

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

FILED  
JUL 16 2004  
PUBLIC SERVICE COMMISSION

**In the Matter of:**

<b>ADJUSTMENT OF ELECTRIC RATES,</b>	)	<b>CASE NO.</b>
<b>TERMS AND CONDITIONS OF KENTUCKY</b>	)	<b>2003-00434</b>
<b>UTILITIES COMPANY</b>	)	

**RESPONSE OF**  
**KENTUCKY UTILITIES COMPANY**  
**TO THE**  
**FIRST DATA REQUEST OF COMMISSION STAFF**  
**DATED DECEMBER 19, 2003**

**VOLUME 3 OF 4**

**FILED: January 16, 2004**



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 49**

**Responding Witness: Paula H. Pottinger, Ph.D.**

Q-49. Provide all current labor contracts and the most recent contracts previously in effect.

A-49. See attached.

# **KU-IBEW Agreement**

**August 1, 2003 to August 1, 2006**

THIS AGREEMENT, made and entered into as of the 1st day of August, 2003, by and between KENTUCKY UTILITIES COMPANY, a Virginia and Kentucky Corporation, with its principal offices and place of business in Lexington, Fayette County, Kentucky (doing business in Virginia as Old Dominion Power Company), hereinafter referred to as the "Company," party of the first part, and LOCAL UNION NO. 2100, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, hereinafter referred to as the "Union," party of the second part.

WITNESSETH:

THAT WHEREAS, the parties hereto desire to cooperate in the maintenance of just and equitable terms and conditions of employment and to provide methods for fair and peaceable adjustment of differences that may arise between them and to promote harmony and efficiency to the end that the Company and the Union and the general public may mutually benefit; and

WHEREAS, the continuous operation of the business of the Company is essential to the public welfare and it is, therefore, a recognized obligation on the part of both the Company and the Union to maintain continuous and dependable service, irrespective of any differences which may occur at any time, it is mutually agreed by said parties as follows:

## **ARTICLE I**

### **Section 1 Union Recognition**

The Company hereby recognizes the Union as the exclusive bargaining agency for all its employees in its Pineville and Norton Operations and will continue to recognize the Union for all matters pertaining to rates of pay, hours of work and any and all conditions of employment during the life of this contract, but excluding without limitation all clerical employees, line supervisors and substation supervisors and supervisors who have the authority to hire and fire or recommend such action. This Agreement is restricted entirely to said Pineville and Norton Operations of the Company's system and is applicable only to the employees located within said Pineville and Norton Operations and within the classifications referred to in Article XIV.

### **Section 2 Authorization for Dues, Agency Fees, Deductions etc.**

All Kentucky employees of the Company covered by this Agreement who on the date of execution of this Agreement are members or agency fee payers of the Union shall, as a condition of continued employment, remain members or agency fee payers for the term of the Agreement to the extent of paying the periodic dues or agency fees uniformly required. All Kentucky employees covered by this Agreement who are hired after the date of execution of this Agreement shall, as a condition of continued employment, become members or agency fee payers of the Union at the completion of their probationary period and remain members or agency fee payers for the term of this Agreement, to the extent of paying the initiation fee (or reinstatement fee) and periodic dues or agency fees uniformly required.

### **Section 3**

The Company, where so authorized and directed by an employee in writing upon an authorization form, meeting all requirements of law and approved by the Company, will deduct from the wages of any and all employees in its Pineville and Norton Operations for whom the Union is bargaining agent, Union dues, agency fees, initiation fees and lawful unit wide assessments in the amounts authorized by each employee on one of the above mentioned forms. This deduction shall be made as designated by the employee on the approved form on the first pay day of each month and remitted promptly to Local Union No. 2100, 10400 Dixie Highway, Louisville, Kentucky 40272. All checks shall be made payable to International Brotherhood of Electrical Workers, Local No. 2100. Each remittance shall be accompanied by a list setting forth the amount deducted and the names of those from whom the deductions were made.

### **Section 4**

In the event there is an overcharge made in making payroll deduction for dues, agency fees, initiation fees and assessments, the Union shall be responsible for adjustment of such claim, with the individual members.

### **Section 5**

Section 2 of this Article shall not apply to Virginia employees. This Article is intended to

comply with all requirements and the provisions of applicable state and federal law, and nothing herein contained shall require the taking of any action in violation thereof; the Union agrees to indemnify and save the Company harmless from any claim or liability arising out of any action taken by the Company in compliance herewith. However, in the event changes in the state and/or federal law should make the application of Section 2 above lawful for Virginia employees, then the provisions of said Section 2 shall apply to said Virginia employees.

### **Section 6 Management Rights**

By reason of the nature of the business of the Company it is essential, and is therefore agreed, that the management of the Company and the supervision and control of all operations and the direction of the working forces, including the right to relieve employees from duty because of lack of work, or for just cause, the right to hire, suspend, discharge for cause, promote, demote or transfer employees and the right to operate the Company should be, and is, vested in, and reserved to, the Company, except as herein limited.

It is further agreed that in the interest of obtaining improved service, better operations or lower costs, the Company has the right to make changes in equipment, operations, and the organization of work, including the determination of job content, minimum requirements and qualifications; and combine jobs, eliminate jobs, and create new jobs, and it is understood that this is a proper function of management.

The Company shall have the right to formulate and enforce rules and regulations dealing with employee conduct and work and safety, which are not in conflict with this Agreement. The Company will notify the Union office in writing at least fourteen (14) calendar days prior to implementation of any new or revised rules or regulations and shall meet to discuss such changes during the fourteen (14) calendar day period if requested.

## **ARTICLE II**

### **Section 1 No Strike – No Lockout**

Union pledges to Company the loyal, honest, safe and dependable service of all its members who perform work under this Agreement.

The Company agrees not to lock out its employees and the Union agrees that there shall be no slowdown, sitdown, strike or other interference with or stoppage of the work of the Company on the part of the Union or any of its members, during the existence of this agreement.

Although it is a recognized obligation on the part of both the Company and the Union to cooperate in maintaining a continuous and dependable public service, it shall not be a violation of this Agreement, nor cause for discharge or disciplinary action, for an employee as an individual matter to decline to cross a picket line at premises other than premises of the Company where loss of Company property or injury to the employee is threatened.

A duly identified and authorized representative of the Union shall, upon due advance arrangement, be granted access to Company premises for the purpose of investigating problems with which he is properly concerned in the administration of this Agreement. Union activity as permitted herein does not include Union business of an internal nature which does not involve the Company.

### **Section 2 Subcontracting**

(1) The Company currently and historically utilizes outside contractors and subcontractors to supplement its own work force. These outside contractors and subcontractors are utilized primarily for the following reasons: to meet emergency situations; to obtain specialized services not readily available within the Company's work force; for purposes of business expediency (time); and to enable the Company to render service to its customers in the most efficient and economical manner practicable. While the Company expects that a continuation of such outside contracting policies will be necessary for prudent and efficient business operations during the life of this Agreement, the Company agrees that it will not subcontract work normally and usually performed by employees presently covered by this Agreement for the purpose of eroding the bargaining unit.

Additionally, the Company agrees that except in an emergency it will not subcontract the work involved in the generation, transmission and distribution of electricity of a type normally and usually performed by employees in journeyman classifications or above when such subcontracting would cause the layoff of, such employees or affect their recall. It shall not be a violation of this Agreement for the Company to continue subcontracting in areas where there has been no reduction in force.

(2) If it becomes necessary for the Company to contract out work of the type regularly and customarily performed by employees covered hereby, it shall notify the Union of such subcontracting and identify the type of contractual agreement, probable duration of the contract and the approximate number of employees involved in the performance of the contract. However, nothing in this article shall require the Company to assume unreasonable or excessive costs in its operations.

(3) It is agreed that outside contractors will not perform overtime work, normally performed by employees covered by this Agreement, except in the following circumstances and situations: where the employees in the work area affected have been offered the work; if an emergency exists and employees in the work area affected by the emergency have been fully



utilized; or if it is necessary to have an equipment outage for the contractor to complete the work he is performing. It is not a violation of this Section for a contractor to continue or complete work on an overtime basis, provided the contractor is responsible for that work during the normal workweek. However, contractors will not be called out to perform overtime work unless one of the above three (3) exceptions has been met.

(4) The Company agrees that, others factors being substantially equal (i.e. price, availability, qualifications etc.), contractors who employ union members will be given preferred consideration. It is understood that this provision in no way creates third party beneficiary status for any individual or contractor.

### **Section 3 Successorship**

The Company agrees that the Collective Bargaining Agreement between the parties will remain in full force and effect for the specified duration regardless of any change in the ownership of the Company. The Company will include a provision, in any sales or merger agreement, with any successor or assign, that will affirm and make the continuation of the Collective Bargaining Agreement a condition of the sale or merger of the Company.

## **ARTICLE III**

### **Section 1 Notification in Event of Discharge of Employee**

In the event of a discharge or suspension of any employee, the Company shall within forty-eight (48) hours give the employee and Local No. 2100 at Louisville, Kentucky, written notice thereof. If a written reprimand is given to an employee a copy will also be given to the Union.

### **Section 2 Grievance After Discharge or Suspension**

In the event the Union or any discharged or suspended employee shall fail to file a written grievance within five (5) working days concerning the above mentioned discharge or suspension, such discharge or suspension shall be final.

### **Section 3 Union Representation – Stewards**

For adequate representation of the employee groups, there shall be a steward at the following locations: Somerset, Kentucky, London, Kentucky, Pineville, Kentucky, Harlan, Kentucky, Pennington Gap, Virginia, and Norton, Virginia, and as many assistant stewards as may be needed, the names of all of whom shall be furnished to the Company. It is understood an assistant steward will function only in the absence of the steward. It is agreed that the Company will recognize the stewards as the official representatives of the employee group covered by the terms of this Agreement. (The right is reserved by the Union to change the stewards at will, provided that notice of any change is immediately given to the Company.) No steward shall be discriminated against by the Company because of his faithful performance of his duties as steward.

### **Section 4 Grievance Procedure**

Should differences arise between the Company and Union as to the meaning and/or application or the observation and performance of any of the provisions of this Agreement, the following shall be the procedure for adjustment thereof, and any settlement reached in any step of this procedure will be final:

- (1) The employee and/or his steward shall first bring the grievance to the attention of his immediate supervisor.
- (2) If the grievance is not settled, it shall be reduced to writing so as to describe the complaint, designate the article and section of the contract which the aggrieved party contends has been violated and state briefly the events or actions which are alleged to be in violation of the contract and which justify the complaint and shall be presented by the aggrieved employee and/or his steward to the employee's immediate supervisor and the next level of management who did not participate at Step 1.
- (3) If the matter is not satisfactorily disposed of within three (3) working days, a Business Representative of the Union shall be called in. The Business Representative, the Steward, and such person or persons as the Union may designate, shall meet with the appropriate manager and such person or persons the Company may designate to make a thorough investigation. It is agreed that a fair and sincere effort shall be made to reach a satisfactory adjustment or settlement of all matters so presented within ten (10) working days after this meeting.

- (4) If the matter cannot be settled in the foregoing manner, it is agreed that the Union may refer the grievance to arbitration by giving notice to the Company in the manner hereafter specified, provided that such notice is given within forty-five (45) days after the occurrence of the event or action upon which the grievance is based or within such time as the period for giving notice may be extended by agreement of the parties in writing. If notice is not given within such period, the grievance shall be considered settled.
- (5) The Union may refer a grievance which the parties are unable to settle under the grievance procedure to arbitration by delivering to the human resources representative within the time specified in paragraph (4) written notification that it desires to arbitrate the grievance. The Company and the Union shall each appoint a representative and such representatives shall seek agreement as to the identity of a mutually acceptable arbitrator. If they are unable to agree, the Company and Union shall jointly request the American Arbitration Association to provide a list of seven (7) qualified (National Academy of Arbitrators member) arbitrators who have training or experience in the subject of the dispute in question. The representatives of the parties shall either agree to an arbitrator on the list or select one by each party alternating striking a name from the list until one name remains, either party may reject one list per case. More than one grievance may be submitted to the same arbitrator if a multiple submission is acceptable to both parties. The compensation and expenses of the arbitrator shall be borne equally by the parties. The compensation and expenses, if any, of witnesses and other participants in the arbitration shall be borne by the party desiring or requesting their presence.

### **Section 5 Arbitration**

The jurisdiction of the arbitrator shall be strictly limited to the determination of disputes having to do with the application of the provisions of the Agreement which have been submitted to arbitration as provided herein. But said arbitrator shall have no power to change any of the provisions of the Agreement.

### **Section 6 Grievance Meetings**

Grievances to be handled through the grievance procedure shall be taken up at such time of day as will least interfere with the regular working hours of the employees involved. If the Company finds it more convenient and practical to conduct such proceedings during regular working hours, then Union grievance representatives who are called from their regular duty will be paid their regular wages as though they were on regular duty.

## **ARTICLE IV**

### **Leaves of Absence – Union Business**

The Company, upon written request from the union, shall grant to the officers and committees of the Union all necessary and reasonable leaves of absence to transact Union business, provided reasonable notice shall be given and their seniority and all other rights with the Company shall not be affected due to their absence. It is understood and agreed, however, that the Company shall not be required to grant such leave of absence to any employee whose absence, in the opinion of the Company, would interfere with the proper operation of its business. The Company shall also have the right to recall any employee who has been granted a leave of absence, in the event an emergency or for operational effectiveness shall, in the opinion of the Company, make such recall necessary.

Union members who are excused from work for the conduct of Union business, and who are not eligible for compensation by the Company for the time so spent, shall, upon request by the Union, be compensated by the Company for straight-time work hours missed. The Union will reimburse the Company for these hours upon proper notice. The Company's obligation under this section shall be suspended if, after thirty (30) calendar days from demand for proper reimbursement, such reimbursement is not received by the Company. Any contested amount of reimbursement is all that may be withheld by the Union to avoid the suspension of such obligation.

Union members' absences from work for the conduct of Union business will be limited to twenty (20) work days in a calendar year.

## **ARTICLE V**

### **Exclusive Contract**

During the life of this Agreement the Company will not enter into any contract with any employee or group of employees, or with any other organization in the Company which would supersede or modify the provisions of this Agreement, unless required to do so under the provisions of the National Labor Relations Act or any of the amendments thereto.

## ARTICLE VI

### **No Discrimination, Interference or Intimidation of Employee by Company or Union**

The Company further agrees that it will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it by discrimination with respect to hire, tenure or employment or any other term or condition of employment or in any manner attempt to discourage membership in the Union.

The Union agrees that neither the Union nor any of its members will interfere with, intimidate, restrain or coerce any employee in any manner whatsoever with respect to his right to work or the free exercise of his own choice as to Union membership or non-union membership, and further that there shall be no solicitation of employees for Union membership or dues on Company's time or property, provided, however, that if any employee shall lease or rent his residence from Company, then such residence shall not be considered as Company property for the purpose of this paragraph.

Any claim of violation of any of the provisions of this Article, either by Company or Union, shall constitute a complaint which shall be adjusted through the grievance procedure provided for in Article III hereof.

## **ARTICLE VII**

### **Section 1 Probationary Period**

The Company and the Union agree that it is necessary for the Company to hire additional employees, in excess of the number needed from time to time for normal operation, for the purpose of new construction work, unusual, seasonal or emergency maintenance or operating conditions, and to train such employees for replacement of, or additional to, its regular personnel. All such employees shall be classed as probationary employees until completion of ninety (90) days of continuous employment, during which the employee works for the Company, and during said time such employee shall acquire no seniority. Any employee, if still employed at the end of said ninety (90) days period, shall either be released from employment by the Company or placed upon the regular employee list, and if and when so placed upon the said regular employee list, his seniority shall begin from the date of his original employment. There shall be no responsibility for reemployment of probationary employees if they are laid off or released during said period of ninety (90) days. However, any claim of personal prejudice or any claim of discrimination for Union activity in connection with the layoff or release of probationary employees shall be considered and decided through the grievance procedure provided for in Article III hereof. Such claims must be supported by written evidence at the time the complaint is filed.

### **Section 2 Temporary Employees**

When students and others are hired for vacation replacements or other temporary needs, it is agreed that their employment is temporary and will not exceed one hundred ten (110) working days. These employees shall not accrue seniority.

## **ARTICLE VIII**

### **Section 1 Determination of Seniority**

Region-wide seniority shall mean the aggregate years, months and days of work performed in the bargaining unit by an employee on the job for this Company. However, for the purpose of this Article VIII, region-wide seniority shall consist of (a) length of continuous service; (b) knowledge, skill and ability; and (c) physical fitness. When knowledge, skill and ability and physical fitness are relatively equal, length of continuous service shall govern. If any claim shall be made that any promotion, demotion, transfer or increase or decrease in force, including layoff or reemployment made by the Company, is due to discrimination, the dispute shall be settled under the grievance procedure provided for in Article III hereof.

### **Section 2 Seniority List**

The Company will post a list of its employees' seniority records, including those now in the military service, and give the Union a copy for checking for its correctness. If at the end of thirty (30) days no dispute has arisen over this record, it shall stand as the official seniority list for both the Company and the Union. Any employee whose name is hereafter added to the original seniority lists may request correction of any inaccuracy which may exist in the listing, but such listing shall be deemed conclusive in the case of any employee who does not request correction of any claimed inaccuracy within one month following the original listing of his name.

An up-to-date seniority list shall be made available by the Company to the Union semi-annually in May and November.

### **Section 3 Decrease or Increase of Working Force**

Whenever the Company reduces its working force, employees shall be laid off in accordance with and in inverse order of their seniority, viz; length of continuous service, knowledge, skill and ability and physical fitness as provided in Section 1 hereof.

Whenever the Company increases its working force after a layoff, the employees shall be returned to work in the inverse order in which they were laid off. No new employee shall be hired for jobs covered by this Agreement before all laid off employees qualifying under Section 1 of this Article shall have been offered the opportunity to return to work.

Each laid off employee shall keep the Company advised in writing of his correct mailing address twice yearly and the mailing or telegraphing by the Company of notice that a job is available, to the said address, shall be deemed sufficient compliance with any provision hereof with respect to giving preference to said laid off employees.

### **Section 4 Loss of Seniority**

Seniority shall be lost for the following reasons:

- (a) By the employee voluntarily leaving the employ of the Company.
- (b) By the discharge of an employee, if such discharge is not reversed through the grievance procedure.
- (c) By the failure of an employee, after a layoff, to report back to work within six (6) days after being offered reemployment or to give a satisfactory reason to the

Company for further delay.

### **Section 5 Job Vacancies**

In the event a vacancy occurs which, in the opinion of the Company, must be filled or a new job is created; that is to say, when an employee quits or is discharged or is transferred from one department or from one location to another, or is changed from one shift to another, or is retired, or dies, the Company shall post a notice of such vacancy within five (5) working days after the vacancy occurs, stating the maximum rate of pay, classification, shift and residence requirements, if any, on all bulletin boards for a minimum of five (5) working days before permanently selecting the employee. If such notice is subsequently modified it shall remain posted for a minimum of five (5) working days after such modification before the Company permanently selects the employee. The Company will select the employee to fill the vacancy within twenty (20) working days following its posting of said notice. Within five (5) working days after the Company's Region Office receives a fully approved payroll authorization, authorizing such action, the employee selected shall be placed on the job, and all other applicants for the job will be advised in writing of the name of the selected applicant. When new jobs are created or vacancies occur, said jobs or vacancies will be posted by the Company, as hereinabove provided, and application must be made for the job during said period of five (5) working days. The advice and recommendation of a board consisting of the employee's steward, a Business Representative of the Union and not to exceed two employees having knowledge of the job and/or qualifications of the bidders, selected by the steward and the Business Representative will be considered in filling such vacancies, which board will meet with not more than four (4) Company representatives, but such jobs may be filled by the Company temporarily until a suitable person has been selected by the Company. In the event an employee makes an application for a job vacancy posted in accordance with the provisions of this Article and is selected to fill the vacancy, then refuses to accept that job, the Company shall not be obligated to consider applications for other job vacancies, with the exception of a vacancy created by death, from that employee for a period of six (6) months following the date of posting of the job vacancy which was refused by the employee.

Any employee who successfully changes Line of Business through the bidding procedure can not subsequently bid to another Line of Business for one (1) year.

Any employee hired during the term of this contract shall be barred from bidding to another Line of Business for one (1) year from date of hire.

### **Section 6 Moving Expenses**

A. When the permanent reporting location of an employee is changed (a) because of his bidding into a permanent job vacancy under Article VIII, Section 5 of this Agreement, or, (b) when the Company requests and the employee consents to transfer to another location, or, (c) when the Company requires the employee to transfer to another location, and the employee is required to move his residence because of this change, the Company will pay a lump sum payment, net of taxes, equal to:

- One (1) month's base pay for renters
- Two (2) month's base pay for home owners



B. As much advance notice as possible will be given the employee of the proposed change in headquarters to give him sufficient time to arrange for new quarters in the new locality. If it is not possible to give the employee reasonable notice of the proposed change in permanent headquarters, and it is necessary for the employee to live in the new location until he can arrange to move, the Company will pay his reasonable board and lodging expenses not to exceed one calendar month unless otherwise agreed upon. If it is not possible to give such reasonable notice of the change, but it is not necessary for the employee to live in the new location until he can arrange to move, the Company will pay mileage at its standard rate for the mileage by which the distance from his present residence to his new headquarters exceeds the distance to his old headquarters, not to exceed one calendar month unless otherwise agreed upon.

C. The Company shall not be obligated to pay the moving expenses of (a) any employee who has less than twelve (12) months of continuous service since last date of hire, or, (b) in the case of any other employee, more than once in any period of twelve (12) consecutive months in connection with that employee's transfer to a new regular place of employment, unless (in either case) the move is at the Company's request.

#### **Section 7 Employee Promotion, Qualifying Period**

In the event an employee is promoted or transferred to a new job or a different classification, he shall have one hundred twenty (120) days to qualify, and if he does not qualify within such period, he shall be returned to his former classification or a classification of similar status, provided he is qualified, consistent with his seniority and without loss of seniority; provided, however, that if unusual circumstances prevent normal operating conditions on the job, the Company by agreement with the Union may extend such one hundred twenty (120) days period accordingly. This section shall not have application to employees promoted or transferred to Line Technician C or Service Technician C.

#### **Section 8 Leave of Absence**

Employees may, for proper cause, be granted leave of absence up to thirty (30) days without jeopardizing their seniority and by mutual agreement between the employees involved, the Union and the Company, such period may be further extended.

#### **Section 9 Absence from Duties**

Upon prior arrangement with Company, employees shall be entitled to be absent from their duties without pay not to exceed three (3) days per calendar year.

#### **Section 10 Return to Work After Accident or Illness**

After a regular employee has recovered from accident or sickness and reports for work, he shall be returned to his regular job, provided he is physically able and qualified to perform his job.

### **Section 11 Handicapped Employees**

Nothing in this Article shall be construed to diminish any rights an employee would otherwise have under this Agreement, the Americans with Disabilities Act, the Workers' Compensation Laws of Kentucky and Virginia or other applicable laws.

### **Section 12 Unexcused Absence from Job Grounds for Discharge**

The absence of any employee from his regular shift of duty for a total of three times within any three months' period without properly notifying the Company and without a reasonable and satisfactory excuse may, at the Company's option, be grounds for discharge.

### **Section 13 Residence Requirements**

- (a) Line Technicians shall reside either (1) within the service territory of the technician's reporting location or (2) within thirty (30) road miles of that same reporting location. Line Technicians, whose reporting location is changed by the Company, will not be required to relocate.
- (b) Service Technicians shall reside either (1) within the service territory of the office to which the technician regularly reports or (2) within twenty (20) road miles of that same reporting office.
- (c) Employees in Service or Line Technician positions as of the effective date of this policy (August 1, 1992) who do not meet these residency requirements will not be required to move. However, those Service or Line Technicians can not move any further from their current reporting location than they now live.
- (d) Line Technicians may transfer or bid to other positions within that line crew or to another line crew at the same reporting location without having to move.
- (e) Line Technicians described in paragraph (a) who transfer to Service Technician positions described in paragraph (b), must meet the residency requirements set forth in paragraph (b) even if the transfer does not involve a change in reporting location.
- (f) Service or Line Technicians that transfer to a position at a different reporting location than they now have must meet the residency requirements for that location.

### **Section 14 Maternity Leave**

An employee on maternity leave (or otherwise absent by reason of pregnancy) may utilize any accumulated paid sick leave in accordance with the Company's paid sick leave plan, and even if the employee does not plan to return to work, accumulated paid sick leave may be utilized to the same extent it could be if the employee applied for maternity leave.

An employee on maternity leave may remain on leave for a period equal to the time allowed for non-work related illness or injury.

Upon return to work the employee will either be returned to the former job or placed in another position in accordance with the practice in effect for employees returning from leave because of sickness or injury. If the employee fails to return to work at or prior to the expiration of maternity leave or refuses to take the position made available as above provided, her employment will terminate.

## **Section 15 Health & Safety**

The Company and the Union recognize the need for a strong Health and Safety Program for the benefit of all employees and the Company. The Union will cooperate in assisting and maintaining the Company's rules regarding health and safety. The Company recognizes the interest of the Union in the health and safety of its members, and will give careful consideration to any recommendations made by it.

The Company and the Union agree to a Joint Health and Safety Advisory Committee for the purpose of reviewing, discussing and recommending new or revised safety and health rules and procedures. The Committee shall be chaired by the Manager, Health and Safety, and shall meet quarterly. This Committee shall consist of not more than two (2) members of the Company and two (2) members of the Union. The Union representatives who shall attend a particular meeting shall be made known to the Manager, Health and Safety not less than two (2) weeks prior to the date established for the meeting. At the same time, the Union shall notify the Company of the subjects it desires to address at the meeting.

## **ARTICLE IX**

### **Employees in the Armed Forces**

Except as otherwise provided by law, if it should become necessary for an employee to leave the service of the Company to serve in the Armed Forces of the United States, or should an employee volunteer for service in any of the Armed Forces of the United States, the Company's policy states that it will provide support for employee's military service obligations consistent with its obligations under the Uniformed Services Employment and Reemployment Rights Act (USERRA) and any applicable state and/or local laws. The Military Leave Policy applies to all LG&E Energy Corp. and subsidiaries. Except as otherwise provided by law, this Article shall not apply to any employee who re-enlists or otherwise extends his period of full-time military service beyond the period of time of his military obligation to the United States.

## **ARTICLE X**

### **Section 1 Holidays**

The Company will permit as many of its employees as practicable to be absent from their duties with regular pay on the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve and Christmas Day. An employee's birthday shall be recognized as a holiday on the employee's actual birthday or on a day during each calendar year mutually agreed upon between the employee and the Company. A Personal Leave Day shall be recognized as a holiday in each calendar year on a day mutually agreed upon between the employee and the Company.

### **Section 2**

An employee scheduled to work on any of the above holidays shall be entitled, at his option, either (a) upon the exercise of this option by notice to the Company before the end of the pay period involved, to be paid at the rate of one and one-half (1-1/2) times his regular rate of pay for the hours worked, or (b) to be absent from his duties with regular pay on a day to be mutually agreed upon between the employee and the Company. An employee shall be paid at two (2) times his hourly wage rate for all hours worked over eight (8) on a holiday.

This section shall not apply to employees called out for emergency work on one of the above holidays, which shall be governed by the provisions of Section 6 of Article XIII. Except in cases of emergency, unscheduled absences of other employees, or with respect to an employee regularly scheduled to work on a holiday, employees shall be notified three (3) working days in advance of being required to work on a holiday.

### **Section 3 Work on Scheduled Off Days**

Any employee who is required to work on his scheduled off day shall be paid time and a half and shall not be denied continuing his regular shift of duties during the week.

Any employee who is required to work on his last consecutive off day shall be paid at two (2) times his hourly wage rate, provided he worked at least four (4) hours on his previous off day.

## ARTICLE XI

### Vacations

Effective January 1, 2000, eligible employees will earn vacation from date of hire based on years of service in accordance with the following schedule:

Vacation Earned	Completed Years of Service Attained During Calendar Year
5 days	Maximum in year of hire
10 days	Years 1-4
15 days	Years 5-14
20 days	Years 15-24
25 days	Years 25 and above

Such employees on a forty (40) hour workweek shall be paid the equivalent of forty (40) hours at their straight time hourly base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments, for each week of vacation. Such employees who normally work more than twenty (20) but less than forty (40) hours per week (a part-time employee, should such be included in the bargaining unit during the life of this Agreement) shall be eligible for one-half the normal vacation entitlement (earned/accrued).

### Eligibility

A. To qualify for vacation in the following year, an employee must be active on the payroll as of December 31. An exception to this requirement applies to those employees who are on approved Family and Medical Leave.

B. An employee reinstated from inactive status shall become eligible for vacation based on his or her anniversary date:

- An employee returning to work from January 1 through June 30 is eligible for earned vacation during the calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay.
- An employee returning to work on or after July 1 is ineligible for vacation during the calendar year.

C. Employees hired directly by the Company to fill temporary positions (not hired as temporaries through contractors) who later become regular employees of the Company are eligible for vacation accrual retroactive to the beginning of their temporary employment with the Company.

D. An employee hired between January 1 and June 30 is eligible for 5 days of vacation during that calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay. An employee hired on or after July 1 is ineligible for vacation during the

initial calendar year of employment. After the initial calendar year of employment, an employee can take vacation effective January 1 or upon three (3) continuous months of active service, whichever is later, based upon the above schedule.

E. Employees who are rehired as regular full time employees accrue vacation at the same rate as when they left employment if they were employed for one year of continuous service prior to separation and if the separation was for one year or less.

### **Scheduling of Vacations**

A. Vacations, except in case of emergency (in which case special arrangements must be made by the employee with his department head), shall be taken at least one work week at a time.

B. In the event that an employee doesn't sign his weeks consecutively, the Company will go to the next employee in seniority who will be entitled to sign for his vacation.

C. Heads of departments shall schedule vacations annually as soon as practicable after the beginning of the year. Subject to the need to maintain the necessary complement of employees at all times, departmental employees shall have their choice of time for vacations in order of their seniority.

D. At an employee's request, an excused absence may be charged to vacation time to which an employee is then entitled.

### **Accumulating Vacations**

Vacation time may not be accumulated from one year to the next, and vacations earned as of any January 1 must be liquidated by time off by December 31 of that same year, except that with the responsible manager's prior written approval, an employee may defer up to five days of vacation to the following calendar year.

### **Vacation Pay at Separation**

An employee who quits, dies, retires or is discharged on or after any January 1 and without having received the vacation for which he became eligible upon such date, will be entitled to his vacation pay upon termination of employment. Any such payment due an employee who has died shall be made to the person designated as beneficiary on his group life coverage, if living, otherwise to the employee's estate. No employee leaving the employment of the Company during any calendar year shall be entitled to any vacation pay in the following year.

### **Pay in Lieu of Vacation**

An employee with four weeks of vacation eligibility (including carry-over) may "sell back" one week of vacation after they have taken two weeks of vacation and carried over one week. Payout for such a week of worked vacation will occur in January of the following year.

### **Vacation During Illness, Disability, or Personal Leave of Absence**

A. If an employee goes on paid sick leave or becomes unable to work because of compensable occupational injury prior to the time his vacation is scheduled to commence, his vacation will be rescheduled later in the year, except that an employee on paid sick leave or Short

Term Disability may, at his option, cease receiving sick pay or Short Term Disability pay and take his vacation as previously scheduled. The vacation of an employee who becomes ill or is injured after working his last shift prior to vacation will not be rescheduled, and he will not be eligible for any sick pay until such scheduled vacation has expired.

B. An employee on paid sick leave or Short Term Disability may, upon advance written request, elect at the end of the calendar year to cease receiving sick pay or Short Term Disability pay for any unused vacation period in order to avoid loss of vacation pay. An employee disabled as the result of a compensable occupational injury or who is receiving long term disability insurance payments at the end of a vacation year and is unable to work during any unused vacation period or take pay in lieu of vacation within the parameters specified within this article, will not receive pay for the vacation not taken, except as provided in Paragraph C below.

C. In the year in which an employee incurs an occupational injury or illness, after the application of up to one week vacation carry-over as specified within this article, the employee shall receive payment for any remaining unused vacation in an amount sufficient to make up the difference between what the employee received from workers' compensation insurance or Short Term Disability pay and the employee's regular straight time wages assuming a 40-hour work week.

D. An employee will earn vacation during approved personal leaves of absence on a prorated basis as follows:

- an employee on a PLOA of one full month to three full months will earn 75 percent vacation benefit for the following year, based upon the above schedule; and
- an employee on a PLOA of four to six months will earn 50 percent vacation benefit for the following year, based upon the above schedule.

### **Vacation at Retirement**

Any employee who retires may elect to work during all weeks of any vacation to which he may be entitled in the year of retirement, and for each such week of vacation worked, shall receive with his final payroll check additional compensation in an amount computed on the same basis as is then employed in computing the compensation paid to other employees who work during one week of their vacation and take pay in lieu as specified within this article.

## ARTICLE XII

### **Section 1 Work Away from Headquarters, Travel on Company Time, Meals**

(a) Whenever an employee is assigned duties distant from his regular place of employment, he will be provided transportation or transportation expense between the assigned job and his regular place of employment or headquarters. If, in the opinion of his supervisor, it is impractical for the employee to return daily to his regular place of employment, the Company will provide suitable lodging and board near the place of such temporary employment. Except in cases of emergencies, employees required to stay away from home overnight will be given notice as soon as possible but not later than the day before. Under normal circumstances where employees are performing work which is not of an emergency nature, a light-duty Company vehicle, which is adequate to provide transportation, is assigned to the job and available, and the location of the work is within 50 road miles distance from the place at which the employees regularly report to work, the employees will not be required to stay out of town overnight, such travel to be on Company time. Employees who are not notified that they are to work out of town the day before such work is to be performed will be provided by the Company an additional \$7.00 of compensation to be added to the employee's payroll check as reimbursement for the purchase of the noon meal while performing such work. Employees will be provided meals outside normal working hours during such work as provided under sections 1(b) and 1(c) of this Article XII.

(b) Whenever planned work or emergency work occurs which requires the employee or employees to work before or beyond their normal hours to such an extent that it conflicts with or interferes with their regular meal time, then in such cases the meal or meals will be paid for by the Company.

(c) Whenever any employee or employees, after completing their normal working hours, are called out for extra work because of emergency or service interruption and required to work in excess of two (2) hours, then the Company will pay for meal or meals required.

