a separate document. The employees will be notified in advance, whenever possible, when they are required to work overtime. In the event the available overtime is not offered to the entitled employee(s) under the established overtime guidelines, the Company will offer the affected employee(s) make-up overtime. All make-up overtime must be offered and worked by the employee within six months of the time the disparity occurred.

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**A18**  
**A63**  
**A64**

(k) Overtime lists shall be posted weekly, in each headquarters, showing the overtime hours

**ARTICLE VII  
SECTION 1**

worked or waived during the previous week by each employee at the headquarters. Probationary employees shall not be included in the overtime lists.

(l) A call-out shall be defined as notice to report for unscheduled work given to an employee by telephone or messenger after he has left his headquarters or place of reporting or in case of an off-day, after what would have been his scheduled hours on that day.

**A60**

(m) Employees called out for overtime work, other than for planned overtime, shall be paid a minimum of four hours at the appropriate overtime rate.

(n) Travel time of one-half hour each way, at the appropriate overtime rate of pay, will be allowed on a call-out when such call-out exceeds four hours of continuous work that is not contiguous with a regularly scheduled shift. Employees will not be compensated for any travel time on a call-out which occurs on a regular holiday or when the employee is not released from work before his regularly scheduled shift, nor will travel time be allowed when overtime is worked continuously at the end of a regularly scheduled shift.

(o) Planned overtime shall be defined as time worked upon notice to an employee given before leaving his headquarters or place of reporting, or in case of an off-day, during or before what would have been his scheduled hours on that day, that he

**ARTICLE VII  
SECTION 1**

is to report outside of his regular schedule on any succeeding day. Such time worked shall be paid for at the appropriate overtime rate but not for less than four hours unless such planned overtime extends into or directly follows the employee's regularly scheduled work day, when it shall be paid for at the appropriate overtime rate for the actual hours worked.

**ARTICLE VIII – WORKING CONDITIONS**

Section 1. CHANGE IN SCHEDULE: (a) Each employee shall have a specific hour for reporting for work, and shall be entitled to not less than 24 hours notice of any change. Employees, whose schedules are changed to include an off day on the next succeeding day, shall receive such notification within 15 minutes prior to or after the start of their regularly scheduled hours of work on the day previous to such a change.

(b) If an employee is required to commence working on a schedule which was changed without 24 hours notice, he shall receive the appropriate premium pay for all consecutive hours worked. Employees, who are not notified within 15 minutes prior to or after the start of their regularly scheduled hours of work of a schedule change that includes an off day on the next succeeding day, shall receive the appropriate premium pay for all hours worked during their next scheduled work day.

**ARTICLE VIII  
SECTION 2**

**A54** Section 2. TRANSFERS AND REASSIGNMENTS: (a) Each employee shall have a specific headquarters for reporting for work. There shall be no unreasonable, disciplinary or discriminatory transfers, but the right of the Company to effect transfers, reassignments and logical site reporting to properly run its business is recognized. The Company will discuss transfers, reassignments and logical site reporting in advance with representatives of the Union except in instances where the employees with the least classified seniority are selected or where the employees volunteer. Employees may be assigned to report to a logical site reporting location for any assignment expected to be a minimum of three days.

(b) Transfers which are for periods of 14 consecutive calendar days or less will be considered temporary transfers. Transfers of 15 consecutive calendar days or more to either permanent or temporary headquarters, planned in advance, will be considered reassignments.

Notification of availability of a reassignment will be posted at least two weeks in advance of the requirement. Eligible employees may request a preference for the reassignment. If there are no voluntary requests, the qualified individuals lowest on the classified seniority list will be assigned.

(c) During periods of temporary transfers or reassignments, the employees will report to and work out of the new headquarters. Such employees

## ARTICLE VIII SECTION 2

will be paid one hour's pay at the straight time rate and mileage at the prevailing rate based on the round trip distance between the employee's regular headquarters and temporary headquarters for each day of a temporary transfer and for the first 14 consecutive calendar days of a reassignment to a temporary headquarters. If a temporary reassignment exceeds three months, the employee will be paid in a similar manner when they return to their regular headquarters. Neither the one hour's pay nor the mileage applies for temporary transfers or reassignments of employees whose normal assignment is to home site report.

(d) When it is necessary to temporarily assign employees to a logical site reporting location that is further from their home than their regular headquarters, such employees will be paid mileage at the prevailing rate based on the additional round trip mileage employees are required to drive. No mileage compensation will be paid for the temporary assignment if the other reporting location is closer to the employee's home.

(e) Logical site reporting will be offered on a voluntary basis. If there is an insufficient number of volunteers, assignments will be made on a junior qualified basis. When assigning the junior qualified, unusual or extenuating circumstances will be taken into consideration.

(f) Employees may be assigned to drive Company vehicles from and to the job site from **A82**

## ARTICLE VIII SECTION 2

home or sites close to home. If Company vehicles are used in such a manner the mileage provisions for logical site reporting are not applicable. An option to the mileage provision is that employees may, during a logical site reporting assignment, pick up and return a Company vehicle to their regular headquarters, provided travel is on their own time.

Section 3. FOREMEN'S DUTIES: Foremen's duties shall be restricted to direct supervision except for Foremen's and employees' training, in cases of emergency, or for such incidental work as may occasionally be required.

Section 4. SAFETY AND HEALTH: (a) The Company shall make all reasonable provisions for the safety and health of the employees. A suitable number of raincoats, hats, boots, gloves and water facilities and any other safety equipment required by the Company shall be provided on the job. Adequate locker, toilet and shower facilities shall be provided at all permanent headquarters from which the men operate or in the shop where they are employed. A reasonable effort will be made to provide similar facilities at temporary headquarters.

(b) Employees shall be held responsible for the equipment assigned to them.

(c) In order to promote health and safety among the Company's employees, the Company and the Union agree that a Joint Safety Advisory Committee will be established. This Committee

**ARTICLE VIII  
SECTION 4**

shall meet quarterly upon the Union's request to the chairman of the committee, who shall be the Safety Director of the Company. The purpose of the Joint Safety Advisory Committee is to give consideration to those general accident prevention programs and policies that affect the safety and health of the employees represented by the Union. The Joint Safety Advisory Committee shall not deal with individual or group grievances. It is agreed that the administration of the accident prevention and medical policies, programs and procedures are vested in and reserved to Management. It is further agreed that employees engaged in the Joint Safety Advisory Committee meetings during working hours shall suffer no loss of pay for such time.

(d) The Company agrees that an employee is authorized to call for assistance if, in the employee's judgment, his safety is endangered.

Section 5. CONTRACTING OUT: (a) No employee shall be deprived of work through contracting with outside parties. When it is necessary to use private equipment, such equipment shall be manned and operated by employees, provided qualified employees are available and said equipment can be obtained on this basis.

(b) In order to meet the unusual amount of work due to deferred maintenance and an abnormal expansion of new construction, the Company contemplates that it will be necessary to

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**ARTICLE VIII  
SECTION 5**

**A36**

continue to contract for some of this work. This is believed necessary in order to avoid the building up of a large temporary force to meet an unusual condition. If such a force were built up it would either be necessary to lay off the additional employees hired when the work was caught up, or it might become impossible to assure 40 hours work per week for 52 weeks per year for regular employees as provided for under this Contract.

(c) It will continue to be the policy of the Company, when contracting for work, not to contract for any work which is ordinarily done by its regular employees if contracting for the work would result in the layoff of any regular employees.

(d) In deciding what work shall be contracted by outside forces the Company will take into consideration the necessity of meeting the completion requirements of the work in order that the service needs of the customers may be met. The Company will make reasonable efforts to utilize our normal working force where possible to do this work.

(e) The question of what proportion of this work will be done on an overtime basis will depend on the urgency of the work, weather conditions, volume and nature of the work and the availability of the working force.

Section 6. MEAL COMPENSATION:  
Employees working extra time shall be entitled to a suitable lunch or compensation therefore at the

**ARTICLE VIII  
SECTION 6**

conclusion of two hours in excess of eight working hours; similar lunch or money at each five-hour interval thereafter until released from duty. Employees who work a four day-10 hour schedule shall be entitled to a suitable lunch or compensation in lieu thereof, whenever they work one hour or more in excess of their normal workday; similar lunch or money at each five hour interval thereafter until released from duty. On call-out of employees for emergency work on an off-day, such employees called out to work shall be furnished a suitable lunch or compensation in lieu thereof after each five hour interval until released from duty. The meal compensation allowance shall be as follows:

<b>May 15, 2011 – May 15, 2016</b>
<b>\$10.75</b>

Section 7. TRANSPORTATION: Except when employees are engaged in a logical site reporting assignment, all transportation of employees from shop to job or job to job, or job to shop shall be provided by the Company when same is required in the line of duty.

Section 8. WITNESSING FOR COMPANY: Regular pay and reasonable or required expenses **A1** will be allowed employees who may be summoned or requested to testify for the Company.

Section 9. JURY DUTY: Employees required to serve on a jury shall be compensated on the basis of their regular wage.

**ARTICLE VIII  
SECTION 10**

Section 10. **PAYDAYS:** Paydays shall continue as at present, i.e., one every other calendar week. Employees on a volunteer basis may elect direct deposit. Employees hired on or after January 1, 2006 will be required to use direct deposit. Checks will be directly deposited into one or more bank accounts employees shall designate and authorize. All employees that have direct deposit shall receive a printed paper copy of their check stub at their workplace.

Section 11. **RETROGRESSION:** Should an employee, who has given long service to the Company, become physically unable to satisfactorily and safely perform the regular duties of his job classification, an effort will be made by the Company to find work of a less strenuous nature for which he is qualified. The employee's hourly rate will be red-circled at the time of his assignment to a job of a lower classification until his hourly rate is equal to the maximum hourly wage rate of the job classification to which he has been assigned.

Section 12. **JOB ABOLISHMENT:** Should an employee have his job abolished, an effort will be made by the Company to find another job classification for which the employee is qualified. An employee assigned to a job of a lower classification as a result of his job being abolished will maintain his present hourly rate until the maximum hourly wage rate for the job classification to which he has been assigned is equal to the

**ARTICLE VIII  
SECTION 12**

employee's present hourly rate or until he qualifies and receives a promotion.

Section 13. GENERAL ILLNESS: (a) Regular employees who are actively working on January 1, regular employees who return to work from an authorized extended absence on or after January 1, probationary employees who become regular employees on or after January 1, shall be paid as gross wages, for absent time due to bona fide illness or injury, a maximum annual amount equal to 40 hours at their regular Straight Time Pay. Such payment shall be made by the Company on the nearest practicable regular pay day following the date such employee becomes eligible.

b) After an employee has been continuously disabled, subject to medical determination, and unable to return to work for more than seven consecutive calendar days, the employee will receive Short-Term Disability consisting of up to 26 weeks of pay per incidence with payment based on the schedule below or until the employee is able to return to work, whichever comes first. During the seven consecutive calendar day waiting period, it is intended that no employee will incur a loss of more than five scheduled days of straight time pay.

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**ARTICLE VIII  
SECTION 13**

The administration of short-term disability compensation for employees will be administered over a two-year period for the purposes of calculating weeks at 100% of pay. Multiple occurrences of STD in a rolling 24-month period will be paid as follows:

<b>Years of Service</b>	<b>Maximum Weeks at 100% Pay per Rolling 24 Months</b>	<b>Weeks at 66 2/3% Pay</b>
0 – 1	None	All
1 – 5	10	Balance
6 – 10	15	Balance
11 – 14	20	Balance
15 – 20	26	Balance
21 or more	All	N/A

For example, if a 14-year employee is on leave in January for 15 weeks and then another 15 weeks in March of the following year, the first illness and five weeks of the second illness will be paid at 100%. The remainder of the weeks will be paid at 66 2/3%.