### **Section 2 Work Away from Regular Place of Employment**

No employee shall be required, except during emergencies, to stay away from his regular place of employment or headquarters for a continuous period of more than two weeks.

### **Section 3 Travel Time**

For each trip authorized by the Company, between the places of work assigned and the regular place of work or headquarters, time required for travel shall be considered as time worked.

### **Section 4 Double Shift or Part Shift**

Any employee who, after the completion of a regular shift of duty, is ordered to double shift, or part shift, shall not be denied the privilege of continuing his regular shift during any work week.

### **Section 5 Temporary Transfer**

No employee who is performing a regular job attained by virtue of seniority shall be transferred by the Company to another location without the consent of the employee, except in case



of temporary transfers not exceeding three months in duration or in case of emergency.

### **Section 6 Acting Supervisor**

On a crew with three or more persons, whenever a regular supervisor in the classification of Line Supervisor, Service Supervisor, Substation Supervisor, Shift Engineer, Chief Electrician or Chief Meter Technician is on vacation or off the job for any cause, and another employee is ordered by the person to whom such supervisor reports (or, in his absence, such person's supervisor) to perform the work of a supervisor for eight (8) hours or more, the employee shall receive his regular rate of pay or the rate of pay of the supervisor, whichever is higher, during the period that the employee performs said work.

### **Section 7 Temporary Supervisor**

When the Company combines two or more crews (to form a combined crew of four or more) for a project, unless a Supervisor A is assigned to the resulting work group, a Supervisor B will be temporarily promoted to Supervisor A for the period during which the crews are combined. If a crew normally consisting of four or more men, including the Supervisor, is reduced to a crew consisting of three men, including the Supervisor, the Supervisor A of that crew shall continue to receive the wage of a Supervisor A as long as he continues in the position of Supervisor of that crew.

### **Section 8 Two-Person crew Premium**

When two non-supervisory employees are assigned work to be performed without the direction of a supervisor and the work involves the installation, maintenance or operation of electric lines or equipment, the company may designate one of the employees to be in charge of the work to be performed. The employee designated to be in charge shall be paid a \$1.00 per hour premium over their regular rate of pay.

### **Section 9 Temporary or Emergency Work in Lower Classification**

An employee ordered to perform work for the convenience of the Company, temporarily or in an emergency, in a lower classification, shall receive the rate of pay for the classification in which he is regularly employed.

### **Section 10 Furnishing of Tools**

The Company will furnish all tools required by the employee for use in the performance of his normal work.

### **Section 11 Wash up Period**

Non-operating employees at the Pineville Generating Station will be allowed a five (5) minute wash-up period just prior to their lunch break and a fifteen (15) minute clean-up period (tools and locker room) just prior to the end of their shift. However, this provision shall not be interpreted to permit employees to leave Company premises until the designated shift time is terminated.

## **Section 12 Uniform Laundering**

The Company will arrange uniform laundering for employees working out of their service territory for extended periods.

## **ARTICLE XIII**

### **Section 1 Normal Work Week**

The normal work week of employees covered by this Agreement shall consist of five days of eight hours each, Monday through Friday. Except during emergencies or during extraordinary circumstances, lunch hour shall not begin earlier than eleven (11:00) A.M. nor later than one (1:00) P.M., local standard time.

The Substation Department crews and Meter Department personnel shall begin their workday at 7:00 a.m. and end at 4:00 p.m. with one hour for lunch break. The lunch hour shall not begin earlier than ten (10:00) a.m. nor later than twelve (12:00) noon, local standard time.

The Company may consider reasonable requests received from a majority of the members of a service crew to change the normal starting and quitting times, such decision to remain solely within the Company's discretion to exercise.

### **Section 2 Overtime, Rates of Pay**

The wages of the aforesaid employees shall be computed on an hourly basis, equal to the employees' hourly rate as provided in Article XIV hereof. The basic wage shall consist of forty hours worked each week at the employee's hourly rate, and in addition to such basic wage, time and one-half shall be paid for all hours worked in excess of eight hours within any twenty-four hour period, or forty hours within a work week, whichever is greater, but in no case both; provided, however, said additional payment for work in excess of eight hours in any twenty-four hour period shall not be paid to any employee in a relief classification for work he performs while working his regular relief schedule.

### **Section 3 Division of Overtime**

The Company will endeavor to divide overtime work, other than in an emergency, equally among the employees regularly assigned to that kind of work. An employee who cannot be contacted will not be charged with overtime which he would otherwise have worked. For overtime groups at various locations who so desire, an overtime record will be posted on the appropriate bulletin board.

### **Section 4 Overtime – Idle Holiday Counted as Time Worked**

An idle holiday shall be counted as a day worked for determining weekly overtime.

### **Section 5 Pay Provisions for Change in Schedule and Partially Used Time**

An employee who is scheduled or notified to report for work on a regular shift and does report for work at the time specified without having been given actual notice of change of schedule, shall receive full pay at his regular rate for his scheduled (non-overtime) hours on that day, even

though idle or sent home early because of delay or shortage of materials or for other reasons beyond his control. This provision shall not apply in the event that:

(a) Strikes or work stoppages by employees in the bargaining unit covered by this Agreement in connection with labor disputes interfere with the conduct of normal operations; or

(b) An employee is not put to work or is released from work after having been put to work either at his own request or due to his own fault.

### **Section 6 Call Out Time**

Employees called out for emergency work shall receive a minimum of two (2) hours' pay at one and one-half times their regular rate of pay for such work, except that if the employee begins such emergency work after midnight, but prior to the regular starting time of the first day shift, he shall be entitled to receive a minimum of three (3) hours' pay at one and one-half times his regular rate of pay for such work.

Employees called out for emergency work on a normal day off or on an observed Company holiday will receive a minimum of three (3) hours' pay at one and one-half times his regular rate of pay for such work.

### **Section 7 Planned Overtime on Off Day**

An employee scheduled for planned overtime work on a day which would be a scheduled off day on his normal work schedule will receive a minimum of four (4) hours' pay at one and one-half times his regular rate of pay. Employees shall not, in order to be entitled to the four hours' minimum, be required to remain on the job for any longer than it takes to complete the planned work, including any work related to or arising from the planned work. On three-day weekends, the Company will not schedule planned overtime work on customer-owned facilities, except in the case of hospitals.

An employee making timely request may decline planned overtime; provided sufficient employees regularly assigned to and qualified to perform the work are available and willing to work.

### **Section 8 Minimum Rest Period**

When in the opinion of the Company, an employee has worked such any extended period of time as to impair his effectiveness or present a hazard to his health or safety, or to the health and safety of fellow employees, he may be required by the Company to leave work for a rest period of up to eight (8) hours. After sixteen (16) continuous hours worked an employee may request and will be granted a minimum rest period of eight (8) hours.

Such rest period shall be taken in its entirety unless the employee is requested and agrees to return to work before the expiration of such eight (8) hour rest period. If such rest period overlaps the employee's regular hours on a regularly scheduled work day, the employee shall be paid at his regular hourly rate of pay for the hours which overlap unless the rest period was initiated by the employee in accordance with this policy. If the rest period ends within two (2) hours or less of the end of the employee's regularly scheduled shift, the employee may either return to work at his regular hourly rate of pay or not return to work and forfeit the remaining hours in his shift.

### **Section 9 Continuous Hours Worked (Time and one-half)**

All continuous hours worked after the end of the employee's last previous regular shift by an

employee during periods which commence more than eight (8) hours prior to the employee's next regularly scheduled starting time and continue into his regular hours on a regularly scheduled work day shall be paid at one and one-half (1-1/2) times the employee's regular hourly rate of pay if the employee completes his regular shift on such work day; provided, however, if the emergency situation (or other cause for his presence outside his normal working hours) should end during the employee's regularly scheduled shift of duty, and he is offered the opportunity to leave work, he may either leave work at that time (without loss of the time and one-half treatment for such continuous hours worked) or complete the remainder of his regular shift at his regular hourly rate of pay. During the continuation of an emergency situation as determined by the Company, for pay purposes, the continuity of the employee's work shall not be considered to be broken by short breaks for meals, refreshments, or rest periods authorized by his supervisor.

An employee who is called out for emergency work more than four (4) hours before his regular starting time and who completes such work within two (2) hours of his regular starting time and is thereafter released from duty, shall continue to be paid at the appropriate overtime rate until his normal starting time. He will be paid his normal straight-time rate of pay for working his normal shift.

#### **Section 10 Daylight Savings Time**

An employee working a regularly stated schedule at the time the change is made to Daylight Saving Time (normally in the spring) and who only actually works seven (7) hours instead of his normal eight (8) because of the change shall receive pay for his normal eight (8) hours. An employee working a regularly stated schedule at the time the change is made from Daylight Saving Time (normally in the fall) and who actually works nine (9) hours because of the change, shall receive pay at the established premium rate for the ninth (9th) hour.

#### **Section 11 Continuous Hours Worked – (Double-time)**

An employee who works more than sixteen (16) continuous hours shall be paid two (2) times his hourly wage rate for all such hours worked.

#### **Section 12 On-Call**

Each employee who serves in a weekly On-Call status will be paid seventy dollars (\$70.00) per week. If an employee works on service calls outside his normal scheduled workday during his On-Call week, he will be paid for such time worked in accordance with Article XIII-Overtime.

If an employee serves in an On-Call status for service calls for less than one (1) week, he will be paid one (1) hour's pay at his appropriate overtime rate in addition to time spent on any service calls for each day he serves in an On-Call status for service calls.

#### **Section 13 Emergency Electric Restoration for Another Utility**

An employee who performs emergency electric restoration work for another utility will be paid one and one half (1½) times his hourly rate for the first eight (8) hours worked in any one day and two (2) times his hourly wage rate for all hours worked over eight (8) in any one day.

This provision does not apply when such work is performed for any affiliated company of LG&E Energy Corp. within the state of Kentucky.

## ARTICLE XIV

### **Classification of Schedule "A"**

It is agreed that wage rates for the several classifications of work shall be established in accordance with the work classifications and progression schedule attached hereto and made a part hereof, marked Schedule "A" for identification, and that the application thereof shall be in the following manner: Whenever an employee is promoted to a classification having a higher starting rate, he shall receive the starting rate of the new classification, or if such starting rate represents an increase in pay of less than five cents (5¢) per hour, he shall receive the rate of the new classification applicable (After One Year). In the event such employee is promoted to a new classification at a higher rate than the starting rate, he shall progress as though he had already worked the period required by the preceding steps of the classification.

An employee who successfully bids between the Line Technician C, Service Technician C, Substation Technician C, or Meter Technician C classifications will retain the employee's rate and time in progression steps.

Payroll periods will be on a bi-weekly basis with employees being paid every other Friday.

## ARTICLE XV

### **Section 1 Sick Leave, Group Insurance, Survivors Insurance, Service Annuity, Medical Care Plan, Employee Savings Plan, Employee Assistance Program, Dependent Care Assistance Plan, Dependent Life Insurance Plan**

During the term of this Agreement the Company will provide the existing or no less favorable sick leave, group life insurance, long-term disability insurance, retirement annuity and medical, including post-retirement medical insurance benefits, dental assistance program, employee savings plan, employee assistance program, dependent care assistance plan, and dependent life insurance plan for members of the bargaining unit as are provided for other full time employees of the Company. The details of such benefits shall be as specifically provided in master plan documents or insurance contracts covering the terms of such plans. The Company will furnish identification cards for medical purposes. The Company will furnish each employee annually the amount of accumulated sick leave.

The Company will assume an increase of 4% in each year of the Contract in medical and hospitalization expense per employee. To the extent this expense increases over 4% the employees will absorb increases up to the next 4%. Should the total increase exceed 8%, the Company and the employees will equally share in the balance of that expense.

### **Section 2 Funeral Leave**

Funeral leave is paid for a maximum of five days for Immediate Family Members who include: spouse, child, step-child, or parent or step-parent.

Funeral leave is paid for a maximum of three days for Other Family Members who include: brother, sister, grandparents, grandchildren, parents-in-law, sons-in-law, daughters-in-law, spouses of the employee's brothers or sisters, employee's spouse's brothers, sisters, parents and grandparents, step relations of the preceding, or any relative living with the employee.

Such days shall be consecutive work days and shall not extend beyond the day following the funeral, except in the case of the death of an Immediate Family Member in which case such days may extend to the second day following the funeral, and shall be conditioned on the employee's attendance at the funeral. Payment will not be made for any day during such three-day period on which the employee would not otherwise work.

Employees will not be paid for unused funeral leave.

Should the employee need to be absent on a normal scheduled day or days, other than those for which payment is provided above, the employee may elect to take such day or days as vacation time, provided he is then entitled to sufficient vacation time which he has not utilized by time off or for which he has not been paid.

Payment shall be made on the next pay day after receiving notice in writing from the employee and (a) the name of the deceased person and relationship to the employee, and (b) the date and location of the funeral.

## **ARTICLE XVI**

### **Bulletin Boards for Union Use**

At all places where the Company now has bulletin boards, the Company will in the exercise of its discretion either furnish space on said bulletin boards or furnish nearby space upon which the Union may erect its own bulletin boards, of a size not larger than the Company's bulletin boards.

The Union agrees that it shall confine such posted notices to information concerning Company-Union relations and matters of concern to Union members. The Union further agrees it shall not post any notices that are derogatory or inflammatory in nature. All such notices shall be submitted to the Manager Human Resources for review prior to posting.



## ARTICLE XVII

### **No Discrimination**

There shall be no discrimination in the administration of this Agreement with regard to race, color, religion, national origin, age, sex, disability or veteran status.

## ARTICLE XVIII

### **Notice of: Changes, Modifications, or Terminations Effective Date, Termination Date**

Within the period of one hundred twenty (120) days prior to expiration date of Agreement; either party hereto may request the other to meet for the purpose of negotiating modifications to this Agreement or negotiating a new agreement, to become effective on the expiration of this Agreement. The parties agree to meet within twenty (20) days of such request and to bargain in good faith thereafter, as required by Section 8(a)(5), (b)(3) and (d), of the Labor Management Relations Act of 1947, as Amended.

This Agreement shall become effective as of the date set forth at the commencement hereof and shall continue in full force and effect from that date until August 1, 2006, unless changed or modified by mutual consent, and shall automatically be extended from year to year thereafter unless either party at least sixty (60) days prior to the expiration of this Agreement or any extension thereof shall serve upon the other party written notice that the same shall not be renewed at the applicable expiration date.

Notwithstanding the other provisions of this Article, the Company and the Union may reopen the Wage Scale, of this agreement for the purpose of negotiating wage rates to become effective August 1, 2004, and again reopen the wage scale of this agreement for the purpose of negotiating wage rates to become effective August 1, 2005 provided that neither the Company nor the Union may require the other to negotiate concerning any term other than the wage rates to be effective August 1, 2004 or August 1, 2005. This Agreement will be reopened for such purposes only if the Company or the Union actually delivers to the other, not later than July 1, 2004, written notice of intent to reopen. Failing receipt by the Company or the Union, on the date specified, of such written notice to reopen, this Agreement shall continue in full force and effect through August 1, 2006, and the wage rates in effect as of midnight July 31, 2004, shall continue in full force and effect for the duration of the Agreement. If this Agreement is reopened in accordance with the provisions of this paragraph, and the parties have not reached an agreement by midnight July 31, 2004, or 2005 as appropriate, this Agreement shall be suspended and the Company and the Union shall have the same rights and obligations as they would have possessed had the Agreement expired, provided that neither the Company nor the Union may require the other to negotiate concerning any term other than the wage rates to be effective August 1, 2004 or August 1, 2005 as appropriate.

Service of the above notices on the Union shall be deemed sufficient by depositing the notice, signed by the Corporate Manager Labor Relations of the Company, in the United States Mail, registered or certified, and addressed to Local No. 2100, International Brotherhood of Electrical Workers, AFL-CIO, 10400 Dixie Highway, Louisville, Kentucky 40272.

Service of the above notices on the Company shall be deemed sufficient by depositing the notice, signed by a Business Manager of the Union, in the United States Mail, registered or certified, and addressed to the Corporate labor relations manager, LG&E Energy Corp., 220 West Main, P.O. Box 32020, Louisville, Kentucky 40232.

IN TESTIMONY WHEREOF, Union and Company have caused their respective names to be hereunto subscribed by their duly authorized officers and seven copies of this Agreement to be executed, each to have the force and effect of an original, this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

KENTUCKY UTILITIES COMPANY

Witness:

\_\_\_\_\_  
Vice President, Human Resources

\_\_\_\_\_  
Manager Labor Relations

INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS,  
AFL-CIO LOCAL NO. 2100

\_\_\_\_\_  
President

Committee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



## SCHEDULE "A"

### **WAGE RATES, HOURLY RATED CLASSIFICATIONS EFFECTIVE JULY 27, 2003 APPLICABLE TO LOCAL UNION 2100, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, OF KENTUCKY UTILITIES COMPANY AND OLD DOMINION POWER COMPANY.**

It is agreed that wage rates and applications thereof for the several classifications of work shall be established in accordance with the following schedule.

Any new employee, upon producing evidence satisfactory to the Company of previous experience in the classification in which he is being employed shall be given credit for such experience, except that he shall not start higher than the "After One Year" step, and in such event shall receive the "After Two Years" step after one year's continuous employment. However, if after employment, he demonstrates that he has the knowledge, skill and ability equivalent to that of an employee who has had two (2) years' experience in the classification, he shall receive the "After Two Years" step beginning with the first payroll period commencing after sixty (60) days of employment.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or record of material used by the crews, shall, in addition to his regular wage, receive \$15.00 per month during the first year he is so designated, \$20.00 per month during the second year, and \$30.00 per month thereafter as compensation for the satisfactory performance of these duties.

Any employee, other than a supervisor, who is designated by the Company to operate winch truck used by crews shall receive six cents (6¢) per hour in addition to his regular rate.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews, and/or records of material used by crews, and who shall also be designated by Company to operate winch truck used by crews, shall be paid both the monthly and hourly premiums set out in the two preceding paragraphs in addition to his regular wage.

The following rates are applicable to all employees working normally on the day shift from 8:00 a.m. to 4:00 p.m.

To employees normally working on the second shift (generally 4:00 p.m. to 12:00 midnight), add fifty cents (50¢) per hour to the following rates.

To employees normally working on the third shift (generally 12:00 midnight to 8:00 a.m.), and to swing and relief shift employees, add sixty-seven cents (67¢) per hour to the following rates.

Employees who have been assigned a regular schedule of work which includes work on Sunday pursuant to an approved payroll authorization specifying such schedule shall receive a

Sunday work premium of ninety-five cents (95¢) per hour in addition to their straight time and shift premium rates.

Classification	WAGE SCALE		
	First Year In Classification	After One Year in Classification	After Two Years in Classification
Chief Electrician	\$25.31	\$26.73	\$28.82
Chief Meter Technician	\$28.82	\$28.82	\$28.82
Technician	\$23.32	\$24.60	\$26.13
Semi – Skilled Technician	\$19.76	\$20.60	\$21.99
Laborer – General	\$14.26	\$15.21	\$16.20
Line Technician A	\$23.32	\$24.60	\$26.13
Line Technician B	\$19.76	\$20.60	\$21.99
Line Technician C	\$17.23	\$18.27	\$19.66
Meter Technician A	\$23.32	\$24.60	\$26.13
Meter Technician B	\$20.71	\$21.68	\$22.79
Meter Reader	\$19.76	\$20.60	\$21.99
Operator, Coal Equipment	\$22.99	\$24.32	\$25.78
Unit Operator	\$26.20	\$26.70	\$27.16
Unit Operator Assistant	\$24.32	\$24.95	\$26.13
Line Supervisor B (Note 1)	\$27.37	\$27.37	\$27.37
Service Technician A	\$23.32	\$24.60	\$26.13
Service Technician B	\$19.76	\$20.60	\$21.99
Service Technician C	\$17.23	\$18.27	\$19.66
Shift Engineer	\$25.76	\$27.02	\$28.82
Substation Supervisor B	\$27.37	\$27.37	\$27.37
Substation Technician A	\$23.32	\$24.60	\$26.13
Substation Technician B	\$19.76	\$20.60	\$21.99
Trainee A (Note 2)	\$17.74	\$17.74	\$17.74
Trainee B (Note 3)	\$16.67	\$16.67	\$16.67
Service Specialist	\$10.66	\$11.73	\$12.79

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- Note 1 - Applicable to supervisor of crews normally consisting of three employees, including the supervisor.
- Note 2 - Applicable to employees who have been selected for and are in training for Meter Reader, Semi-Skilled Technician, Substation Technician B, or any other classification having a first year hourly rate in excess of the Trainee A hourly rate. A trainee in this category will be assigned to the classification for which he is training at the end of six (6) months, if he is then qualified, or, if not, as soon thereafter as he becomes qualified.
- Note 3 - Applicable to employees who have been selected for and are in training for Line or Service Technician C, only. A trainee in this category will be assigned to the classification for which he is in training at the end of six (6) months, if he is then qualified, or, if not, as he becomes qualified.



**KU-IBEW Agreement**  
**August 1, 2001 to August 1, 2003**

**AGREEMENT**

**BETWEEN**

**Kentucky Utilities Company  
Old Dominion Power Company**

**AND**

**INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS**



**IBEW**

**LOCAL 2100**

**EFFECTIVE**

**AUGUST 1, 2001 to AUGUST 1, 2003**

## OFFICERS

PRESIDENT/BUSINESS MANAGER

MICHAEL A. DAVIS

VICE-PRESIDENT

GREG PURVIS

RECORDING SECRETARY

DAVE RUSSO

TREASURER

WILLIAM C. STRATTON

EXECUTIVE BOARD

IRVIN FALKNER

DAVID JOYNER

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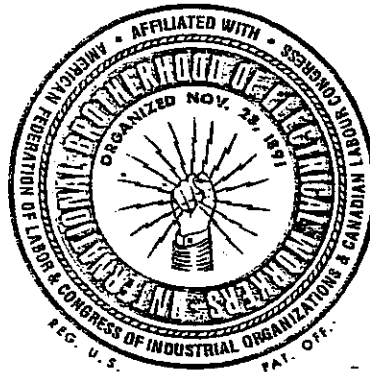
# AGREEMENT

between

**Kentucky Utilities Company  
Old Dominion Power Company**

and

**INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS**



**IBEW**

**LOCAL 2100**

**Effective  
August 1, 2001 to August 1, 2003**





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THIS AGREEMENT, made and entered into as of the 1st day of August, 2001, by and between KENTUCKY UTILITIES COMPANY, a Virginia and Kentucky Corporation, with its principal offices and place of business in Lexington, Fayette County, Kentucky (doing business in Virginia as Old Dominion Power Company), hereinafter referred to as the "Company," party of the first part, and LOCAL UNION NO. 2100, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, hereinafter referred to as the "Union," party of the second part.

WITNESSETH:

THAT WHEREAS, the parties hereto desire to cooperate in the maintenance of just and equitable terms and conditions of employment and to provide methods for fair and peaceable adjustment of differences that may arise between them and to promote harmony and efficiency to the end that the Company and the Union and the general public may mutually benefit; and

WHEREAS, the continuous operation of the business of the Company is essential to the public welfare and it is, therefore, a recognized obligation on the part of both the Company and the Union to maintain continuous and dependable service, irrespective of any differences which may occur at any time, it is mutually agreed by said parties as follows:

## ARTICLE I

### Section 1

The Company hereby recognizes the Union as the exclusive bargaining agency for all its employees in its Pineville and Norton Operations and will continue to recognize the Union for all matters pertaining to rates of pay, hours of work and any and all conditions of employment during the life of this contract, but excluding without limitation all clerical employees, line supervisors and substation supervisors and supervisors who have the authority to hire and fire or recommend such action. This Agreement is restricted entirely to said Pineville and Norton Operations of the Company's system and is applicable only to the employees located within said Pineville and Norton Operations and within the classifications referred to in Article XIV.

### Section 2

All Kentucky employees of the Company covered by this Agreement who on the date of execution of this Agreement are members of the Union shall, as a condition of continued employment, remain members for the term of the Agreement to the extent of paying the periodic dues uniformly required as a condition of retaining membership. All Kentucky employees covered by this Agreement who are hired after the date of execution of this Agreement shall, as a condition of continued employment, become members of the Union at the completion of their probationary period and remain members for the term of this Agreement, to the extent of paying the initiation fee (or reinstatement fee) and periodic dues uniformly required as a condition of acquiring or retaining membership.

### Section 3

The Company, where so authorized and directed by an employee in writing upon an authorization form,

meeting all requirements of law and approved by the Company, will deduct from the wages of any and all employees in its Pineville and Norton Operations for whom the Union is bargaining agent, Union dues, initiation fees and lawful unit wide assessments in the amounts authorized by each employee on one of the above mentioned forms. This deduction shall be made as designated by the employee on the approved form on the first pay day of each month and remitted promptly to Local Union No. 2100, 10400 Dixie Highway, Louisville, Kentucky 40272. All checks shall be made payable to International Brotherhood of Electrical Workers, Local No. 2100. Each remittance shall be accompanied by a list setting forth the amount deducted and the names of those from whom the deductions were made.

#### Section 4

In the event there is an overcharge made in making payroll deduction for dues, initiation fees and assessments, the Union shall be responsible for adjustment of such claim, with the individual members.

#### Section 5

Section 2 of this Article shall not apply to Virginia employees. This Article is intended to comply with all requirements and the provisions of applicable state and federal law, and nothing herein contained shall require the taking of any action in violation thereof; the Union agrees to indemnify and save the Company harmless from any claim or liability arising out of any action taken by the Company in compliance herewith. However, in the event changes in the state and/or federal law should make the application of Section 2 above lawful for Virginia employees, then the provisions of said Section 2 shall apply to said Virginia employees.

#### Section 6

By reason of the nature of the business of the

Company it is essential, and is therefore agreed, that the management of the Company and the supervision and control of all operations and the direction of the working forces, including the right to relieve employees from duty because of lack of work, or for just cause, the right to hire, suspend, discharge for cause, promote, demote or transfer employees and the right to operate the Company should be, and is, vested in, and reserved to, the Company, except as herein limited.

It is further agreed that in the interest of obtaining improved service, better operations or lower costs, the Company has the right to make changes in equipment, operations, and the organization of work, including the determination of job content, minimum requirements and qualifications; and combine jobs, eliminate jobs, and create new jobs, and it is understood that this is a proper function of management.

The Company shall have the right to formulate and enforce rules and regulations dealing with employee conduct and work and safety, which are not in conflict with this Agreement. The Company will notify the Union office in writing at least fourteen (14) calendar days prior to implementation of any new or revised rules or regulations and shall meet to discuss such changes during the fourteen (14) calendar day period if requested.

## ARTICLE II

### Section 1

Union pledges to Company the loyal, honest, safe and dependable service of all its members who perform work under this Agreement.

The Company agrees not to lock out its employees and the Union agrees that there shall be no slowdown, sitdown, strike or other interference with or stoppage of the work of the Company on the part of the Union or any of its members, during the existence of this agreement.

Although it is a recognized obligation on the part of both the Company and the Union to cooperate in maintaining a continuous and dependable public service, it shall not be a violation of this Agreement, nor cause for discharge or disciplinary action, for an employee as an individual matter to decline to cross a picket line at premises other than premises of the Company where loss of Company property or injury to the employee is threatened.

A duly identified and authorized representative of the Union shall, upon due advance arrangement, be granted access to Company premises for the purpose of investigating problems with which he is properly concerned in the administration of this Agreement. Union activity as permitted herein does not include Union business of an internal nature which does not involve the Company.

#### Section 2

(1) The Company currently and historically utilizes outside contractors and subcontractors to supplement its own work force. These outside contractors and subcontractors are utilized primarily for the following reasons: to meet emergency situations; to obtain specialized services not readily available within the Company's work force; for purposes of business expediency (time); and to enable the Company to render service to its customers in the most efficient and economical manner practicable. While the Company expects that a continuation of such outside contracting policies will be necessary for prudent and efficient business operations during the life of this Agreement, the Company agrees that it will not subcontract work normally and usually performed by employees presently covered by this Agreement for the purpose of eroding the bargaining unit.

Additionally, the Company agrees that except in an emergency it will not subcontract the work involved in the generation, transmission and distribution of electricity of a type normally and usually performed by employees in journeyman classifications or above when such subcontracting would cause the layoff of, such employees or affect their recall. It shall not be a violation of this Agreement for the Company to continue subcontracting in areas where there has been no reduction in force.

(2) If it becomes necessary for the Company to contract out work of the type regularly and customarily performed by employees covered hereby, it shall notify the Union of such subcontracting and identify the type of contractual agreement, probable duration of the contract and the approximate number of employees involved in the performance of the contract. However, nothing in this article shall require the Company to assume unreasonable or excessive costs in its operations.

(3) It is agreed that outside contractors will not perform overtime work, normally performed by employees covered by this Agreement, except in the following circumstances and situations: where the employees in the work area affected have been offered the work; if an emergency exists and employees in the work area affected by the emergency have been fully utilized; or if it is necessary to have an equipment outage for the contractor to complete the work he is performing. It is not a violation of this Section for a contractor to continue or complete work on an overtime basis, provided the contractor is responsible for that work during the normal workweek. However, contractors will not be called out to perform overtime work unless one of the above three (3) exceptions has been met.

(4) The Company agrees that, others factors being substantially equal (i.e. price, availability, qualifications

etc.), contractors who employ union members will be given preferred consideration. It is understood that this provision in no way creates third party beneficiary status for any individual or contractor.

### Section 3

The Company agrees that the Collective Bargaining Agreement between the parties will remain in full force and effect for the specified duration regardless of any change in the ownership of the Company. The Company will include a provision, in any sales or merger agreement, with any successor or assign, that will affirm and make the continuation of the Collective Bargaining Agreement a condition of the sale or merger of the Company.

## ARTICLE III

### Section 1

In the event of a discharge or suspension of any employee, the Company shall within forty-eight (48) hours give the employee and Local No. 2100 at Louisville, Kentucky, written notice thereof. If a written reprimand is given to an employee a copy will also be given to the Union.

### Section 2

In the event the Union or any discharged or suspended employee shall fail to file a written grievance within five (5) working days concerning the above mentioned discharge or suspension, such discharge or suspension shall be final.

### Section 3

For adequate representation of the employee groups, there shall be a steward at the following locations: Somerset, Kentucky, London, Kentucky, Pineville Generating Station, Pineville, Kentucky, Harlan, Kentucky, Pennington Gap, Virginia, and Norton, Virginia, and as many assistant stewards as may be needed, the



names of all of whom shall be furnished to the Company. It is understood an assistant steward will function only in the absence of the steward. It is agreed that the Company will recognize the stewards as the official representatives of the employee group covered by the terms of this Agreement. (The right is reserved by the Union to change the stewards at will, provided that notice of any change is immediately given to the Company.) No steward shall be discriminated against by the Company because of his faithful performance of his duties as steward.

#### Section 4

Should differences arise between the Company and Union as to the meaning and/or application or the observation and performance of any of the provisions of this Agreement, the following shall be the procedure for adjustment thereof, and any settlement reached in any step of this procedure will be final:

(1) The employee and/or his steward shall first bring the grievance to the attention of his immediate supervisor.

(2) If the grievance is not settled, it shall be reduced to writing so as to describe the complaint, designate the article and section of the contract which the aggrieved party contends has been violated and state briefly the events or actions which are alleged to be in violation of the contract and which justify the complaint and shall be presented by the aggrieved employee and/or his steward to the employee's immediate supervisor and the next level of management or the Pineville Generating Station supervisor who did not participate at Step 1.

(3) If the matter is not satisfactorily disposed of within three (3) working days, a Business Representative of the Union shall be called in. The Business Representative, the Steward, and such person or persons as the Union may designate, shall meet with the

appropriate manager and such person or persons the Company may designate to make a thorough investigation. It is agreed that a fair and sincere effort shall be made to reach a satisfactory adjustment or settlement of all matters so presented within ten (10) working days after this meeting.

(4) If the matter cannot be settled in the foregoing manner, it is agreed that the Union may refer the grievance to arbitration by giving notice to the Company in the manner hereafter specified, provided that such notice is given within forty-five (45) days after the occurrence of the event or action upon which the grievance is based or within such time as the period for giving notice may be extended by agreement of the parties in writing. If notice is not given within such period, the grievance shall be considered settled.

(5) The Union may refer a grievance which the parties are unable to settle under the grievance procedure to arbitration by delivering to the human resources representative within the time specified in paragraph (4) written notification that it desires to arbitrate the grievance. The Company and the Union shall each appoint a representative and such representatives shall seek agreement as to the identity of a mutually acceptable arbitrator. If they are unable to agree, the Company and Union shall jointly request the American Arbitration Association to provide a list of seven (7) qualified (National Academy of Arbitrators member) arbitrators who have training or experience in the subject of the dispute in question. The representatives of the parties shall either agree to an arbitrator on the list or select one by each party alternating striking a name from the list until one name remains, either party may reject one list per case. More than one grievance may be submitted to the same arbitrator if a multiple submission is acceptable.

to both parties. The compensation and expenses of the arbitrator shall be borne equally by the parties. The compensation and expenses, if any, of witnesses and other participants in the arbitration shall be borne by the party desiring or requesting their presence.

#### Section 5

The jurisdiction of the arbitrator shall be strictly limited to the determination of disputes having to do with the application of the provisions of the Agreement which have been submitted to arbitration as provided herein. But said arbitrator shall have no power to change any of the provisions of the Agreement.

#### Section 6

Grievances to be handled through the grievance procedure shall be taken up at such time of day as will least interfere with the regular working hours of the employees involved. If the Company finds it more convenient and practical to conduct such proceedings during regular working hours, then Union grievance representatives who are called from their regular duty will be paid their regular wages as though they were on regular duty.

### ARTICLE IV

The Company, upon written request from the union, shall grant to the officers and committees of the Union all necessary and reasonable leaves of absence to transact Union business, provided reasonable notice shall be given and their seniority and all other rights with the Company shall not be affected due to their absence. It is understood and agreed, however, that the Company shall not be required to grant such leave of absence to any employee whose absence, in the opinion of the Company, would interfere with the proper operation of its business. The Company shall also have the right to recall any employee

who has been granted a leave of absence, in the event an emergency or for operational effectiveness shall, in the opinion of the Company, make such recall necessary.

Union members who are excused from work for the conduct of Union business, and who are not eligible for compensation by the Company for the time so spent, shall, upon request by the Union, be compensated by the Company for straight-time work hours missed. The Union will reimburse the Company for these hours upon proper notice. The Company's obligation under this section shall be suspended if, after thirty (30) calendar days from demand for proper reimbursement, such reimbursement is not received by the Company. Any contested amount of reimbursement is all that may be withheld by the Union to avoid the suspension of such obligation.

Union members' absences from work for the conduct of Union business will be limited to twenty (20) work days in a calendar year.

#### ARTICLE V

During the life of this Agreement the Company will not enter into any contract with any employee or group of employees, or with any other organization in the Company which would supersede or modify the provisions of this Agreement, unless required to do so under the provisions of the National Labor Relations Act or any of the amendments thereto.

#### ARTICLE VI

The Company further agrees that it will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it by discrimination with respect to hire, tenure or employment or any other term or condition of employment or in any manner attempt to discourage membership in the Union.

The Union agrees that neither the Union nor any of its members will interfere with, intimidate, restrain or coerce any employee in any manner whatsoever with respect to his right to work or the free exercise of his own choice as to Union membership or non-union membership, and further that there shall be no solicitation of employees for Union membership or dues on Company's time or property, provided, however, that if any employee shall lease or rent his residence from Company, then such residence shall not be considered as Company property for the purpose of this paragraph.

Any claim of violation of any of the provisions of this Article, either by Company or Union, shall constitute a complaint which shall be adjusted through the grievance procedure provided for in Article III hereof.

## ARTICLE VII

### Section 1

The Company and the Union agree that it is necessary for the Company to hire additional employees, in excess of the number needed from time to time for normal operation, for the purpose of new construction work, unusual, seasonal or emergency maintenance or operating conditions, and to train such employees for replacement of, or additional to, its regular personnel. All such employees shall be classed as probationary employees until completion of sixty (60) days of continuous employment, during which the employee works for the Company, and during said time such employee shall acquire no seniority. Any employee, if still employed at the end of said sixty (60) days period, shall either be released from employment by the Company or placed upon the regular employee list, and if and when so placed upon the said regular employee list, his seniority shall begin from the date of his original employment. There shall be no responsibility for reemployment of

probationary employees if they are laid off or released during said period of sixty (60) days. However, any claim of personal prejudice or any claim of discrimination for Union activity in connection with the layoff or release of probationary employees shall be considered and decided through the grievance procedure provided for in Article III hereof. Such claims must be supported by written evidence at the time the complaint is filed.

**Section 2**

When students and others are hired for vacation replacements or other temporary needs, it is agreed that their employment is temporary and will not exceed one hundred ten (110) working days. These employees shall not accrue seniority.

**ARTICLE VIII**

**Section 1**

Region-wide seniority shall mean the aggregate years, months and days of work performed in the bargaining unit by an employee on the job for this Company. However, for the purpose of this Article VIII, region-wide seniority shall consist of (a) length of continuous service; (b) knowledge, skill and ability; and (c) physical fitness. When knowledge, skill and ability and physical fitness are relatively equal, length of continuous service shall govern. If any claim shall be made that any promotion, demotion, transfer or increase or decrease in force, including layoff or reemployment made by the Company, is due to discrimination, the dispute shall be settled under the grievance procedure provided for in Article III hereof.

**Section 2**

The Company will post a list of its employees' seniority records, including those now in the military service, and give the Union a copy for checking for its correctness. If at the end of thirty (30) days no dispute

has arisen over this record, it shall stand as the official seniority list for both the Company and the Union. Any employee whose name is hereafter added to the original seniority lists may request correction of any inaccuracy which may exist in the listing, but such listing shall be deemed conclusive in the case of any employee who does not request correction of any claimed inaccuracy within one month following the original listing of his name.

An up-to-date seniority list shall be made available by the Company to the Union semi-annually in May and November.

### Section 3

Whenever the Company reduces its working force, employees shall be laid off in accordance with and in inverse order of their seniority, viz; length of continuous service, knowledge, skill and ability and physical fitness as provided in Section 1 hereof.

Whenever the Company increases its working force after a layoff, the employees shall be returned to work in the inverse order in which they were laid off. No new employee shall be hired for jobs covered by this Agreement before all laid off employees qualifying under Section 1 of this Article shall have been offered the opportunity to return to work.

Each laid off employee shall keep the Company advised in writing of his correct mailing address twice yearly and the mailing or telegraphing by the Company of notice that a job is available, to the said address, shall be deemed sufficient compliance with any provision hereof with respect to giving preference to said laid off employees.

### Section 4

Seniority shall be lost for the following reasons:

(a) By the employee voluntarily leaving the employ of the Company.

(b) By the discharge of an employee, if such discharge is not reversed through the grievance procedure.

(c) By the failure of an employee, after a layoff, to report back to work within six (6) days after being offered reemployment or to give a satisfactory reason to the Company for further delay.

#### Section 5

In the event a vacancy occurs which, in the opinion of the Company, must be filled or a new job is created; that is to say, when an employee quits or is discharged or is transferred from one department or from one location to another, or is changed from one shift to another, or is retired, or dies, the Company shall post a notice of such vacancy within five (5) working days after the vacancy occurs, stating the maximum rate of pay, classification, shift and residence requirements, if any, on all bulletin boards for a minimum of five (5) working days before permanently selecting the employee. If such notice is subsequently modified it shall remain posted for a minimum of five (5) working days after such modification before the Company permanently selects the employee. The Company will select the employee to fill the vacancy within twenty (20) working days following its posting of said notice. Within five (5) working days after the Company's Region Office or Pineville Generating Station Office receives a fully approved payroll authorization, authorizing such action, the employee selected shall be placed on the job, and all other applicants for the job will be advised in writing of the name of the selected applicant. When new jobs are created or vacancies occur, said jobs or vacancies will be posted by the Company, as hereinabove provided, and application must be made for the job during said period of five (5) working days. The advice and recommendation of a board consisting of the employee's steward, a Business Representative of the



Union and not to exceed two employees having knowledge of the job and/or qualifications of the bidders, selected by the steward and the Business Representative will be considered in filling such vacancies, which board will meet with not more than four (4) Company representatives, but such jobs may be filled by the Company temporarily until a suitable person has been selected by the Company. In the event an employee makes an application for a job vacancy posted in accordance with the provisions of this Article and is selected to fill the vacancy, then refuses to accept that job, the Company shall not be obligated to consider applications for other job vacancies, with the exception of a vacancy created by death, from that employee for a period of six (6) months following the date of posting of the job vacancy which was refused by the employee.

Any employee who successfully changes Line of Business through the bidding procedure can not subsequently bid to another Line of Business for the duration of this contract.

Any employee hired during the term of this contract shall be barred from bidding to another Line of Business for three (3) years from date of hire.

#### **Section 6**

The Company shall not be obligated to pay the moving expenses of (a) any employee who has less than twelve (12) months of continuous employment since last date of hire, or (b) in the case of any other employee, more than once in any period of twelve (12) consecutive months in connection with that employee's transfer, in the same classification, to a new regular place of employment, unless (in either case) the move is at the Company's request.

#### **Section 7**

In the event an employee is promoted or transferred

to a new job or a different classification, he shall have one hundred twenty (120) days to qualify, and if he does not qualify within such period, he shall be returned to his former classification or a classification of similar status, provided he is qualified, consistent with his seniority and without loss of seniority; provided, however, that if unusual circumstances prevent normal operating conditions on the job, the Company by agreement with the Union may extend such one hundred twenty (120) days period accordingly. This section shall not have application to employees promoted or transferred to Line Technician C or Service Technician C.

#### **Section 8**

Employees may, for proper cause, be granted leave of absence up to thirty (30) days without jeopardizing their seniority and by mutual agreement between the employees involved, the Union and the Company, such period may be further extended.

#### **Section 9**

Upon prior arrangement with Company, employees shall be entitled to be absent from their duties without pay not to exceed three (3) days per calendar year.

#### **Section 10**

After a regular employee has recovered from accident or sickness and reports for work, he shall be returned to his regular job, provided he is physically able and qualified to perform his job.

#### **Section 11**

Nothing in this Article shall be construed to diminish any rights an employee would otherwise have under this Agreement, the Americans with Disabilities Act, the Workers' Compensation Laws of Kentucky and Virginia or other applicable laws.

#### **Section 12**

The absence of any employee from his regular shift --

of duty for a total of three times within any three months' period without properly notifying the Company and without a reasonable and satisfactory excuse may, at the Company's option, be grounds for discharge.

### **Section 13**

- (a) Line Technicians shall reside either (1) within the service territory of the technician's reporting location or (2) within twenty (20) road miles of that same reporting location. Line Technicians, whose reporting location is changed by the Company, will not be required to relocate.
- (b) Service Technicians shall reside either (1) within the service territory of the office to which the technician regularly reports or (2) within twelve (12) road miles of that same reporting office.
- (c) Employees in Service or Line Technician positions as of the effective date of this policy (August 1, 1992) who do not meet these residency requirements will not be required to move. However, those Service or Line Technicians can not move any further from their current reporting location than they now live.
- (d) Line Technicians may transfer or bid to other positions within that line crew or to another line crew at the same reporting location without having to move.
- (e) Line Technicians described in paragraph (a) who transfer to Service Technician positions described in paragraph (b), must meet the residency requirements set forth in paragraph (b) even if the transfer does not involve a change in reporting location.
- (f) Service or Line Technicians that transfer to a position at a different reporting location than they now have must meet the residency requirements for that location.

#### Section 14

An employee on maternity leave (or otherwise absent by reason of pregnancy) may utilize any accumulated paid sick leave in accordance with the Company's paid sick leave plan, and even if the employee does not plan to return to work, accumulated paid sick leave may be utilized to the same extent it could be if the employee applied for maternity leave.

An employee on maternity leave may remain on leave for a period equal to the time allowed for non-work related illness or injury.

Upon return to work the employee will either be returned to the former job or placed in another position in accordance with the practice in effect for employees returning from leave because of sickness or injury. If the employee fails to return to work at or prior to the expiration of maternity leave or refuses to take the position made available as above provided, her employment will terminate.

#### Section 15

The Company and the Union recognize the need for a strong Health and Safety Program for the benefit of all employees and the Company. The Union will cooperate in assisting and maintaining the Company's rules regarding health and safety. The Company recognizes the interest of the Union in the health and safety of its members, and will give careful consideration to any recommendations made by it.

The Company and the Union agree to a Joint Health and Safety Advisory Committee for the purpose of reviewing, discussing and recommending new or revised safety and health rules and procedures. The Committee shall be chaired by the Manager, Health and Safety, and shall meet quarterly. This Committee shall consist of not more than two (2) members of the Company and two (2)

members of the Union. The Union representatives who shall attend a particular meeting shall be made known to the Manager, Health and Safety not less than two (2) weeks prior to the date established for the meeting. At the same time, the Union shall notify the Company of the subjects it desires to address at the meeting.

#### ARTICLE IX

Except as otherwise provided by law, if it should become necessary for an employee to leave the service of the Company to serve in the Armed Forces of the United States, or should an employee volunteer for service in any of the Armed Forces of the United States, then any such employee shall retain and accrue his seniority during such service, provided he returns to the employ of the Company within ninety (90) calendar days after his demobilization or release from the service, and provided further that he is fit and competent and has received a release or discharge under honorable conditions. A reservist who is called to active duty as a result of mobilization shall receive a supplement, for ninety (90) days from being called, of the difference between military pay and the employee's base pay in effect prior to taking leave under this article. If the employee's family elects to continue dental coverage under the provisions of COBRA, the Company will waive the premium for such coverage up to twelve (12) months. Additionally, an employee who participates in military summer camp or short-term duty up to three (3) weeks will receive a supplement of the difference between military pay and the employee's base pay. Except as otherwise provided by law, this Article shall not apply to any employee who re-enlists or otherwise extends his period of full-time military service beyond the period of time of his military obligation to the United States

The employment status of an employee shall not be affected by his enlistment or participation in the civilian components of military services, regardless of whether such enlistment or participation is voluntary or mandatory.

## ARTICLE X

### Section 1

The Company will permit as many of its employees as practicable to be absent from their duties with regular pay on the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve and Christmas Day. An employee's birthday shall be recognized as a holiday on the employee's actual birthday or on a day during each calendar year mutually agreed upon between the employee and the Company. A Personal Leave Day shall be recognized as a holiday in each calendar year on a day mutually agreed upon between the employee and the Company.

### Section 2

An employee scheduled to work on any of the above holidays shall be entitled, at his option, either (a) upon the exercise of this option by notice to the Company before the end of the pay period involved, to be paid at the rate of one and one-half (1-1/2) times his regular rate of pay for the hours worked, or (b) to be absent from his duties with regular pay on a day to be mutually agreed upon between the employee and the Company. An employee shall be paid at two (2) times his hourly wage rate for all hours worked over eight (8) on a holiday.

This section shall not apply to employees called out for emergency work on one of the above holidays, which shall be governed by the provisions of Section 6 of Article XIII. Except in cases of emergency, unscheduled absences of other employees, or with respect to an employee

regularly scheduled to work on a holiday, employees shall be notified three (3) working days in advance of being required to work on a holiday.

**Section 3**

The Company will, whenever it is practical, arrange its schedule for maintenance men so that said employee can have one Saturday or Sunday off each thirty (30) days.

**Section 4**

Any employee who is required to work on his scheduled off day shall be paid time and a half and shall not be denied continuing his regular shift of duties during the week.

Any employee who is required to work on his last consecutive offday shall be paid at two (2) times his hourly wage rate, provided he worked at least four (4) hours on his previous offday.

**ARTICLE XI**

Effective January 1, 2000, eligible employees will earn vacation from date of hire based on years of service in accordance with the following schedule:

<b>Vacation Earned</b>	<b>Completed Years of Service Attained During Calendar Year</b>
5 days	Maximum in year of hire
10 days	Years 1-4
15 days	Years 5-14
20 days	Years 15-24
25 days	Years 25 and above

Such employees on a forty (40) hour workweek shall be paid the equivalent of forty (40) hours at their straight time hourly base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments, for each week of vacation. Such employees who normally work more than twenty (20) but less than forty (40) hours per week (a part-time employee, should such be included in

the bargaining unit during the life of this Agreement) shall be eligible for one-half the normal vacation entitlement (earned/accrued).

#### Eligibility

A. To qualify for vacation in the following year, an employee must be active on the payroll as of December 31. An exception to this requirement applies to those employees who are on approved Family and Medical Leave.

B. An employee reinstated from inactive status shall become eligible for vacation based on his or her anniversary date:

- An employee returning to work from January 1 through June 30 is eligible for earned vacation during the calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay.
- An employee returning to work on or after July 1 is ineligible for vacation during the calendar year.

C. Employees hired directly by the Company to fill temporary positions (not hired as temporaries through contractors) who later become regular employees of the Company are eligible for vacation accrual retroactive to the beginning of their temporary employment with the Company.

D. An employee hired between January 1 and June 30 is eligible for 5 days of vacation during that calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay. An employee hired on or after July 1 is ineligible for vacation during the initial calendar year of employment. After the initial calendar year of employment, an employee can take vacation effective January 1 or upon three (3) continuous months of active service, whichever is later, based upon the above schedule.



E. Employees who are rehired as regular full time employees accrue vacation at the same rate as when they left employment if they were employed for one year of continuous service prior to separation and if the separation was for one year or less.

#### **Scheduling of Vacations**

A. Vacations, except in case of emergency (in which case special arrangements must be made by the employee with his department head), shall be taken at least one work week at a time.

B. In the event that an employee doesn't sign his weeks consecutively, the Company will go to the next employee in seniority who will be entitled to sign for his vacation.

C. Heads of departments shall schedule vacations annually as soon as practicable after the beginning of the year. Subject to the need to maintain the necessary complement of employees at all times, departmental employees shall have their choice of time for vacations in order of their seniority.

D. At an employee's request, an excused absence may be charged to vacation time to which an employee is then entitled.

#### **Accumulating Vacations**

Vacation time may not be accumulated from one year to the next, and vacations earned as of any January 1 must be liquidated by time off by December 31 of that same year, except that with the responsible manager's prior written approval, an employee may defer up to five days of vacation to the following calendar year.

#### **Vacation Pay at Separation**

An employee who quits, dies, retires or is discharged on or after any January 1 and without having received the vacation for which he became eligible upon such date, will be entitled to his vacation pay upon termination of

employment. Any such payment due an employee who has died shall be made to the person designated as beneficiary on his group life coverage, if living, otherwise to the employee's estate. No employee leaving the employment of the Company during any calendar year shall be entitled to any vacation pay in the following year.

#### **Pay in Lieu of Vacation**

An employee with four weeks of vacation eligibility (including carry-over) may "sell back" one week of vacation after they have taken two weeks of vacation and carried over one week. Payout for such a week of worked vacation will occur in January of the following year.

#### **Vacation During Illness, Disability, or Personal Leave of Absence**

A. If an employee goes on paid sick leave or becomes unable to work because of compensable occupational injury prior to the time his vacation is scheduled to commence, his vacation will be rescheduled later in the year, except that an employee on paid sick leave or Short Term Disability may, at his option, cease receiving sick pay or Short Term Disability pay and take his vacation as previously scheduled. The vacation of an employee who becomes ill or is injured after working his last shift prior to vacation will not be rescheduled, and he will not be eligible for any sick pay until such scheduled vacation has expired.

B. An employee on paid sick leave or Short Term Disability may, upon advance written request, elect at the end of the calendar year to cease receiving sick pay or Short Term Disability pay for any unused vacation period in order to avoid loss of vacation pay. An employee disabled as the result of a compensable occupational injury or who is receiving long term disability insurance payments at the end of a vacation year and is unable to work during any unused vacation period or take pay in

lieu of vacation within the parameters specified within this article, will not receive pay for the vacation not taken, except as provided in Paragraph C below.

C. In the year in which an employee incurs an occupational injury or illness, after the application of up to one week vacation carry-over as specified within this article, the employee shall receive payment for any remaining unused vacation in an amount sufficient to make up the difference between what the employee received from workers' compensation insurance or Short Term Disability pay and the employee's regular straight time wages assuming a 40-hour work week.

D. An employee will earn vacation during approved personal leaves of absence on a prorated basis as follows:

- an employee on a PLOA of one full month to three full months will earn 75 percent vacation benefit for the following year, based upon the above schedule; and
- an employee on a PLOA of four to six months will earn 50 percent vacation benefit for the following year, based upon the above schedule.

#### **Vacation at Retirement**

Any employee who retires may elect to work during all weeks of any vacation to which he may be entitled in the year of retirement, and for each such week of vacation worked, shall receive with his final payroll check additional compensation in an amount computed on the same basis as is then employed in computing the compensation paid to other employees who work during one week of their vacation and take pay in lieu as specified within this article.

## ARTICLE XII

### Section 1

(a) Whenever an employee is assigned duties distant from his regular place of employment, he will be provided transportation or transportation expense between the assigned job and his regular place of employment or headquarters. If, in the opinion of his supervisor, it is impractical for the employee to return daily to his regular place of employment, the Company will provide suitable lodging and board near the place of such temporary employment. Except in cases of emergencies, employees required to stay away from home overnight will be given notice as soon as possible but not later than the day before. Under normal circumstances where employees are performing work which is not of an emergency nature, a light-duty Company vehicle, which is adequate to provide transportation, is assigned to the job and available, and the location of the work is within 50 road miles distance from the place at which the employees regularly report to work, the employees will not be required to stay out of town overnight, such travel to be on Company time. Employees who are not notified that they are to work out of town the day before such work is to be performed will be provided by the Company an additional \$7.00 of compensation to be added to the employee's payroll check as reimbursement for the purchase of the noon meal while performing such work. Employees will be provided meals outside normal working hours during such work as provided under sections 1(b) and 1(c) of this Article XII.

(b) Whenever planned work or emergency work occurs which requires the employee or employees to work before or beyond their normal hours to such an extent that it conflicts with or interferes with their regular meal time, then in such cases the meal or meals will be paid for by the Company.

(c) Whenever any employee or employees, after completing their normal working hours, are called out for extra work because of emergency or service interruption and required to work in excess of two (2) hours, then the Company will pay for meal or meals required.

**Section 2**

No employee shall be required, except during emergencies, to stay away from his regular place of employment or headquarters for a continuous period of more than two weeks.

**Section 3**

For each trip authorized by the Company, between the places of work assigned and the regular place of work or headquarters, time required for travel shall be considered as time worked.

**Section 4**

Any employee who, after the completion of a regular shift of duty, is ordered to double shift, or part shift, shall not be denied the privilege of continuing his regular shift during any work week.

**Section 5**

No employee who is performing a regular job attained by virtue of seniority shall be transferred by the Company to another location without the consent of the employee, except in case of temporary transfers not exceeding three months in duration or in case of emergency.

**Section 6**

In the power plant, except as provided in Section 7 of this Article XII, any employee who performs maintenance or production work in a higher classification, as determined by his supervisor, for as much as six 8-hour work shifts during eight consecutive work weeks shall, if the Company and employee agree, be permanently

moved into the higher classification and shall receive the rate of pay of the higher classification as provided in the progression schedule.

#### Section 7

On a crew with three or more persons, whenever a regular supervisor in the classification of Line Supervisor, Service Supervisor, Substation Supervisor, Shift Engineer, Chief Electrician or Chief Meter Technician is on vacation or off the job for any cause, and another employee is ordered by the person to whom such supervisor reports (or, in his absence, such person's supervisor) to perform the work of a supervisor for eight (8) hours or more, the employee shall receive his regular rate of pay or the rate of pay of the supervisor, whichever is higher, during the period that the employee performs said work.

#### Section 8

When the Company combines two or more crews (to form a combined crew of four or more) for a project, unless a Supervisor A is assigned to the resulting work group, a Supervisor B will be temporarily promoted to Supervisor A for the period during which the crews are combined. If a crew normally consisting of four or more men, including the Supervisor, is reduced to a crew consisting of three men, including the Supervisor, the Supervisor A of that crew shall continue to receive the wage of a Supervisor A as long as he continues in the position of Supervisor of that crew.

#### Section 9

When two non-supervisory employees are assigned work to be performed without the direction of a supervisor and the work involves the installation, maintenance or operation of electric lines or equipment, the company may designate one of the employees to be in charge of the work to be performed. The employee designated to be in charge shall be paid a \$1.00 per hour premium over their regular rate of pay.

#### Section 10

An employee ordered to perform work for the convenience of the Company, temporarily or in an emergency, in a lower classification, shall receive the rate of pay for the classification in which he is regularly employed.

#### Section 11

The Company will furnish all tools required by the employee for use in the performance of his normal work.

#### Section 12

Nonoperating employees at the Pineville Generating Station will be allowed a five (5) minute wash-up period just prior to their lunch break and a fifteen (15) minute clean-up period (tools and locker room) just prior to the end of their shift. However, this provision shall not be interpreted to permit employees to leave Company premises until the designated shift time is terminated.

#### Section 13

The Company will pay for laundering the following items of employees' wearing apparel soiled in connection with the operation or maintenance of the Pineville Generating Station:

- Coveralls
- Overalls
- Overall Jackets
- Work Shirts
- Work Trousers

The Company will not be responsible for dry cleaning any employee's clothing nor will it be responsible for laundering other items of clothing, such as underwear, T-shirts, socks, caps, gloves, towels, etc., nor for any special service, such as clothing repairs, for which a special charge is made. The Pineville Generating Station Manager will arrange for the above service with a

commercial laundry operating in the area in such a manner as will insure satisfactory quality at reasonable cost.

The Company will arrange uniform laundering for employees working out of town for extended periods.

## ARTICLE XIII

### Section 1

The normal work week of employees covered by this Agreement shall consist of five days of eight hours each, Monday through Friday, except in the case of Generating Station employees. Except during emergencies or during extraordinary circumstances, lunch hour shall not begin earlier than eleven (11:00) A.M. nor later than one (1:00) P.M., local standard time. This provision shall not apply to employees working regularly scheduled shifts at the generating station.

The Substation Department crews and Meter Department personnel shall begin their workday at 7:00 a.m. and end at 4:00 p.m. with one hour for lunch break. The lunch hour shall not begin earlier than ten (10:00) a.m. nor later than twelve (12:00) noon, local standard time.

The Company may consider reasonable requests received from a majority of the members of a service crew to change the normal starting and quitting times, such decision to remain solely within the Company's discretion to exercise.

### Section 2

The wages of the aforesaid employees shall be computed on an hourly basis, equal to the employees' hourly rate as provided in Article XIV hereof. The basic wage shall consist of forty hours worked each week at the employee's hourly rate, and in addition to such basic wage, time and one-half shall be paid for all hours worked in excess of eight hours within any twenty-four hour



period, or forty hours within a work week, whichever is greater, but in no case both; provided, however, said additional payment for work in excess of eight hours in any twenty-four hour period shall not be paid to any employee in a relief classification for work he performs while working his regular relief schedule.

### Section 3

The Company will endeavor to divide overtime work, other than in an emergency, equally among the employees regularly assigned to that kind of work. An employee who cannot be contacted will not be charged with overtime which he would otherwise have worked. For overtime groups at various locations who so desire, an overtime record will be posted on the appropriate bulletin board.

### Section 4

An idle holiday shall be counted as a day worked for determining weekly overtime.

### Section 5

An employee who is scheduled or notified to report for work on a regular shift and does report for work at the time specified without having been given actual notice of change of schedule, shall receive full pay at his regular rate for his scheduled (non-overtime) hours on that day, even though idle or sent home early because of delay or shortage of materials or for other reasons beyond his control. This provision shall not apply in the event that:

(a) Strikes or work stoppages by employees in the bargaining unit covered by this Agreement in connection with labor disputes interfere with the conduct of normal operations; or

(b) An employee is not put to work or is released from work after having been put to work either at his own request or due to his own fault.

### Section 6

Employees called out for emergency work shall

receive a minimum of two (2) hours' pay at one and one-half times their regular rate of pay for such work, except that if the employee begins such emergency work after midnight, but prior to the regular starting time of the first day shift, he shall be entitled to receive a minimum of three (3) hours' pay at one and one-half times his regular rate of pay for such work.

Employees called out for emergency work on a normal day off or on an observed Company holiday will receive a minimum of three (3) hours' pay at one and one-half times his regular rate of pay for such work.

#### Section 7

An employee scheduled for planned overtime work on a day which would be a scheduled off day on his normal work schedule will receive a minimum of four (4) hours' pay at one and one-half times his regular rate of pay. Employees shall not, in order to be entitled to the four hours' minimum, be required to remain on the job for any longer than it takes to complete the planned work, including any work related to or arising from the planned work. On three-day weekends, the Company will not schedule planned overtime work on customer-owned facilities, except in the case of hospitals.

An employee making timely request may decline planned overtime; provided sufficient employees regularly assigned to and qualified to perform the work are available and willing to work.

#### Section 8

When in the opinion of the Company, an employee has worked such an extended period of time as to impair his effectiveness or present a hazard to his health or safety, or to the health and safety of fellow employees, he may be required by the Company to leave work for a rest period of up to eight (8) hours. After sixteen (16) continuous hours worked an employee may request and will be

granted a minimum rest period of eight (8) hours. Such rest period shall be taken in its entirety unless the employee is requested and agrees to return to work before the expiration of such eight (8) hour rest period. If such rest period overlaps the employee's regular hours on a regularly scheduled work day, the employee shall be paid at his regular hourly rate of pay for the hours which overlap unless the rest period was initiated by the employee in accordance with this policy. If the rest period ends within two (2) hours or less of the end of the employee's regularly scheduled shift, the employee may either return to work at his regular hourly rate of pay or not return to work and forfeit the remaining hours in his shift.

#### Section 9

All continuous hours worked after the end of the employee's last previous regular shift by an employee during periods which commence more than eight (8) hours prior to the employee's next regularly scheduled starting time and continue into his regular hours on a regularly scheduled work day shall be paid at one and one-half (1-1/2) times the employee's regular hourly rate of pay if the employee completes his regular shift on such work day; provided, however, if the emergency situation (or other cause for his presence outside his normal working hours) should end during the employee's regularly scheduled shift of duty, and he is offered the opportunity to leave work, he may either leave work at that time (without loss of the time and one-half treatment for such continuous hours worked) or complete the remainder of his regular shift at his regular hourly rate of pay. During the continuation of an emergency situation as determined by the Company, for pay purposes, the continuity of the employee's work shall not be considered to be broken by short breaks for meals, refreshments, or rest periods authorized by his supervisor.

#### Section 10

An employee working a regularly stated schedule at the time the change is made to Daylight Saving Time (normally in the spring) and who only actually works seven (7) hours instead of his normal eight (8) because of the change shall receive pay for his normal eight (8) hours. An employee working a regularly stated schedule at the time the change is made from Daylight Saving Time (normally in the fall) and who actually works nine (9) hours because of the change, shall receive pay at the established premium rate for the ninth (9th) hour.

#### Section 11

An employee who works more than sixteen (16) continuous hours shall be paid two (2) times his hourly wage rate for all such hours worked.

#### Section 12

Each employee who serves in a weekly On-Call status will be paid seventy dollars (\$70.00) per week. If an employee works on service calls outside his normal scheduled workday during his On-Call week, he will be paid for such time worked in accordance with Article XIII-Overtime.

If an employee serves in an On-Call status for service calls for less than one (1) week, he will be paid one (1) hour's pay at his appropriate overtime rate in addition to time spent on any service calls for each day he serves in an On-Call status for service calls.

#### Section 13

An employee who performs emergency electric restoration work for another utility will be paid one and one half (1-1/2) times his hourly rate for the first eight (8) hours hour worked in any one day and two (2) times his hourly wage rate for all hours worked over eight (8) in any one day. This provision does not apply when such work is performed for any affiliated company of LG&E Energy Corp. within the state of Kentucky.

## ARTICLE XIV

It is agreed that wage rates for the several classifications of work shall be established in accordance with the work classifications and progression schedule attached hereto and made a part hereof, marked Schedule "A" for identification, and that the application thereof shall be in the following manner: Whenever an employee is promoted to a classification having a higher starting rate, he shall receive the starting rate of the new classification, or if such starting rate represents an increase in pay of less than five cents (5¢) per hour, he shall receive the rate of the new classification applicable (After One Year). In the event such employee is promoted to a new classification at a higher rate than the starting rate, he shall progress as though he had already worked the period required by the preceding steps of the classification.

An employee who successfully bids between the Line Technician C, Service Technician C, Substation Technician C, or Meter Technician C classifications will retain the employee's rate and time in progression steps.

Payroll periods will be on a bi-weekly basis with employees being paid every other Friday.

## ARTICLE XV

### Section 1

During the term of this Agreement the Company will provide the existing or no less favorable sick leave, group life insurance, long-term disability insurance, retirement annuity and medical, including post-retirement medical insurance benefits, dental assistance program, employee savings plan, employee assistance program, dependent care assistance plan, and dependent life insurance plan for members of the bargaining unit as are provided for other full time employees of the Company. The details of such benefits shall be as specifically provided in master

plan documents or insurance contracts covering the terms of such plans. (A) Payments for such benefits must be deductible as business expenses or contributions to a qualified plan, and (B) benefits provided through an insurance carrier shall be those provided by the policy or contract and such coverage must continue to be available from the same or another carrier on a reasonable basis. If occasion to change or discontinue any such benefits should arise under clause (A) or (B), the Company will notify the Union and the parties will promptly enter into negotiations as to the benefits to be changed or substituted. The Company will furnish identification cards for medical purposes. The Company will furnish each employee annually the amount of accumulated sick leave.

The Company will assume an increase of 4% in each year of the Contract in medical and hospitalization expense per employee. To the extent this expense increases over 4% the employees will absorb increases up to the next 4%. Should the total increase exceed 8%, the Company and the employees will equally share in the balance of that expense.

With respect to medical benefits, to the extent that individual plan premiums exceed the Company's contribution, the employees will contribute the additional cost of premiums according to the plan they select. Contributions will be made monthly on a pre-tax basis.

A representative of this union will participate on a joint Health Care Task Force which will meet biannually to review trends in health care, review current Company Medical benefit plans, and make cost containment recommendations. The joint Health Care Task Force will also be charged with the responsibility of recommending changes, including plan design changes and increases in co-pays on doctor visits and prescriptions. The task force will establish their priority as avoiding future increases

in employee contributions to the extent practicable while maintaining the current quality of coverage. However, the Company retains the right in its sole discretion to modify the terms, conditions and level of benefits under these medical plans, after offering to meet and discuss such changes with the union, so long as benefits for employees covered by this Agreement are the same as provided to other full-time employees of the Company.

#### **Section 2**

Funeral leave is paid for a maximum of five days for Immediate Family Members who include: spouse, child, step-child, or parent or step-parent.

Funeral leave is paid for a maximum of three days for Other Family Members who include: brother, sister, grandparents, grandchildren, parents-in-law, sons-in-law, daughters-in-law, spouses of the employee's brothers or sisters, employee's spouse's brothers, sisters, parents and grandparents, step relations of the preceding, or any relative living with the employee.

Such days shall be consecutive work days and shall not extend beyond the day following the funeral, except in the case of the death of an Immediate Family Member in which case such days may extend to the second day following the funeral, and shall be conditioned on the employee's attendance at the funeral. Payment will not be made for any day during such three-day period on which the employee would not otherwise work.

Employees will not be paid for unused funeral leave.

Should the employee need to be absent on a normal scheduled day or days, other than those for which payment is provided above, the employee may elect to take such day or days as vacation time, provided he is then entitled to sufficient vacation time which he has not utilized by time off or for which he has not been paid.

Payment shall be made on the next pay, day after

receiving notice in writing from the employee and (a) the name of the deceased person and relationship to the employee, and (b) the date and location of the funeral.

#### ARTICLE XVI

At all places where the Company now has bulletin boards, the Company will in the exercise of its discretion either furnish space on said bulletin boards or furnish nearby space upon which the Union may erect its own bulletin boards, of a size not larger than the Company's bulletin boards.

The Union agrees that it shall confine such posted notices to information concerning Company-Union relations and matters of concern to Union members. The Union further agrees it shall not post any notices that are derogatory or inflammatory in nature. All such notices shall be submitted to the Manager Human Resources for review prior to posting.

#### ARTICLE XVII

There shall be no discrimination in the administration of this Agreement with regard to race, color, religion, national origin, age, sex, disability or veteran status.