(c) After an employee has been continuously disabled, subject to medical determination, and is unable to return to work for more than 27 consecutive weeks, and has exhausted Short-Term Disability benefits, the employee will receive Long-Term Disability benefits as described in the Company's Long-Term Disability Plan Description.

**ARTICLE VIII  
SECTION 13**

(d) Compensation will not be provided for illnesses resulting from such causes as: illegal use of drugs or alcohol, willful intention to injure oneself, the commission of a crime, elective or cosmetic procedures not covered by the medical plan, the employee's refusal to adopt such remedial measures as may be commensurate with his disability, or permit reasonable examination by the Company.

(e) In order to facilitate the scheduling of the work forces, an employee who will be absent from work shall notify the Company within a reasonable period of time before his scheduled shift if possible and shall likewise give the Company reasonable advance notice of his return to work. Unless an employee notifies the Company concerning the cause of his absence before the end of the first scheduled working day of such absence, his waiting period and subsequent claim for sick leave pay shall not begin until such notice is received. **A9**

(f) Failure to present a certificate from a physician licensed to practice medicine prior to the end of the fifth scheduled working day or failure to provide a legitimate excuse will cause the employee's Short Term Disability to be denied until the time such certificate is received.

(g) If an employee requests work of a less strenuous nature for a temporary period following an illness or disability, the Company will make an effort to find such work providing the employee's

**ARTICLE VIII  
SECTION 13**

physical condition is satisfactory and is approved by the Company physician.

**A66** Section 14. HOSPITAL AND MEDICAL PLANS: (a) The Company will offer health care coverage consisting of the specially negotiated EPO Plan for the 2012 calendar year, up through and ending on December 31, 2012. All terms of the specially negotiated EPO Plan, regarding plan design, covered services, premiums and other employee costs, shall be in accordance with the 2011 negotiations letter of agreement entitled "Health Care Benefits".

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**A66** (b) Any other health care plans (medical or dental) that the Company unilaterally implements at its sole discretion for the general non-represented employee population shall also be provided to the bargaining unit employees at the same costs and plan design structure as for the non-represented employees. It is expressly understood that the right to add, eliminate, and alter or to make any other changes to these health care plans or to employee costs for the plans, is reserved to the Company.

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**A76** (c) The Company's part of the monthly premiums for the health care plans will continue to be paid while an employee is receiving illness or accident compensation, provided the employee was covered by such a contract immediately prior to the employee's sickness or industrial accident.

(d) For the term of this Contract, post-retirement health care under the health care plans

**ARTICLE VIII  
SECTION 14**

sponsored by Duke Energy Corporation will be made available to all union Employees hired prior **A68** to January 1, 2012 in accordance with the terms of the letter from the Company to the Union dated April 4, 2005 and the 2007 negotiations letter entitled "Retirement Plan and HRA Conversion Agreement." Union employees who are hired on or after January 1, 2012, will not be eligible for either the Traditional Option (as defined in the April 4, 2005 – Sidebar Letter A-76), or the HRA Option (as defined in the April 4, 2005 – Sidebar Letter A-76), but such employees shall be eligible for access (at unsubsidized rates) to post-retirement pre-age 65 healthcare coverage under the Duke Energy Medical Plan if they have attained age 50 and completed at least five years of vesting service under the Cinergy Corp. Union Employees' Retirement Income Plan as of the date of their retirement.

Section 15. **INSURANCE:** Any insurance benefit plans under the Duke Energy Health & Welfare Plans not specifically referenced elsewhere in this Contract (i.e. life insurance, supplemental, accidental death and dismemberment, long term disability, and dependent life insurance) that the Company maintains and/or implements for the general non-unionized employee population shall also be provided to the bargaining unit employees at the same benefit levels, costs and plan design structure as for the non-unionized employees. The Company has the right to add, eliminate, and alter or to make any other changes to these insurance



**ARTICLE VIII  
SECTION 15**

benefit plans or to the employee costs for the plans, consistent with any changes it makes for the general, non-unionized employee population.

Section 16. INDUSTRIAL ACCIDENTS: An injured employee who is unable to work because of an industrial accident will be paid a supplement in an amount equal to 100% of their weekly wage (40 hours), less the state mandated compensation. This supplemental industrial accident compensation will begin after an initial seven calendar day waiting period and will continue for not more than 26 weeks of continuous disability. However, if an industrial accident disability continues for 14 or more calendar days, the employee will receive this supplemental industrial accident compensation for the initial seven-day waiting period.

Section 17. INCLEMENT WEATHER: The Company will not require employees to work out of doors in heavy or continuous storms or excessively cold temperatures in exposed locations, unless such work is necessary to conform to the law or applicable regulations, to protect life, property, or to guarantee service to the customers. Employees covered by this Contract shall not be required to lose time due to such weather conditions, but the Company may provide work indoors or under adequate shelter at their regular rate of pay.

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Section 18. Upon the death of the designated relatives of an employee, the employee, upon request, may be entitled to the stipulated maximum

**ARTICLE VIII  
 SECTION 18**

number of calendar days off for which he is entitled to receive regular pay for not more than the indicated number of consecutive working days, including the day of the funeral. If prior arrangements are made, an employee may include a maximum of one day following the funeral as one of the consecutive working days off, and in the case of a spouse, child, mother, father, brother or sister, two days following the funeral. No pay will be granted for regular scheduled off days.

<b>Relationship</b>	<b>Maximum Consecutive Calendar Days Off</b>	<b>Maximum Consecutive Working Days Off With Pay</b>
Spouse or Domestic Partner	7	5
Child, Stepchild or Foster Child	7	5
Mother, Stepmother or Foster Mother	7	5
Father, Stepfather or Foster Father	7	5
Brother	7	5
Sister	7	5
In-Laws (father, mother, brother, sister, son or daughter)	5	3
Grandchild	6	4
Grandparent/Spouse's Grandparent	4	2

## ARTICLE VIII SECTION 18

If an employee has worked four hours or more and is notified of a death in his family, and leaves the job, the day will not be charged as one of the consecutive working days. If, however, he has not worked four hours, the day will be charged as one of the consecutive working days for which he is entitled to receive regular pay.

Section 19. BULLETIN BOARDS: The Company agrees to furnish bulletin boards at all division headquarters. The use of these boards is restricted to the following: notices of Union meetings, notices of Union election, notice of changes within the Union affecting its membership, or any other official notices issued on the stationery of the Union and signed by the Regional Director or any duly elected or appointed official of the Local Union. There shall be no other general distribution or posting by members of the Union of pamphlets or literature of any kind except as provided for herein.

Section 20. UNION OFFICE: (a) Members of the Union selected for full time office shall be entitled to unpaid leaves of absence without prejudice or loss of seniority. Such leaves of absence shall be limited to a period of one year, and shall be renewed at the conclusion thereof, if necessary. At no time shall the operations of the Company be interfered with by such leaves of absence. All requests for such leaves of absence shall be in writing and submitted at least one week in advance.

## ARTICLE VIII SECTION 20

(b) Except as it may conflict with other provisions of this Contract, the President, Vice President, Recording Secretary, and elected Grievance Committee men shall not be required to work regular afternoon and night shifts. However, not more than two employees from each headquarters may exercise this privilege.

Section 21. ADDRESSES AND TELEPHONE NUMBERS: Each employee in a job classification represented by the Union shall be responsible for maintaining an up-to-date address and telephone number on file at the Company. Forms to report changes will be provided by the Company and made available to employees at each headquarters.

Section 22. PERSONAL DAY: (a) An employee who has completed six months of continuous service shall be entitled to four compensated personal days off each calendar year. Requests for personal days must be made at least seven calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, a day off with less than a seven calendar day notification may be approved by an employee's supervisor. Arrangements for all personal days must be made with supervision on or before November 1 of each year or it shall be lost. The Company reserves the right to limit the number of employees who can be off on a specific day. If a personal day is not used during a year, it shall be

**ARTICLE VIII  
SECTION 22**

lost and no additional compensation shall be granted.

(b) An employee who has completed six months of continuous service shall be entitled to one compensated Diversity Day off each calendar year. Requests for this day must be made at least seven calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, less than a seven calendar day notification may be approved by an employee's supervisor. The Company reserves the right to limit the number of employees who can be off on a specific day. If the Diversity Day is not used during a year, it shall be lost and no additional compensation shall be granted.

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Section 23. TEAMS: The purpose of bargaining unit teams is to promote an environment of continuous improvement in the work place for the mutual benefit of the Company, its customers, and the Union. Performance of special functions and duties within the team is voluntary. The teams will not be involved in any issue or take any action or make any decision which will subordinate the interests and viability of the Union. The teams will not engage in collective bargaining or deal with management over bargainable issues, as all parties recognize this to be the exclusive role of the Union.

**ARTICLE IX  
SECTION 1**

**ARTICLE IX – ADMINISTRATION AND  
GRIEVANCE ADJUSTMENT**

Section 1. (a) The Union shall maintain a system of Stewards whose duties shall be to represent the Union in seeing that the provisions of this Contract as they apply on the job are observed at all times. The Union shall have a Grievance Committee composed of five\* members. This committee shall meet with the management of the Company on all matters pertaining to the provisions of this Contract, and any and all matters of dispute between the Union and the Company under the terms and during the life of this Contract. The Recording Secretaries for the Local Unions may also attend such meetings. **A15**

(b) If an employee, after consulting with the immediate supervisors, feels that a grievance exists, the avenue of grievance adjustment shall be: first, between the employee and the officially designated steward, and the foreman or supervisor; second, between members of a Union Grievance Committee consisting of not more than five\*\* members and the Department Management; third, between the Union Grievance Committee, Agents of the Union and officials of the Company. The Recording Secretaries for the Local Unions may also attend third and fourth step grievance meetings. If a satisfactory settlement cannot be reached before the second step of the procedure **A21**

**ARTICLE IX  
SECTION 1**

outlined above, the grievance shall be reduced to writing by the Union.

(c) An employee, who is considered by the Union or the Company necessary to the proper settlement of the grievance, shall be present at the grievance meetings.

(d) The Union Grievance Committee and the Recording Secretaries of the Local Unions when engaged during their regular working hours in grievance meetings with Management shall not suffer a loss of pay for such time.

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\*The Grievance Committee of Local Union 5541-06 shall consist of not more than three members.

\*\*The Grievance Committee of Local Union 5541-06 shall consist of not more than three members.

**ARTICLE X – ARBITRATION**

Section 1. (a) If the parties are unable to resolve the grievance following the third step, the Union, within 30 workdays of receipt of the third-step response, may notify Labor Relations in writing of its desire to advance the grievance to arbitration.

(b) Upon receipt of the Union's notification the parties will promptly petition the Federal Mediation and Conciliation Service (FMCS) for a panel of seven arbitrators and an arbitrator will be

**ARTICLE X  
SECTION 1**

selected by the parties. In the event that no acceptable arbitrator appears on the panel of arbitrators submitted by FMCS either party may request an additional panel from FMCS.