#### ARTICLE XVIII

Within the period of one hundred twenty (120) days prior to expiration date of Agreement, either party hereto may request the other to meet for the purpose of negotiating modifications to this Agreement or negotiating a new agreement, to become effective on the expiration of this Agreement. The parties agree to meet within twenty (20) days of such request and to bargain in good faith thereafter, as required by Section 8(a)(5), (b)(3) and (d), of the Labor Management Relations Act of 1947, as Amended.

This Agreement shall become effective as of the date



set forth at the commencement hereof and shall continue in full force and effect from that date until August 1, 2003, unless changed or modified by mutual consent, and shall automatically be extended from year to year thereafter unless either party at least sixty (60) days prior to the expiration of this Agreement or any extension thereof shall serve upon the other party written notice that the same shall not be renewed at the applicable expiration date.

Notwithstanding the other provisions of this Article, the Company and the Union may reopen the Wage Scale, of this agreement for the purpose of negotiating wage rates to become effective August 1, 2002, provided that neither the Company nor the Union may require the other to negotiate concerning any term other than the wage rates to be effective August 1, 2002. This Agreement will be reopened for such purposes only if the Company or the Union actually delivers to the other, not later than July 1, 2002, written notice of intent to reopen. Failing receipt by the Company or the Union, on the date specified, of such written notice to reopen, this Agreement shall continue in full force and effect through August 1, 2003, and the wage rates in effect as of midnight July 31, 2002, shall continue in full force and effect for the duration of the Agreement. If this Agreement is reopened in accordance with the provisions of this paragraph, and the parties have not reached an agreement by midnight July 31, 2002, this Agreement shall be suspended and the Company and the Union shall have the same rights and obligations as they would have possessed had the Agreement expired, provided that neither the Company nor the Union may require the other to negotiate concerning any term other than the wage rates to be effective August 1, 2002.

Service of the above notices on the Union shall be deemed sufficient by depositing the notice, signed by the

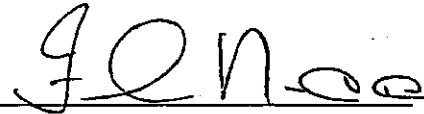
Corporate labor relations manager of the Company, in the United States Mail, registered or certified, and addressed to Local No. 2100, International Brotherhood of Electrical Workers, AFL-CIO, 10400 Dixie Highway, Louisville, Kentucky 40272.

Service of the above notices on the Company shall be deemed sufficient by depositing the notice, signed by a Business Manager of the Union, in the United States Mail, registered or certified, and addressed to the Corporate labor relations manager, LG&E Energy Corp., 220 West Main, P.O. Box 32020, Louisville, Kentucky 40232.

IN TESTIMONY WHEREOF, Union and Company have caused their respective names to be hereunto subscribed by their duly authorized officers and seven copies of this Agreement to be executed, each to have the force and effect of an original, this 24<sup>th</sup> day of October, 2001.

KENTUCKY UTILITIES COMPANY

Witness:



Senior V.P. and CAO



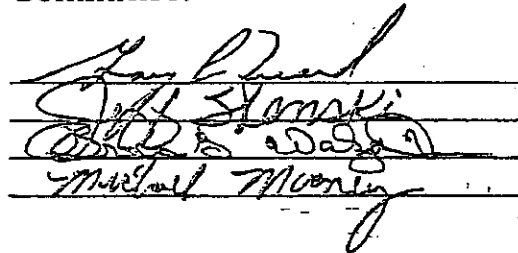
Human Resource Manager

INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS,  
AFL-CIO LOCAL NO. 2100



Business Manager

Committee:



## SCHEDULE "A"

WAGE RATES, HOURLY RATED CLASSIFICATIONS EFFECTIVE JULY 29, 2001 APPLICABLE TO LOCAL UNION 2100, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, OF KENTUCKY UTILITIES COMPANY AND OLD DOMINION POWER COMPANY.

It is agreed that wage rates and applications thereof for the several classifications of work shall be established in accordance with the following schedule.

Any new employee, upon producing evidence satisfactory to the Company of previous experience in the classification in which he is being employed shall be given credit for such experience, except that he shall not start higher than the "After One Year" step, and in such event shall receive the "After Two Years" step after one year's continuous employment. However, if after employment, he demonstrates that he has the knowledge, skill and ability equivalent to that of an employee who has had two (2) years' experience in the classification, he shall receive the "After Two Years" step beginning with the first payroll period commencing after sixty (60) days of employment.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or record of material used by the crews, shall, in addition to his regular wage, receive \$15.00 per month during the first year he is so designated, \$20.00 per month during the second year, and \$30.00 per month thereafter as compensation for the satisfactory performance of these duties.

Any employee, other than a supervisor, who is designated by the Company to operate winch truck used

by crews shall receive six cents (6¢) per hour in addition to his regular rate.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews, and/or records of material used by crews, and who shall also be designated by Company to operate winch truck used by crews, shall be paid both the monthly and hourly premiums set out in the two preceding paragraphs in addition to his regular wage.

The following rates are applicable to all employees working normally on the day shift from 8:00 a.m. to 4:00 p.m.

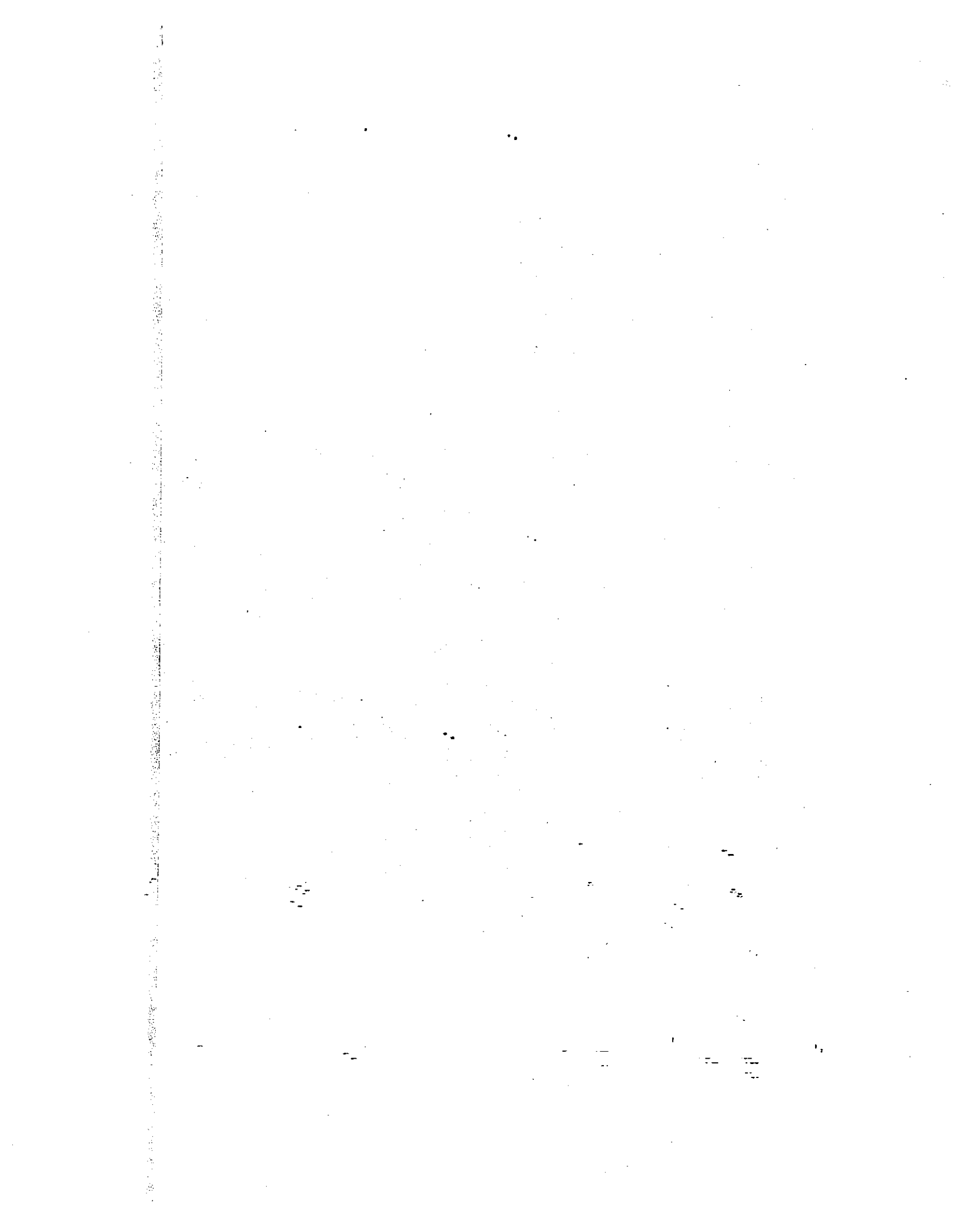
To employees normally working on the second shift (generally 4:00 p.m. to 12:00 midnight), add fifty cents (50¢) per hour to the following rates.

To employees normally working on the third shift (generally 12:00 midnight to 8:00 a.m.), and to swing and relief shift employees, add sixty-seven cents (67¢) per hour to the following rates.

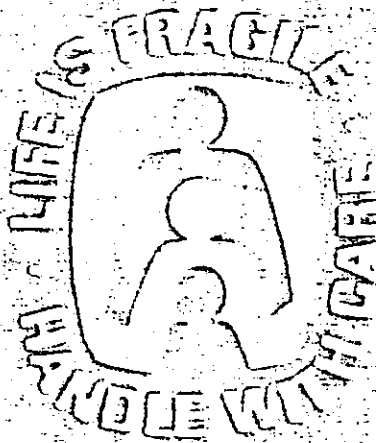
Employees who have been assigned a regular schedule of work which includes work on Sunday pursuant to an approved payroll authorization specifying such schedule shall receive a Sunday work premium of ninety-five cents (95¢) per hour in addition to their straight time and shift premium rates.

Classification	WAGE SCALE		
	First Year In Classification	After One Year In Classification	After Two Years In Classification
Chief Electrician	\$23.74	\$25.07	\$27.03
Chief Meter Technician	\$27.03	\$27.03	\$27.03
Technician	\$21.87	\$23.07	\$24.51
Semi – Skilled Technician	\$18.53	\$19.32	\$20.63
Laborer – General	\$13.37	\$14.27	\$15.20
Line Technician A	\$21.87	\$23.07	\$24.51
Line Technician B	\$18.53	\$19.32	\$20.63
Line Technician C	\$16.16	\$17.14	\$18.44
Meter Technician A	\$21.87	\$23.07	\$24.51
Meter Technician B	\$19.42	\$20.34	\$21.38
Meter Reader	\$18.53	\$19.32	\$20.63
Operator, Coal Equipment	\$21.56	\$22.81	\$24.18
Unit Operator	\$24.58	\$25.04	\$25.48
Unit Operator Assistant	\$22.81	\$23.40	\$24.51
Line Supervisor B (Note 1)	\$25.67	\$25.67	\$25.67
Service Technician A	\$21.87	\$23.07	\$24.51
Service Technician B	\$18.53	\$19.32	\$20.63
Service Technician C	\$16.16	\$17.14	\$18.44
Shift Engineer	\$24.16	\$25.34	\$27.03
Substation Supervisor B	\$25.67	\$25.67	\$25.67
Substation Technician A	\$21.87	\$23.07	\$24.51
Substation Technician B	\$18.53	\$19.32	\$20.63
Trainee A (Note 2)	\$16.64	\$16.64	\$16.64
Trainee B (Note 3)	\$15.63	\$15.63	\$15.63
Service Specialist	\$10.00	\$11.00	\$12.00

- Note 1 - Applicable to supervisor of crews normally consisting of three employees, including the supervisor.
- Note 2 - Applicable to employees who have been selected for and are in training for Meter Reader, Semi-Skilled Technician, Substation Technician B, or any other classification having a first year hourly rate in excess of the Trainee A hourly rate. A trainee in this category will be assigned to the classification for which he is training at the end of six (6) months, if he is then qualified, or, if not, as soon thereafter as he becomes qualified.
- Note 3 - Applicable to employees who have been selected for and are in training for Line or Service Technician C, only. A trainee in this category will be assigned to the classification for which he is in training at the end of six (6) months, if he is then qualified, or, if not, as he becomes qualified.







"Regardless Of The Demands  
Of The Work, You Are  
Expected To Take Time  
To Do It Safely."

# **KU-United Steelworkers of America Agreement**

**August 1, 2002 to August 1, 2005**



**COLLECTIVE BARGAINING AGREEMENT  
BETWEEN**

**EARLINGTON OPERATIONS,  
AREAS 1 (PARKWAY) AND 2 (GREEN RIVER)  
OF KENTUCKY UTILITIES COMPANY**

**AND**

**THE UNITED STEELWORKERS  
OF AMERICA, AFL-CIO-CLC**

**\* \* \***

**Effective**

**August 1, 2002**

**to**

**August 1, 2005**

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## AGREEMENT

THIS AGREEMENT entered into this 1st day of August, 2002, by and between **EARLINGTON OPERATIONS, AREAS 1 (PARKWAY) AND 2 (GREEN RIVER) OF KENTUCKY UTILITIES COMPANY** (hereinafter called "**Company**") and the **UNITED STEELWORKERS OF AMERICA, AFL-CIO-CLC** (hereinafter called "**Union**"). Except as otherwise expressly provided herein the provisions of this Agreement shall be effective as of August 1, 2002.

**ARTICLE I**  
**PURPOSE AND INTENT**

**1.1 Purpose and Intent**

It is the purpose and intent of the parties to set forth herein the agreement between the parties covering rates of pay, hours of work and conditions of employment for employees in the unit for which the Union has been certified by the National Labor Relations Board as exclusive bargaining representative; to promote harmonious industrial and economic relationships between the Company and its employees in an atmosphere of mutual respect and understanding to the end that there shall be no interruption of, interference with, or impeding of work during the life of this Agreement, and to provide procedures for the equitable adjustment of grievances.

**1.2 Periodic Meetings**

Upon mutual agreement, the parties agree to meet on the reasonable request of either party at times which should be least disruptive to the Company's operations. Such meeting shall not be for the purpose of conducting collective bargaining negotiations but shall be for the sole purpose of appraising any problem which may have arisen in the application, administration or interpretation of this Agreement or of the problems of general concern to either party. Therefore, such meeting shall not modify, add to, or detract from the provisions of this Agreement. If such meeting is requested by the Company, it will pay employees for time lost.

**ARTICLE II**  
**SCOPE OF AGREEMENT**

**2.1 Recognition**

The Company hereby recognizes the Union as exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment for employees in its Earlington Operations, Areas 1 (Parkway) and 2 (Green River), included in the unit for which the Union has been certified by the National Labor Relations Board on September 17, 1976, in Case No. 9-RC-11595, namely:

All production and maintenance employees of the Employer employed in the Employer's Earlington Operations, Areas 1 (Parkway) and 2 (Green River), including servicemen, linemen, metermen, patrolmen, chief electricians, groundmen and truck drivers, but, excluding business development and home demonstration employees, right-of-way solicitors, shift engineers, line foremen A, service foremen A, line foremen B, service foremen B, the chief electricians employed at the Green River Generating Station, the chief mechanic, the coal yard foreman, the chemist, and assistant chemist, all engineering and professional employees, office clerical employees, guards and supervisors. The Term "supervisor" means any individual having authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action, if in connection with the foregoing the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

The Company also recognizes the Union as the collective bargaining agent for the employees of new plants built or new service areas established, whose operations are consolidated with the operations of the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) and who perform the same classifications or nature of work as those employees covered by this Agreement.

The employees in such bargaining unit and represented by the Union and covered by this Agreement are hereinafter referred to as "employees" or individually as "employee."

The Union makes this Agreement in its capacity as exclusive bargaining representative of the employees. As the representative of the employees, the Union may process grievances through grievance procedure, including arbitration, in accordance with the provisions of this Agreement, or adjust or settle the same.

## **2.2 No Discrimination**

There shall be no discrimination in the administration of this Agreement with regard to race, color, religion, national origin, age, sex, disability, veteran status, or because of the exercise by an employee of his rights as a member of the Union. The terms "he" or "his" as used in this Agreement shall apply to both male and female employees.

## **2.3 Contracting Out**

It is agreed that the Company has historically from time to time contracted out work, examples of which are set forth below, which practice may continue. The Company agrees, however, that except for work historically contracted out, and work of a similar nature, it will not subcontract any work historically and principally performed by employees covered by this Agreement as a part of their normal duties if such subcontracting shall cause the reduction of schedule of employees qualified to perform the work. Such work which the Company has historically contracted out includes but is not necessarily limited to:

- Blacktopping
- Sandblasting and metal spraying
- Acid clean boilers
- Non-destructive testing (turbine equipment and boiler tubing, generators)
- Painting
- Insulating
- Tree trimming
- Conveyor belt vulcanizing
- Unloading frozen coal
- Railroad track maintenance and repair
- Large vacuum equipment, removal of fly ash, etc.
- Construction work:
  - Foundation work
  - Piping installation
  - Earth moving equipment and river dredging
  - Unloading and/or erecting heavy equipment
  - Electrical contracts (new construction)

Service Engineers:

- Turbine overhaul supervision
- Safety valve maintenance/repair supervision
- Soot blower maintenance/repair supervision
- Mobile equipment maintenance/repair

Maintenance work:

- Major boiler repairs
- Major condenser repairs
- Specialized major turbine repairs, generator repairs
- General maintenance at Green River
  - Power Station when peak work load exceeds capacity of bargaining unit personnel

Surveying

- Fabrication of replacement parts at outside service shops
- Motor rewinding work completed at outside service shops

Contract hauling

Service Contracts:

- Elevators

- Portable restroom facilities

- Street lighting maintenance

- Building transmission, distribution lines, substations

- Pole setting

- Pole inspections

- Substation foundation, site preparation

- Crane service, hauling heavy equipment

- Substation fencing

- Bus insulator cleaning

- Janitorial and Custodial Work

## **2.4 No-Strike Clause**

During the term of this Agreement, employees, the Union, its officers, representatives, and members shall not take part in, cause, authorize, instigate, aid, sanction, encourage, condone or ratify any strike, slow-down, sit-down, stoppage of work, boycott, picketing, or other interference with, or interruption of Company operations or the work and business of the Company. The Union and its representatives will exert every effort to cause employees covered by this Agreement who participate in any such activities to desist therefrom. Failure or refusal on the part of any employee to comply with the provisions of this Article shall be cause for appropriate disciplinary action, including suspension or discharge.

## **2.5 No Lock-Out Clause**

During the term of this Agreement the Company will not cause or engage in any lock-out of its employees.

## **2.6 Restraining Orders and Injunctions**

Nothing in this Article or elsewhere in this Agreement shall be deemed or construed to preclude the Company from enforcing the provisions of Section 2.4 in any court of competent jurisdiction, and such court shall not be precluded by any provision of this Agreement from entertaining any such suit for violation of said Section and granting all appropriate injunctive relief. An equal right to seek judicial relief is retained by the Union should the Company, in its opinion, violate the provisions of Section 2.5.

## **2.7 Picket Line**

Although it is a recognized obligation on the part of both the Company and the Union to cooperate in maintaining a continuous and dependable public service, it shall not be a violation of this Agreement, nor cause for discharge or disciplinary action, for an employee as an individual matter to decline to cross a picket line at premises other than premises of the Company where loss of Company property or injury to the employee is threatened.

## **2.8 Visitation**

A duly identified and authorized representative of the Union shall, upon due advance arrangement, be granted access to Company premises for the purpose of investigating problems with which he is properly concerned in the administration of this Agreement. Union activity as permitted herein does not include Union business of an internal nature which does not involve the Company.

## **2.9 Supervisors Working**

Supervisors will not displace qualified available employees in the bargaining unit by performing work regularly performed by them. Nothing, however, shall limit the performance of bargaining unit

work by personnel outside the bargaining unit of work which such personnel have previously performed and similar work, or under any of the following circumstances:

In the instruction and training of employees.

In relief, or to replace an absent employee, or to accomplish work which bargaining unit employees have been permitted to decline.

To perform work requiring skills or abilities not available among employees.

In the event of breakdowns or emergencies, or to help straighten out problems.

At locations or in crews where there are three (3) or less bargaining unit employees.

In developmental work on, or testing of, equipment, products, services, or methods.

In non-overtime situations.

By service supervisors, service managers, chief electricians, and coal yard supervisors.

#### **2.10 Copies of Agreement**

The Company shall arrange to have copies of this Agreement printed in booklet form, and the Company and the Union shall share the printing cost in proportion to the number of copies that each orders for its own use.



**ARTICLE III**  
**UNION SECURITY**

**3.1 Union Security**

All present employees of the Company covered by this Agreement who on the date of execution of this Agreement are members of the Union and those who become members during the life of this Agreement, shall, as a condition of continued employment, remain members in good standing for the term of the Agreement to the extent of paying the periodic dues uniformly required of all Union members as a condition of retaining membership. All employees covered by this Agreement who are hired by the Company after the date of execution of this Agreement shall, as a condition of continued employment, become members of the Union at the completion of their probationary period and remain members in good standing for the term of this Agreement to the extent of paying the initiation fee and the periodic dues uniformly required of all Union members as a condition of retaining membership.

**3.2 Check-Off**

The Company, where so authorized and directed by the employee in writing upon an authorization form meeting all requirements of law, will deduct from the wages of such employee Union dues in the amount(s) authorized by such employee, and as specified by the International Secretary-Treasurer, on one of such forms. Such deductions of regular monthly dues for a particular month shall be made from the first pay period of the succeeding month and shall be forwarded monthly to the International Secretary-Treasurer. In the event an employee has insufficient earnings due during the first pay period of any month, then such deduction shall be made from the first pay period thereafter in which the employee has sufficient earnings from which the deduction can be made. The Company will permit a Union designated representative to be introduced to a new employee after completion of his probationary period for a brief orientation at a time when it does not interfere with the duties of either.

The Company, where so authorized and directed by the employee in writing upon an authorization form meeting all requirements of law, will deduct from the wages of such employee political action committee contributions in the amount(s) authorized by such employee on one of such forms.

### **3.3 Law**

This Article is intended to comply with the provisions of State and Federal law, and nothing herein contained shall require the Company to take any action in violation thereof. The Union agrees to indemnify and save the Company harmless from any claims, demands, suits or other forms of liability arising out of any action taken by the Company in compliance with this Article.

**ARTICLE IV**  
**MANAGEMENT**

Except to the extent expressly abridged or limited by a specific provision of this Agreement, the Company reserves and retains, solely and exclusively, all of its inherent rights, functions and prerogatives of management as such rights, functions and prerogatives existed prior to the certification of the Union or the execution of this Agreement. Such rights, functions and prerogatives include, but are not limited to, the Company's right to establish, continue and change, from time to time, policies, practices and procedures for the conduct of the business; to determine products to be manufactured or sold and services to be rendered; to determine the number, location and types of its operations and the methods, processes, services and materials to be employed; to institute, change, curtail or discontinue facilities, processes, service methods, equipment, machinery, methods of production or operations; to subcontract; to assign work to employees in accordance with requirements determined by the Company; to make and enforce reasonable rules for the maintenance of discipline; to suspend, discharge or otherwise discipline employees for just cause; and otherwise to take such measures as the Company may determine to be necessary for the orderly, safe and efficient conduct of the business. Recognizing the desirability of avoiding any impediment to the exercise by the Company of its management rights, functions and prerogatives in a manner beneficial to the employees, it is agreed that no such right, function or prerogative shall be limited by any practice or course of conduct or otherwise than by the express provisions of this Agreement.

**ARTICLE V**  
**HOURS OF WORK**

**5.1 Normal Work Schedule**

A. Except for employees at the Green River Power Station, the normal work schedule for full time employees will consist of five (5) consecutive days of eight (8) consecutive hours of work (interrupted only by an unpaid lunch break) Monday through Friday. The normal work schedule for full time employees at Green River Power Station will be as agreed to in negotiations and as in effect on the date of execution of this Agreement. Although the Company reserves the right to change such schedules, it agrees that if the changed schedule is permanent and will thereafter become the employee's regular schedule, the Company will notify the Union of its intention and afford the Union an opportunity to present its views before finally making its decision.

B. The anticipated schedule of working hours for the coming week for employees such as relief personnel who are not on a fixed schedule shall be posted no later than the end of day shift on Wednesday of each week.

C. "Workweek", as used in this Agreement, means seven consecutive days starting at 12:00 midnight on Saturday night and ending at 12:00 midnight on the following Saturday night.

D. This section provides for the normal scheduling pattern and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week, nor a limitation on the scheduling of work per day or per week (including overtime).

E. In the event of a temporary change (not to exceed two (2) consecutive days) in an employee's schedule due to training or line switching, employees will be permitted to work until the end of the employee's normal shift if the employee reports to his regular work station for work in appropriate dress, however, this provision shall not apply when an employee is required to be away from his normal work station overnight.

## **5.2 Sufficient Rest Time/Balance of Shift**

When in the opinion of the Company, an employee has worked such an extended period of time as to impair his effectiveness or present a hazard to his health or safety, or to the health and safety of fellow employees, he may be required by the Company to leave work for a rest period of up to eight (8) hours. After sixteen (16) continuous hours worked an employee may request and will be granted a minimum rest period of eight (8) hours. Such rest period shall be taken in its entirety unless the employee is requested and agrees to return to work before the expiration of such eight (8) hour rest period. If such rest period overlaps the employee's regular hours on a regularly scheduled work day, the employee shall be paid at his regular hourly rate of pay for the hours which overlap unless the rest period was initiated by the employee in accordance with this section. If the rest period ends within two (2) hours or less of the end of the employee's regularly scheduled shift, the employee may either return to work at his regular hourly rate of pay or not return to work and forfeit the remaining hours in his shift.

## **5.3 Lunch Period**

Employees at Green River Power Station on continuous shift operations will be allowed a paid lunch break during their shift. Other employees at Green River Power Station will receive an unpaid thirty (30) minute lunch break near the midpoint of their shift. Other employees will receive an unpaid lunch break near the midpoint of their shift.

## **5.4 Wash Up Time**

Nonoperating employees at the Green River Power Station will be allowed a five (5) minute wash up period just prior to their lunch break and a fifteen (15) minute clean-up period (tools and locker room) just prior to the end of their shift. However, this provision shall not be interpreted to permit employees to leave Company premises until the designated shift time is terminated.

## **5.5 Daylight Saving Time**

An employee working a regularly stated schedule at the time the change is made to Daylight Saving Time (normally in the spring) and who only actually works seven (7) hours instead of his

normal eight (8) because of the change shall receive pay for his normal eight (8) hours. An employee working a regularly stated schedule at the time the change is made from Daylight Saving Time (normally in the fall) and who actually works nine (9) hours because of the change, shall receive pay at the established premium rate for the ninth (9th) hour.

#### **5.6 Continuation of Regular Shift Duties**

Should an employee complete his regular shift of duty and be assigned to double shift or part shift, he will still be allowed to continue his regular shift of duties during any work week.

#### **5.7 Reporting Time**

An employee who is scheduled or notified to report for work on a regular shift and does report for work at the time specified without having been given actual notice of change of schedule, shall receive full pay at his regular rate for his scheduled (non-overtime) hours on that day, even though idle or sent home early because of delay or shortage of materials or for other reasons beyond his control. This provision shall not apply in the event that:

- (a) Strikes or work stoppages by employees in the bargaining unit covered by this Agreement in connection with labor disputes, interfere with the conduct of normal operations; or
- (b) An employee is not put to work or is released from work after having been put to work either at his own request or due to his own fault.

#### **5.8 Emergency Call-Out**

A. When an employee is called out to work, or voluntarily reports for and is allowed to work an emergency outside of his regularly established work schedule, he shall be paid a minimum of four (4) hours at the applicable overtime rate, even if the employee actually works less than four (4) hours. However, if an employee completes his work and is called out to work again before the four (4) hour minimum time has expired, he will not be entitled to another minimum four (4) hours pay for the

second call out, but will be paid for the additional time actually worked beyond the four (4) hours minimum from the first call out.

B. This provision shall not apply to an employee who is notified prior to leaving the work area to report early, or if the work is a continuation of his regular shift.

### **5.9 Planned Overtime**

For planned overtime work by an employee on his scheduled day off, he will receive a minimum of four (4) hours' pay at one and one-half (1-1/2) times his straight time base hourly rate of pay, or his applicable rate including shift or other premium, if any.

### **5.10 Standby Pay**

The Company agrees that, due to the current satisfactory responsiveness of employees in this union to call-outs, there will be no initial implementation of this provision, unless the employees in one or more of the areas described below voluntarily request to implement weekly Standby in their Area. If implemented, each Area may determine their own system of determining their Standby person, with emphasis on volunteerism but with an objective of sharing the workload.

Should the responsiveness of employees in any area become unsatisfactory, the Company reserves the right to implement this provision in the affected area. If the Company implements this weekly Standby, each Area will determine their own system of determining their Standby person, with emphasis on volunteerism but with an objective of sharing the workload.

Any standby system developed will be done through the union.

Within the workgroups where the Company is implementing standby in accordance with the second paragraph, the Company reserves the right to assign the standby person, if the union fails to develop an acceptable system within a reasonable time.

The potential Areas in Distribution Operations to be staffed with a weekly Standby person are as follows:

- Barlow
- Eddyville
- Morganfield/Sebree
- Earlington/Dawson Springs
- Greenville

Each employee who serves in a weekly Standby status, in exchange for agreeing to remain available and fit to respond to call outs during the week, will be paid seventy dollars (\$70.00) per week. If an employee works on service calls outside his normal scheduled workday during his Standby week, he will be paid for such time worked in accordance with Article VI-Overtime.

If an employee is assigned in a Standby status for less than one (1) week, he will be paid one (1) hour's pay at his appropriate overtime rate in addition to time spent on any service calls for each day he serves in a Standby status for service calls.

#### **5.11 Emergency electric restoration for another utility.**

An employee who performs emergency electric restoration work for another utility will be paid one and one half (1½) times his hourly rate for the first eight (8) hours worked in any one day and two (2) times his hourly wage rate for all hours worked over eight (8) in any one day. This provision does not apply when such work is performed for any affiliated company of LG&E Energy Corp. within the state of Kentucky.



## **ARTICLE VI**

### **OVERTIME**

#### **6.1 Purpose**

This Article provides the basis for the calculation of, and payment for, daily or weekly overtime hours and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week, nor a limitation on the scheduling of hours of work per day or per week (including overtime). Overtime pay shall be computed including shift differential, if any, and/or any other regular hourly payments, unless otherwise noted.

#### **6.2 Overtime Pay**

A. An employee shall be paid at the rate of one and one-half (1-1/2) times the employee's regular base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments:

- (1) For work performed in excess of forty (40) hours in any one workweek.
- (2) For employees scheduled eight (8) hours per day, for work performed in excess of eight (8) hours in any normal twenty-four (24) hour workday except (a) if it is a change made through the exercise of Seniority rights (such as bidding, bumping, shift preference, etc.), or (b) in the case of the change of employees on continuous shifts from one schedule or shift to another.
- (3) For all continuous hours worked after the end of the employee's last previous regular shift by an employee during periods which commence more than eight (8) hours prior to the employee's next regularly scheduled starting time and continue into his regular hours on a regularly scheduled workday if the employee completes his regular shift on such workday. During the continuation of an emergency situation as determined by the Company, for pay purposes the continuity of the employee's work shall not be considered to be broken by short breaks for meals, refreshments, or rest periods authorized by his supervisor.

(4) For work performed on the sixth day worked in the workweek and on the seventh day worked in the workweek, provided the employee works each of his scheduled workdays (excluding days on layoff) in the workweek or his absence (a) resulted from inability to work because of his illness or the illness of his spouse or child, when such case is substantiated by a doctor's certificate if requested by the Company, or (b) was time paid for but not worked under the provisions of this Agreement, or (c) was excused in advance for Union business.

(5) Notwithstanding the provisions of section 6.2(2)(a), an employee in the operating groups at the Green River Power Station who is required by the Company to work sixteen (16) consecutive hours to facilitate shift preference change, the last eight (8) consecutive hours shall be compensated at applicable overtime rates. This provision shall not apply when an employee elects to change shifts resulting in the employee working sixteen (16) consecutive hours.

B. An employee shall be paid at the rate of two (2) times the employee's regular base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments:

(1) For work performed in excess of sixteen (16) continuous hours, except as set forth in 6.2A(3) of this Article.

(2) For work performed by an employee who is required to work on his last consecutive off day, provided he worked at least four (4) hours on his previous off day.

### **6.3 Non-Duplication**

No overtime or premium pay will be pyramided or duplicated. In the event that overtime or premium pay is applicable to the same hours worked under any two or more provisions of this Agreement, only the single highest premium payment required under any provision shall be paid, and hours that are paid for at overtime or premium rates under one provision of this Agreement shall not be considered as hours worked for the purpose of computing overtime work under another provision (unless specifically provided in any case).

## **6.4 Cooperation**

Recognizing that the nature of the Company's operations requires overtime from time to time, it is agreed that performing overtime work, daily or weekly when needed, constitutes a part of the duties and responsibilities of an employee's job.

## **6.5 Overtime Distribution**

For employees at Green River Power Station other than those in Operations Groups (covered by §6.6 of this contract) and at locations other than Green River, the following will apply:

1. Subject to the requirement that an employee assigned overtime must be qualified to perform the work, when the Company assigns overtime to bargaining unit employees, it will be distributed equitably, averaged over a reasonable period of time, among employees permanently assigned to the classification at the location at which the overtime is assigned, provided such employees are available. (In the event qualified employees are not available or are permitted to decline such overtime, it may be assigned to such person and in such manner as the Company shall determine.)
2. At the end of each two (2) week period, an overtime list for each overtime group will be posted at that group's location.
3. An employee will be charged with any overtime he is permitted to decline and with any overtime that he would have been offered or assigned during periods when the Company honors his request that he not be offered or assigned overtime unless necessary.
4. Except for absent members of crews who are called to work overtime an employee will not be charged with overtime when he cannot be contacted. An employee who is absent for more than five (5) weeks will return with an amount of overtime equal to the average amount of other employees in his classification at the location.
5. An employee will be charged with overtime as set forth above among employees permanently assigned to his regular classification whether then working in or out of his

regular classification.

6. It shall be the responsibility of an employee to bring any substantially adverse distribution of overtime to him (under normal circumstances, more than twenty-four (24) hours less than the amount charged to any employee in his classification at the location) to the attention of his supervisor, and after it is brought to his supervisor's attention, the Company shall correct any such inequality by the future assignment of overtime not later than the next reasonable opportunity for which the employee is available should he have accrued the least amount of overtime credit and otherwise to the available qualified employee who then has accrued the least amount.
  
6. Notwithstanding the provisions of Paragraphs 1 and 5 above, with respect to maintenance work at Green River only when the Company assigns overtime mandatorily, the Company will assign the work to the qualified available employee (including any relief operators then working maintenance) with the least amount of overtime actually worked. For the purposes of assignment of maintenance overtime, in determining the amount of overtime worked by a relief operator, overtime worked both in maintenance and as an operator shall be considered.
  
8. Whenever an employee performs work in excess of his normal hours, to such an extent that the excess hours interfere or conflict with the employee's normal or regular meal time, the Company will furnish or pay for the employee's meal, or meals, required during such hours of work.
  
9. When an employee successfully bids into a classification he or she will be charged the same overtime hours as that of the employee in the new classification with the most overtime hours. Overtime hours will not change when employees are reclassified to a higher rated position, as referenced in Section 15.2(G).
  
10. Overtime paid for safety meetings, meals, and other events sponsored by the Company will not be counted as part of the total overtime, i.e., hours paid but not actually worked.

11. The overtime lists for all overtime groups will start with each employee at zero at the start of the pay period nearest the first of January.

## **6.6 Green River Power Station Operating Groups Overtime Work**

### **I. General Information**

1. Each time an operator is offered an overtime shift, it will be the responsibility of the Shift Supervisor on duty to see that all designated information is entered in the Overtime Log Book.
2. At the end of each one (1) week period, an overtime list will be posted on the Operator's Bulletin Board, grouped according to classification. In each classification, operators will be listed according to total overtime hours, with operator at the top having the least amount of total overtime hours. Total overtime hours will include hours worked plus hours rejected (with exceptions as noted later). Where a tie exists, the listing will be according to seniority. Operators may volunteer to be excluded from being offered overtime assignments. However, they remain obligated to work forced overtime assignments.
3. Any operator on vacation, holiday, union business, or off sick will not be offered overtime and his or her total overtime will remain unchanged. However, an employee who is absent for more than five (5) weeks will return with an amount of overtime equal to the average amount of other employees in his or her classification.
4. In no case should an operator work more than sixteen (16) consecutive hours, unless an emergency exists.
5. The Shift Supervisor on duty has the responsibility of seeing that the layover operator is furnished necessary meal or meals. The layover operator has the option of furnishing his or her own meals and receiving one hour extra pay if the layover shift is 8-4, or one-half hour extra pay for the 4-12 or 12-8 shift. Overtime operators will furnish their own meals

unless the overtime results in double shift, in which case the same rules apply as for a layover. If a layover operator chooses a meal instead of an extra one-half hour overtime pay then the Shift Supervisor should call a local restaurant for a pick-up meal. If operating conditions permit, the Shift Supervisor will allow the layover operator to pick up his or her meal when ready. If, in the opinion of the Shift Supervisor, the layover operator should not leave, then the Shift Supervisor will designate someone else to pickup the meal for him or her. A Company truck will normally be available. If the layover operator is on a special diet that cannot be obtained at a local restaurant, then the Shift Supervisor should, if at all possible, allow him or her to pick up a meal at home (in this case, he or she will not be allowed extra pay for his or her meal).

6. When an operator is promoted, he or she will be charged the same overtime hours as that of the operator in the new classification with the most total overtime hours.
7. Any operator working with Maintenance personnel may be requested from time to time to work overtime. This will be charged to the operator as overtime worked or rejected.
8. The overtime list will start with each operator at zero at the start of the pay period near the first of January as referenced in Article XXV, Section A.
9. Overtime paid for safety meetings, meals, and other events sponsored by the Company will not be counted as part of the total overtime, i.e., hours paid but not actually worked.
10. Should an operator be offered an overtime shift which would give him or her a double shift and he or she had worked a double shift the day before, the operator may reject the second double shift without it adding to his or her total overtime hours.

## **II. Overtime Assignments**

The following steps will be taken when an operator is needed on an overtime basis.

#### **A. Scheduled Procedure, Full or Partial Shifts**

When the Company has at least eight (8) hours notice prior to the time the overtime is to begin the overtime will be treated as scheduled.

Operators will be offered the overtime beginning with the senior operator in the job classification required who has the least amount of total overtime. From this point until eight (8) hours before the overtime shift starts, one (1) call will be made before calling the next operator.

In the event that an operator is to be offered an additional overtime shift(s) in the same classification and on the same shift as one that the shift supervisor was unable to reach him or her for, then one call to that operator will be made for each additional shift(s) before calling the next operator.

If no operator is obtained in the job classification required then the Company will go to the next higher Bargaining Unit classification(s) and proceed as per this section.

If no operator is obtained using this procedure and at least one call has been made to each available Bargaining Unit operator, the operator on duty in the job classification required, with the least amount of overtime actually worked will layover and he or she will not be charged with the previous rejection.

It is recognized that there may be times when the operator on duty with the least amount of worked overtime is physically unable to perform his or her duties for an additional shift. In this case the next operator on duty in the job classification required with the second least amount of worked overtime will layover. If all operators in the job classification required are physically unable to perform, the Company will go to the next higher classification(s) and proceed as per this section beginning with the operator on duty in that classification with the least amount of worked overtime.

## **B. Layover Procedure**

When the Company has less than eight (8) hours notice prior to the time the overtime is to begin the overtime will be treated as a layover.

The operators on duty in the job classification required will be offered the overtime beginning with the senior operator who has the least amount of total overtime.

If no operator is obtained using this procedure the overtime selection will follow the Call-In Procedure.

## **C. Call-In Procedure**

When the Company has less than eight (8) hours notice prior to the time the overtime is to begin and the Layover Procedure (for that particular job classification) is exhausted the overtime will be treated as a call-in.

The operators in the job classification required will be offered the overtime shift beginning with the operator who is on top of the list established in 6.6.2. One (1) call will be made before calling the next operator.

If no operator is obtained by the Call-In Procedure (for that particular job classification), the Company will go to the next higher Bargaining Unit Classification(s) and proceed as per the Layover Procedure. Operators who volunteer to be excluded from being offered overtime assignments will not be called, but will be charged with a reject.

If no operator is obtained using this procedure and at least one call has been made to each available Bargaining Unit Operator, the operator on duty in the job classification required, with the least amount of overtime actually worked per the list established in 6.6.2, will layover and he or she will not be charged with the previous rejection.



It is recognized that there may be times when the operator on duty with the least amount of worked overtime is physically unable to perform his or her duties for an additional shift. In this case the next operator on duty in the job classification required with the

second least amount of worked overtime will layover. If all operators in the job classification required are physically unable to perform, the Company will go to the next higher classification(s) and proceed as per this section beginning with the operator on duty in that classification with the least amount of worked overtime.

## ARTICLE VII

### HOLIDAYS

#### 7.1 Holidays

A. The following will be considered holidays for the purposes of this Agreement:

New Years Day  
Good Friday  
Memorial Day  
Fourth of July  
Labor Day  
Thanksgiving Day  
Friday after Thanksgiving  
Christmas Eve  
Christmas Day  
(2) Floating Holidays

Eligible employees who do not work on the above holidays will receive eight (8) hours pay at their normal straight time hourly rate (including regular Shift Differential, if any, and any other regular hourly payments).

B. Floating holidays will be taken in each calendar year on a day mutually agreed upon between the employee and the Company.

C. For employees scheduled Monday through Friday, if one of the above designated holidays falls on a Saturday, it shall be recognized on the preceding Friday (except that when Christmas Day falls on a Saturday, Christmas Eve and Christmas Day shall be recognized on the preceding Thursday and Friday), and if one of the above designated holidays falls on a Sunday, it shall be recognized on the following Monday (except that when Christmas Eve falls on a Sunday, it shall be recognized on the preceding Friday).

For employees scheduled other than Monday through Friday, (including employees who alternately work Monday through Friday and Tuesday through Saturday schedules), when a holiday falls on an off day, it shall be recognized on the next regularly scheduled day of work except in the case of two consecutive holidays such as Thanksgiving Day and Friday after Thanksgiving and Christmas Eve and Christmas Day, in which the following procedure shall apply:

If both holidays fall on an employee's off days, the first holiday shall be recognized on his last regularly scheduled day of work preceding the holidays, and the second holiday shall be recognized on the first regularly scheduled day of work immediately following the holidays. If the employee is scheduled off on only one of the holidays, then (a) if he is scheduled to work the first holiday, the second holiday shall be recognized on his first regularly scheduled day of work following the holidays, and (b) if the employee is scheduled to work the second holiday, then the first holiday shall be recognized on his last regularly scheduled day of work immediately preceding the holidays.

In all cases, if an employee is regularly scheduled to work on one of the above designated holidays, the holiday shall be recognized on that day.

## **7.2 Holiday Work**

A. An employee who is required by the Company to work on a holiday will be paid at the rate of one and one-half (1-1/2) times the employee's normal straight time hourly rate (including regular Shift Differential, if any, and any other regular hourly payments), for the first eight (8) hours worked, in addition to holiday pay, if the employee is entitled to holiday pay as such, or in lieu thereof, such employee may work at his normal straight time hourly rate (including regular Shift Differential, if any, and any other regular hourly payments) on the holiday and be absent with holiday pay on another mutually agreed upon day. No additional holiday may be accumulated until such holiday is utilized except with prior consent of the Company. An employee will be paid at two (2) times his hourly wage rate for all hours worked over eight (8) on a holiday.

B. Notwithstanding the foregoing Paragraph A, employees who are regularly scheduled to work in six (6) or seven (7) consecutive day periods and who are required to work on a holiday may accumulate and "bank" up to two (2) holidays to be used in conjunction with regularly scheduled vacations or at other times mutually agreed upon in advance, which "banked" holidays, (1) may be carried forward into the next succeeding calendar year and (2) will not affect such an employee's option as set forth in Paragraph A with respect to a subsequent holiday while he has such two holidays "banked". If, however, while such an employee has two holidays "banked", he elects to be absent without pay on another holiday in lieu of receiving pay for working on such day, then such third accumulated holiday must be utilized prior to the next holiday.

### **7.3 Eligibility**

A. To be eligible to receive holiday pay an employee must have worked in the workweek in which the celebrated holiday falls, or be on paid sick leave for such week unless (a) his absence resulted from inability to work by reason of illness or injury, for which he is not compensated, verified by a doctor's certificate if requested by the Company, or (b) he was on paid vacation during such week, or (c) he was on leave for union business during such week, in any of which cases, he must have worked either in the week immediately preceding or the four (4) weeks immediately following the workweek in which the celebrated holiday falls.

B. If an employee is scheduled to work on any holiday recognized herein and fails to report or perform his scheduled work, he shall become ineligible for pay for the unworked holiday unless he has failed to report or perform such work because of sickness or because of death in the immediate family or for comparable good cause.

### **7.4 Holiday During Vacation**

When such a holiday for which an employee is eligible for holiday pay occurs during an employee's vacation, the employee will be granted an extra day vacation time.

### **7.5 Holiday During Sick Leave**

When a holiday for which an employee is eligible for holiday pay occurs on a day for which an employee would otherwise receive sick pay under the Company's program, he will receive the holiday pay and no charge will be made against his paid sick leave days.

**ARTICLE VIII**  
**VACATIONS**

**8.1 Amount of Vacation**

Effective January 1, 2000, eligible employees will earn vacation from date of hire based on years of service in accordance with the following schedule:

Vacation Earned	Completed Years of Service Attained During Calendar Year
5 days	Maximum in year of hire
10 days	Years 1-4
15 days	Years 5-14
20 days	Years 15-24
25 days	Years 25 and above

Such employees on a forty (40) hour workweek shall be paid the equivalent of forty (40) hours at their straight time hourly base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments, for each week of vacation. Such employees who normally work more than twenty (20) but less than forty (40) hours per week (a part-time employee, should such be included in the bargaining unit during the life of this Agreement) shall be eligible for one-half the normal vacation entitlement (earned/accrued).

**8.2 Eligibility**

A. To qualify for vacation in the following year, an employee must be active on the payroll as of December 31. An exception to this requirement applies to those employees who are on approved Family and Medical Leave. A full-time employee to be eligible for a vacation must have worked not less than twelve hundred forty-eight (1248) hours during the twelve (12) months next preceding the date he first becomes eligible to take such vacation. A part-time employee to be eligible for a vacation must have worked at least seventy-five percent (75%) of the number of hours an employee on his weekly schedule would work in a year. For purposes of this Section 8.2, in calculating the number of

hours worked, there shall be included his normal workday for days for which he is absent but for which he is paid vacation pay, holiday pay, paid sick leave, short term disability, funeral leave, jury duty, military leave or workers' compensation supplement.

B. An employee reinstated from inactive status shall become eligible for vacation based on his or her anniversary date:

- An employee returning to work from January 1 through June 30 is eligible for earned vacation during the calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay.
- An employee returning to work on or after July 1 is ineligible for vacation during the calendar year.

C. Employees hired directly by the Company to fill temporary positions (not hired as temporaries through contractors) who later become regular employees of the Company are eligible for vacation accrual retroactive to the beginning of their temporary employment with the Company.

D. An employee hired between January 1 and June 30 is eligible for 5 days of vacation during that calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay. An employee hired on or after July 1 is ineligible for vacation during the initial calendar year of employment. After the initial calendar year of employment, an employee can take vacation effective January 1 or upon three (3) continuous months of active service, whichever is later, based upon the above schedule.

E. Employees who are rehired accrue vacation at the same rate as when they left employment if they were employed for one year of continuous service prior to separation and if the separation was for one year or less.

### **8.3 Scheduling of Vacations**

A. An employee's vacation will, to the extent reasonably practicable, be granted at the time most desired by the employee in order of Seniority among those employees with whom his vacation must be coordinated, but the final right to schedule vacation is reserved to the Company in order to assure efficient operations.

B. Vacations will be taken at least one workweek at a time except (1) with the consent of the Company, or (2) an excused absence for legitimate reasons may, at the request of the employee, be charged against any vacation to which he is then entitled.

C. Relief operators at the Green River Generating Station not on a fixed schedule who schedule five (5) consecutive days off on Monday through Friday shall be guaranteed the Saturday and Sunday before and after such days off as off days, for a total of nine (9) days.

#### **8.4 Accumulating Vacations**

Vacation time may not be accumulated from one year to the next, and vacations earned as of any January 1 must be liquidated by time off by December 31 of that same year, except that with prior notification to the responsible manager, an employee may defer up to five days of vacation to the following calendar year.

#### **8.5 Vacation Pay at Separation**

An employee who quits, dies, retires or is discharged on or after any January 1 and without having received the vacation for which he became eligible upon such date, will be entitled to his vacation pay upon termination of employment. Any such payment due an employee who has died shall be made to the person designated as beneficiary on his group life coverage, if living, otherwise to the employee's estate. No employee leaving the employment of the Company during any calendar year shall be entitled to any vacation pay in the following year.

#### **8.6 Pay in Lieu of Vacation**

An employee with at least four weeks of vacation eligibility (including carry-over) may "sell back" one week of vacation after they have taken two weeks of vacation and carried over one week. Payout for such a week of worked vacation will occur in February of the following year.

## **8.7 Vacation During Illness, Disability, or Personal Leave of Absence**

A. If an employee goes on paid sick leave or becomes unable to work because of compensable occupational injury prior to the time his vacation is scheduled to commence, his vacation will be rescheduled later in the year, except that an employee on paid sick leave or Short Term Disability may, at his option, cease receiving sick pay or Short Term Disability pay and take his vacation as previously scheduled. The vacation of an employee who becomes ill or is injured after working his last shift prior to vacation will not be rescheduled, and he will not be eligible for any sick pay until such scheduled vacation has expired. However, at the sole discretion of the Company, vacation may be restored to an employee and rescheduled at a later date.

B. An employee on paid sick leave or Short Term Disability may, upon advance written request, elect at the end of the calendar year to cease receiving sick pay or Short Term Disability pay for any unused vacation period in order to avoid loss of vacation pay. An employee disabled as the result of a compensable occupational injury or who is receiving long term disability insurance payments at the end of a vacation year and is unable to work during any unused vacation period as provided in Section 8.6, will not receive pay for the vacation not taken, except as provided in Section 8.7C.

C. In the year in which an employee incurs an occupational injury or illness, after the application of Section 8.4, the employee shall receive payment for any remaining unused vacation in an amount sufficient to make up the difference between what the employee received from workers' compensation insurance or Short Term Disability pay and the employee's regular straight time wages assuming a 40-hour work week.

D. An employee will earn vacation during approved personal leaves of absence on a prorated basis as follows:

- an employee on a PLOA of one full month to three full months will earn 75 percent vacation benefit for the following year, based upon the above schedule; and
- an employee on a PLOA of four to six months will earn 50 percent vacation benefit for the following year, based upon the above schedule.



### **8.8 Vacation at Retirement**

Any employee who retires may elect to work during all weeks of any vacation to which he may be entitled in the year of retirement, and for each such week of vacation worked, shall receive with his final payroll check additional compensation in an amount computed on the same basis as is then employed in computing the compensation paid to other employees who work during one week of their vacation under Section 8.6 above.

**ARTICLE IX**  
**SENIORITY**

**9.1 Seniority Recognition**

In cases of filling permanent vacancies, decrease of force and recalls from layoff, consideration shall be given to length of continuous service, all as specifically set forth in various sections of this Agreement dealing with such events.

**9.2 Definitions**

**A. Bargaining Unit Seniority**

For all purposes of this Agreement, an employee's bargaining unit seniority ("Seniority") shall date from his first day of work following his employment with the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) of the Company or his last reemployment if his continuous service has been broken. An employee of the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) in the bargaining unit on the effective date of the first contract shall have Seniority equal to his continuous service with the Company in any of its regions in any position. Any employee of the Company who accepts transfer into the bargaining unit covered by this Agreement following the effective date of the first contract shall retain his previous Company service for computing vacation, pension and insurance benefits but shall be considered as a new employee for all other purposes of this Agreement.

**B. Qualified**

Wherever used in this Agreement "qualified" shall mean that the employee has the ability to perform the required duties of the job on a regular basis under the degree of supervision normally given to employees in the job and to perform those duties safely and efficiently.

### **9.3 Seniority List**

A seniority list showing the Seniority of each employee was posted under the collective bargaining agreement effective October 9, 1977. The Company will revise such list from time to time as necessary for it to be kept current. It shall be the responsibility of the employees to bring any error to the attention of the Company, with a copy to the Unit Secretary.

### **9.4 Probationary Employees**

A newly hired employee (or an employee rehired after loss of Seniority) will be considered a probationary employee and will not accrue any Seniority until he has actually worked at least forty (40) days. In exceptional cases, the Company shall have the right, upon notice to the Union, to extend the probationary period for an additional period not to exceed twenty (20) days actually worked. During the employee's probationary period the Company may terminate the employee with or without cause and such termination shall not be subject to review in the grievance or arbitration procedure. During the probationary period, the Company may from time to time transfer a probationary employee or assign various duties for the purpose of determining his suitability for permanent employment. Upon satisfactory completion of his probationary period, an employee will be credited with Seniority in accordance with Section 9.2(A).

### **9.5 Termination of Seniority**

An employee shall lose all Seniority with the Company and all rights under this Agreement (except for previously accrued pension and insurance benefits, if any, to the extent specifically provided elsewhere) upon the occurrence of any of the following:

- (A) Resignation or quit by the employee for any reason
- (B) Discharge for just cause
- (C) Layoff for twelve (12) consecutive months, or the length of the employee's Seniority, if more at the start of his layoff, to a maximum of three (3) years
- (D) Absence for two (2) consecutive working days without having notified the Company unless impossible to do so, and furnished a satisfactory explanation within such period

- (E) Fails to notify the Company of his intention to return to work from layoff within ten (10) days (Saturdays, Sundays and Holidays excepted) after mailing of notification by registered or certified mail (return receipt requested) to the last address shown on the Company records (and copies of said notice having also been given to the Union) or fails, without reasonable excuse, to report for work at the time designated in the notice
- (F) Failure to return to work from absence due to sickness or injury within twelve (12) months after the last day of active employment, or the length of the employee's Seniority, if more at the time his absence commences, to a maximum of three (3) years; provided, that the Seniority of any employee with two (2) years Seniority or more at the time such an absence commences shall not terminate for so long as he (1) receives sick pay under the Company's sick pay plan, or (2) receives regular periodic payments under the Company's long term disability insurance program. If the job he held at the time the absence commenced has been permanently filled during his absence or is otherwise no longer available, for the purpose of reclaiming his job or in selecting another job in the manner as if he had been laid off from his old job at the time of his return as provided in Section 10.1, such an employee shall not be considered to have continued to accrue Seniority during the period of his absence in excess of three (3) years
- (G) Acceptance of wages or other compensation for services rendered for others, or accrual of income from self-employment, (other than earnings the employee would have received even if he had not lost time from work, such as from his farm, etc.) during leave of absence unless such payment was from the Union or was authorized in writing by the Company in advance
- (H) Failure to return at or prior to the expiration of a leave of absence, if possible, or failure to notify the Company of his inability to return if such notification is possible
- (I) Transfer out of the bargaining unit as provided in Article XIX
- (J) Transfer out of the Earlington Operations, Areas 1 (Parkway) and 2 (Green River)
- (K) Absence for a period in excess of that provided in Section 16.6 relating to pregnancy
- (L) Retirement
- (M) Death

provided, however, nothing in this Section 9.5 shall operate to deprive any employee, or his heirs, whose Seniority is terminated by reason of his retirement or death, of benefits, if any, accrued prior to such retirement or death.

## **9.6 Compensable Disability**

Notwithstanding the provisions of Section 9.5(F), the Seniority of any employee covered by this Agreement shall not be broken so long as he receives regular periodic payments under Workers' Compensation for disability incurred during the course of his employment with the Company which prevents his return to work. If the job he held at the time the absence commenced has been permanently filled during his absence or is otherwise no longer available, for the purpose of reclaiming his job or in selecting another job in the manner as if he had been laid off from his old job at the time of his return as provided in Section 10.1, such an employee with five (5) years of Seniority or more at the time his absence commences shall continue to accrue Seniority during the entire period of such absence, but an employee with less than five (5) years Seniority at the time his absence commences shall not be considered to have continued to accrue Seniority during the period of his absence in excess of three (3) years.

## **9.7 Identical Hiring Dates**

When two (2) or more employees in the bargaining unit have identical hiring dates or dates of transfer into the bargaining unit, Seniority shall be awarded in the alphabetical order of the spelling of their names, surnames listed first.

## **9.8 Temporary Employees**

Temporary employees shall have the same status as Probationary Employees for the full duration of their temporary employment and shall accrue no Seniority of any kind. "Temporary Employees" shall be:

- A. Those who are hired on jobs at or below the General Laborer classification for an agreed and limited period of time (not more than ninety (90) days) in order to fill temporary needs for additional personnel resulting from absence of regular employees by reason of vacations, sickness or other cause; or

- B. Part-time help such as grass-cutters at various locations in the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) who do not regularly work more than twenty-four (24) hours per week; or
- C. Employees of other companies (customers of Kentucky Utilities Company) whose only function shall be to operate switches at Sub-Stations and other remote locations. However, it is specifically understood and agreed that the operation of Company owned switches will be the work of employees in the bargaining unit covered by this Agreement should it be necessary to call someone out at night to perform such function.

Should the status of a Temporary Employee be changed to that of a permanent employee in the bargaining unit, his Seniority shall date from the date of such change of status, except that the date from which the employee has continuously worked a regular schedule of at least twenty (20) hours each week will be considered as the date of employment for the purposes of determining vacation. However, no sick leave days will be accrued to any employee's account for the time worked as a temporary employee.

**ARTICLE X**  
**REDUCTION AND RESTORATION OF FORCES**

**10.1 Permanent Layoff**

The following procedure shall be followed in a reduction of forces:

- (A) If the number of employees in a particular classification at a location is to be reduced, but some retained, employees will be reduced, in inverse order of Seniority, provided that the remaining employees are qualified for the work to be performed.
- (B) A surplus employee may upon reduction displace an employee holding a job:
  - (1) for which he is qualified, and
  - (2) which is at the same or lower rate than the job as to which he is surplus (except that an employee may return to a higher classification formerly held), and
  - (3) which is either (a) held by an employee with less Seniority at the surplus employee's location or at any location close enough to his residence so he can meet his normal work schedule and such emergency call-out requirements as are inherent in the job (it being specifically agreed that, except with the consent of the Company, members of service organizations must live in the service area served), or (b) held by an employee with the least Seniority in a classification at any other location in the bargaining unit with the understanding that to do so would require a change of residence, or accept layoff in lieu thereof.
- (C) Should the surplus employee not have previously qualified on the job he chooses under the above procedure, no training time will be allowed. However, such employee shall be oriented in the job requirements and will be given up to maximum of three (3) working days to display his qualifications, or lack thereof, should there be good cause to believe he can perform the work on the job satisfactorily due to knowledge and skills developed on other jobs with the Company.

## **10.2 Rates on Demotion**

When an employee is demoted in a reduction of forces, he will be paid at the lower of (a) the top of the rate range of the job to which he has been demoted or (b) the rate that he was being paid on the job from which he was demoted.

## **10.3 Notice of Recall**

Recall of an employee after a layoff shall be in writing and mailed to the employee's last known address by certified or registered mail as it appears on the Company's records. If an employee on layoff changes his address, he must notify the Company in writing by certified or registered mail with a copy of said notice being mailed to the local Union.

## **10.4 Restoration of Forces**

(A) In the restoration of forces, employees shall be recalled in order of Seniority to the jobs they held before the reduction of forces (if available) or to other jobs they have previously held or for which they are otherwise qualified, provided that the employees recalled must be qualified for the work to be performed.

(B) Should the Company decide to recall an unqualified employee to attempt to train for a vacancy, it will give preference to the senior employee on layoff whose prior experience, work record, skill and ability, and demonstrated physical and mental capacities indicate that he is capable of becoming qualified within a reasonable period.

## **10.5 Notification of Layoff**

When a reduction in working force becomes necessary and employees are to be reduced in classification or laid off, the concerned employees and the Union shall be given not less than forty-eight (48) hours' notice unless an emergency condition beyond the control of the Company makes such notice impossible.



## **10.6 Retention of Officers and Committee**

The Unit President, Unit Secretary and Unit Grievors (should the Unit Griever remain in the geographic area he represents), will not be released from active employment in a reduction of force as long as work for which they are qualified to perform is available in the bargaining unit.

**ARTICLE XI**  
**EMPLOYMENT FOR HANDICAPPED EMPLOYEE**

A. Notwithstanding the Seniority provisions of this Agreement, the Company and the Union may mutually agree to fill a vacancy of any length by assignment of an employee during the time he is handicapped, recuperating from any accident or illness or otherwise is unable to perform the duties of his regular job but is qualified to perform the needed work.

B. An employee, who is injured or acquires a work-related illness in the course of his employment and made subject to the provisions of the Kentucky Workers' Compensation laws and as a result thereof loses his ability to return to his regular job, may use his Seniority to displace a junior employee on any equal or lower rated job (provided he is released by the Company doctor to perform the duties of this job) in the same manner and with the same effect as if he had been released for lack of work under the provisions of Section 10.1 of this Agreement.

**ARTICLE XII**  
**GRIEVANCE PROCEDURE**

It is agreed that any employee may discuss any problem or complaint with his supervisor on an informal basis, with or without the presence of his Grievance Committeeman or Steward and without resort to the grievance procedure.

**12.1 Grievance Procedure**

Any difference arising as to the application or interpretation of the provisions of this Agreement shall constitute a grievance and shall be settled in the following manner:

**Step 1**

A. An employee who has a grievance shall present the grievance orally to his immediate supervisor, with or without the presence of his Grievance Committeeman or Steward, within five (5) days after the complaining employee knew, or by reasonable diligence should have known, of such incident.

B. In the settlement of a grievance, the Company shall not enter into any agreement with any individual employee covered by this Agreement in conflict with the terms of this Agreement which will have any effect on the rights of other employees, and any settlement under any such private agreement will not constitute a precedent should a similar situation arise in the future.

C. If the grievance is not resolved to the satisfaction of the employee and it is desired that the grievance be considered further, the employee or his Grievance Committeeman or Steward may immediately file a written grievance with such supervisor. In any event, regardless of when the employee presents it orally to his immediate supervisor, or knows, or should have known, of the incident, such written grievance must be presented not more than fifteen (15) days next following the incident that caused the grievance (unless a different time is provided elsewhere in this Agreement for the particular type of grievance). The written grievance shall state the nature of the incident, the section or sections of this Agreement upon which the grievance is based and the redress or relief that is sought, and shall be signed by the employee and his Grievance Committeeman or Steward. The

supervisor, or his designee, will discuss the grievance with the employee and his Grievance Committeeman or Steward and will give his answer within five (5) days after receipt of the written grievance. If the immediate supervisor and the Grievance Committeeman or Steward, at such meeting, feel the need for aid in arriving at a solution, they may, by agreement, invite such additional Company or Union representatives or witnesses as may be necessary and available to participate in further discussion.

### **Step 2**

If the Step 1 supervisor, or his designee, does not give his answer within the prescribed time or if the answer is unsatisfactory to the Union and it is desired to appeal the grievance for further consideration, an appeal may be filed within five (5) days after the answer (or within five (5) days of expiration of the five (5) day answer period if no answer is given) with the person who supervises the Step 1 supervisor, signed by the employee's Grievance Committeeman. Such Supervisor, or his designee, will discuss the grievance with the employee and the Grievance Committeeman and will give his answer in writing within five (5) days after the meeting.

### **Step 3**

If the answer of the Step 2 supervisor, or his designee, is unsatisfactory to the Union and it is desired to appeal the grievance for further consideration, an appeal may be filed within five (5) days after receipt of the answer with the manager of the Step 2 supervisor, signed by the employee's Grievance Committeeman. The manager or their designee(s), will discuss the grievance in a meeting with the employee, the Grievance Committeeman and the International Union Representative, and will give an answer in writing within five (5) days after the meeting.

## **12.2 Grievance Meetings**

Grievances to be handled through the grievance procedure should be taken up at such time of day as will least interfere with the regular working hours of the employees involved. If the Company finds it more convenient and practical to conduct such proceedings during regular working hours, and the Union representative is agreeable to meeting at such time, then Union grievance representatives

who are called from their regular duty will be paid their regular wages as though they were on regular duty.

### **12.3 Grievance Committee**

The Union's Grievance Committee shall consist of regular employees of the Company covered by this Agreement selected by the Local Union to represent major geographic groupings of employees. The initial major geographic groupings are considered to be at:

Barlow/Eddyville  
Morganfield/Sebree  
Earlington/Dawson Springs  
Greenville  
Green River

but said groupings may change with the addition or deletion of department and/or shift assignment of employees covered by this Agreement, but not to exceed five (5) in total. One (1) Grievance Committeeman shall be elected by the Local Union membership to represent each of said major geographic groupings.

In large areas and/or on shifts at the Green River Power Station where no Grievance Committeeman is employed, a Steward will be appointed as determined by the Local Union so that there will be at least one (1) Grievance Committeeman or Steward on each active shift. The Steward will act as an assistant to the Grievance Committeeman and be limited to the handling of grievances through Step 1 only.

During his term of office, should a Grievance Committeeman or Steward cease to be employed within the major group he represents, the office of Grievance Committeeman or Steward representing that group shall become vacant and shall be filled by the Local Union with a permanent employee of said group.

The Local Union President and Unit President shall be considered as a member of the Local Union Grievance Committee in addition to the Grievance Committeemen provided for above.

The Union shall furnish to the Company a list of its Officers, Grievance Committeemen and Stewards, and keep such list current.

#### **12.4 Time Limits**

A grievance that is not filed, appealed or referred to arbitration within the prescribed time limits shall be considered settled and shall not be processed in any subsequent steps of the grievance or arbitration procedure. If the second or third step supervisor does not timely answer, the Union can demand an answer by giving notice by registered or certified mail, return receipt requested, to the Corporate labor relations manager. If no written answer is given in person or by posting in the mail within five (5) days after receipt of such demand, the particular grievance shall be deemed to be granted but without precedent.

#### **12.5 Calculation of Time**

The term "days" as used in this Article XII and the following Article XIII shall be understood and agreed to exclude all Saturdays, Sundays or Holidays occurring in each such calculation.

#### **12.6 Group Grievances**

In the event more than one employee desire to file identical grievances, either the Grievance Committeeman or Steward for the area in which the alleged grievance has arisen, or one of the aggrieved employees selected by the others, may file and process the grievance on their behalf as a class, provided the employees involved are adequately identified in the initial written grievance.

#### **12.7 Union Grievances**

A. The Union may file a grievance at Step 3 with regard to any obligation of the Company to the Union as such, as opposed to its obligations to the individual employee(s). Also in the event an employee dies the Union may process any claim he would have had relating to any money due under any provision of this Agreement. In processing such claim on behalf of a deceased employee, the fifteen (15) day time limit for filing the initial grievance shall be waived.

B. In the event the Union believes that an interpretation contrary to the terms of this Agreement has occurred with respect to one or more employees, which interpretation, if established as a practice, might adversely affect other employees in the future, if the directly affected employees fail to file a grievance, then the Union may file a grievance in its own name at Step 2 for the purpose of obtaining a prospective determination with respect to employees generally.

#### **12.8 Expedited Procedure**

Notwithstanding the procedures set forth in this Article, the parties may by agreement omit any Step or Steps and proceed to a higher Step.

#### **12.9 Extension of Time Limits**

It is understood and agreed that any time limits specified in this Article XII and the following Article XIII may, and should be, extended for good reason shown. The period during negotiations for an extension or renewal of this Agreement shall specifically be deemed as requiring a liberal interpretation of this Section.

**ARTICLE XIII**  
**ARBITRATION PROCEDURE**

**13.1 Arbitration Procedure**

If the Step 3 answer of the Plant General Manager, the Manager Substation Construction and Maintenance, the Manager Electric System Planning Engineering and Metering, or the Manager Earlington Operations, or their designee(s), is unsatisfactory to the Union, the Union may refer such grievance to arbitration by delivering to the Manager, Corporate Labor Relations, within twenty (20) days after receipt of the answer, written notification that it desires to arbitrate the grievance. If the Company and the Union are unable to agree to an arbitrator, the Company and Union shall jointly request the Federal Mediation and Conciliation Service to provide a list of seven (7) qualified arbitrators who have training or experience in the subject of the dispute in question. The representatives of the parties shall either agree to an arbitrator on the list or select one by each party's alternately striking a name from the list until one name remains. More than one grievance may be submitted to the same Arbitrator if a multiple submission is agreeable to both parties.