(c) The arbitrator so selected shall hold a hearing as promptly as possible on a date satisfactory to the parties. If a stenographic record of the hearing is requested by either party, the initial copy of this record shall be made available for the use of the arbitrator and the party requesting the records. The cost of this initial copy and its own copy shall be borne by the requesting party, unless both parties desire a copy. If both parties desire a copy they shall equally share the cost of the arbitrator's copy, and shall each bear the cost of any copies of the record they desire.

(d) After completion of the hearing and the submission of the post-hearing briefs, the arbitrator shall render a decision and submit to the parties written findings that will be binding on both parties to the Agreement.

(e) The arbitrators' and other joint expenses mutually agreed upon shall be borne equally by both parties.

(f) The arbitrator shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement. It is also mutually agreed that there shall be no work stoppage or lockouts pending the decision of the arbitrator or subsequent thereto.



## **ARTICLE XI SECTION 1**

### **ARTICLE XI – DISCIPLINE AND DISCHARGE**

Section 1. (a) The Company will not discipline or discharge an employee save for just cause. Written notice of any discharge or disciplinary action involving lost time taken by the Company against any employee shall be furnished to the Union and the employee within two working days.

(b) Appeal from discharge must be taken within five working days in the form of a written notice from the Union to the Company. The Company and the Union shall strive to reach a just decision within 10 days following the appeal. Failing therein, the matter shall be submitted to arbitration as provided above.

(c) This Section shall not apply to disciplinary action taken in accordance with Article I, Section 2, of this Contract.

### **ARTICLE XII – HOLIDAYS**

Section 1. (a) The following days are observed as regular holidays which will be recognized on the indicated dates. The Company may change the date for recognizing a holiday if the date indicated is changed by a legislative enactment or if the prevailing community practice is not consistent with the indicated date.

**ARTICLE XII**  
**SECTION 1**

<b>Holiday</b>	<b>Date Recognized</b>
New Year's Day	January 1
Memorial Day	Last Monday – May
Independence Day	July 4
Labor Day	First Monday – September
Thanksgiving Day	Fourth Thursday – November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

(b) If the recognized date of a holiday occurs on a Saturday or Sunday the Company will have the option of observing that holiday on another date which the Company determines to be consistent with the community practice or paying eight hours of regular straight time pay in lieu thereof for the holiday.

(c) Regular employees whose duties do not require them to work on holidays will be paid eight hours straight time holiday pay provided the employees have worked their scheduled day before, or his scheduled day after the holiday. **A10**  
Employees who are on a four day-10 hour schedule will receive 10 hours of straight time pay if a holiday falls within their regular scheduled work week but they are not required to work the holiday, provided the employees have worked their scheduled day before, or their scheduled day after the holiday. Employees whose regular scheduled work week does not include the paid holiday will receive eight hours of straight time holiday pay. Regular employees who are scheduled to work on a recognized holiday will be paid at time and one-

**ARTICLE XII**  
**SECTION 1**

half for the first eight hours worked in addition to their straight time holiday pay.

(d) An employee called out to work on a recognized holiday for a period of four hours or less will be paid for four hours at time and one-half in addition to his straight time holiday pay. An employee called out to work on a recognized holiday for a period of more than four hours but less than eight hours will be paid for eight hours at time and one-half in addition to his regular straight time holiday pay.

**A16** (e) Employees who are required to work more than eight hours on a recognized holiday will be paid at the rate of double time for all such work in excess of eight hours.

(f) When necessary, employees will be granted a reasonable time off with pay to vote in a national, state or local election.

(g) Excluding planned projects and appointments prompted by customer requests, no field construction, field maintenance or routine customer service work shall be performed on the actual calendar holidays for Labor Day, Thanksgiving Day and Christmas Day, except that which is necessary to protect life, property or continuity of service.

**ARTICLE XIII  
SECTION 1**

**ARTICLE XIII – VACATIONS**

Section 1. (a) Every effort will be made to grant vacations at a time suitable to the employee, but should the number leaving on vacation in any one period handicap the operations of the Company, the Company reserves the right to limit the number receiving vacations. Preference for vacations shall be granted within a classification at a headquarters on a system service basis.

(b) Vacations for employees will be granted with pay during the calendar year in which they complete the specified number of years of continuous service on the following basis:

(1) Employees with less than one year of continuous service with the Company shall be entitled to one day of vacation for each month worked, with a maximum of 10 days total.

(2) Employees with one year of continuous service with the Company shall be entitled to a vacation of two weeks.

(3) Employees with seven or more years of continuous service with the Company shall be entitled to a vacation of three weeks.

**ARTICLE XIII**  
**SECTION 1**

(4) Employees with 15 or more years of continuous service with the Company shall be entitled to a four week vacation or, if required to work by the Company, payment of one week's wages (40 hours at straight time) in lieu thereof for the fourth week.

(5) Employees with 21 or more years of continuous service with the Company shall be entitled to a five week vacation or, if required to work by the Company, payment of one week's wages (40 hours at straight time) in lieu thereof for the fifth week.

(6) Employees with 32 or more years of service with the Company shall be entitled to a six week vacation or, if required to work by the Company, payment of one week's wages (40 hours at straight time) in lieu thereof for the sixth week.

(c) An employee accrues entitlement of 1/12 of their current year's vacation for each full month the employee is employed during the current calendar year or is on STD, or leave of absence. Any employee leaving the Company's service during any calendar year shall receive payment for any unused portion of accrued vacation for that current year. However, in the event of an employee's death, the estate of the employee will be paid the unused portion of the employee's total vacation allotment for the current year.

(d) The anniversary of employment shall determine the employee's vacation status.

**ARTICLE XIII  
SECTION 1**

(e) In order for an employee to qualify for a vacation, the employee must have been on the Company payroll as a full-time regular or probationary employee on the last day in the calendar year previous to the vacation, and must have been available whenever necessary for the Company medical examinations and reports.

(f) An employee who is eligible for more than a three week vacation may be required to take the vacation in excess of three weeks outside the preferred vacation period, which is the period from June 1 to September 30.

(g) An employee who meets all the qualifications for vacation, and is on a Leave of Absence for illness on the last day in the calendar year previous to the vacation, will be entitled to vacation.

(h) When a holiday falls within an employee's vacation such employee shall receive either an additional day's pay to compensate for the loss of such holiday or the paid vacation period shall be extended for one day, at the discretion of the Company. **A17**

(i) Vacations must be selected for full weeks. However, an employee entitled to two or more weeks of vacation in a calendar year may arrange to take five days of that vacation in one day increments. Requests for these days must be made at least seven calendar days prior to the date

## ARTICLE XIII SECTION 1

requested and must be approved by supervision. However, because of extenuating circumstances, a day off with less than a seven calendar day notification may be approved by an employee's supervisor. An employee entitled to four or more weeks of vacation in a calendar year may arrange to take an additional five days of that vacation in one day increments. Requests for these additional five days must be made seven or more calendar days prior to the date requested and must be approved by supervision. The decision to grant or not grant a one day vacation by supervision shall not be subject to the grievance and arbitration procedure. The Company reserves the right to limit the number of employees who can be off on a specific day and may, but cannot be required to, grant a one day increment on a work day preceding or following a holiday or other vacation. Such one day increments must be utilized before an employee's scheduled vacation in a particular year is exhausted.

(j) An employee's vacation (full week) will start when the employee is released from duty on his last regularly scheduled working day prior to the scheduled vacation, and shall end at the start of his first regularly scheduled working day following the scheduled vacation. However, prior to the beginning of his scheduled vacation, an employee may indicate, in writing to his supervisor that he desires to be considered for work on what would have been normal off days at the beginning or end of his scheduled vacation.

**ARTICLE XIV  
SECTION 1**

**ARTICLE XIV – NATIONAL DEFENSE**

Section 1. (a) Employees who volunteer for or are drafted in the armed services of the United States, or are conscripted by the United States Government, shall retain all rights and privileges under this Contract, including seniority standing and shall be entitled to vacation pay due.

(b) The Company in recognition of service rendered to the Nation, agrees to restore all employees to their former positions, except those dishonorably discharged, who notify the Company within the time specified by applicable legislation of their desire to return to work. An employee who leaves the Service ill, injured or unable to work shall retain all rights of his former job until he is able to work. An injured, weakened or partially disabled employee shall be offered light duty, if he is physically able to perform such work. All Company Group Life Insurance carried by employees entering the Service will be cancelled 90 days after employee enters such service, and will be reinstated without physical examination or waiting period upon the employee returning to work. Any advance premium paid by employees beyond the date of cancellation will be refunded to the employees.

(c) The foregoing provisions shall apply only to employees who are eligible for statutory re-employment rights.



## ARTICLE XV

### ARTICLE XV – DEPARTMENT STEWARDS

The Union shall furnish the Company with a list of Department Stewards and this list shall be kept current. It is further agreed that only regular employees of the Company who are covered by this Contract shall be designated as Stewards.

### ARTICLE XVI – RETIREMENT BENEFITS

Section 1. RETIREMENT INCOME PLAN: (a) Pension benefits will be provided under the Cinergy Corp., Union Employees' Retirement Income Plan (hereinafter called the "Retirement Income Plan"), which includes the changes as required by appropriate federal legislation and regulation governing such plans, as such plan was amended effective January 1, 2011.

(b) In consideration of the additional benefits incorporated in the Retirement Income Plan, the parties to this Contract agree that the Company will not reduce the benefits and the Union will not request any change in the Retirement Income Plan until the expiration of the Contract in effect on May 15, 2016.

Section 2. SAVINGS INCENTIVE PLAN: (a) The Company agrees to establish and maintain an employee savings plan, subject to the provisions of the appropriate federal legislation and regulation governing such plans, to be known as the "Duke

**ARTICLE XVI  
SECTION 2**

Energy Retirement Savings Plan for Legacy Cinergy Employees' (Midwest)" for non-exempt employees, hereinafter called the "Retirement Savings Plan."

(b) The Retirement Savings Plan is described in the Company's publication the "Duke Energy Retirement Savings Plan" Summary Plan Description and Prospectus.

(c) The Company hopes and expects to continue the Retirement Savings Plan indefinitely but it must reserve the right to alter or amend it or merge it into any other Savings Plan at any time. Any reduction or discontinuance of Company contributions during the term of the Contract will be subject to collective bargaining. However, under no circumstances shall any part of the corpus or income held by the Trustee of the Retirement Savings Plan be recoverable by the Company or be used for or diverted to any purposes other than for the exclusive benefit of the employee participants or their beneficiaries as provided in the Retirement Savings Plan.

**ARTICLE XVII – INTERRUPTION OR  
PYRAMIDING BENEFITS**

Section 1. (a) With the exception of shift differential premium, and a holiday occurring during an employee's vacation, it is agreed that under no circumstances shall any Section of this Contract be interpreted to provide the pyramiding of a benefit or

**ARTICLE XVII  
SECTION 1**

premium payment to employees covered by this Contract. For example, no employee may claim sick pay while receiving vacation pay or holiday pay while receiving sick pay.

(b) It is further agreed that there shall be no interruption in the payment of one benefit in order that the employee may receive payment for another benefit. For example, no employee may interrupt his vacation to begin sick leave or interrupt his sick leave to include a holiday. The only exceptions to the provision are that an employee's sick pay may be interrupted to include vacation pay and that vacation pay may be interrupted to include death in family pay as set forth in the Contract. In the event of a death of a relative as defined in Article VIII, Section 18 occurs after the start of an employee's vacation, any compensable bereavement time off under the Contract would interrupt the vacation and replace the unused planned vacation days. The rescheduling of the unused vacation days interrupted by the death must be approved in advance by supervision and shall not impact normal administration of vacation in one-day increments as provided in Article XIII, Section 1(i).