**13.2 Arbitration Hearing**

The arbitration hearing shall be scheduled for a date as soon as mutually agreeable but within sixty (60) calendar days of the date that the Arbitrator is selected by the parties, provided the Arbitrator is available. The arbitration hearing shall be held at the Green River Power Station or the Company's District Office nearest to where the grievance arose or at a place mutually agreed upon by the Company and the Union or, if they are unable to agree, the Arbitrator shall select a neutral place in Madisonville, Kentucky for the hearing.

**13.3 Duties of the Arbitrator**

It shall be the duty of the Arbitrator to hear and render a decision on a dispute submitted to him in accordance with the terms of this Agreement. The Arbitrator shall regard the provisions of this Agreement as the sole and complete understanding governing the relationship of the parties, and it shall be his function to interpret and apply the specific provisions of this Agreement. The Arbitrator shall not supplement, enlarge, diminish or alter the scope or meaning of any provisions of this Agreement,



nor entertain jurisdiction of any subject not covered hereby. The decision and award of the Arbitrator shall be final and binding on the Company, the Union and the employees.

#### **13.4 Costs of Arbitration**

The compensation and expenses of the Arbitrator shall be borne equally by the parties. The compensation and expenses, if any, of witnesses and other participants in the arbitration shall be borne by the party desiring or requesting their presence, except that an employee at the Green River Power Station or an employee in the district where the grievance arose who is a witness may appear during his normal working hours for the time necessary to give his testimony only without loss of pay.

#### **13.5 Arbitrator's Decision**

The Arbitrator shall be jointly requested to render a copy of his decision to each party in writing within thirty (30) calendar days from the date of close of the hearing, or the filing of briefs, if any.

**ARTICLE XIV**  
**DISCIPLINARY SUSPENSION AND DISCHARGE**

While it shall remain the policy of the Company to warn employees for minor infractions before taking disciplinary action or discharging them, it is understood that certain major offenses may be cause for immediate discipline, including discharge. Grievances involving discharge shall automatically be referred to Step 3.

In the event any employee is called before a Company representative for the purpose of being reprimanded or receiving disciplinary action, he will be, if he so chooses, allowed to have a Local Union representative present. In the event the Company intends to suspend or discharge an employee, or give a final written warning to an employee prior to discharge, the Company will inform the employee of his or her right to union representation. The parties agree that in general it is in the best interest of all concerned that disciplinary action be taken in private.

Should it be determined by the Company during the grievance procedure that any disciplinary action is too severe, or if a grievance concerning disciplinary action by the Company is referred to arbitration and the final decision of the Arbitrator results in a modification of the disciplinary action taken, the employee shall receive compensation for time lost from work in such amount as the Company and the Union mutually agree if the matter is resolved in the grievance procedure, or, if the matter is decided by an Arbitrator, as the Arbitrator may deem necessary to give proper redress under the circumstances, including consideration of any earnings or other compensation received by the employee during the period of such lost time; but the Arbitrator shall not reduce any back pay award by reason of earnings the employee would have received (such as from his farm, etc.) even if he had not lost time from work.

If an employee is discharged after completion of his probationary period and the discharge is protested through the grievance procedure, the Company will continue normal insurance coverage for such employee until the grievance is finally resolved.

## ARTICLE XV

### TEMPORARY ASSIGNMENTS AND PERMANENT JOB VACANCIES

#### 15.1 Temporary Assignments

The Company may temporarily assign any employee to work in any other job classification; except that at Green River Power Station, other than in cases of emergency, consideration will be given to the senior available employee temporarily working out of his classification when there is a need to return an employee to such classification. If the employee has been temporarily assigned to a lower rated job, the applicable rate shall be the rate of his regular job, and if the employee has been temporarily assigned to a higher rated job, the applicable rate will be the higher of the rate of his regular job or the minimum of the rate range for the job to which he is assigned. Such assignments shall be effective upon the execution of a payroll authorization by a supervisor, and payment for work in a higher classification will be for a period of not less than eight (8) hours. When a temporary assignment to another job classification or another shift of one (1) week or more is to be made, employees in the various classifications required will be permitted to indicate their choice of assignment in order of seniority, but the final right to make such assignments, and to change them from time to time, is exclusively reserved to the Company in order to assure safe and efficient operations.

#### 15.2 Permanent Job Vacancies

##### A. Policy

It shall be the Company's policy to advance senior employees when permanent job vacancies occur, provided the employee is qualified.

##### B. Posting Procedure

(1) When the Company determines that there is, or will be a permanent vacancy in the bargaining unit, it will post, for five (5) days, Saturdays, Sundays and Holidays excluded, a notice describing the job and its special qualifications, if any, including residency requirements for members of service organizations, if applicable, on bulletin boards throughout the bargaining unit. Copies of all such postings shall also be sent to the Union's Unit Secretary. An employee desiring consideration in

the event of such a permanent vacancy should make written application on forms provided by the Company during such five (5) day period. After having given consideration to each applicant's Seniority, prior experience, work record, skill and ability, the Company will post the name and seniority date of the successful bidder, if any, on the bulletin boards throughout the bargaining unit. Normally such announcement will be made within three (3) weeks after completion of the posting. During the time necessary to consider applications, the Company may fill the vacancy temporarily by assignment of any available employee. Employees who fail to make application will be considered to have waived their interest in the particular vacancy for that particular occasion only.

(2) If a posting is for a vacancy in a classification to which employees normally advance without bidding, such as provided in Paragraph G below, and if there is no qualified applicant and the Company does not hire a new employee from outside for the posted vacancy, then if the Company desires to fill the vacancy with an employee in a lower rated job than the one previously posted, it will post such lower rated job prior to hiring a new employee for such lower rated job.

#### **C. Bid by Absentee**

The Company and the Union will cooperate in contacting any employee who is absent from work due to illness, injury, vacation or for other legitimate reason as specified in this Agreement during the entire posting period who notified either the Company or the Union, if possible, prior to his absence of an interest in bidding, to assure he is notified of the posting. If such employee is absent for three (3) weeks or less and is not contacted during such period and afforded an opportunity to bid, then upon return to work, he may bid on a job posted during his absence. However, such bid must be made within five (5) working days after the employee's return to work. If the Company awards the bid to such previously absent employee and if it had previously made an award to another applicant, such other applicant will be returned to his previous job.

#### **D. Bidding Limitation**

An employee shall be limited to no more than one permanent job transfer per year under this bidding procedure to a job of equal or lower rate unless for reasons of health or for other good and sufficient reasons shown. Additionally, any employee hired (or an employee rehired after loss of

Seniority), after August 1, 2002 shall be ineligible to bid for a period of one (1) year from their date of hire.

**E. No Qualified Applicants**

Should there be no qualified applicant for any vacancy, then the Company may exercise its discretion in the filling of the vacancy by voluntary transfer or by hiring or it may cancel the posting.

**F. Hiring Experienced Employees**

Should the Company hire any new employee who has had prior experience on a similar job requiring such skills for which hired to fill a vacancy for which the bidding procedure has not been completed, he shall be placed in the proper classification at a rate commensurate with such experience. Should any lower-rated employee with Seniority at the time of hiring such new experienced employee believe that he was qualified to perform the job for which the new employee was hired and desires assignment to such job, he may request and shall be granted a review of his qualifications and shall be upgraded to the same rate for which such new employee was hired should the facts demonstrate he was so qualified. Such up-grading and pay for same to become effective the date of hiring the new employee.

**G. Reclassification**

A reclassification of an employee to a higher rated job, such as from Line Technician B to Line Technician A or from Maintenance Technician B to Maintenance Technician A, shall not be considered the filling of a permanent vacancy for purposes of this Article XV, and nothing in this Section 15.2 shall be construed to require the Company to post any such higher rated position.

**H. Training**

In filling permanent vacancies in higher rated jobs in operating groups at the Green River Power Station, it is agreed that if there is no qualified applicant and if a qualified person cannot be hired from outside, the Company will be guided by the factors set forth in Paragraph B(1) above in

selecting an employee from a lower classification in the operating group to attempt to train for the vacancy with the senior applicant given preference if the other factors are relatively equal, provided

that such employee has demonstrated the basic physical and mental capacities to become qualified within a reasonable period and provided that such employee has not been selected for another training position as described in this paragraph within the previous twelve (12) month period. Also, should the Company decide to attempt to train an unqualified employee to fill a vacancy other than in an operating group at the Green River Power Station, it will be guided by the factors set forth in Paragraph B(1) above in selecting an employee for such training with the senior applicant given preference if the other factors are relatively equal, provided that such employee has demonstrated the basic physical and mental capacities to become qualified within a reasonable period. In either event the Company will post a vacancy in the classification it desires to fill, designating that it is for training. The applicant selected shall not be assigned to such classification until he satisfactorily completes his training and becomes qualified.

#### **I. Return to Former Classification**

In the event an unqualified employee is selected by the Company for training for a job and does not become qualified within a reasonable period, he shall be returned to his former classification or a classification of similar status. It is agreed that under normal circumstances an employee selected for training for a higher rated job in an operating group at the Green River Power Station under Paragraph H above should become qualified within sixty (60) working days on the job.

#### **J. Residence Requirements**

It is recognized that as a public utility the Company is obligated to provide reliable service to its customers. Such may at times make it necessary for employees to work overtime, both scheduled and on an emergency basis. Employees are expected to work their fair share of overtime work when called upon to do so by the Company and failure to do so may be cause for appropriate disciplinary action.

(a) In addition, to assist in promptly responding to overtime callouts for emergencies, Line Technicians, Service Technicians, Substation Technicians and Meter Technicians shall reside within twenty-five (25) miles of their reporting location.

**ARTICLE XVI**  
**ABSENCES AND LEAVES OF ABSENCE**

**16.1 Absences**

A. It is understood that an employee has a responsibility to his job and to the Company to report for work on time as scheduled. An employee who reports for work after his starting time may be refused work for the day at the discretion of his supervisor if a replacement for him has been called, his crew has already left without him or there is otherwise no work readily available for him.

B. When an employee cannot, for any reason, report for work as scheduled he must, in accordance with established procedures in effect at the time, notify the Company (personally or by other acceptable means) as soon as practicable, indicating to the extent possible the probable duration of his tardiness and absence. Failure to comply could result in an unexcused absence, even if the absence would otherwise have been legitimate.

**16.2 Disability Leave**

Upon reasonable advance request, if possible, leave of absence without pay will be granted to any employee for illness, injury or pregnancy which prevents the employee from working, verified by the employee's doctor if requested, and concurred in, if the Company deems advisable, by a doctor selected by the Company, and will from time to time be extended if the circumstances warrant unless the employee's Seniority terminates under Section 9.5(F) or (K). The Company may require reasonable periodic verification from the employee of continued inability to work. To the extent such absence is covered by paid sick leave, long-term disability insurance or similar insurance, the reports under such programs shall be sufficient verification.

**16.3 Personal Leave**

At the Company's discretion, leaves of absence without pay for an agreed upon period of time may be granted to any employee for personal reasons, and may from time to time be extended for additional periods if the circumstances warrant. Requests for such leaves of absence and extensions must be made in writing and approved by the Company.



#### **16.4 Return To Work**

A. The Company may require that an employee returning to work after being absent for a period in excess of five (5) consecutive workdays due to any temporary disability or personal leave furnish, prior to the resumption of his duties, a certificate of ability to return to work and perform his regular duties from the employee's doctor, concurred in, if the Company deems advisable, by a doctor selected by the Company.

B. Examination by the doctor selected by the Company shall be confined to the illness or injury that caused the absence or to an illness or injury known or reasonably suspected to have occurred to the employee during such leave of absence. Such examination shall not be directed toward a condition that existed prior to the temporary disability or leave of absence unless the Company reasonably believes it would affect his ability to be qualified for his job.

C. Examination by the doctor selected by the Company shall be at the expense of the Company.

D. In the case of a disagreement between an employee's doctor and the Company doctor concerning the health of an employee, and the dispute becomes the subject of a grievance, a third disinterested doctor having special knowledge and experience in the matter shall be chosen by mutual agreement between the Company and the Union or if they are unable to agree, a third doctor chosen by an arbitrator shall examine the employee, and his decision shall be final and binding. The expense of the third physician shall be borne equally between the Company and the Local Union.

E. Nothing in this section shall be interpreted to affect the Company's right to require a physical examination at any time when it has reason to believe that an employee has a disability which could affect his ability to perform his job safely.

### **16.5 Early Termination**

Any employee who desires to terminate his leave and return to work prior to the normal expiration date of any leave granted him may do so upon satisfying the requirements for return and giving the Company three (3) working days notice.

### **16.6 Pregnancy Leave**

An employee on pregnancy leave may remain on leave for a period equal to the time allowed for non-work related illness or injury as provided in Section 16.2. Upon return to work, she may reclaim her job or select another in the same manner as if she had been absent for any other non-work related illness or injury. If the employee fails to apply for reinstatement, or refuses to take an available position as above provided, her employment shall be terminated.

### **16.7 Leave For Union Business**

A leave of absence without pay will be given to employees who are elected and/or chosen delegates for the purpose of attending conventions, conferences and such usual and proper functions of the Union (normally not to exceed two (2) weeks plus travel time). Not more than two (2) employees shall be eligible for such leave at any one time, but if two (2) are to be absent at the same time, they will be selected from unrelated work groups so as to avoid a double burden on the remaining employees by reason of the absences. The Company, without creating any future obligation or precedent, may grant Union requests for leaves for additional employees. The Union will give sufficient notice to allow for orderly replacement on work assignments.

### **16.8 Periodic Payments**

It should be the responsibility of the employee to make arrangements for the payment of any insurance premiums and the like which are his obligations during any leave of absence.

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## **16.9 Fraud**

Obtaining a leave of absence or extension thereof under false pretense or falsifying forms, applications, and other information pertaining to a leave may be cause for appropriate disciplinary action.

**ARTICLE XVII**  
**ALLOWED TIME**

**17.1 Funeral Pay**

Funeral leave is paid for a maximum of five days for Immediate Family Members who include: spouse, child, step-child, or parent or step-parent.

Funeral leave is paid for a maximum of three days for Other Family Members who include: brother; sister; grandparents; grandchildren; parents-in-law; sons-in-law; daughters-in-law; spouses of the employee's brothers or sisters; employee's spouse's brothers, sisters, parents and grandparents; step relations of the preceding, or any relative living with the employee.

Such days shall be consecutive work days and shall be computed in direct relation to the death and funeral, but shall not extend beyond the day following the funeral, except in the case of the death of an Immediate Family Member in which case such days may extend to the second day following the funeral. Payment will not be made for any day during such three- or five-day period on which the employee would otherwise not work.

Employees will not be paid for unused funeral leave.

Should the employee need to be absent on a normal scheduled day or days, other than those for which payment is provided above, the employee may elect to take such day or days as vacation time, provided he is then entitled to sufficient vacation time which he has not utilized by time off or for which he has not been paid.

Payment shall be made on the next pay day after receiving notice in writing from the employee and (a) the name of the deceased person and relationship to the employee, and (b) the date and location of the funeral.

If a day for which an employee would otherwise be entitled to funeral pay falls on a day on which the employee had scheduled vacation, holiday or other time off, at the request of the employee, the previously scheduled time may be rescheduled and the employee will receive Funeral pay.

### **17.2 Military Training or Temporary Duty**

Except as otherwise provided by law, if it should become necessary for an employee to leave the service of the Company to serve in the Armed Forces of the United States, or should an employee volunteer for service in any of the Armed Forces of the United States, then any such employee shall retain and accrue his seniority during such service, provided he returns to the employ of the Company within ninety (90) calendar days after his demobilization or release from the service, and provided further that he is fit and competent and has received a release or discharge under honorable conditions. A reservist who is called to active duty as a result of mobilization shall receive a supplement, for ninety (90) days from being called, of the difference between military pay and the employee's base pay in effect prior to taking leave under this article. If the employee's family elects to continue dental coverage under the provisions of COBRA, the Company will waive the premium for such coverage up to twelve (12) months. Additionally, an employee who participates in military summer camp or short-term duty up to three (3) weeks will receive a supplement of the difference between military pay and the employee's base pay. Except as otherwise provided by law, this Article shall not apply to any employee who re-enlists or otherwise extends his period of full-time military service beyond the period of time of his military obligation to the United States.

The employment status of an employee shall not be affected by his enlistment or participation in the civilian components of military services, regardless of whether such enlistment or participation is voluntary or mandatory.

### **17.3 Jury Duty**

If a regular full-time employee (other than a probationary employee) is summoned for jury duty or is subpoenaed to appear as a witness in court and is required to so report or serve or appear on a regular workday during normal working hours which he would otherwise be scheduled to work, he shall be paid the difference between his normal straight time hourly rate (including regular shift differential, if any, and any other regular hourly payments) for those hours lost and the payment received for such service (but not including any payment officially designated as expenses). In the case of such an employee on an afternoon or night shift, the Company shall reschedule him to the day shift for days he is required to report to court. If any such employee is not required to appear until, or is released from such service at, a time that reasonably permits him to report to work or to return to work during his scheduled hours, he will so report or return and may be assigned to his normal duties or may be assigned to such other work as may be available. To be entitled to pay under this section, an employee must notify his supervisor as far in advance of the date he is required to report for such duty as possible and present a statement from the Clerk of the Court giving the time and date of such duty and the amount of compensation received for such service. In no event shall pay under this Section exceed eight (8) hours pay per day.

### **17.4 Sick Leave Plan**

Any employee who cannot report to work as scheduled because of personal or family illness should attempt to contact his or her manager before the scheduled start time or as soon as possible thereafter. Medical certification may be requested.

The Company will provide up to 40 hours of sick leave per calendar year.

Unused sick leave may not be accumulated. Unused sick leave is not paid to the employee.

An employee may use sick leave in one-hour increments.

#### **A. Employee**

1. Must report the cause of the employee's absence to his or her immediate supervisor (or to the individual designated by the supervisor to receive such reports) as soon as possible, but in

any event not later than the beginning of the first work shift from which the employee will be absent;

2. Must adopt such remedial measures as may be commensurate with his or her disability;
3. Must, upon request, present evidence satisfactory to the Company, of the employee's inability to work, or that the injury or illness was non-occupational;
4. Must have accumulated unused sick leave credit at least equal to the hours being reported for sick leave pay; and
5. Must advise his or her supervisor (or the individual designated by the supervisor to receive such reports) of the date on which the employee expects to return to work as far in advance thereof as possible. Where the employee's work is being performed by relief or substitute personnel, at the supervisor's request such advice must be given at least one hour prior to the beginning of the shift on which the employee expects to return to work.

B. No sick leave will be allowed for any injury or illness arising out of, or in the course of, any occupation or employment for wage or profit.

Sick leave credit cannot be used for any other purpose than specified in the plan, and is not payable in cash, or in any other form, should the employee leave the Company. This plan is designed to assist the employee to prevent a loss of income due to absence from duty because of illness.

If an employee becomes ill or injured while on vacation, the employee shall be paid only for the vacation, except as noted in 8.7(A).

If an employee becomes ill or injured on a holiday, the employee is to be paid only for the holiday.

If the illness continues after a vacation or holiday period, benefits under the Sick Leave Plan would commence upon completion of the scheduled vacation or holiday.

### **17.5 Personal Days**

An employee should prearrange all personal days with his or her manager.

Two personal leave days are available during a calendar year.

If an employee has available personal days, he or she will be required to use that time for bridging to Short Term Disability (STD) if remaining sick time is not adequate.

There is no carry-over of unused personal days.

There is no pay in lieu of personal days under any circumstances.

#### **17.6 Accumulated Sick Leave**

An employee's unused sick leave hours, as of 09/30/99, can be used for the same purposes, other than for family illness, as the sick leave in Section 17.4 after the sick leave awarded each calendar year under 17.4 has been exhausted. The unused sick leave hours will be reduced by the number of hours used for this purpose.

In addition, unused sick leave hours as of 09/30/99 may be used to increase the pay an employee receives under the STD program in Article 18 for hours at 75% to 100%. The unused sick leave hours will be reduced by the number of hours used for this purpose.

In accordance with the provisions of the Company's retirement Annuity Plan, an employee's "credited service" at retirement as that term is defined in the Plan, will be increased by the number of that employee's unused days of sick leave as of his or her retirement date at a rate of 260 days being equal to one year of "credited service." Unused days exceeding, or less than, 260 will be expressed as a fraction of a year, as it is defined herein.



**ARTICLE XVIII**  
**HEALTH AND RETIREMENT BENEFITS**

During the term of this Agreement the Company will continue to provide the existing or no less favorable group life insurance, long-term disability insurance, retirement annuity and medical, including post-retirement medical insurance benefits, dental assistance program, employee savings plan, employee assistance program, dependent care assistance plan, and dependent life insurance plan, short term disability and workers' compensation supplement for members of the bargaining unit as are provided for other full time employees of the Company. The details of such benefits shall be as specifically provided in master plan documents or insurance contracts covering the terms of such plans. (A) payments for such benefits must be deductible as business expenses or contributions to a qualified plan, and (B) benefits provided through an insurance carrier shall be those provided by the policy or contract and such coverage must continue to be available from the same or another carrier on a reasonable basis. If occasion to change or discontinue any such benefits should arise under clause (A) or (B), the Company will notify the Union and the parties will promptly enter into negotiations as to the benefits to be changed or substituted. The Company will furnish identification cards for medical purposes. The Company will furnish each employee annually the amount of his accumulated sick leave and the aggregate amount of his contributions to the retirement plan.

The Company will assume an increase of 4% in each year of the Contract in medical and hospitalization expense per employee. To the extent this expense increases over 4% the employees will absorb increases up to the next 4%. Should the total increase exceed 8%, the Company and the employees will equally share in the balance of that expense.

With respect to medical benefits, to the extent that individual plan premiums exceed the Company's contribution, the employees will contribute the additional cost of premiums according to the plan they select. Contributions will be made monthly on a pre-tax basis.

A representative of this union will participate on a joint Health Care Task Force which will meet biannually to review trends in health care, review current Company Medical benefit plans, and make cost containment recommendations. The joint Health Care Task Force will also be charged with the responsibility of recommending changes, including plan design changes and increases in co-pays on doctor visits and prescriptions. The task force will establish their priority as avoiding future increases

in employee contributions to the extent practicable while maintaining the current quality of coverage. However, the Company retains the right in its sole discretion to modify the terms, conditions and level of benefits under these medical, so long as benefits for employees covered by this Agreement are the same as provided to other full-time employees of the Company.

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## ARTICLE XIX

### TRANSFER OUT OF THE BARGAINING UNIT

#### **19.1 Permanent Transfer**

The selection of employees to be promoted to supervisory positions or to be transferred to other positions excluded from the bargaining unit shall be at the sole discretion of the Company, subject to the agreement of the employee. For the first sixty (60) calendar days the employee shall continue to accrue Seniority in the bargaining unit. If the Company transfers him back to the bargaining unit, or he asks to be removed from the position within the sixty (60) days period, he shall return to the bargaining unit and will be placed on the job he held prior to such promotion or transfer, or to another job in accordance with such accrued Seniority if an adjustment in the workforce has occurred during his absence. If he continues in the supervisory or other position outside the bargaining unit beyond the sixty (60) day period, his Seniority shall be broken and he shall lose all rights under this Agreement. The Company will notify the Unit Secretary of the date of permanent transfer.

#### **19.2 Temporary Transfer**

Should an employee covered by this Agreement temporarily be designated by the Company as a Temporary Supervisor to fill in temporarily for eight (8) hours or more for any regular supervisor such as during vacations, illness, death in the family, jury duty or other absences of a temporary nature, and the employee accepts such duties, he shall receive his regular rate of pay or the rate of the supervisor whose work he performs, whichever is higher, during the period that the employee performs such work. The area grievance committeeman or Unit President will be informed of such designation.

## ARTICLE XX

### WAGES

#### 20.1 Hourly Wages

The hourly wage rates for the respective job classifications and the effective dates thereof are as set forth in Exhibit A to this Agreement.

#### 20.2 Shift Differential

A. A shift differential of fifty cents (\$.50) per hour shall be paid for all work performed by full time employees assigned to an afternoon shift, and sixty-seven cents (\$.67) per hour shall be paid for all work performed by such employees assigned to a night shift. Any shift regularly commencing at or after 5 a.m. and prior to 12 noon shall be considered a day shift. Any shift regularly commencing at or after 12 noon and prior to 8 p.m. shall be considered an afternoon shift. Any shift regularly commencing at or after 8 p.m. and prior to 5 a.m. shall be considered a night shift.

B. A shift differential of forty-five cents (\$.45) per hour shall be paid for all work performed by full time employees at Green River Power Station assigned to a rotating shift regardless of when a particular shift may commence.

C. A shift differential of sixty-seven cents (\$.67) shall be paid for all work performed by full time employees at Green River Power Station assigned to a relief shift regardless of when a particular shift may commence.

D. Only one shift differential can be applicable to any particular hours by any employee.

### **20.3 Sunday Differential**

A Sunday differential of ninety-five cents (\$.95) per hour shall be paid for all work performed on Sunday by full time employees who are assigned to work on Sunday as a part of their normal (non-overtime) schedule. This differential will be in addition to any applicable shift differential.

### **20.4 Pay for Work Performed**

If an employee who is regularly required to, and who is qualified to, perform the work of the next higher classification makes a request to the Company that he be promoted, the Company at its option will either (a) stop requiring him to perform the work, (b) temporarily assign him to the classification under Section 15.1 for the periods he is required to perform the work or (c) permanently promote him to such classification.

**ARTICLE XXI**  
**TWO-PERSON CREW PREMIUM**

When two non-supervisory employees are assigned work to be performed without the direction of a supervisor and the work involves the installation, maintenance or operation of electric lines or equipment, the company may designate one of the employees to be in charge of the work to be performed. The employee designated to be in charge shall be paid a \$1.00 per hour premium over their regular rate of pay.

**ARTICLE XXII**  
**EMPLOYEES WORKING AWAY FROM THEIR REGULAR**  
**PLACE OF EMPLOYMENT**

**22.1 Transportation and Lodging**

Whenever an employee is temporarily assigned duties away from his regular place of employment, he will be provided transportation, or compensation for transportation, between the temporarily assigned job and his regular place of employment or headquarters. If, in the opinion of his supervisor, it is impractical for the employee to return daily to his regular place of employment, the Company will provide suitable lodging (single room, if available) and board at or near the place of such temporary employment.

For each trip authorized by the Company, between the places of work assigned and the regular place of work or headquarters, time required for travel shall be considered as time worked. It is not the policy of the Company to require any employee to stay away from his regular place of employment or headquarters for a continuous period of more than two (2) weeks, except in cases of emergency.

Except in cases of emergency, employees who will be required to stay away from home overnight will be given notice of that requirement as soon as possible, but not later than the day before.

**22.2 Meals**

When it is necessary for any employee to work in areas away from his regular headquarters, or to work hours in excess of his normal hours, the Company will provide additional compensation or meals as follows:

A. Whenever a line crew, service crew, substation crew, or any employee is working away from their regular headquarters and returning to their regular headquarters each day, but are working in an area where it is not practical to return to headquarters within the 1-hour period allowed for the noon meal, the Company shall provide an additional \$7.00 of compensation to be added to the employee's payroll check as reimbursement for the purchase of the noon meal by the employee, provided the lunch can be obtained in the area in which the crew or employee is working. Work groups who choose to use

a ½ hour lunch period will forfeit any meal entitlement to which they may otherwise have been entitled. Where the lunch cannot be obtained in the area in which the crew or employee is working, then each employee will be required to bring his own lunch with him from home. In those instances in which it will be necessary for the employee to bring his own lunch, then the supervisor should so advise on the day before working in the area.

B. Whenever a line crew, service crew, substation crew, or any employee performs work in excess of his normal hours, to such an extent that the excess hours interfere or conflict with the employee's normal or regular meal time, the Company will furnish or pay for the employee's meal, or meals, required during such hours of work.

C. Whenever any employee or crew is working away from regular headquarters and not returning to their regular headquarters each day, then all board and lodging while away from regular headquarters will be paid for by the Company. Under such circumstances, the supervisor will arrange for a hot lunch to be selected from the regular menu at a public eating place at noon if it is practical to do so. Under no circumstances should more than one (1) hour be taken for the noon lunch period, including travel time from work area to the eating place and return. If the work is so located that it is impractical for the crew to go to a public eating place for their noon meal, then the supervisor will arrange for lunches to be provided at the job site.

D. In those cases where the work is so located that it is impractical for the crew to go to a public eating place for their noon meal and the employee is either provided the noon meal or is reimbursed for the purchase of the noon meal under this Section 22.2, it will be permissible for the supervisor to authorize the taking of only 30 minutes for the lunch period and quitting work 30 minutes earlier than would be the case where an hour lunch period is taken.

Except during emergencies or during extraordinary circumstances, the lunch hour of day shift employees shall normally begin not earlier than 11:00 a.m., nor later than 1:00 p.m. local standard time.



**ARTICLE XXIII**

**RETIREMENT**

The practice of retirement of employees at age sixty-five (65) will continue in effect; provided, however, that if for any period during the life of this Agreement, mandatory retirement at such age shall be prohibited by law, then for so long as such prohibition shall remain in effect, the retirement age hereunder shall be increased to such age as is necessary in order to comply with the law.

**ARTICLE XXIV**  
**BULLETIN BOARD**

The Company will either provide space on its bulletin boards, or provide separate bulletin boards at the same locations, where notices of the Union meetings and other official business of the Union may be posted from time to time. Such notices shall not consist of or include advertising or the promotion of political, religious or charitable projects or contain any material derogatory to the Company, any of its affiliates, or any employee or employees of the Company.

**ARTICLE XXV**  
**SHIFT PREFERENCE**

A. At the Green River Power Station, the selection of assignments within the operating groups will be made as follows:

During the month of December of each year, the Company shall first identify the operating groups by posting under the name of the Shift Supervisor; provided this shall not restrict the Company's management right to change supervision from time to time. The employees in the various classifications required will be permitted to indicate their choice of assignment to an operating group in order of seniority, but the final right to schedule group positions, and to change them from time to time, is exclusively reserved to the Company in order to assure safe and efficient operations. Any resulting change in group assignments will become effective at the start of a pay period near the first of January selected by the Company.

B. In the event that a vacancy occurs in an operating group after the shift selection process above, the replacement will be placed on the shift where the opening occurs.

C. Vacancies created while operators are in training will be filled by Relief Operators from Relief Group "R".

D. When possible, because of available relief, the Senior Relief Group "R" operator in the classification needed shall have first choice in filling the temporary vacancy created because of training.

E. When a successful bidder is posted on or before December 1, he or she will be permitted a shift selection for the following year within the classification to which they bid by order of seniority among the employees in that classification regardless of whether training has or has not been completed.

F. The Relief Group "R" Unit Operators, Unit Operator Assistants, and Auxiliary Operators will work non-relief days at assigned duties.

G. Relief operators shall be listed on the overtime list in his/her own classification, and one classification immediately below.

**ARTICLE XXVI**  
**SUCCESSORSHIP**

The Company agrees that the Collective Bargaining Agreement between the parties will remain in full force and effect for the specified duration regardless of any change in the ownership of the Company. The Company will include a provision, in any sales or merger agreement, with any successor or assign, that will affirm and make the continuation of the Collective Bargaining Agreement a condition of the sale or merger of the Company.

**ARTICLE XXVII**  
**MOVING EXPENSES**

A. When the permanent reporting location of an employee is changed (a) because of his bidding into a permanent job vacancy under Section 15.2 of this Agreement, or, (b) when the Company requests him to take a job which requires his moving to another location, or, (c) when he is released for lack of work and then exercises his placement rights to displace another employee under Section 10.1 of this Agreement, and the employee is required to move his residence because of this change, the Company will pay a lump sum payment, net of taxes, equal to:

- One (1) month's base pay for renters
- Two (2) month's base pay for home owners

B. As much advance notice as possible will be given the employee of the proposed change in headquarters to give him sufficient time to arrange for new quarters in the new locality. If it is not possible to give the employee reasonable notice of the proposed change in permanent headquarters, and it is necessary for the employee to live in the new location until he can arrange to move, the Company will pay his reasonable board and lodging expenses not to exceed one calendar month unless otherwise agreed upon. If it is not possible to give such reasonable notice of the change, but it is not necessary for the employee to live in the new location until he can arrange to move, the Company will pay mileage at its standard rate for the mileage by which the distance from his present residence to his new headquarters exceeds the distance to his old headquarters, not to exceed one calendar month unless otherwise agreed upon.

C. The Company shall not be obligated to pay the moving expenses of (a) any employee who has less than twelve (12) months of continuous service since last date of hire, or, (b) in the case of any other employee, more than once in any period of twelve (12) consecutive months in connection with that employee's transfer to a new regular place of employment, unless (in either case) the move is at the Company's request.

D. Nothing in this Article of this Agreement shall be interpreted to require any employee to change his place of residence.

**ARTICLE XXVIII**

**LAUNDRY**

The Company will continue, as in the past, to pay for laundering the following items of employees' wearing apparel soiled in connection with the operation or maintenance of the Green River Power Station:

Coveralls

Overalls

Overall Jackets

Work Shirts

Work Trousers

The Company will not be responsible for dry cleaning any employee's clothing nor will it be responsible for laundering other items of clothing, such as underwear, T-shirts, socks, caps, gloves, towels, etc., nor for any special service, such as clothing repairs, for which a special charge is made.

The Plant General Manager will arrange for the above service with a commercial laundry operating in the area in such a manner as will insure satisfactory quality at reasonable cost.

**ARTICLE XXIX**  
**SAFETY AND HEALTH**

The Company will continue, as heretofore, to make reasonable provisions for the safety and health of its employees during the hours of their employment. The Company and Union will cooperate in the continuing objective to eliminate accidents and health hazards.

The Company and the Union agree to a Joint Health and Safety Advisory Committee for the purpose of reviewing, discussing and recommending new or revised safety and health rules and procedures. The Committee shall be chaired by the Manager, Health and Safety, and shall meet quarterly. This Committee shall consist of not more than two (2) members of the Union. The Union representatives who shall attend a particular meeting shall be made known to the Manager, Health and Safety not less than two (2) weeks prior to the date established for the meeting. At the same time, the Union shall notify the Company of the subjects it desires to address at the meeting.

The Company will continue its practice of paying for approved lens and safety frames for an employee which are ordered through, and pursuant to the terms of, the Company's safety spectacle program. Also (except for items such as safety shoes and long sleeved shirts which would replace an employee's normal clothing) protective devices, protective clothing and other equipment required to be worn by the Company safety rules, and all tools required to perform the Company's work, shall be provided by the Company without cost to the employee.



**ARTICLE XXX**  
**CONFLICT WITH LAW**

In the event any provision of this Agreement is held to be in conflict with or in violation of any state or federal statute, rule, decision, or valid administrative rule or regulation, such statute, rule, decision, administrative rule or regulation shall control, but all of the provisions of this Agreement not in conflict therewith shall continue in full force and effect.

**ARTICLE XXXI**  
**ENTIRE AGREEMENT**

This Agreement sets forth the entire understanding between the Company and the Union and represents the full and complete agreement between the parties on all bargainable issues for the duration hereof. Both the Company and the Union unqualifiedly waive, for the duration of this Agreement, any obligation on the part of the other to bargain collectively with respect to any subject or matter not expressly covered by this Agreement. Neither party intends to be bound or obligated except to the extent that it has expressly so agreed herein and this Agreement shall be strictly construed. This Agreement applies only to the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) of Kentucky Utilities Company as described in Article II herein, and no employee covered by this Agreement shall have or be entitled to any rights, benefits or privileges in any other region, plant or operation of the Company (now existing or hereafter established). None of the benefits, rights or privileges afforded by this Agreement to the Union or any employee shall survive the expiration or termination of this Agreement.

## ARTICLE XXXII

### TERMINATION

This Agreement shall be in full force from August 1, 2002, without modification or addition for its duration to 12:01 A.M. August 1, 2005, unless amended by mutual agreement.

Thereafter, it shall continue in force until sixty (60) days subsequent to notification by certified or registered mail, return receipt requested, by either party to the other party, but in no case shall terminate prior to the date indicated above.

Notwithstanding the other provisions of this Article, the Company and the Union may reopen the Wage Scale, of this Agreement for the purpose of negotiating wage rates to become effective August 1, 2003, and again reopen the Wage Scale of this Agreement for the purpose of negotiating wage rates to become effective August 1, 2004, provided that neither the company nor the Union may require the other to negotiate concerning any term other than the wage rates upon such reopener. This Agreement will be reopened for such purposes only if the Company or the Union actually delivers to the other, not later than the preceding July 1, 2003 or July 1, 2004, written notice of intent to reopen. Failing receipt by the Company or the Union, by the dates specified, of such written notice to reopen, this Agreement shall continue in full force and effect through August 1, of the following year, and the wage rates in effect as of midnight July 31, of that year shall continue in full force and effect until August 1 of the following year. If this Agreement is reopened in accordance with the provisions of this paragraph, and the parties have not reached an agreement by midnight July 31, 2003 or 2004, as appropriate, this Agreement shall be suspended and the Company and the Union shall have the same rights and obligations as they would have possessed had the Agreement expired, provided that neither the Company nor the Union may require the other to negotiate concerning any term other than the wage rates to be effective August 1, 2003 or August 1, 2004, as appropriate.

Official addresses for such notification are:

Company:           Manager, Labor Relations  
                      LG&E Energy Corp.  
                      220 West Main St.  
                      P.O. Box 32010  
                      Louisville, Kentucky 40232

With copy to:

Manager, Earlington Operations  
Kentucky Utilities Company  
195 Hubert Reid Drive  
Earlington, Kentucky 42410

and  
Plant General Manager  
Green River Power Station  
Kentucky Utilities Company  
P.O. Box 191  
Central City, Kentucky 42330

Union: Sub-District Director - District 8 United Steelworkers of America,  
AFL-CIO-CLC  
200 High Rise Drive, Suite 144  
Louisville, Kentucky 40213

With a copy to Staff Representative servicing contract at that time.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representative:

**For the Company:**  
**Kentucky Utilities Company**  
**Earlington Operations, Areas 1 and 2**

\_\_\_\_\_  
Paula Pottinger, VP Human Resources

\_\_\_\_\_  
Paul Berestecky Mgr. Labor Relations

\_\_\_\_\_  
Donald Mills, Mgr. Earlington Operations

\_\_\_\_\_  
Lora Griffin, Human Resource Manager

\_\_\_\_\_  
Charles R. Hance, HR Generalist

\_\_\_\_\_  
Thomas Troost, Acting General Mgr.  
Green River Station

\_\_\_\_\_  
Mike Wickline, Field Operations Mgr.

**LOCAL UNION COMMITTEE**

\_\_\_\_\_  
Eric Anderson, Unit President LU 9447-01

\_\_\_\_\_  
Lynn Groves, Committee Member

\_\_\_\_\_  
Todd Robards, Committee Member

\_\_\_\_\_  
Dwight Swift, Committee Member

\_\_\_\_\_  
Robert Tucker, Committee Member

**For the Union:**  
**UNITED STEELWORKERS OF AMERICA**

\_\_\_\_\_  
Leo W. Gerard  
International President

\_\_\_\_\_  
James English, International  
Secretary- Treasurer

\_\_\_\_\_  
Leon Lynch, International  
Vice President (Human Affairs)

\_\_\_\_\_  
Ernest R. Thompson, Director, Dist. 8

\_\_\_\_\_  
Frank D. Pittman, Sub District Director

\_\_\_\_\_  
Joe Villines, Staff Representative

**EXHIBIT A**

**WAGE RATES  
HOURLY RATES CLASSIFICATIONS  
EFFECTIVE JULY 28, 2002**

**BARGAINING UNIT EMPLOYEES  
EARLINGTON OPERATIONS, AREAS 1 (PARKWAY) AND 2 (GREEN RIVER)  
INCLUDING GREEN RIVER GENERATING STATION  
KENTUCKY UTILITIES COMPANY**

Whenever an employee is promoted to a classification having a higher starting rate, he shall receive the starting rate of the new classification or the next higher step in that classification which is at least ten cents (10¢) per hour above the employee's rate prior to the promotion. Thereafter he shall progress as though he had already worked the period required by the preceding steps in his new classification.

Any new employee, upon producing evidence satisfactory to the Company of previous experience in the classification in which he is being employed, shall be given credit for such experience, except that he shall not start higher than the "After One Year" step and, in such event, shall receive the "After Two Years" step after one year's continuous employment. However, if after employment he demonstrates that he has the knowledge, skill and ability equivalent to that of an employee who has had two years' experience in the classification, he shall receive the "After Two Years" step beginning with the first payroll period commencing after sixty (60) days of employment.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or record of material used by crews, shall, in addition to his regular wage, receive \$15.00 per month during the first year he is so designated, \$20.00 per month during the second year, and \$30.00 per month thereafter as compensation for the satisfactory performance of these duties.

Any employee, other than a supervisor, who is designated by the Company to operate winch truck used by crews shall receive six cents (6¢) per hour in addition to his regular wage.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or records of material used by crews, and who shall also be designated by Company to operate winch truck used by crews, shall be paid both the monthly and hourly premiums set out in the two preceding paragraphs in addition to his regular wage.

Classification	WAGE SCALE		
	First Year In Classification	After One Year in Classification	After Two Years in Classification
Laborer – General	\$13.84	\$14.77	\$15.73
Line Technician A	\$22.64	\$23.88	\$25.37
Line Technician B	\$19.18	\$20.00	\$21.35
Line Technician C	\$16.73	\$17.74	\$19.09
Meter Technician A	\$22.64	\$23.88	\$25.37
Meter Technician B	\$20.11	\$21.05	\$22.13
Meter Reader (Note 5)	\$19.18	\$20.00	\$21.35
Patroller	\$20.11	\$21.05	\$22.13
Service Technician A	\$22.64	\$23.88	\$25.37
Service Technician B	\$19.18	\$20.00	\$21.35
Service Technician C	\$16.73	\$17.74	\$19.09
Auxiliary Operator	\$21.75	\$22.64	\$23.46
Coal Equipment Operator	\$22.32	\$23.61	\$25.03
Ass't. Coal Yard Supervisor (Note 1)	\$26.37	\$26.37	\$26.37
Maintenance Technician A	\$22.64	\$23.88	\$25.37
Maintenance Technician B	\$21.56	\$21.86	\$22.14
Maintenance Technician C	\$19.18	\$20.00	\$21.35
Lead Mechanic or Lead Electrician (Note 2)	\$25.72	\$26.12	\$26.57
Unit Operator	\$25.44	\$25.92	\$26.37
Unit Operator Assistant	\$23.61	\$24.22	\$25.37
Trainee (Note 3)	\$16.18	\$17.21	\$18.25
Lead Line Technician (Note 4)	\$25.83	\$25.83	\$25.83
Substation Technician A	\$22.64	\$23.88	\$25.37
Substation Technician B	\$19.18	\$20.00	\$21.35
Substation Technician C	\$16.73	\$17.74	\$19.09

- Note 1 - Applicable only to the supervisor of a coal unloading crew working a shift other than a shift supervised by a Coal Yard Supervisor.
- Note 2 - Applicable, upon Plant General Manager's recommendation, to not more than one employee in a crew of 3 or more which is normally supervised by a Chief Electrician, Chief Mechanic or Maintenance Manager. Employees in this classification will be expected to supervise the crew, or any subdivision of it, in the absence of the regular supervisor.
- Note 3 - Applicable to employees who have been selected for and are in training for Line Technician or Service Technician C, Auxiliary Operator, Substation Technician C, or any other classification having a first year hourly rate in excess of the trainee hourly rate. Employees who are successful demotional job bidders to a trainee classification will receive the highest rate of pay for that classification. A trainee in this category will be assigned to the classification for which he is in training at the end of three (3) to six (6) months, if he is then qualified, or, if not, as soon thereafter as he becomes qualified.
- Note 4 - Applicable in overhead line construction crews normally consisting of 6 or more, including the Supervisor, in which supervision by other than Supervisor is frequently required.
- Note 5 - Employees or new hires entering the Meter Reader classification on or after August 1, 2000 will be paid the Laborer-General wage scale.



**EXHIBIT A**

**WAGE RATES  
HOURLY RATES CLASSIFICATIONS  
EFFECTIVE JULY 27, 2003**

**BARGAINING UNIT EMPLOYEES  
EARLINGTON OPERATIONS, AREAS 1 (PARKWAY) AND 2 (GREEN RIVER)  
INCLUDING GREEN RIVER GENERATING STATION  
KENTUCKY UTILITIES COMPANY**

Whenever an employee is promoted to a classification having a higher starting rate, he shall receive the starting rate of the new classification or the next higher step in that classification which is at least ten cents (10¢) per hour above the employee's rate prior to the promotion. Thereafter he shall progress as though he had already worked the period required by the preceding steps in his new classification.

Any new employee, upon producing evidence satisfactory to the Company of previous experience in the classification in which he is being employed, shall be given credit for such experience, except that he shall not start higher than the "After One Year" step and, in such event, shall receive the "After Two Years" step after one year's continuous employment. However, if after employment he demonstrates that he has the knowledge, skill and ability equivalent to that of an employee who has had two years' experience in the classification, he shall receive the "After Two Years" step beginning with the first payroll period commencing after sixty (60) days of employment.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or record of material used by crews, shall, in addition to his regular wage, receive \$15.00 per month during the first year he is so designated, \$20.00 per month during the second year, and \$30.00 per month thereafter as compensation for the satisfactory performance of these duties.

Any employee, other than a supervisor, who is designated by the Company to operate winch truck used by crews shall receive six cents (6¢) per hour in addition to his regular wage.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or records of material used by crews, and who shall also be designated by Company to operate winch truck used by crews, shall be paid both the monthly and hourly premiums set out in the two preceding paragraphs in addition to his regular wage.

Classification	WAGE SCALE		
	First Year In Classification	After One Year in Classification	After Two Years in Classification
Laborer – General	\$14.26	\$15.21	\$16.20
Line Technician A	\$23.32	\$24.60	\$26.13
Line Technician B	\$19.76	\$20.60	\$21.99
Line Technician C	\$17.23	\$18.27	\$19.66
Meter Technician A	\$23.32	\$24.60	\$26.13
Meter Technician B	\$20.71	\$21.68	\$22.79
Meter Reader (Note 5)	\$19.76	\$20.60	\$21.99
Patroller	\$20.71	\$21.68	\$22.79
Service Technician A	\$23.32	\$24.60	\$26.13
Service Technician B	\$19.76	\$20.60	\$21.99
Service Technician C	\$17.23	\$18.27	\$19.66
Auxiliary Operator	\$22.40	\$23.32	\$24.16
Coal Equipment Operator	\$22.99	\$24.32	\$25.78
Ass't. Coal Yard Supervisor (Note 1)	\$27.16	\$27.16	\$27.16
Maintenance Technician A	\$23.32	\$24.60	\$26.13
Maintenance Technician B	\$22.21	\$22.52	\$22.80
Maintenance Technician C	\$19.76	\$20.60	\$21.99
Lead Mechanic or Lead Electrician (Note 2)	\$26.49	\$26.90	\$27.37
Unit Operator	\$26.20	\$26.70	\$27.16
Unit Operator Assistant	\$24.32	\$24.95	\$26.13
Trainee (Note 3)	\$16.67	\$17.73	\$18.80
Lead Line Technician (Note 4)	\$26.60	\$26.60	\$26.60
Substation Technician A	\$23.32	\$24.60	\$26.13
Substation Technician B	\$19.76	\$20.60	\$21.99
Substation Technician C	\$17.23	\$18.27	\$19.66

- Note 1 - Applicable only to the supervisor of a coal unloading crew working a shift other than a shift supervised by a Coal Yard Supervisor.
- Note 2 - Applicable, upon Plant General Manager's recommendation, to not more than one employee in a crew of 3 or more which is normally supervised by a Chief Electrician, Chief Mechanic or Assistant Superintendent. Employees in this classification will be expected to supervise the crew, or any subdivision of it, in the absence of the regular supervisor.
- Note 3 - Applicable to employees who have been selected for and are in training for Line Technician or Service Technician C, Auxiliary Operator, Substation Technician C, or any other classification having a first year hourly rate in excess of the trainee hourly rate. Employees who are successful demotional job bidders to a trainee classification will receive the highest rate of pay for that classification. A trainee in this category will be assigned to the classification for which he is in training at the end of three (3) to six (6) months, if he is then qualified, or, if not, as soon thereafter as he becomes qualified.
- Note 4 - Applicable in overhead line construction crews normally consisting of 6 or more, including the Supervisor, in which supervision by other than Supervisor is frequently required.
- Note 5 - Employees or new hires entering the Meter Reader classification on or after August 1, 2000 will be paid the Laborer-General wage scale.

# **KU-United Steelworkers of America Agreement**

**August 1, 2000 to August 1, 2002**



**COLLECTIVE BARGAINING AGREEMENT**

**BETWEEN**

**EARLINGTON OPERATIONS,  
AREAS 1 (PARKWAY) AND 2 (GREEN RIVER)  
OF KENTUCKY UTILITIES COMPANY**

**AND**

**THE UNITED STEELWORKERS  
OF AMERICA, AFL-CIO-CLC**

**\* \* \***

**Effective  
August 1, 2000  
to  
August 1, 2002**



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## AGREEMENT

THIS AGREEMENT entered into this 1st day of August, 2000, by and between the EARLINGTON OPERATIONS, AREAS 1 (PARKWAY) AND 2 (GREEN RIVER) OF KENTUCKY UTILITIES COMPANY (hereinafter called "Company") and the UNITED STEELWORKERS OF AMERICA, AFL-CIO-CLC (hereinafter called "Union"). Except as otherwise expressly provided herein the provisions of this Agreement shall be effective as of August 1, 2000.

VI.



# **ARTICLE I**

## **PURPOSE AND INTENT**

### **1.1 Purpose and Intent**

It is the purpose and intent of the parties to set forth herein the agreement between the parties covering rates of pay, hours of work and conditions of employment for employees in the unit for which the Union has been certified by the National Labor Relations Board as exclusive bargaining representative; to promote harmonious industrial and economic relationships between the Company and its employees in an atmosphere of mutual respect and understanding to the end that there shall be no interruption of, interference with, or impeding of work during the life of this Agreement, and to provide procedures for the equitable adjustment of grievances.

### **1.2 Periodic Meetings**

Upon mutual agreement, the parties agree to meet on the reasonable request of either party at times which should be least disruptive to the Company's operations. Such meeting shall not be for the purpose of conducting collective bargaining negotiations but shall be for the sole purpose of appraising any problem which may have arisen in the application, administration or interpretation of this Agreement or of the problems of general concern to either party. Therefore, such meeting shall not modify, add to, or detract from the provisions of this Agreement. If such meeting is requested by the Company, it will pay employees for time lost.





## ARTICLE II

### SCOPE OF AGREEMENT

#### 2.1 Recognition

The Company hereby recognizes the Union as exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment for employees in its Earlington Operations, Areas 1 (Parkway) and 2 (Green River), included in the unit for which the Union has been certified by the National Labor Relations Board on September 17, 1976, in Case No. 9-RC-11595, namely:

All production and maintenance employees of the Employer employed in the Employer's Earlington Operations, Areas 1 (Parkway) and 2 (Green River), including servicemen, linemen, metermen, patrolmen, chief electricians, groundmen and truck drivers, but, excluding business development and home demonstration employees, right-of-way solicitors, shift engineers, line foremen A, service foremen A, line foremen B, service foremen B, the chief electricians employed at the Green River Generating Station, the chief mechanic, the coal yard foreman, the chemist, and assistant chemist, all engineering and professional employees, office clerical employees, guards and supervisors. The Term "supervisor" means any individual having authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action, if in connection with the foregoing the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

The Company also recognizes the Union as the collective bargaining agent for the employees of new plants built or new service areas established, whose operations are consolidated with the operations of the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) and who perform the same classifications or nature of work as those employees covered by this Agreement.

The employees in such bargaining unit and represented by the Union and covered by this Agreement are hereinafter referred to as "employees" or individually as "employee".

The Union makes this Agreement in its capacity as exclusive bargaining representative of the employees. As the representative of the employees, the Union may process grievances through grievance procedure, including arbitration, in accordance with the provisions of this Agreement, or adjust or settle the same.

## **2.2 No Discrimination**

There shall be no discrimination in the administration of this Agreement with regard to race, color, religion, national origin, age, sex, disability, veteran status, or because of the exercise by an employee of his rights as a member of the Union. The terms "he" or "his" as used in this Agreement shall apply to both male and female employees.

## **2.3 Contracting Out**

It is agreed that the Company has historically from time to time contracted out work, examples of which are set forth below, which practice may continue. The Company agrees, however, that except for work historically contracted out, and work of a similar nature, it will not subcontract any work historically and principally performed by employees covered by this Agreement as a part of their normal duties if such subcontracting shall cause the reduction of schedule of employees qualified to perform the work. Such work which the Company has historically contracted out includes but is not necessarily limited to:

- Blacktopping
- Sandblasting and metal spraying
- Acid clean boilers
- Non-destructive testing (turbine equipment and boiler tubing, generators)
- Painting
- Insulating
- Tree trimming
- Conveyor belt vulcanizing
- Unloading frozen coal
- Railroad track maintenance and repair

Large vacuum equipment, removal of fly ash, etc.

Construction work:

Foundation work

Piping installation

Earth moving equipment and river  
dredging

Unloading and/or erecting heavy  
equipment

Electrical contracts (new  
construction)

Service Engineers:

Turbine overhaul supervision

Safety valve maintenance/repair  
supervision

Soot blower maintenance/repair  
supervision

Mobile equipment maintenance/repair

Maintenance work:

Major boiler repairs

Major condenser repairs

Specialized major turbine repairs,  
generator repairs

General maintenance at Green River  
Power Station when peak  
work load exceeds capacity  
of bargaining unit personnel

Surveying

Fabrication of replacement parts at outside service  
shops

Motor rewinding work completed at outside service  
shops

Contract hauling

Service Contracts:

Elevators

Portable restroom facilities

Street lighting maintenance

Building transmission, distribution lines, substations

Pole setting

Pole inspections

Substation foundation, site preparation

Crane service, hauling heavy equipment

Substation fencing

Bus insulator cleaning

Janitorial and custodial work

## **2.4 No-Strike Clause**

During the term of this Agreement, employees, the Union, its officers, representatives, and members shall not take part in, cause, authorize, instigate, aid, sanction, encourage, condone or ratify any strike, slow-down, sit-down, stoppage of work, boycott, picketing, or other interference with, or interruption of Company operations or the work and business of the Company. The Union and its representatives will exert every effort to cause employees covered by this Agreement who participate in any such activities to desist therefrom. Failure or refusal on the part of any employee to comply with the provisions of this Article shall be cause for appropriate disciplinary action, including suspension or discharge.

## **2.5 No Lock-Out Clause**

During the term of this Agreement the Company will not cause or engage in any lock-out of its employees.

## **2.6 Restraining Orders and Injunctions**

Nothing in this Article or elsewhere in this Agreement shall be deemed or construed to preclude the Company from enforcing the provisions of Section 2.4 in any court of competent jurisdiction, and such court shall not be precluded by any provision of this Agreement from entertaining any such suit for violation of said Section and granting all appropriate injunctive relief. An equal right to seek judicial relief is retained by the Union should the Company, in its opinion, violate the provisions of Section 2.5.

## **2.7 Picket Line**

Although it is a recognized obligation on the part of both the Company and the Union to cooperate in maintaining a continuous and dependable public service, it shall not be a violation of this Agreement, nor cause for discharge or disciplinary action, for an employee as an individual matter to decline to cross a picket line at premises other than premises of the Company where loss of Company property or injury to the employee is threatened.

## **2.8 Visitation**

A duly identified and authorized representative of the Union shall, upon due advance arrangement, be granted access to Company premises for the purpose of investigating problems with which he is properly concerned in the administration of this Agreement. Union activity as permitted herein does not include Union business of an internal nature which does not involve the Company.

## **2.9 Supervisors Working**

Supervisors will not displace qualified available employees in the bargaining unit by performing work regularly performed by them. Nothing, however, shall limit the performance of bargaining unit work by personnel outside the bargaining unit of work which such personnel have previously performed and similar work, or under any of the following circumstances:

In the instruction and training of employees.

In relief, or to replace an absent employee, or to accomplish work which bargaining unit employees have been permitted to decline.

To perform work requiring skills or abilities not available among employees.

In the event of breakdowns or emergencies, or to help straighten out problems.

At locations or in crews where there are three (3) or less bargaining unit employees.

In developmental work on, or testing of, equipment, products, services, or methods.

In non-overtime situations.

By service supervisors, service managers, chief electricians, and coal yard supervisors.

## **2.10 Copies of Agreement**

The Company shall arrange to have copies of this Agreement printed in booklet form, and the Company and the Union shall share the printing cost in proportion to the number of copies that each orders for its own use.

## **ARTICLE III**

### **UNION SECURITY**

#### **3.1 Union Security**

All present employees of the Company covered by this Agreement who on the date of execution of this Agreement are members of the Union and those who become members during the life of this Agreement, shall, as a condition of continued employment, remain members in good standing for the term of the Agreement to the extent of paying the periodic dues uniformly required of all Union members as a condition of retaining membership. All employees covered by this Agreement who are hired by the Company after the date of execution of this Agreement shall, as a condition of continued employment, become members of the Union at the completion of their probationary period and remain members in good standing for the term of this Agreement to the extent of paying the initiation fee and the periodic dues uniformly required of all Union members as a condition of retaining membership.

#### **3.2 Check-Off**

The Company, where so authorized and directed by the employee in writing upon an authorization form meeting all requirements of law, will deduct from the wages of such employee Union dues in the amount(s) authorized by such employee, and as specified by the International Secretary-Treasurer on one of such forms. Such deductions of regular monthly dues for a particular month shall be made from the first pay period of the succeeding month and shall be forwarded monthly to the International Secretary-Treasurer. In the event an employee has insufficient earnings due during the first pay period of any month, then such deduction shall be made from the first pay period thereafter in which the employee has sufficient earnings from which the deduction can be made. The Company will permit a Union designated representative to be introduced to a new employee after completion of his probationary period for a brief orientation at a time when it does not interfere with the duties of either.

The Company, where so authorized and directed by the employee in writing upon an authorization form meeting all requirements of law, will deduct from the wages of such employee political action committee contributions in the amount(s) authorized by such employee on one of such forms.



### **3.3 Law**

This Article is intended to comply with the provisions of State and Federal law, and nothing herein contained shall require the Company to take any action in violation thereof. The Union agrees to indemnify and save the Company harmless from any claims, demands, suits or other forms of liability arising out of any action taken by the Company in compliance with this Article.

## **ARTICLE IV**

### **MANAGEMENT**

Except to the extent expressly abridged or limited by a specific provision of this Agreement, the Company reserves and retains, solely and exclusively, all of its inherent rights, functions and prerogatives of management as such rights, functions and prerogatives existed prior to the certification of the Union or the execution of this Agreement. Such rights, functions and prerogatives include, but are not limited to, the Company's right to establish, continue and change, from time to time, policies, practices and procedures for the conduct of the business; to determine products to be manufactured or sold and services to be rendered; to determine the number, location and types of its operations and the methods, processes, services and materials to be employed; to institute, change, curtail or discontinue facilities, processes, service methods, equipment, machinery, methods of production or operations; to subcontract; to assign work to employees in accordance with requirements determined by the Company; to make and enforce reasonable rules for the maintenance of discipline; to suspend, discharge or otherwise discipline employees for just cause; and otherwise to take such measures as the Company may determine to be necessary for the orderly, safe and efficient conduct of the business. Recognizing the desirability of avoiding any impediment to the exercise by the Company of its management rights, functions and prerogatives in a manner beneficial to the employees, it is agreed that no such right, function or prerogative shall be limited by any practice or course of conduct or otherwise than by the express provisions of this Agreement.



## ARTICLE V

### HOURS OF WORK

#### 5.1 Normal Work Schedule.

A. Except for employees at the Green River Power Station, the normal work schedule for full time employees will consist of five (5) consecutive days of eight (8) consecutive hours of work (interrupted only by an unpaid lunch break) Monday through Friday. The normal work schedule for full time employees at Green River Power Station will be as agreed to in negotiations and as in effect on the date of execution of this Agreement. Although the Company reserves the right to change such schedules, it agrees that if the changed schedule is permanent and will thereafter become the employee's regular schedule, the Company will notify the Union of its intention and afford the Union an opportunity to present its views before finally making its decision.

B. The anticipated schedule of working hours for the coming week for employees such as relief personnel who are not on a fixed schedule shall be posted no later than the end of day shift on Wednesday of each week.

C. "Work week", as used in this Agreement, means seven consecutive days starting at 12:00 midnight on Saturday night and ending at 12:00 midnight on the following Saturday night.

D. This section provides for the normal scheduling pattern and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week, nor a limitation on the scheduling of work per day or per week (including overtime).

E. In the event of a temporary change (not to exceed two (2) consecutive days) in an employee's schedule due to training or line switching, employees will be permitted to work until the end of the employee's normal shift if the employee reports to his regular work station for work in appropriate dress, however, this provision shall not apply when an employee is required to be away from his normal work station overnight.

## **5.2 Sufficient Rest Time.**

An employee who works sixteen (16) or more hours continuously shall have, upon request, a minimum rest period of eight (8) hours before returning to work.

## **5.3 Lunch Period.**

Employees at Green River Power Station on continuous shift operations will be allowed a paid lunch break during their shift. Other employees at Green River Power Station will receive an unpaid thirty (30) minute lunch break near the midpoint of their shift. Other employees will receive an unpaid one (1) hour lunch break near the midpoint of their shift.

## **5.4 Wash Up Time.**

Nonoperating employees at the Green River Power Station will be allowed a five (5) minute wash up period just prior to their lunch break and a fifteen (15) minute clean-up period (tools and locker room) just prior to the end of their shift. However, this provision shall not be interpreted to permit employees to leave Company premises until the designated shift time is terminated.

## **5.5 Daylight Saving Time.**

An employee working a regularly stated schedule at the time the change is made to Daylight Saving Time (normally in the spring) and who only actually works seven (7) hours instead of his normal eight (8) because of the change shall receive pay for his normal eight (8) hours. An employee working a regularly stated schedule at the time the change is made from Daylight Saving Time (normally in the fall) and who actually works nine (9) hours because of the change, shall receive pay at the established premium rate for the ninth (9th) hour.

## **5.6 Continuation of Regular Shift Duties.**

Should an employee complete his regular shift of duty and be assigned to double shift or part shift, he will still be allowed to continue his regular shift of duties during any work week.

## 5.7 Reporting Time.

An employee who is scheduled or notified to report for work on a regular shift and does report for work at the time specified without having been given actual notice of change of schedule, shall receive full pay at his regular rate for his scheduled (non-overtime) hours on that day, even though idle or sent home early because of delay or shortage of materials or for other reasons beyond his control. This provision shall not apply in the event that:

(a) Strikes or work stoppages by employees in the bargaining unit covered by this Agreement in connection with labor disputes, interfere with the conduct of normal operations; or

(b) An employee is not put to work or is released from work after having been put to work either at his own request or due to his own fault.

## 5.8 Emergency Call-out.

A. An employee who is called back to perform emergency work after leaving the work area, will be paid the higher of his applicable rate, including overtime if any, or as follows:

<u>Type of Call-Out</u>	<u>Payment</u>
Before midnight	Two (2) hours at the applicable overtime rate.
After midnight and before 8:00 a.m., or on a normal day off, or on a Company Observed Holiday.	Three (3) hours at the applicable overtime rate.

B. Employees shall not, in order to be entitled to the minimum payment, be required to remain on the job for any longer than it takes to complete the work for which he was called out, including any work related to or arising from the emergency work for which he was called out.

C. This provision shall not apply to an employee who is notified prior to leaving the work area to report early, or if the work is a continuation of his regular shift.

### **5.9 Planned Overtime.**

A. For planned overtime work by an employee on his scheduled day off, he will receive a minimum of four (4) hours' pay at one and one-half (1-1/2) times his straight time base hourly rate of pay, or his applicable rate including shift or other premium, if any.

B. Employees shall not, in order to be entitled to the four (4) hours' minimum, be required to remain on the job for any longer than it takes to complete the planned work, including any work related to or arising from the planned work.

## **ARTICLE VI**

### **OVERTIME**

#### **6.1 Purpose.**

This Article provides the basis for the calculation of, and payment for, daily or weekly overtime hours and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week, nor a limitation on the scheduling of hours of work per day or per week (including overtime). Overtime pay shall be computed including shift differential, if any, and/or any other regular hourly payments, unless otherwise noted.

#### **6.2 Overtime Pay.**

A. An employee shall be paid at the rate of one and one-half (1-1/2) times the employee's regular base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments:

- (1) For work performed in excess of forty (40) hours in any one work week.
- (2) For employees scheduled eight (8) hours per day, for work performed in excess of eight (8) hours in any normal twenty-four (24) hour work day except (a) if it is a change made through the exercise of Seniority rights (such as bidding, bumping, shift preference, etc.), or (b) in the case of the change of employees on continuous shifts from one schedule or shift to another.
- (3) For all continuous hours worked after the end of the employee's last previous regular shift by an employee during periods which commence more than eight (8) hours prior to the employee's next regularly scheduled starting time and continue into his regular hours on a regularly scheduled work day if the employee completes his regular shift on such work day; provided, however, if the emergency situation (or other cause for his presence outside his normal working hours) should end during the employee's regularly scheduled shift of duty, and he is offered the opportunity to leave work, he may either



leave work at that time (without loss of the time and one-half treatment for such continuous hours worked) or complete the remainder of his regular shift at his regular hourly rate of pay. During the continuation of an emergency situation as determined by the Company, for pay purposes the continuity of the employee's work shall not be considered to be broken by short breaks for meals, refreshments, or rest periods authorized by his supervisor.

- (4) For work performed on the sixth day worked in the work week and on the seventh day worked in the work week, provided the employee works each of his scheduled work days (excluding days on layoff) in the work week or his absence (a) resulted from inability to work because of his illness or the illness of his spouse or child, when such case is substantiated by a doctor's certificate if requested by the Company, or (b) was time paid for but not worked under the provisions of this Agreement, or (c) was excused in advance for Union business.
- (5) Notwithstanding the provisions of section 6.2(2)(a); an employee in the operating groups at the Green River Power Station who is required by the Company to work sixteen (16) consecutive hours to facilitate shift preference change, the last eight (8) consecutive hours shall be compensated at applicable overtime rates. This provision shall not apply when an employee elects to change shifts resulting in the employee working sixteen (16) consecutive hours.

B. An employee shall be paid at the rate of two (2) times the employee's regular base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments

- (1) For work performed in excess of sixteen (16) continuous hours, except as set forth in 6.2A(3) of this Article.

### **6.3 Non-Duplication.**

No overtime or premium pay will be pyramided or duplicated. In the event that overtime or premium pay is applicable to the same hours worked under any two or more provisions of this Agreement, only the single highest premium payment required under any provision shall be paid, and hours that are paid for at overtime or premium rates under one provision of this Agreement shall not be considered as hours worked for the purpose of computing overtime work under another provision (unless specifically provided in any case).

### **6.4 Cooperation.**

Recognizing that the nature of the Company's operations requires overtime from time to time, it is agreed that performing overtime work, daily or weekly when needed, constitutes a part of the duties and responsibilities of an employee's job.

### **6.5 Overtime Distribution.**

For employees at Green River Power Station other than those in Operations Groups (covered by §6.6 of this contract) and at locations other than Green River, the following will apply:

1. Subject to the requirement that an employee assigned overtime must be qualified to perform the work, when the Company assigns overtime to bargaining unit employees, it will be distributed equitably, averaged over a reasonable period of time, among employees permanently assigned to the classification at the location at which the overtime is assigned, provided such employees are available. (In the event qualified employees are not available or are permitted to decline such overtime, it may be assigned to such person and in such manner as the Company shall determine.)
2. At the end of each two (2) week period, an overtime list for each overtime group will be posted at that group's location.