**ARTICLE XVIII – DURATION**

Section 1. (a) The Contract shall become effective as of May 15, 2011, and all the provisions thereof shall continue in full force and effect until May 15, 2016, and thereafter for successive three year periods unless one of the parties hereto on or

**ARTICLE XVIII**  
**SECTION 1**

before the 60th day next preceding any contract anniversary date shall notify the other party hereto, in writing, of its desire to modify or terminate the same.

(b) Joint conferences between representatives of the Company and the Union shall be promptly started following any of the above notifications for the purpose of reaching a mutually satisfactory agreement.

(c) On or before May 15, 2016, this Contract may be extended by mutual agreement of the parties for a specific number of calendar days. If a tentative agreement on the terms of a new Contract has been reached on or before May 15, thereafter the Union shall have one-half of the specified number of days in which to submit the Contract to its membership for ratification and in case of failure to ratify, in order that the Company shall have the remaining one-half of the specified number of days as notice before a work stoppage occurs.

**ARTICLE XVIII  
SECTION 1**

IN WITNESS WHEREOF, the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW), AFL-CIO-CLC, on behalf of Local Unions 12049 and 5541-06, and Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc., do hereby, by their duly authorized agents, in the premises, execute and sign this 2011 – 2016 Contract in duplicate this 3rd day of June 2011.

**DUKE ENERGY OHIO, INC.  
DUKE ENERGY KENTUCKY, INC.  
Cincinnati, Ohio**

Jay R. Alvaro  
Vice President, Labor Relations

Lisa A. Gregory  
Director, Labor Relations

**UNITED STEELWORKERS (USW),  
AFL-CIO-CLC**

Leo W. Gerard  
President

Stan Johnson  
Secretary/Treasurer

Thomas Conway  
Vice President – Administration

**ARTICLE XVIII  
SECTION 1**

Fred Redmond  
Vice President – Human Affairs

David McCall  
Director, District 1

David W. McLean  
Sub 5 Director

Ronnie Wardrup  
Staff Representative

Michael W. McAlpin

John Waits

Michael R. Blum

Terry Sammons

Fred Johnson

Jeff Berkemeier

Steve Bowermaster

Tim Caudill

Gary Tuttle

Scott Newkirk

## **Appendix A**

### **Historical Documents Preserved and Made a Part of this Agreement for Interpretation and Application**

The index and marginal references in the Labor Agreement to documents in Appendix A are intended only for convenience in administering the Labor Agreement. The index and marginal references and Appendix A are not intended to list every document that could be applicable to any factual situation arising under a given Article or Section of the Labor Agreement. It is also not intended that each document referenced in an Article or Section will be applicable to any or all factual situations covered by the referenced Article or Section. No inferences, presumptions, or conclusions shall be drawn by the Company, the Union, or any arbitrator from the indexing of, a marginal reference to, or failure to reference any document listed in Appendix A.

**APPENDIX A**

**HISTORICAL DOCUMENTS PRESERVED AND MADE PART  
 OF THIS AGREEMENT FOR INTERPRETATION AND  
 APPLICATION INDEX BY CONTRACT CLAUSE**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
A-41	Article II, Section 1	Union Security – Company Neutrality	10/07/96
A-28	Article V, Section 1	Training Union on Job Evaluation Procedure	05/13/94
A-62	Article V, Section 2	Supervisory Upgrades	08/1/07
A-27	Article VI, Section 3	Notification to the Union of Posted Job Openings	05/13/94
A-61	Article VI, Section 3(b)	Promotional Retraining	01/18/02 (10/07/96) (05/13/94)
A-79	Article VI, Section 3(c)	Disconnect Non-Pay worker and Bidding and Progression Rights Disconnect Non-Pay, Succession and Special Meter Reads Agreement	05/20/11  05/14/03
A-80	Article VI, Section 3(c)	Gas Operations Promotional Sequences and New Position	04/18/11
A-4	Article VII, Section 1	Continuity of Work and Overtime	07/05/79
A-8	Article VII, Section 1	Inspecting Mechanic Job Class – No Shift Rotation	05/17/82
A-52	Article VII, Section 1	Work Hours	01/18/02 (10/07/96) (05/13/94)
A-81	Article	Field Operations –	05/20/11



**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
	VII, Section 1(b)	Schedule Replacement Guidelines	
A-18	Article VII, Section 1(j)	Scheduling Make-up Overtime	05/23/91
A-63	Article VII, Section 1(j)	Overtime Guidelines – Field and System Operations, Contractor Construction, Corrosion, Gas Production and Measurement Center	05/20/11 (06/14/07)
A-64	Article VII, Section 1(j)	Service Delivery Overtime Guidelines	06/15/07
A-60	Article VII, Section 1(m)	Call Out Pay	01/18/02
A-54	Article VIII, Section 2	Voluntary Transfers Between Headquarters	01/18/02 (10/07/96) (05/13/94)
A-82	Article VIII, Section 2(f)	Home Site Reporting Guidelines	05/20/11
A-13	Article VIII, Section 5	Company Monitor Contractor Safety	05/23/91
A-36	Article VIII, Section 5	Inspecting Mechanics - AMRP	05/20/11 (10/07/96) (05/13/94)

**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
			(05/23/91)
A-1	Article VIII, Section 8	Witness Pay for Criminal Cases	06/11/73
A-5	Article VIII, Section 13	One-time Use of Sick Pay for Chemical Addiction Rehab.	07/05/79
A-9	Article VIII, Section 13	Employee Notification of Absence Expectations	05/24/85 (05/18/76)
A-66	Article VIII, Section 14(a)	Health Care Benefits	08/01/07
A-14	Article VIII, Section 14(b)	Company May Replace Health Care Plans	05/23/91
A-78	Article VIII, Section 14(b)	Health Care Security	05/20/11
A-71	Article VIII, Section 14(d)	Retirement Plan and HRA Conversion Agreement	08/01/07
A-71 Amendment	Article VIII, Section 14(d)	Post Retirement Healthcare	05/20/11
A-76	Article VIII,	Post-Retirement Medical Benefits	04/04/05

**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
	Section 14(d)		
A-68	Article VIII, Section 15	\$9,000.00 Paid-Up Post-Retirement Life Insurance Coverage	08/01/07
A-7	Article VIII, Section 17	Inclement Weather	07/05/79
A-65	Article VIII, Section 17	Inclement Weather – Service Delivery	08/01/07
A-40	Article VIII, Section 23	Participative Management Team Guidelines	10/07/96 (05/13/94)
A-15	Article IX, Section 1	Personal Attorneys During Grievances and Arbitrations	05/23/91
A-21	Article IX, Section 1	Timeliness of Grievance Procedure	05/13/94
A-10	Article XII, Section 1	No Holiday Pay Eligibility for Unavailability	05/24/85
A-16	Article XII, Section 1	Double Time Rate and Consecutive Holidays	05/23/91
A-17	Article XIII, Section 1	Holiday Occurs During Scheduled Vacation Period	05/23/91
A-2	Misc.	Customer Service Route Bidding	06/11/73

**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
A-11	Misc.	Meter Reads and Non-pay Work on Customer Premises	05/24/85
A-19	Misc.	Non-Pay Disconnect Work Group	05/23/91
A-22	Misc.	Family and Medical Leave Act	05/13/94
A-23	Misc.	Construction Assistants – Duties and Pay Rate	05/13/94 (05/23/91)
A-25	Misc.	Inspecting Mechanics To Not Cross Union Local Areas	05/13/94
A-35	Misc.	Mechanic III Pay Rate and Work CG&E Wide	10/07/96
A-38	Misc.	Combination Workers (Service Delivery)	10/07/96
A-51	Misc.	Downbidding to Entry-Level Jobs	05/20/11 (01/18/02) (10/07/96) (05/13/94) (05/23/91)
A-55	Misc.	Pay for Non-Industrial Medical Appointments	01/18/02 (10/07/96) (05/13/94)
A-57	Misc.	Paid Lunch Periods	01/18/02 (10/07/96) (05/24/85)
A-58	Misc.	Martin Luther King, Jr. Day	01/18/02 (10/07/96) (05/13/94)
A-67	Misc.	Union Employee Annual Incentive Program (UEIP)	05/20/11 (08/01/07)
A-69	Misc.	Sabbatical Vacation Bank and Vacation Credit	08/01/07

**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
		Programs	
A-70	Misc.	Sale of Assets	05/20/11 (08/01/07)
A-72	Misc.	Discontinue Automatic Progression	08/01/07
A-73	Misc.	Benefit Claims Disputes	04/04/05
A-75	Misc.	Clothing Allowance	05/20/11 (04/04/05)
A-77	Misc.	Special Union Wide Lump Sum Opportunity	05/20/11

**APPENDIX A**

**HISTORICAL DOCUMENTS PRESERVED AND MADE PART  
 OF THIS AGREEMENT FOR INTERPRETATION AND  
 APPLICATION INDEX BY DOCUMENT NUMBER**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
A-1	Article VIII, Section 8	Witness Pay for Criminal Cases	06/11/73
A-2	Misc.	Customer Service Route Bidding	06/11/73
A-4	Article VII, Section 1	Continuity of Work and Overtime	07/05/79
A-5	Article VIII, Section 13	One-time Use of Sick Pay for Chemical Addiction Rehab.	07/05/79
A-7	Article VIII, Section 17	Inclement Weather	07/05/79
A-8	Article VII, Section 1	Inspecting Mechanic Job Class – No Shift Rotation	05/17/82
A-9	Article VIII, Section 13	Employee Notification of Absence Expectations	05/24/85 (05/18/76)
A-10	Article XII, Section 1	No Holiday Pay Eligibility for Unavailability	05/24/85
A-11	Misc.	Meter Reads and Non-pay Work on Customer Premises	05/24/85
A-13	Article VIII, Section 5	Company Monitor Contractor Safety	05/23/91
A-14	Article VIII, Section 14(b)	Company May Replace Health Care Plans	05/23/91
A-15	Article IX, Section 1	Personal Attorneys During Grievances	05/23/91

**APPENDIX A**

<b>A-DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
		and Arbitrations	
A-16	Article XII, Section 1	Double Time Rate and Consecutive Holidays	05/23/91
A-17	Article XIII, Section 1	Holiday Occurs During Scheduled Vacation Period	05/23/91
A-18	Article VII, Section 1(j)	Scheduling Make-up Overtime	05/23/91
A-19	Misc.	Non-Pay Disconnect Work Group	05/23/91
A-21	Article IX, Section 1	Timeliness of Grievance Procedure	05/13/94
A-22	Misc.	Family and Medical Leave Act	05/13/94
A-23	Misc.	Construction Assistants – Duties and Pay Rate	05/13/94 (05/23/91)
A-25	Misc.	Inspecting Mechanics To Not Cross Union Local Areas	05/13/94
A-27	Article VI, Section 3	Notification to the Union of Posted Job Openings	05/13/94
A-28	Article V, Section 1	Training Union on Job Evaluation Procedure	05/13/94
A-35	Misc.	Mechanic III Pay Rate and Work CG&E Wide	10/07/96
A-36	Article VIII, Section 5	Inspecting Mechanics - AMRP	10/07/96 (05/13/94) (05/23/91)
A-38	Misc.	Combination Workers (Service Delivery)	10/07/96

**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
A-40	Article VIII, Section 23	Participative Management Team Guidelines	10/07/96 (05/13/94)
A-41	Article II, Section 1	Union Security – Company Neutrality	10/07/96
A-51	Misc.	Downbidding to Entry-Level Jobs	05/20/11 (01/18/02) (10/07/96) (05/13/94) (05/23/91)
A-52	Article VII, Section 1	Work Hours	01/18/02 (10/07/96) (05/13/94)
A-54	Article VIII, Section 2	Voluntary Transfers Between Headquarters	01/18/02 (10/07/96) (05/13/94)
A-55	Misc.	Pay for Non-Industrial Medical Appointments	01/18/02 (10/07/96) (05/13/94)
A-57	Misc.	Paid Lunch Periods	01/18/02 (10/07/96) (05/24/85)
A-58	Misc.	Martin Luther King, Jr. Day	01/18/02 (10/07/96) (05/13/94)
A-60	Article VII, Section 1(m)	Call Out Pay	01/18/02
A-61	Article VI, Section 3(b)	Promotional Retraining	01/18/02 (10/07/96) (05/13/94)
A-62	Article V, Section 2	Supervisory Upgrades	08/1/07
A-63	Article VII, Section 1(j)	Overtime Guidelines – Field and Systems Operations,	05/20/11 (6/14/07)

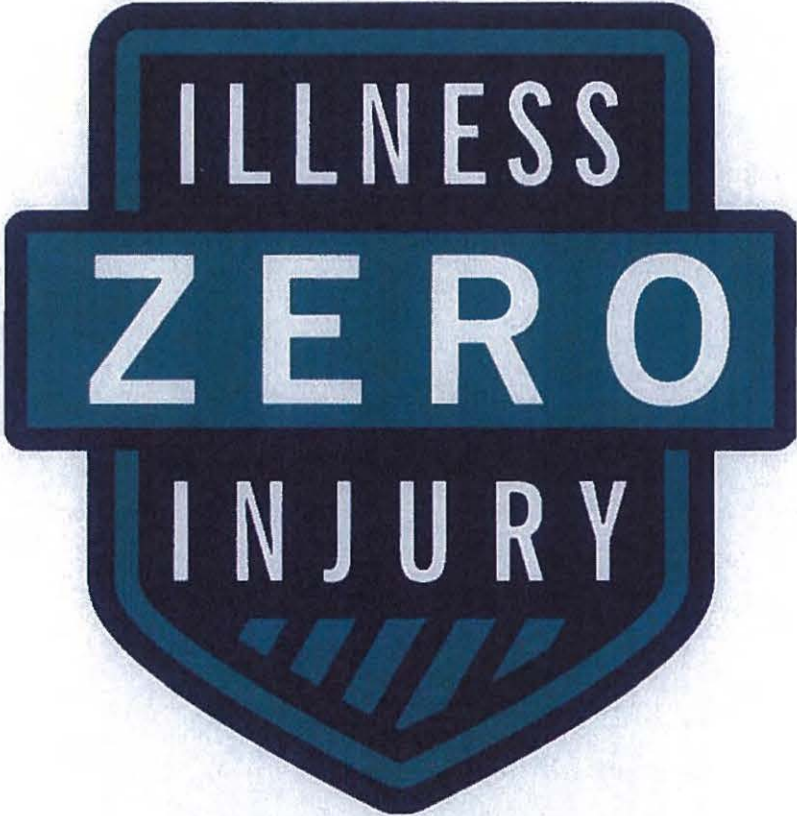


**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
		Contractor Construction, Corrosion, Gas Production and Measurement Center	
A-64	Article VII, Section 1(j)	Service Delivery Overtime Guidelines	06/15/07
A-65	Article VIII, Section 17	Inclement Weather – Service Delivery	08/01/07
A-66	Article VIII, Section 14(a)	Health Care Benefits	05/20/11 (08/01/07)
A-67	Misc.	Union Employee Annual Incentive Program (UEIP)	05/20/11 (08/01/07)
A-68	Article VIII, Section 15	\$9,000.00 Paid-Up Post-Retirement Life Insurance Coverage	08/01/07
A-69	Misc.	Sabbatical Vacation Bank and Vacation Credit Programs	08/01/07
A-70	Misc.	Sale of Assets	08/01/07
A-71	Article VIII, Section 14(d)	Retirement Plan and HRA Conversion Agreement	08/01/07
A-71 Amen dment	Article VIII, Section 14(d)	Post Retirement Healthcare	05/20/11
A-72	Misc.	Discontinue Automatic Progression	08/01/07
A-73	Misc.	Benefit Claims Disputes	04/04/05
A-75	Misc.	Clothing Allowance	04/04/05
A-76	Article VIII, Section 14(d)	Post-Retirement Medical Benefits	04/04/05

**APPENDIX A**

<b>A- DOC #</b>	<b>CLAUSE</b>	<b>ISSUE</b>	<b>DATE</b>
A-77	Misc.	Special Union Wide Lump Sum Opportunity	05/20/11
A-78	Article VIII, Section 14(b)	Health Care Security	05/20/11
A-79	Article VI, Section 3(c)	Disconnect Non-Pay Worker and Bidding and Progression Rights Disconnect Non-Pay, Succession and Special Meter Reads Agreement	05/20/11  05/14/03
A-80	Article VI, Section 3(c)	Gas Operations Promotional Sequences and New Position	05/20/11
A-81	Article VII, Section 1(b)	Field Operations – Schedule Replacement Guidelines	05/20/11
A-82	Article VIII, Section 2(f)	Home Site Reporting Guidelines	05/20/11



**TENTATIVE AGREEMENT  
 BETWEEN  
 DUKE ENERGY OHIO, INC. &  
 DUKE ENERGY KENTUCKY, INC.  
 AND  
 IBEW LOCAL NO. 1347  
 April 21, 2017**

**TERM OF THE AGREEMENT** – Subject to membership ratification, the new Agreement will be a five-year Agreement effective April 1, 2017 through March 31, 2022.

**WAGE INCREASES** – Employees will receive a 2.5% general wage increase, retroactive to April 1, 2017, if this Tentative Agreement is ratified by May 10, 2017. For the remainder of the term of the new Agreement, employees will receive a 2.5% general wage increase effective April 1, 2018, a 2.5% general wage increase effective April 1, 2019, a 3.0% general wage increase effective April 1, 2020 and a 3.0% general wage increase April 1, 2021. Applicable to all employees unless otherwise negotiated.

Wage Level	Current March 31, 2017	Effective April 1, 2017 2.5%	Effective April 1, 2018 2.5%	Effective April 1, 2019 2.5%	Effective April 1, 2020 3.0%	Effective April 1, 2021 3.0%
1	\$15.62	\$16.01	\$16.41	\$16.82	\$17.33	\$17.85
2	\$18.02	\$18.47	\$18.93	\$19.41	\$19.99	\$20.59
3	\$22.87	\$23.44	\$24.03	\$24.63	\$25.37	\$26.13
4	\$23.34	\$23.92	\$24.52	\$25.13	\$25.89	\$26.67
5	\$23.83	\$24.43	\$25.04	\$25.66	\$26.43	\$27.23
6	\$24.98	\$25.60	\$26.24	\$26.90	\$27.71	\$28.54
7	\$26.55	\$27.21	\$27.89	\$28.59	\$29.45	\$30.33
8	\$27.34	\$28.02	\$28.72	\$29.44	\$30.33	\$31.24
9	\$27.83	\$28.53	\$29.24	\$29.97	\$30.87	\$31.80
10	\$28.42	\$29.13	\$29.86	\$30.61	\$31.52	\$32.47
11	\$29.81	\$30.56	\$31.32	\$32.10	\$33.07	\$34.06
12	\$30.22	\$30.98	\$31.75	\$32.54	\$33.52	\$34.53
13	\$30.63	\$31.40	\$32.18	\$32.99	\$33.97	\$34.99
14	\$31.36	\$32.14	\$32.95	\$33.77	\$34.78	\$35.83
15	\$32.08	\$32.88	\$33.70	\$34.55	\$35.58	\$36.65
16	\$33.43	\$34.27	\$35.12	\$36.00	\$37.08	\$38.19
17	\$33.70	\$34.54	\$35.41	\$36.29	\$37.38	\$38.50
18	\$34.32	\$35.18	\$36.06	\$36.96	\$38.07	\$39.21
19	\$35.25	\$36.13	\$37.03	\$37.96	\$39.10	\$40.27
20	\$37.10	\$38.03	\$38.98	\$39.95	\$41.15	\$42.39
21	\$37.67	\$38.61	\$39.58	\$40.57	\$41.78	\$43.04
22	\$38.04	\$38.99	\$39.97	\$40.96	\$42.19	\$43.46

23	\$38.40	\$39.36	\$40.34	\$41.35	\$42.59	\$43.87
24	\$38.79	\$39.76	\$40.75	\$41.77	\$43.03	\$44.32
25	\$39.16	\$40.14	\$41.14	\$42.17	\$43.44	\$44.74
26	\$39.65	\$40.64	\$41.66	\$42.70	\$43.98	\$45.30

**MATERIALS SPECIALIST C, METER REPAIRER, AND MANUAL TECHNICIAN** - Employees in these classifications will receive the general wage increase applicable to all non-specially negotiated job classifications for the term of this Agreement. The minimum wage rates for these classifications will not increase.

**PAID PARENTAL LEAVE** – Upon ratification of the Agreement, employees will be eligible for paid parental leave on the same basis as the Company’s general, non-represented employee population.

**SICK AND FAMILY CARE** - Effective January 1, 2018, current employees will be eligible for up to 80 hours of paid time off due to qualifying sick or family care reasons on the same basis as the Company’s general, non-represented employee population. Employees may carry over up to 80 hours of the annual allotment of unused Sick Pay from one calendar year to the next up to a maximum total balance of 120 hours available for qualifying reasons.

**SHORT-TERM DISABILITY** – Short-term disability (STD) benefit revised to eliminate the rolling 24-month period.

**DIVERSITY AND PERSONAL DAYS** – The notice for requesting Personal/Diversity days has been reduced from four days to two days.

**DEATH IN FAMILY BENEFIT** – Expanded benefit to include aunts, uncles, nieces, and nephews.

**GENERATION/FIELD SERVICES BOOT POLICY** - Upon ratification of the Agreement, employees will be eligible to receive reimbursement, not to exceed \$200 when they are next eligible, for the purpose of replacing worn boots. Going forward, employees in Generation and Field Services (Telecommunications), will be eligible for reimbursement of up to \$200 every two years for the purpose of replacing worn boots.

**ANNUAL FR CLOTHING ALLOTMENT** – The annual allowance for FR Clothing will increase to \$455 per year for the purchase of FR clothing for those eligible employees. In the event the Company elects to increase the amount of the FR clothing allowance or to implement a “roll-over” feature during the term of the 2017-2022 Agreement, the Company will also make these changes for IBEW 1347 represented employees.

**RECOGNITION AND REWARD PROGRAMS** - Employees will be eligible to participate in departmental or safety recognition and rewards programs.

**PRODUCTION TECHNICIANS (GENERATION)** - Fossil Hydro employees entering the Production Technician job classification will only be permitted to cross-bid to other Company positions outside of Operations after a period of three years.

**GAS SUPPLY CHAIN** – Establishment of a new Supply Chain division to support Gas Operations.

**DELIVERY OF PAYCHECKS/DIRECT DEPOSIT** – Paychecks and Direct Deposit advices will be mailed to the employee’s home address. All employees will be required to use direct deposit effective January 1, 2018.

**WORKERS’ COMPENSATION** – An employee who is awarded Worker’s Compensation benefits by the state and is unable to work, will be paid a supplement equal to one half of the difference between the employee’s regular earnings and the state-mandated compensation for up to 26 weeks.

**CALLOUT PROCESS** – Improved call-out process which allows for improved responsiveness to customer outages and the establishment of “preferred volunteer” crews.

**LINEPERSON IMPROVEMENT PROGRAM** – Improvements made to the Lineperson Apprenticeship Program allow flexibility for Craft and Technical Training to improve training for the apprentice and for the organization.

**EMPLOYMENT POLICY** – In order to address potential conflicts of interest relating to the employment of relatives within 1 Distribution Force – Midwest and Transmission, the Company and Union agree to meet to resolve issues that may arise.

**INCREASED MEAL COMPENSATION** – Meal allowance will be increased to \$11.50 effective the first full payroll week following ratification.

**INCREASED SHIFT DIFFERENTIAL** - The Company agreed to increase the hourly shift differential for the afternoon shift to \$1.80 and the night shift differential to \$1.85 effective the first full payroll week following ratification.

**INCREASED SUNDAY PREMIUM** - The Sunday premium amount will be increased to \$2.05 per hour effective the first full payroll week following ratification.

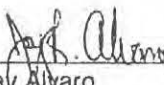
**PARTIAL DAY VACATIONS** – Employees will be permitted to use two days of vacation, in ½ day increments (four half-days) per calendar year.


**TRAVEL TIME FOR TRAINING** – Employees required to train outside of the Company’s service area as part of a training program will be paid, when participating in the training, for their approved travel time, at their straight time rate.

**EMERGENCY WORK** – Double time shall be paid for all emergency time worked for other utilities at their respective operating locations.


**UNION EMPLOYEES’ INCENTIVE PLAN** – A joint committee will be established to discuss and mutually agree on the metrics that will be used in 2018 for “non-Generation” employees.

**UNION SECURITY** – Modify union security language to comply with Kentucky Right-to-Work Laws.

For the Company:  4/26/17  
Jay Alvaro  
Director, Labor Relations  
Duke Energy  
Date

For the Union:  04/26/2017  
Andrew Kirk  
Business Manager  
Local 1347, IBEW  
Date

This Summary of the Tentative Agreement contains highlights of the parties’ negotiations outcomes. More detailed information is contained in the side letter agreements and language modifications to the collective bargaining agreement.

	IBEW 1347 – 2017 Negotiations
	UP #22 – Paid Parental Leave Article IV, Section 3

**Section 3. ABSENCE DUE TO SICKNESS, FAMILY CARE AND PARENTAL LEAVE.**

(a) Effective January 1, 2018, employees will be eligible for paid time off due to qualifying sick or family care reasons and, effective upon ratification of this Agreement for paid parental leave, on the same basis as the Company's general, non-represented employee population. During the term of the Agreement, such coverage cannot be further amended or terminated, except (i) through negotiations between the parties, (ii) for changes which the Company determines to be necessary for legal compliance and (iii) for administrative changes.

(b) After an employee has been continuously disabled, subject to medical determination, and unable to return to work for more than seven consecutive calendar days, the employee will receive Short Term Disability Benefits pursuant to the Duke Energy Short Term Disability Plan for up to twenty-six (26) weeks or until the employee is able to return to work, whichever occurs first. During the seven consecutive calendar day waiting period, it is intended that no employee will incur a loss of more than forty hours of straight time pay. Effective January 1, 2018, employees will participate in the Duke Energy Short Term Disability Plan under the same terms and conditions as the general, non-represented employee population as of January 1, 2018. During the term of the Agreement, such coverage cannot be further amended or terminated, except (i) through negotiations between the parties, (ii) for changes which the Company determines to be necessary for legal compliance and (iii) for administrative changes.

Effective January 1, 2018, the amount of the STD benefits that an employee is eligible for as a percentage of pay varies based upon the employee's years of service\* according to the following schedule:

Years of Service	Weeks at 100%	Weeks at 66 2/3%
Less than 1 year	0	26
1 up to 5 years	10	16
5 up to 10 years	15	11
10 up to 15 years	20	6
15 or more	26	0

\*STD benefits begin on the eighth day of disability. The 26-week STD period begins on the first day of disability and includes the 7-day waiting period. To continue receiving pay during the 7-day waiting period, the employee will need to use sick time or vacation pay during the waiting period.

The definition of "pay" used to calculate an employee's STD benefits is the employee's basic rate of pay immediately prior to disability, as verified by the Company. Overtime,


bonuses, incentive pay and non-cash compensation are not included in the definition of "pay" used to calculate STD benefits.

(c) After an employee has been continuously disabled, subject to medical determination, and has exhausted Short Term Disability Benefits under the Duke Energy Short Term Disability Plan, the employee may apply for Long-Term Disability Benefits under the Duke Energy Long Term Disability Plan.


(d) In order to facilitate the scheduling of the work forces, an employee who will be absent from work is expected to notify the Company as soon as possible. Unless an employee submits a legitimate excuse for not reporting the cause of his absence before the end of the first scheduled working day of such absence, the employee's claim for Short Term Disability shall not begin until such notice is received.

(e) No wages will be paid under Article IV, Section 3 for illness caused by use of drugs, intoxication, or willful intention to injure oneself or others, by the commission of any crime by the employee, procedures not covered by the medical plan, the employee's refusal to adopt remedial measures as may be commensurate with the employee's disability or permit reasonable examinations and inquiries by the Company as in its judgment may be necessary to ascertain the employee's condition.




 DUKE ENERGY.	IBEW 1347 – 2017 Negotiations
	MP #4 – Industrial Accidents Article IV, Section 4

Section 4. INDUSTRIAL ACCIDENTS. (a) Effective January 1, 2018, an injured employee who is unable to work because of an industrial accident will be paid a supplement in an amount equal to his or her regular weekly wages until the employee starts receiving workers' compensation benefits under state law. After an employee starts receiving state-mandated benefits, the Company will provide one half of the difference between what the employee would have received at regular work less the amount received as state-mandated compensation for such injury. The supplemental compensation provided pursuant to this section by the Company, shall be provided for no longer than 26 weeks, and in any event shall not exceed the state-mandated benefits plus the Company provided supplement. Any overpayments to the employee will be repaid to the Company.

 <b>DUKE ENERGY.</b>	IBEW 1347 – 2017 Negotiations
	MP #8 – Recognition and Reward Programs Article V, Section 28


Employees are eligible for an incentive lump sum bonus up to a maximum of 2% or 5% of straight time and overtime wages per year in accordance with the 2009 negotiations letter of agreement entitled, "Union Employee Incentive Plan (UEIP), based on the achievement of goals during the previous year, as determined by the Company.

In addition, employees will be eligible for consideration and rewards, on the same basis as non-bargaining unit employees, for those programs in which they currently do not participate, in accordance with departmental or safety recognition programs.


 <b>DUKE ENERGY.</b>	IBEW 1347 – 2017 Negotiations
	UP #8 and 9 – Personal Days and Diversity Days Article IV, Section 2 (a)

Section 2. (a) An employee who has completed six months of continuous service shall be entitled to four compensated personal days off each calendar year. Requests for personal days must be made at least ~~four~~two calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, a day off with less than a ~~four~~two calendar day notification may be approved by an employee's supervisor. Arrangements for all personal days must be made with supervision on or before November 1 of each year or it shall be lost. The Company reserves the right to limit the number of employees who can be off on a specific day. If a personal day is not used during a year, it shall be lost and no additional compensation shall be granted.


(b) An employee who has completed six months of continuous service shall be entitled to one compensated Diversity Day off each calendar year. Requests for this day must be made at least ~~four~~two calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, less than a ~~four~~two-calendar day notification may be approved by an employee's supervisor. The Company reserves the right to limit the number of employees who can be off on a specific day for business needs. However, every effort will be made by supervision to honor an employee's request for this Diversity Day. If the Diversity Day is not used during a year, it shall be lost and no additional compensation shall be granted.

 DUKE ENERGY.	IBEW 1347 – 2017 Negotiations
	MP #6 – Pay Day Article V, Section 7

Section 7. Pay-day for employees covered by this Agreement shall be on Friday of every other week. Paychecks will be mailed to the employee's home address. All employees will be required to use direct deposit effective January 1, 2018. Checks will be directly deposited into one or more bank accounts employees shall designate and authorize. Direct Deposit advices will be mailed to the employee's home address if he/she has elected to receive a printed copy. When it is reasonably possible, checks will be delivered to the employees not later than quitting time on Thursday.

 DUKE ENERGY.	IBEW 1347 – 2017 Negotiations
	UP #20 – Training Time Article V, Section 8(b)


(b) Employees required to train outside the Company's service area as part of a training program will be paid at their regular straight time rate when participating in the training program and, in addition, will be paid approved travel time and provided reasonable expenses for transportation, meals and lodging

	IBEW 1347 – 2017 Negotiations
	UP #11 – Bereavement Article V, Section 12

Section 12. Upon the death of the designated relatives of an employee, the employee, upon request, may be entitled to the stipulated maximum number of calendar days off for which he is entitled to receive regular pay for not more than the indicated number of consecutive working days, including the day of the funeral. If prior arrangements are made, an employee may include a maximum of one (1) day following the funeral as one of the consecutive working days off, and in the case of a spouse, child, mother, father, brother or sister, two (2) days following the funeral. No pay will be granted for regular scheduled off days.

<u>Relationship</u>	<u>Maximum Consecutive Calendar Days Off</u>	<u>Maximum Consecutive Working Days Off With Pay</u>
Spouse or Domestic Partner	7	5
Child, Stepchild or Foster Child	7	5
Mother, Stepmother or Foster Mother	7	5
Father, Stepfather or Foster Father	7	5
Brother, Stepbrother or Foster Brother	7	5
Sister, Stepsister or Foster Sister	7	5
A legal dependent residing in the employee's household	7	5
In-laws (father, mother, brother sister, son or daughter)	5	3
Grandchild	6	4
Grandparent/Spouse's Grandparent	4	2
Aunts, Uncles, Nieces and Nephews	2	1

At supervisor's discretion, bereavement pay may be taken in segments. For example, an employee may take time off on the day of the death, return to work and then take off additional time to attend the funeral. If an employee has worked four (4) hours or more and is notified of a death in his family, and leaves the job, the day will not be charged as one of the consecutive working days. If, however, he has not worked four (4) hours, the day will be charged as one of the consecutive working days for which he is entitled to receive regular pay.


	IBEW 1347 – 2017 Negotiations
	UP #12 – Emergency Work (Double Time) Article V, Section 1

### Emergency Work

~~Time and one-half~~ Double time shall be paid for all emergency time worked for other utilities at their respective operating locations. Emergency work performed at any location or facility owned and/or operated by the Company, or its parent and related subsidiaries/affiliates shall be paid as follows:

For continuous emergency work performed at any location or facility owned and/or operated by the Company, or its parent and related subsidiaries/affiliates, for which the employees depart from their home headquarters and return back to the home headquarters thereafter without an overnight lodging stay, the straight time rate will be paid during regular working hours. The rate of time and one-half will be paid for hours of continuous work over the regularly scheduled hours. After 16 consecutive hours of work, subsection (k) will apply.

For emergency work performed at any location or facility owned and/or operated by the Company, or its parent and related subsidiaries/affiliates, that requires a lodging stay away from home, on the first day of the assignment the straight time rate will be paid during regular working hours and the time and one-half rate will be paid for hours of continuous work over the regularly scheduled hours. Beginning with the second day and for the remaining consecutive days of such an assignment, the rate of time and one-half will be paid for all hours worked. After 16 consecutive hours of work, subsection (k) will apply.

	IBEW 1347 – 2017 Negotiations
	MP #13 – Supply Chain Reorganization Exhibit "A" – Departmental and Divisional Working Rules

Division 14: POWER DELIVERY WAREHOUSES

1. This Division shall operate on a Modified and a Fixed Shift Schedule (Monday - Friday) in accordance with the negotiated letter dated October 11, 1996, discussing flexibility in work scheduling. Day shifts will be any hours between 6:00 a.m. and 6:30 p.m. Afternoon shifts will be any hours between 2:00 p.m. and 2:00 a.m. Evening shifts will be any hours between 10:00 p.m. and 10:00 a.m.

Each shift will include a one-half hour meal period.

2. The Company shall not require an employee to furnish tools.

Division 15: GENERATION SUPPLY CHAIN

A-38

1. This Division shall operate on a Modified Shift Schedule and, where necessary, a Rotating Shift Schedule in accordance with the negotiated letter dated October 11, 1996, discussing flexibility in work scheduling. Day shifts will be any hours between 6:00 a.m. and 6:30 p.m. Afternoon shifts will be any hours between 2:00 p.m. and 2:00 a.m. Evening shifts will be any hours between 10:00 p.m. and 10:00 a.m.

Each shift will include a one-half hour meal period.

- a) At Woodsdale Storeroom a one-day notice is required to change a schedule from day-to-day.
- b) At Woodsdale Storeroom any schedule can start thirty (30) minutes earlier and end thirty (30) minutes earlier with a one-day notice of a schedule change.

Division 16: FLEET SERVICES

1. This Department shall operate on a Fixed Shift Schedule in accordance with the negotiated letter dated October 11, 1996, discussing flexibility in work scheduling. Day shifts will be any hours between 6:00 a.m. and 6:30 p.m. Afternoon shifts will be any hours between 2:00 p.m. and 2:00 a.m. Evening shifts will be any hours between 10:00 p.m. and 10:00 a.m.

Each shift will include a one-half hour meal period.

2. Employees will be responsible for providing hand tools under 1". All other tools will be provided for by the Company as it determines necessary.
3. Employees will be provided work attire which includes clothing and laundry services.


Division 17: GAS OPERATIONS SUPPLY CHAIN

1. This Division shall operate on a Modified and a Fixed Shift Schedule (Monday - Friday) in accordance with the negotiated letter dated October 11, 1996, discussing flexibility in work scheduling. Day shifts will be any hours between 6:00 a.m. and 6:30 p.m. Afternoon shifts will be any hours between 2:00 p.m. and 2:00 a.m. Evening shifts will be any hours between 10:00 p.m. and 10:00 a.m.

Each shift will include a one-half hour meal period.

2. The Company shall not require an employee to furnish tools.



 DUKE ENERGY.	IBEW 1347 – 2017 Negotiations
	MP #3 – Union Security Article I, Section 7

Section 7. Respecting the subject of "Union Security," the parties mutually agree as follows:

(a) To the extent permitted by State law, All regular employees of the Company as of the ratification of this Agreement, who are not members of the Union shall not be required as a condition of their continued employment to join the Union. However, after April 1, 2014, all regular employees of the Company within the bargaining unit represented by the Union who are members of the Union, and who are not more than six months in the arrears with dues, or who may become members of the Union, shall be required as a condition of their continued employment to maintain their membership in the Union in good standing, unless prohibited by State law, and, subject to the withdrawal rights annual ten-day escape period hereinafter described.

(b) The Union agrees that neither it nor any of its officers or members will intimidate or coerce any of the employees of the Company to join or become members of the Union, nor will said Union or any of its officers or members unfairly deprive any employee within the bargaining unit represented by the Union of union membership or of any opportunity to obtain union membership if said employee so desires. In this connection the Company agrees that it will not discriminate against any employee on account of activities or decisions in connection with the Union except as the same may become necessary on the part of the Company to carry out its obligations to the Union under this Agreement.

(c) If a dispute arises as to the actual union status of any employee at any time as to whether or not the employee has been unfairly deprived of or denied union membership, the dispute shall be subject to arbitration, in accordance with the arbitration provisions of Article II, Section 2 of this Agreement.

(d) To the extent permitted by State law, Within thirty-one (31) days after the date of hire, all employees who are not members of the Union, except those employees mentioned in subsection (l) of this section, shall be required as a condition of continued employment, unless prohibited by State law, to pay to the Union each month a service charge as a contribution toward the administration of this Agreement in an amount equal to the monthly dues uniformly required by the Union Members. Such contributions shall be checked off upon proper written authority executed by the employee and remitted to the Union in the same manner as the dues of members.

(e) The Company agrees to dismiss any employee at the written request of the Union for non-payment of union dues or service charges or to discipline employees represented by the Union in the manner herein provided for violation of this Agreement, if requested to do so in writing by the Union. Nothing in this clause, however, shall be construed so as to require the Company to dismiss or discipline any employee in violation of any state or federal law.

(f) The Union agrees that any present or future employee who is now or may become a member of the Union may withdraw from membership in the Union, to the extent permitted by law, between September 21st and September 30 inclusive of each year, by giving notice in writing by registered or certified mail to the Labor Relations Department of the Company. After such withdrawal an employee shall not be required to rejoin the Union as a condition of continued employment.

(g) The Company agrees that after proper individual authorizations by means of written individual assignments in a form mutually agreeable to both parties to deduct Union dues and service charges, and the original initiation fee from members' pay. This deduction shall be made once each month and shall be forwarded within seven calendar days to the authorized agent of the Union.

The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits or other form of liability that may arise out of or by reason of any action taken or not taken by the Company for purposes of complying with the provisions of this Section 7.



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April xx, 2017

Mr. Andrew Kirk  
Business Manager  
International Brotherhood of  
Electrical Workers, Local 1347  
2100 Oak Road  
Cincinnati, Ohio 45241

Re: Lineperson Program

Dear Mr. Kirk:

Reference is made to the parties efforts and discussions related to the hiring of Linepersons. This correspondence will supersede all previous correspondence pertaining to this subject.

Employees hired into the Groundperson or Lineperson C classification will be provided training and required to progress satisfactorily through the Lineperson sequence to the Lineperson "A" job classification in accordance with timeframes provided below, excepting legally protected time off that may delay progression.

Groundperson	3-6 months
Lineperson C	15-18 months
Lineperson B	24-27 months
Total apprenticeship time	42-51 months

New employees with prior line experience hired into the Lineperson Program from outside of the Company or transferred from within the Company will be employed with the understanding that the promotional principle of the Lineperson Program will be the controlling condition from the time they enter the Lineperson sequence until they become a Lineperson "A".

Employees are required to successfully progress to remain employed in the Lineperson Program. Inability to successfully progress means that two successive written examinations, or two successive practical demonstrations were not passed as determined by the Company. The employment of an individual who does not progress satisfactorily will be terminated.

Commercial driver's license (CDL) Driver's Training will be given to employees entering the Program. If an employee does not pass the driving CDL test, consideration will be given to retesting the employee based on the existing circumstances and the trainer's evaluation of the employee's driving aptitude and potential. Employees are expected to successfully acquire a CDL license within their first 6 months of employment.

Employees in the Lineperson Program will be required to successfully demonstrate pole climbing aptitude throughout their training and progression. Any individual who does not exhibit climbing aptitude satisfactory to supervision will be subject to immediate termination.

Employees in the Lineperson Program will be assigned to an Operations Center based on the Company's staffing requirements, the employee's seniority status, and the employee's headquarter preference.

Employees will not be permitted to bid to other headquarters until they have successfully completed all the necessary skills and training and the Company has certified that the employee is qualified for promotion to Lineperson B. In order to effectively implement the required promotional principle, all employees in the Lineperson Program should submit a bid sheet to Labor Relations at least once a year for all locations and positions. In order for this program to work effectively, the Company will assign the senior qualified employee to an available opening, if such employee has not submitted a bid for consideration on all possible openings and locations for the posting being processed. This procedure is contrary to the established practice that the junior qualified employee is assigned to a position when no eligible employees have submitted bids for a particular job.

An employee in the Lineperson job sequence will be permitted to cross bid from one location to another except when such employee is a probationary employee, a Groundperson or a Lineperson "C". Employees generally will not be upgraded during their training, absent business necessity as determined by management in accordance with Article V, section 20 (a).

To the extent that this letter is inconsistent with the job descriptions and program procedures, the provisions of the letter shall prevail.

Sincerely,

Lisa A. Gregory  
Human Resources Principal

cc: J. Sochacki  
V. Huffaker  
J. Wical



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April XX, 2017

Mr. Andrew Kirk  
Business Manager  
International Brotherhood of  
Electrical Workers, Local Union No. 1347  
2100 Oak Road  
Cincinnati, Ohio 45241

Dear Mr. Kirk:

This letter is to follow up on recent conversations held between the Union and management regarding concerns with potential conflicts of interest relating to the employment of relatives within 1 Distribution Force-Midwest (1DF-MW) and the Transmission organization.

As we discussed, the Company has an Employment Policy that prohibits conflicts of interest resulting from the employment of relatives. The "Employment of Relatives" section of the Employment Policy states in relevant part:

For purposes of this policy, a relative is defined as an employee's spouse, domestic partner, brother, sister, parent, child, grandparent, grandchild, niece, nephew, aunt, uncle, including similar "step-relationships" and these same relationships of the employee's spouse or domestic partner. Each situation will be evaluated on an individual basis.

A supervisor may not directly or indirectly manage his/her own relatives or those of his/her spouse or domestic partner (i.e., signature is required on performance management and/or salary actions). In addition, two or more relatives may not report to the same supervisor.

Effective after ratification of the 2017 Agreement, if a conflict arises or if the results of a bid identify the potential for a conflict of interest as described above, the Company will contact Union leadership to discuss possible solutions to resolve the conflict. Examples of solutions could include, but are not limited to, processing the bids as normal, processing the bids as normal and then allowing the employee to promote in place at their current work location, move the employee to one of their subsequent bid choices, etc. If the resolution results in creating a position, bids will be reevaluated to account for the newly created position. If the Company and the Union cannot mutually agree on a solution, within a reasonable amount of time, the Company reserves the right to move the employee to a location that does not create a conflict as described above.

Sincerely,

Lisa A. Gregory  
HR Principal



Duke Energy  
139 East Fourth Street -  
Cincinnati, OH 45202

April xx, 2017

Mr. Andrew Kirk  
Business Manager  
Local Union 1347  
International Brotherhood of  
Electrical Workers, AFL-CIO  
4100 Colerain Avenue  
Cincinnati, Ohio 45223

Re: Partial Day Vacations & Vacation Carryover

Dear Mr. Kirk:

During the 2017 negotiation meetings, the committees for the Company and the Union discussed the use of vacation in less than whole day increments and vacation carryover.

The Company agreed that upon ratification of the 2017 Agreement, department managers will review their individual work groups and where it will not disrupt normal operations, at their discretion, permit requests for partial day vacations in increments of one-half the employee's scheduled work day. However, use of the half-days is limited to two whole days (four half-days) per calendar year for use either at the start or end of the work day. It was further agreed that requests for these partial days must be made at least five calendar days prior to the date requested and must be approved by supervision. However, because of extenuating circumstances, a partial day off with less than a five calendar day notification may be approved by an employee's supervisor.

It was also agreed that henceforth employees entitled to a vacation may carryover up to a maximum of 80 hours of vacation into the next year. The amount of carryover vacation available in any calendar year may not exceed the 80 hour maximum. Use of vacation carried over may be taken any time during the following calendar year, subject to approval by supervision and the terms outlined in the Agreement for vacation use.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April XX, 2017

Mr. Andrew Kirk  
Business Manager  
International Brotherhood of  
Electrical Workers, Local Union No. 1347  
2100 Oak Road  
Cincinnati, Ohio 45241

Dear Mr. Kirk:

During the 2017 negotiations, the Company and the Union discussed the Safety Shoe Policy describing appropriate footwear to be worn by employees in certain departments as referenced in this letter, and the reimbursement process. The reimbursement amount specified in this letter, replaces the \$150 reimbursement outlined in Sidebar Letter A-76 (Generation Foot Protection Policy). All other provisions of Sidebar Letter A-76 remain in effect.

To facilitate compliance, the Company will provide an initial reimbursement, not to exceed \$200, for new hires within the Field Services Division (Telecommunications) and Fossil Hydro Operations (FHO) for one (1) pair of boots that meet the requirements for their position.

Existing employees, in the above referenced groups, will be eligible to receive reimbursement not to exceed \$200 when they are next eligible to receive reimbursement by the Company, for the purpose of replacing worn boots.

Going forward, employees in the above referenced groups, will be eligible to receive reimbursement not to exceed \$200 every two years, for the purpose of replacing worn boots. Employees are expected to manage their boot allowance as they deem best, provided that reimbursement will not exceed \$200 every two years.

Employees are expected to purchase footwear from a vendor of their choosing that meets the requirements for the type of work they are required to perform in compliance with departmental requirements. Employees are required to wear compliant footwear at all times when they are working.

Prior to any reimbursement, employees are required to provide a copy of the receipt and also proof that the boots meet the departmental standards. It is the Company's expectation that this reimbursement will be sufficient for employees to maintain protective footwear for work purposes. Employees who experience legitimate damage to their boots related to work activities, as determined by Management, should contact their supervisor to make arrangements for replacement.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April xx, 2017

Mr. Andrew Kirk  
Business Manager  
Local Union 1347  
International Brotherhood of  
Electrical Workers, AFL-CIO  
4100 Colerain Avenue  
Cincinnati, Ohio 45223

Re: Welding Premium

Mr. Kirk:

During the 2017 negotiations, the Company and the Union discussed a premium for employees within Fossil/Hydro Generation possessing certain welding certifications.

It was agreed that if the Company determines the welding being performed is outside the scope of an employee's classification or requires specialized training and certification then a premium in the amount of \$1.00 per hour will apply. This premium will be applicable to all hours paid. The Company solely determines the number of employees receiving this premium based on business need. Should an employee's certification lapse for any reason then no premium will be paid. In addition, the Company may discontinue the use of certified welders based on business need at any time.

The first order of selection will be based on the classified seniority of those employees who possess welding certification. The second order of selection will be based on the classified seniority of those employees who have completed the advanced mechanical discipline.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April xx, 2017

Mr. Andrew Kirk  
Business Manager  
Local Union 1347  
International Brotherhood of  
Electrical Workers, AFL-CIO  
4100 Colerain Avenue  
Cincinnati, Ohio 45223

Re: Production Technicians

Mr. Kirk:

During the 2017 negotiations, the Company and the Union discussed the Production Technician job progression within the Fossil Hydro Organization (FHO) and the application of Article III, Section 7 (f) of the Collective Bargaining Agreement.

The skills required for the Production Technician are station specific, and given the five year training program, the Company has concerns with retention within this classification. As such, any employee entering this job classification after the ratification of the 2017 – xxxx Agreement, will not be permitted to apply for Duke Energy positions outside of the Production Group for a period of three years.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations





Duke Energy  
139 East Fourth Street-  
Cincinnati, OH 45202

April XX, 2017

Mr. Andrew Kirk  
Business Manager  
Local Union 1347  
International Brotherhood of  
Electrical Workers, AFL-CIO  
2100 Oak Road  
Cincinnati, Ohio 45241

Re: Overtime Guidelines

Dear Mr. Kirk:

During the 2017 negotiation meetings, the committees for the Company and the Union discussed the following process for contacting employees in Distribution Construction & Maintenance (Overhead and Underground, excluding Electric Trouble), Transmission Lines and Brecon Heavy Equipment, for call-out overtime and for evaluating overtime responsiveness.

When the Company determines that a call-out is required, management will contact employees at the appropriate Operation Centers and will document the call and the response. The size of the crew will be the determination of management.

#### Overtime Lists

The Company will maintain and utilize one overtime list for the purpose of identifying employees for scheduled and unscheduled overtime opportunities. Selection will be based on the lowest amount of overtime hours worked and waived. The Company will discontinue the use of separate lists.

The Company will also maintain an Out of Town list for the purpose of identifying employees who will be contacted for emergency work assignments performed out of town requiring an overnight stay. Employees will be contacted based on the lowest amount of overtime hours worked and waived. Hours accumulated will be carried by each individual from location to location and from classification to classification. New hires will be averaged into the list. Assignments for emergency overtime opportunities involving work for other utilities not owned or operated by Duke Energy, will be made on a voluntary basis based on overtime hours worked.

Hours will be considered waived when the employee fails to respond and/or declines the overtime opportunity. Hours charged as waived will be based on the lowest amount of time worked by the responding crew member(s).

If it is necessary to assign overtime to someone, the employee(s) will be assigned based on the lowest amount of overtime hours worked. Nothing in this letter will preclude an Operations Center from determining qualifications for specific assignments.

#### Call-out Responsiveness Rate

A call-out is defined as a contact or attempted contact by the Company to an employee who is not currently working for the purpose of performing work. The response rate expectation for the above-referenced work groups shall be reviewed quarterly based on a rolling 12 (twelve) month average. An average response rate of at least 33% must be maintained by each employee. The response rate shall be calculated based on the employee's cumulative responses during the rolling twelve-month period.

#### Call-out Responsiveness Measures

- Employees will provide the Company with accurate contact information and keep contact information up to date.
- Employees will be contacted, via contact information they provide, to report for job assignments.
- If Management determines the need for a "preferred volunteer" crew at an Operations Center, employees will be able to volunteer for the "preferred volunteer" crew and that crew(s) will be contacted before utilizing the overtime list.
- After contacting the preferred volunteer crew at an Operations Center, if additional resources are needed, employees will be contacted in order based on low overtime hours (worked and waived).
- If an Operations Center does not have a preferred volunteer crew, employees will be contacted in order based on low overtime hours (worked and waived).
- Employees that accept or decline an unscheduled overtime work assignment or an out of town work assignment (at any facility or location owned and/or operated by the Company) will be credited a "response" or a "non-response" as appropriate.
- Employees that accept or decline an unscheduled overtime work assignment for a utility not owned or operated by the Company, will not be credited with a "response" or a "non-response".
- Employees held at the end of a regularly scheduled work day for overtime assignments, will not be charged with a "non-response" if after being released from that overtime assignment, they are subsequently called for an overtime assignment and are unable to respond.
- Employees held over by the Trouble Desk for additional work following a scheduled overtime assignment, will be credited a "response" or a "non-response" as appropriate.
- During emergency work assignments, an employee will receive a maximum of one response or non-response as appropriate, for the duration of the event.
- The response rate will be calculated on actual call-outs and responses to those call-outs based on the above criteria. A minimum of eight call-outs are required for the calculation of the response rate.

- Employee(s) who have been unavailable for call-out due to time off work protected by applicable law or Company policy and who do not have the minimum eight call-outs and 9 months of full duty will not have response rate calculations until they meet both requirements. The 9 months of full duty availability do not have to be consecutive months.
- Employees will be eligible to receive an incentive award based on a call-out response rate to be determined.

Employees failing to maintain at least a 33% response rate will be subject to progressive corrective action beginning with an oral warning. Any particular corrective action will remain in effect and subject to further corrective action, until the employee has met the call-out responsiveness rate expectations in four consecutive quarterly reviews after that action. In addition, he/she may not be permitted to travel out of the Ohio/Kentucky service territory on emergency work assignments unless approved or designated by the Supervisor.

Employees who were under the 33% response rate in the previous review period, will not be subject to corrective action again if they remain under the required response rate at the subsequent review because they were not contacted for the minimum number of overtime opportunities.

If the Customer Average Interruption Duration Index (CAIDI) has not improved by July 1, 2019, the Company reserves the right to initiate a one-time reopener with the Union solely concerning these overtime guidelines, during the term of the Agreement.

Based on the foregoing, this letter supersedes any prior letters or agreements among the parties relating to this matter. It is thought that the above adequately describes the parties agreement on this matter.

Sincerely,

Jay Alvaro  
Director, Labor Relations



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April XX, 2017

Mr. Andrew Kirk  
Business Manager  
Local Union 1347  
International Brotherhood of  
Electrical Workers, AFL-CIO  
2100 Oak Road  
Cincinnati, Ohio 45241

Re: Union Employees' Incentive Plan (UEIP) – Joint Committee

Dear Mr. Kirk:

During the 2017 negotiation meetings, the committees for the Company and the Union discussed the goals associated with the Union Employees' Incentive Plan (UEIP).

The parties have agreed that, following the 2017 negotiations, a joint committee will be established to discuss the goals to be implemented in 2018 for represented employees working in the non-Generation areas of the business.

It is further agreed that the joint committee is not limited to consideration of goals relating only to safety. The joint committee discussions may result in goals being established by the Company for purposes of the UEIP, relating to safety and/or non-safety measures. Any goals resulting from such joint committee discussions will be established no later than March 1, 2018, and in any event will not be effective for the 2017 performance period. If the goals are not modified as a result of these discussions, the goals will continue to be based on safety.

This letter does not impact Sidebar Letter A-67 regarding the level of UEIP opportunities, which remains in effect.

Sincerely,

Jay Alvaro  
Director, Labor Relations



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April XX, 2017

Mr. Andrew Kirk  
Business Manager  
Local Union 1347  
International Brotherhood of  
Electrical Workers, AFL-CIO  
2100 Oak Road  
Cincinnati, Ohio 45241

Re: Leadperson – Senior Maintenance Electrician

Dear Mr. Kirk:

During the 2017 negotiation meetings, the committees for the Company and the Union discussed the application of "Leadperson" within Substation for employees in the Senior Maintenance Electrician job classification.

The parties have agreed that following the 2017 negotiations, a joint committee will be established to meet and discuss the roles and responsibilities of employees within Substation Maintenance in the Senior Maintenance Electrician job classification. The committee will determine when the lead person premium is applicable and establish guidelines for the application of the Leadperson premium going forward. As stated in Sidebar Letter A52, the Leadperson role will encompass duties and responsibilities beyond those contained within Senior Maintenance Electrician job description.

It is further agreed that these guidelines will be established by no later than September 30, 2017.

Sincerely,

Jay Alvaro  
Director, Labor Relations

cc: Donald Broadhurst  
John Froehle