3. An employee will be charged with any overtime he is permitted to decline and with any overtime that he would have been offered or assigned during periods when the Company honors his request that he not be offered or assigned overtime unless necessary.
4. Except for absent members of crews who are called to work overtime an employee will not be charged with overtime when he cannot be contacted. An employee who is absent for more than five (5) weeks will upon his return be charged with an amount of overtime equal to the average amount worked by other employees in his classification at the location during his absence.
5. An employee will be charged with overtime as set forth above among employees permanently assigned to his regular classification whether then working in or out of his regular classification.
6. It shall be the responsibility of an employee to bring any substantially adverse distribution of overtime to him (under normal circumstances, more than twenty-four (24) hours less than the amount charged to any employee in his classification at the location) to the attention of his supervisor, and after it is brought to his supervisor's attention, the Company shall correct any such inequality by the future assignment of overtime not later than the next reasonable opportunity for which the employee is available should he have accrued the least amount of overtime credit and otherwise to the available qualified employee who then has accrued the least amount.
7. Notwithstanding the provisions of Paragraphs 1 and 5 above, with respect to maintenance work at Green River only when the Company assigns overtime mandatorily, the Company will assign the work to the qualified available employee (including any relief operators then working maintenance) with the least amount of overtime actually worked. For the purposes of assignment of maintenance overtime, in determining the amount of overtime worked by a relief operator, overtime worked both in maintenance and as an operator shall be considered.

8. Whenever an employee performs work in excess of his normal hours, to such an extent that the excess hours interfere or conflict with the employee's normal or regular meal time, the Company will furnish or pay for the employee's meal, or meals, required during such hours of work.
9. When an employee successfully bids into a classification he or she will be charged the same overtime hours as that of the employee in the new classification with the most overtime hours. Overtime hours will not change when employees are reclassified to a higher rated position, as referenced in Section 15.2(G).
10. Overtime paid for safety meetings, meals, and other events sponsored by the Company will not be counted as part of the total overtime, i.e., hours paid but not actually worked.
11. The overtime lists for all overtime groups will start with each employee at zero at the start of the pay period nearest the first of January.

## **6.6 Green River Power Station Operating Groups Overtime Work.**

### **I. General Information**

1. Each time an operator is offered an overtime shift, it will be the responsibility of the Shift Supervisor on duty to see that all designated information is entered in the Overtime Log Book.
2. At the end of each two (2) week period, an overtime list will be posted on the Operator's Bulletin Board, grouped according to classification. In each classification, operators will be listed according to total overtime hours, with operator at the top having the least amount of total overtime hours. Total overtime hours will include hours worked plus hours rejected (with exceptions as noted later). Where a tie exists, the listing will be according to seniority.

3. Any operator on vacation, holiday, union business, or off sick will not be offered overtime and his or her total overtime will remain unchanged. However, an employee who is absent for more than five (5) weeks will upon his or her return be charged with an amount of overtime equal to the average amount worked by other employees in his or her classification during the absence.
4. In no case should an operator work more than sixteen (16) consecutive hours, unless an emergency exists.
5. The Shift Supervisor on duty has the responsibility of seeing that the layover operator is furnished necessary meal or meals. The layover operator has the option of furnishing his or her own meals and receiving one hour extra pay if the layover shift is 8-4, or one-half hour extra pay for the 4-12 or 12-8 shift. Overtime operators will furnish their own meals unless the overtime results in double shift, in which case the same rules apply as for a layover. If a layover operator chooses a meal instead of an extra one-half hour overtime pay then the Shift Supervisor should call a local restaurant for a pick-up meal. If operating conditions permit, the Shift Supervisor will allow the layover operator to pick up his or her meal when ready. If, in the opinion of the Shift Supervisor, the layover operator should not leave, then the Shift Supervisor will designate someone else to pick up the meal for him or her. A Company truck will normally be available. If the layover operator is on a special diet that cannot be obtained at a local restaurant, then the Shift Supervisor should, if at all possible, allow him or her to pick up a meal at home (in this case, he or she will not be allowed extra pay for his or her meal).
6. When an operator is promoted, he or she will be charged the same overtime hours as that of the operator in the new classification with the most total overtime hours.
7. Any operator working with Maintenance personnel may be requested from time to time to work overtime. This will be charged to the operator as overtime worked or rejected.
8. The overtime list will start with each operator at zero at the start of the pay period near the first of January as referenced in Article XXV, Section A.

9. Partial shifts worked or rejected by an operator shall not be included on the operator overtime list until the completion of an eight (8) hour increment.
10. Overtime paid for safety meetings, meals, and other events sponsored by the Company will not be counted as part of the total overtime, i.e., hours paid but not actually worked.
11. Should an operator be offered an overtime shift which would give him or her a double shift and he or she had worked a double shift the day before, the operator may reject the second double shift without it adding to his or her total overtime hours.

## **II. Overtime Assignments**

The following steps will be taken when an operator is needed on an overtime basis.

### **A. Scheduled Procedure, Full or Partial Shifts**

When the Company has at least eight (8) hours notice prior to the time the overtime is to begin the overtime will be treated as scheduled.

Operators will be offered the overtime beginning with the senior operator in the job classification required who has the least amount of total overtime. From this point until eight (8) hours before the overtime shift starts, two (2) calls at approximately fifteen (15) minute intervals will be made before calling the next operator. Within eight (8) hours of the overtime shift one (1) call will be made before calling the next operator.

In the event that an operator is to be offered an additional overtime shift(s) in the same classification and on the same shift as one that the shift supervisor was unable to reach him or her for, then one call to that operator will be made for each additional shift(s) before calling the next operator.

If no operator is obtained in the job classification required then the Company will go to the next higher Bargaining Unit classification(s) and proceed as per this section.

If no operator is obtained using this procedure and at least one call has been made to each available Bargaining Unit operator, the operator on duty in the job classification required, with the least amount of overtime actually worked will layover and he or she will not be charged with the previous rejection.

It is recognized that there may be times when the operator on duty with the least amount of worked overtime is physically unable to perform his or her duties for an additional shift. In this case the next operator on duty in the job classification required with the second least amount of worked overtime will layover. If all operators in the job classification required are physically unable to perform, the Company will go to the next higher classification(s) and proceed as per this section beginning with the operator on duty in that classification with the least amount of worked overtime.

#### **B. Layover Procedure**

When the Company has less than eight (8) hours notice prior to the time the overtime is to begin the overtime will be treated as a layover.

The operators on duty in the job classification required will be offered the overtime beginning with the senior operator who has the least amount of total overtime.

If no operator is obtained using this procedure the overtime selection will follow the Call-In Procedure.

#### **C. Call-In Procedure**

When the Company has less than eight (8) hours notice prior to the time the overtime is to begin and the Layover Procedure (for that particular job classification) is exhausted the overtime will be treated as a call-in.

The operators in the job classification required will be offered the overtime shift beginning with the senior operator who has the least amount of total overtime. One (1) call will be made before calling the next operator.

If no operator is obtained by the Call-In Procedure (for that particular job classification), the Company will go to the next higher Bargaining Unit Classification(s) and proceed as per the Layover Procedure.

If no operator is obtained using this procedure and at least one call has been made to each available Bargaining Unit Operator, the operator on duty in the job classification required, with the least amount of overtime actually worked will layover and he or she will not be charged with the previous rejection.

It is recognized that there may be times when the operator on duty with the least amount of worked overtime is physically unable to perform his or her duties for an additional shift. In this case the next operator on duty in the job classification required with the second least amount of worked overtime will layover. If all operators in the job classification required are physically unable to perform, the Company will go to the next higher classification(s) and proceed as per this section beginning with the operator on duty in that classification with the least amount of worked overtime.

#### **D. Call-In Procedure, Partial Shift**

When the Company finds it necessary to call in an operator for less than eight (8) hours it will be considered as a call-in, partial shift.

The operators in the job classification required working the next shift will be called beginning with the senior operator who has the least amount of total overtime.

If no operator is obtained using this procedure, the overtime selection will follow the Call-In Procedure.





## **ARTICLE VII**

### **HOLIDAYS**

#### **7.1 Holidays.**

A. The following will be considered holidays for the purposes of this Agreement:

New Years Day

Good Friday

Memorial Day

Fourth of July

Labor Day

Thanksgiving Day

Friday after Thanksgiving

Christmas Eve

Christmas Day

Employee's Birthday

Personal Leave Day

Eligible employees who do not work on the above holidays will receive eight (8) hours pay at their normal straight time hourly rate (including regular Shift Differential, if any, and any other regular hourly payments).

B. The personal leave day will be recognized as a holiday and will be taken in each calendar year on a day mutually agreed upon between the employee and the Company.

C. An employee's birthday shall be recognized as a holiday on the employee's actual birthday or on a day during such calendar year mutually agreed upon between the employee and the Company.

D. For employees scheduled Monday through Friday, if one of the above designated holidays falls on a Saturday, it shall be recognized on the preceding Friday (except that when Christmas Day falls on a Saturday, Christmas Eve and Christmas Day shall be recognized on the preceding Thursday and Friday), and if one of the above designated holidays falls on a Sunday, it shall be recognized on the following Monday (except that when Christmas Eve falls on a Sunday, it shall be recognized on the preceding Friday).

For employees scheduled other than Monday through Friday, (including employees who alternately work Monday through Friday and Tuesday through Saturday schedules), when a holiday falls on an off day, it shall be recognized on the next regularly scheduled day of work except in the case of two consecutive holidays such as Thanksgiving Day and Friday after Thanksgiving and Christmas Eve and Christmas Day, in which the following procedure shall apply:

If both holidays fall on an employee's off days, the first holiday shall be recognized on his last regularly scheduled day of work preceding the holidays, and the second holiday shall be recognized on the first regularly scheduled day of work immediately following the holidays. If the employee is scheduled off on only one of the holidays, then (a) if he is scheduled to work the first holiday, the second holiday shall be recognized on his first regularly scheduled day of work following the holidays, and (b) if the employee is scheduled to work the second holiday, then the first holiday shall be recognized on his last regularly scheduled day of work immediately preceding the holidays.

In all cases, if an employee is regularly scheduled to work on one of the above designated holidays, the holiday shall be recognized on that day.

## **7.2 Holiday Work.**

A. An employee who is required by the Company to work on a holiday will be paid at the rate of one and one-half (1-1/2) times the employee's normal straight time hourly rate (including regular Shift Differential, if any, and any other regular hourly payments) in addition to holiday pay, if the employee is entitled to holiday pay as such, or in lieu thereof, such employee may work at his normal straight time hourly rate (including regular Shift Differential, if any, and any other regular hourly payments) on the holiday and be absent with holiday

pay on another mutually agreed upon day. No additional holiday may be accumulated until such holiday is utilized except with the prior consent of the Company.

B. Notwithstanding the foregoing Paragraph A, employees who are regularly scheduled to work in six (6) or seven (7) consecutive day periods and who are required to work on a holiday may accumulate and "bank" up to two (2) holidays to be used in conjunction with regularly scheduled vacations or at other times mutually agreed upon in advance, which "banked" holidays, (1) may be carried forward into the next succeeding calendar year and (2) will not affect such an employee's option as set forth in Paragraph A with respect to a subsequent holiday while he has such two holidays "banked". If, however, while such an employee has two holidays "banked", he elects to be absent without pay on another holiday in lieu of receiving pay for working on such day, then such third accumulated holiday must be utilized prior to the next holiday.

### **7.3 Eligibility.**

A. To be eligible to receive holiday pay an employee must have worked in the work week in which the celebrated holiday falls, or be on paid sick leave for such week unless (a) his absence resulted from inability to work by reason of illness or injury, for which he is not compensated, verified by a doctor's certificate if requested by the Company, or (b) he was on paid vacation during such week, or (c) he was on leave for union business during such week, in any of which cases, he must have worked either in the week immediately preceding or the four (4) weeks immediately following the work week in which the celebrated holiday falls.

B. If an employee is scheduled to work on any holiday recognized herein and fails to report or perform his scheduled work, he shall become ineligible for pay for the unworked holiday unless he has failed to report or perform such work because of sickness or because of death in the immediate family or for comparable good cause.

### **7.4 Holiday During Vacation.**

When such a holiday for which an employee is eligible for holiday pay occurs during an employee's vacation, the employee will be granted an extra day vacation time.

### **7.5 Holiday During Sick Leave.**

When a holiday for which an employee is eligible for holiday pay occurs on a day for which an employee would otherwise receive sick pay under the Company's program, he will receive the holiday pay and no charge will be made against his paid sick leave days.

## ARTICLE VIII

### VACATIONS

#### 8.1 Amount of Vacation.

Effective January 1, 2000, eligible employees will earn vacation from date of hire based on years of service in accordance with the following schedule:

<u>Vacation Earned</u>	<u>Completed Years of Service Attained During Calendar Year</u>
5 days	Maximum in year of hire
10 days	Years 1-4
15 days	Years 5-14
20 days	Years 15-24
25 days	Years 25 and above

Such employees on a forty (40) hour work week shall be paid the equivalent of forty (40) hours at their straight time hourly base rate of pay plus regular Shift Differential, if any, and any other regular hourly payments, for each week of vacation. Such employees who normally work more than twenty (20) but less than forty (40) hours per week (a part-time employee, should such be included in the bargaining unit during the life of this Agreement) shall be eligible for one-half the normal vacation entitlement (earned/accrued).

#### 8.2 Eligibility.

A. To qualify for vacation in the following year, an employee must be active on the payroll as of December 31. An exception to this requirement applies to those employees who are on approved Family and Medical Leave. A full-time employee to be eligible for a vacation must have worked not less than twelve hundred forty-eight (1248) hours during the twelve (12) months next preceding the date he first becomes eligible to take such vacation. A part-time employee to be eligible for a vacation must have worked at least seventy-five percent (75%) of the number of hours an employee on his weekly schedule would work in a year. For purposes of this section 8.2, in calculating the number of hours worked, there shall be included his normal work day for days for which he is absent but for which he is paid vacation pay, holiday pay, paid sick leave or workers' compensation supplement.

B. An employee reinstated from inactive status shall become eligible for vacation based on his or her anniversary date:

- An employee returning to work from January 1 through June 30 is eligible for earned vacation during the calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay.

- An employee returning to work on or after July 1 is ineligible for vacation during the calendar year.

C. Employees hired directly by the Company to fill temporary positions (not hired as temporaries through contractors) who later become regular employees of the Company are eligible for vacation accrual retroactive to the beginning of their temporary employment with the Company.

D. An employee hired between January 1 and June 30 is eligible for 5 days of vacation during that calendar year. Such employee must work three (3) continuous months before being eligible for vacation pay. An employee hired on or after July 1 is ineligible for vacation during the initial calendar year of employment. After the initial calendar year of employment, an employee can take vacation effective January 1 or upon three (3) continuous months of active service, whichever is later based upon the above schedule.

E. Employees who are rehired accrue vacation at the same rate as when they left employment if they were employed for one year of continuous service prior to separation and if the separation was for one year or less.

### **8.3 Scheduling of Vacations.**

A. An employee's vacation will, to the extent reasonably practicable, be granted at the time most desired by the employee in order of Seniority among those employees with whom his vacation must be coordinated, but the final right to schedule vacation is reserved to the Company in order to assure efficient operations.

B. Vacations will be taken at least one work week at a time except (1) with the consent of the Company, or (2) an excused absence for legitimate reasons may, at the request of the employee, be charged against any vacation to which he is then entitled.

C. Relief operators at the Green River Generating Station not on a

fixed schedule who schedule five (5) consecutive days off on Monday through Friday shall be guaranteed the Saturday and Sunday before and after such days off as off days, for a total of nine (9) days.

#### **8.4 Accumulating Vacations.**

Vacation time may not be accumulated from one year to the next, and vacations earned as of any January 1 must be liquidated by time off by December 31 of that same year, except that with prior notification to the responsible manager, an employee may defer up to five days of vacation to the following calendar year.

#### **8.5 Vacation Pay at Separation.**

An employee who quits, dies, retires or is discharged on or after any January 1 and without having received the vacation for which he became eligible upon such date, will be entitled to his vacation pay upon termination of employment. Any such payment due an employee who has died shall be made to the person designated as beneficiary on his group life coverage, if living, otherwise to the employee's estate. No employee leaving the employment of the Company during any calendar year shall be entitled to any vacation pay in the following year.

#### **8.6 Pay in Lieu of Vacation.**

An employee with at least four weeks of vacation eligibility (including carry-over) may "sell back" one week of vacation after they have taken two weeks of vacation and carried over one week. Payout for such a week of worked vacation will occur in January of the following year.

#### **8.7 Vacation During Illness, Disability or Personal Leave of Absence.**

A. If an employee goes on paid sick leave or becomes unable to work because of compensable occupational injury prior to the time his vacation is scheduled to commence, his vacation will be rescheduled later in the year, except that an employee on paid sick leave or Short Term Disability may, at his option, cease receiving sick pay or Short Term Disability pay and take his vacation as previously scheduled. The vacation of an employee who becomes ill or is injured after working his last shift prior to vacation will not be rescheduled, and he will not be eligible for any sick pay until such scheduled vacation has expired. However, at the sole discretion of the Company, vacation may be



restored to an employee and rescheduled at a later date.

B. An employee on paid sick leave or Short Term Disability may, upon advance written request, elect at the end of the calendar year to cease receiving sick pay or Short Term Disability pay for any unused vacation period in order to avoid loss of vacation pay. An employee disabled as the result of a compensable occupational injury or who is receiving long term disability insurance payments at the end of a vacation year and is unable to work during any unused vacation period as provided in Section 8.6, will not receive pay for the vacation not taken, except as provided in Section 8.7C.

C. In the year in which an employee incurs an occupational injury or illness, after the application of Section 8.4, the employee shall receive payment for any remaining unused vacation in an amount sufficient to make up the difference between what the employee received from workers' compensation insurance or Short Term Disability pay and the employee's regular straight time wages assuming a 40-hour work week.

D. An employee will earn vacation during approved personal leaves of absence on a prorated basis as follows:

- an employee on a PLOA of one full month to three full months will earn 75 percent vacation benefit for the following year, based upon the above schedule; and
- an employee on a PLOA of four to six months will earn 50 percent vacation benefit for the following year, based upon the above schedule.

### **8.8 Vacation at Retirement.**

Any employee who retires may elect to work during all weeks of any vacation to which he may be entitled in the year of retirement, and for each such week of vacation worked, shall receive with his final payroll check additional compensation in an amount computed on the same basis as is then employed in computing the compensation paid to other employees who work during one week of their vacation under Section 8.6 above.

## **ARTICLE IX**

### **SENIORITY**

#### **9.1 Seniority Recognition.**

In cases of filling permanent vacancies, decrease of force and recalls from layoff, consideration shall be given to length of continuous service, all as specifically set forth in various sections of this Agreement dealing with such events.

#### **9.2 Definitions.**

##### **A. Bargaining Unit Seniority.**

For all purposes of this Agreement, an employee's bargaining unit seniority ("Seniority") shall date from his first day of work following his employment with the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) of the Company or his last reemployment if his continuous service has been broken. An employee of the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) in the bargaining unit on the effective date of the first contract shall have Seniority equal to his continuous service with the Company in any of its regions in any position. Any employee of the Company who accepts transfer into the bargaining unit covered by this Agreement following the effective date of the first contract shall retain his previous Company service for computing vacation, pension and insurance benefits but shall be considered as a new employee for all other purposes of this Agreement.

##### **B. Qualified.**

Wherever used in this Agreement "qualified" shall mean that the employee has the ability to perform the required duties of the job on a regular basis under the degree of supervision normally given to employees in the job and to perform those duties safely and efficiently.

#### **9.3 Seniority List.**

A seniority list showing the Seniority of each employee was posted under the collective bargaining agreement effective October 9, 1977. The Company will revise such list from time to time as necessary for it to be kept current. It shall be the responsibility of the employees to bring

any error to the attention of the Company, with a copy to the Unit Secretary.

#### **9.4 Probationary Employees.**

A newly hired employee (or an employee rehired after loss of Seniority) will be considered a probationary employee and will not accrue any Seniority until he has actually worked at least forty (40) days. In exceptional cases, the Company shall have the right, upon notice to the Union, to extend the probationary period for an additional period not to exceed twenty (20) days actually worked. During the employee's probationary period the Company may terminate the employee with or without cause and such termination shall not be subject to review in the grievance or arbitration procedure. During the probationary period, the Company may from time to time transfer a probationary employee or assign various duties for the purpose of determining his suitability for permanent employment. Upon satisfactory completion of his probationary period, an employee will be credited with Seniority in accordance with Section 9.2(A).

#### **9.5 Termination of Seniority.**

An employee shall lose all Seniority with the Company and all rights under this Agreement (except for previously accrued pension and insurance benefits, if any, to the extent specifically provided elsewhere) upon the occurrence of any of the following:

- (A) Resignation or quit by the employee for any reason
- (B) Discharge for just cause
- (C) Layoff for twelve (12) consecutive months, or the length of the employee's Seniority, if more at the start of his layoff, to a maximum of three (3) years
- (D) Absence for two (2) consecutive working days without having notified the Company unless impossible to do so, and furnished a satisfactory explanation within such period
- (E) Fails to notify the Company of his intention to return to work from layoff within ten (10) days (Saturdays, Sundays and Holidays excepted) after mailing of notifi

cation by registered or certified mail (return receipt requested) to the last address shown on the Company records (and copies of said notice having also been given to the Union) or fails, without reasonable excuse, to report for work at the time designated in the notice

- (F) Failure to return to work from absence due to sickness or injury within twelve (12) months after the last day of active employment, or the length of the employee's Seniority, if more at the time his absence commences, to a maximum of three (3) years; provided, that the Seniority of any employee with two (2) years Seniority or more at the time such an absence commences shall not terminate for so long as he (1) receives sick pay under the Company's sick pay plan, or (2) receives regular periodic payments under the Company's long term disability insurance program. If the job he held at the time the absence commenced has been permanently filled during his absence or is otherwise no longer available, for the purpose of reclaiming his job or in selecting another job in the manner as if he had been laid off from his old job at the time of his return as provided in Section 10.1, such an employee shall not be considered to have continued to accrue Seniority during the period of his absence in excess of three (3) years
- (G) Acceptance of wages or other compensation for services rendered for others, or accrual of income from self-employment, (other than earnings the employee would have received even if he had not lost time from work, such as from his farm, etc.) during leave of absence unless such payment was from the Union or was authorized in writing by the Company in advance
- (H) Failure to return at or prior to the expiration of a leave of absence, if possible, or failure to notify the Company of his inability to return if such notification is possible
- (I) Transfer out of the bargaining unit as provided in Article XIX

- (J) Transfer out of the Earlington Operations, Areas 1 (Parkway) and 2 (Green River)
- (K) Absence for a period in excess of that provided in Section 16.6 relating to pregnancy
- (L) Retirement
- (M) Death

provided, however, nothing in this Section 9.5 shall operate to deprive any employee, or his heirs, whose Seniority is terminated by reason of his retirement or death, of benefits, if any, accrued prior to such retirement or death.

#### **9.6 Compensable Disability.**

Notwithstanding the provisions of Section 9.5(F), the Seniority of any employee covered by this Agreement shall not be broken so long as he receives regular periodic payments under Workers' Compensation for disability incurred during the course of his employment with the Company which prevents his return to work. If the job he held at the time the absence commenced has been permanently filled during his absence or is otherwise no longer available, for the purpose of reclaiming his job or in selecting another job in the manner as if he had been laid off from his old job at the time of his return as provided in Section 10.1, such an employee with five (5) years of Seniority or more at the time his absence commences shall continue to accrue Seniority during the entire period of such absence, but an employee with less than five (5) years Seniority at the time his absence commences shall not be considered to have continued to accrue Seniority during the period of his absence in excess of three (3) years.

#### **9.7 Identical Hiring Dates.**

When two (2) or more employees in the bargaining unit have identical hiring dates or dates of transfer into the bargaining unit, Seniority shall be awarded in the alphabetical order of the spelling of their names, surnames listed first.

#### **9.8 Temporary Employees.**

Temporary employees shall have the same status as Probationary Employees for the full duration of their temporary employment and shall accrue no Seniority of any kind. "Temporary Employees" shall be:

- A. Those who are hired on jobs at or below the General Laborer classification for an agreed and limited period of time (not more than ninety (90) days) in order to fill temporary needs for additional personnel resulting from absence of regular employees by reason of vacations, sickness or other cause; or
- B. Part-time help such as grass-cutters at various locations in the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) who do not regularly work more than twenty-four (24) hours per week; or
- C. Employees of other companies (customers of Kentucky Utilities Company) whose only function shall be to operate switches at Sub-Stations and other remote locations. However, it is specifically understood and agreed that the operation of Company owned switches will be the work of employees in the bargaining unit covered by this Agreement should it be necessary to call someone out at night to perform such function.

Should the status of a Temporary Employee be changed to that of a permanent employee in the bargaining unit, his Seniority shall date from the date of such change of status, except that the date from which the employee has continuously worked a regular schedule of at least twenty (20) hours each week will be considered as the date of employment for the purposes of (a) determining vacation, and (b) satisfying the three (3) month waiting period for participation in the Company's sick leave plan. However, no sick leave days will be accrued to any employee's account for the time worked as a temporary employee.



## ARTICLE X

### REDUCTION AND RESTORATION OF FORCES

#### 10.1 Permanent Layoff.

The following procedure shall be followed in a reduction of forces:

- (A) If the number of employees in a particular classification at a location is to be reduced, but some retained, employees will be reduced, in inverse order of Seniority, provided that the remaining employees are qualified for the work to be performed.
- (B) A surplus employee may upon reduction displace an employee holding a job:
  - (1) for which he is qualified, and
  - (2) which is at the same or lower rate than the job as to which he is surplus (except that an employee may return to a higher classification formerly held), and
  - (3) which is either (a) held by an employee with less Seniority at the surplus employee's location or at any location close enough to his residence so he can meet his normal work schedule and such emergency call-out requirements as are inherent in the job (it being specifically agreed that, except with the consent of the Company, members of service organizations must live in the service area served), or (b) held by an employee with the least Seniority in a classification at any other location in the bargaining unit with the understanding that to do so would require a change of residence, or accept layoff in lieu thereof.
- (C) Should the surplus employee not have previously qualified on the job he chooses under the above procedure, no training time will be allowed.



However, such employee shall be oriented in the job requirements and will be given up to maximum of three (3) working days to display his qualifications, or lack thereof, should there be good cause to believe he can perform the work on the job satisfactorily due to knowledge and skills developed on other jobs with the Company.

## **10.2 Rates on Demotion.**

When an employee is demoted in a reduction of forces, he will be paid at the lower of (a) the top of the rate range of the job to which he has been demoted or (b) the rate that he was being paid on the job from which he was demoted.

## **10.3 Notice of Recall.**

Recall of an employee after a layoff shall be in writing and mailed to the employee's last known address by certified or registered mail as it appears on the Company's records. If an employee on layoff changes his address, he must notify the Company in writing by certified or registered mail with a copy of said notice being mailed to the local Union.

## **10.4 Restoration of Forces.**

(A) In the restoration of forces, employees shall be recalled in order of Seniority to the jobs they held before the reduction of forces (if available) or to other jobs they have previously held or for which they are otherwise qualified, provided that the employees recalled must be qualified for the work to be performed.

(B) Should the Company decide to recall an unqualified employee to attempt to train for a vacancy, it will give preference to the senior employee on layoff whose prior experience, work record, skill and ability, and demonstrated physical and mental capacities indicate that he is capable of becoming qualified within a reasonable period.

## **10.5 Notification of Layoff.**

When a reduction in working force becomes necessary and employees are to be reduced in classification or laid off, the concerned employees and the Union shall be given not less than forty-eight (48) hours' notice unless an emergency condition beyond the control of the Company makes such notice impossible.

### **10.6 Retention of Officers and Committee.**

The Unit President, Unit Secretary and Unit Grievors (should the Unit Griever remain in the geographic area he represents), will not be released from active employment in a reduction of force as long as work for which they are qualified to perform is available in the bargaining unit.



## ARTICLE XI

### EMPLOYMENT FOR HANDICAPPED EMPLOYEE

A. Notwithstanding the Seniority provisions of this Agreement, the Company and the Union may mutually agree to fill a vacancy of any length by assignment of an employee during the time he is handicapped, recuperating from any accident or illness or otherwise is unable to perform the duties of his regular job but is qualified to perform the needed work.

B. An employee, who is injured or acquires a work-related illness in the course of his employment and made subject to the provisions of the Kentucky Workers' Compensation laws and as a result thereof loses his ability to return to his regular job, may use his Seniority to displace a junior employee on any equal or lower rated job (provided he is released by the Company doctor to perform the duties of this job) in the same manner and with the same effect as if he had been released for lack of work under the provisions of Section 10.1 of this Agreement.



## ARTICLE XII

### GRIEVANCE PROCEDURE

It is agreed that any employee may discuss any problem or complaint with his supervisor on an informal basis, with or without the presence of his Grievance Committeeman or Steward and without resort to the grievance procedure.

#### **12.1 Grievance Procedure.**

Any difference arising as to the application or interpretation of the provisions of this Agreement shall constitute a grievance and shall be settled in the following manner:

##### **Step 1.**

A. An employee who has a grievance shall present the grievance orally to his immediate supervisor, with or without the presence of his Grievance Committeeman or Steward, within five (5) days after the complaining employee knew, or by reasonable diligence should have known, of such incident.

B. In the settlement of a grievance, the Company shall not enter into any agreement with any individual employee covered by this Agreement in conflict with the terms of this Agreement which will have any effect on the rights of other employees, and any settlement under any such private agreement will not constitute a precedent should a similar situation arise in the future.

C. If the grievance is not resolved to the satisfaction of the employee and it is desired that the grievance be considered further, the employee or his Grievance Committeeman or Steward may immediately file a written grievance with such supervisor. In any event, regardless of when the employee presents it orally to his immediate supervisor, or knows, or should have known, of the incident, such written grievance must be presented not more than fifteen (15) days next following the incident that caused the grievance (unless a different time is provided elsewhere in this Agreement for the particular type of grievance). The written grievance shall state the nature of the incident, the section or sections of this Agreement upon which the grievance is based and the redress or relief that is sought, and shall be signed by the

employee and his Grievance Committeeman or Steward. The supervisor, or his designee, will discuss the grievance with the employee and his Grievance Committeeman or Steward and will give his answer within five (5) days after receipt of the written grievance. If the immediate supervisor and the Grievance Committeeman or Steward, at such meeting, feel the need for aid in arriving at a solution, they may, by agreement, invite such additional Company or Union representatives or witnesses as may be necessary and available to participate in further discussion.

### **Step 2.**

If the Step 1 supervisor, or his designee, does not give his answer within the prescribed time or if the answer is unsatisfactory to the Union and it is desired to appeal the grievance for further consideration, an appeal may be filed within five (5) days after the answer (or within five (5) days of expiration of the five (5) day answer period if no answer is given) with the Group Leader Metering, the Superintendent Substations, the Superintendent Operations, or the Manager Maintenance or Manager Operations under whom the employee is directly employed, signed by the employee's Grievance Committeeman. Such Supervisor, or his designee, will discuss the grievance with the employee and the Grievance Committeeman and will give his answer in writing within five (5) days after the meeting.

### **Step 3.**

If the answer of the Step 2 supervisor, or his designee, is unsatisfactory to the Union and it is desired to appeal the grievance for further consideration, an appeal may be filed within five (5) days after receipt of the answer with the Plant General Manager in case of employees at the Green River Power Station or the Manager Earlington Operations, the Manager Electric System Planning Engineering and Metering, or the Manager Substation Construction and Maintenance in the case of other employees signed by the employee's Grievance Committeeman. The Plant General Manager and the Manager Earlington Operations, or their designee(s), will discuss the grievance in a meeting with the employee, the Grievance Committeeman and the International Union Representative, and will give an answer in writing within five (5) days after the meeting.

## **12.2 Grievance Meetings.**

Grievances to be handled through the grievance procedure should be taken up at such time of day as will least interfere with the regular working hours of the employees involved. If the Company finds it more convenient and practical to conduct such proceedings during regular working hours, and the Union representative is agreeable to meeting at such time, then Union grievance representatives who are called from their regular duty will be paid their regular wages as though they were on regular duty.

## **12.3 Grievance Committee.**

The Union's Grievance Committee shall consist of regular employees of the Company covered by this Agreement selected by the Local Union to represent major geographic groupings of employees. The initial major geographic groupings are considered to be at:

Barlow

Morganfield

Earlington/Dawson Springs

Greenville

Green River

but said groupings may change with the addition or deletion of department and/or shift assignment of employees covered by this Agreement, but not to exceed five (5) in total. One (1) Grievance Committeeman shall be elected by the Local Union membership to represent each of said major geographic groupings.

In large areas and/or on shifts at the Green River Power Station where no Grievance Committeeman is employed, a Steward will be appointed as determined by the Local Union so that there will be at least one (1) Grievance Committeeman or Steward on each active shift. The Steward will act as an assistant to the Grievance Committeeman and be limited to the handling of grievances through Step 1 only.



During his term of office, should a Grievance Committeeman or Steward cease to be employed within the major group he represents, the office of Grievance Committeeman or Steward representing that group shall become vacant and shall be filled by the Local Union with a permanent employee of said group.

The Local Union President and Unit President shall be considered as a member of the Local Union Grievance Committee in addition to the Grievance Committeemen provided for above.

The Union shall furnish to the Company a list of its Officers, Grievance Committeemen and Stewards, and keep such list current.

#### **12.4 Time Limits.**

A grievance that is not filed, appealed or referred to arbitration within the prescribed time limits shall be considered settled and shall not be processed in any subsequent steps of the grievance or arbitration procedure. If the second or third step supervisor does not timely answer, the Union can demand an answer by giving notice by registered or certified mail, return receipt requested, to the Company's Manager Human Resources. If no written answer is given in person or by posting in the mail within five (5) days after receipt of such demand, the particular grievance shall be deemed to be granted but without precedent.

#### **12.5 Calculation of Time.**

The term "days" as used in this Article XII and the following Article XIII shall be understood and agreed to exclude all Saturdays, Sundays or Holidays occurring in each such calculation.

#### **12.6 Group Grievances.**

In the event more than one employee desire to file identical grievances, either the Grievance Committeeman or Steward for the area in which the alleged grievance has arisen, or one of the aggrieved employees selected by the others, may file and process the grievance on their behalf as a class, provided the employees involved are adequately identified in the initial written grievance.

## **12.7 Union Grievances.**

A. The Union may file a grievance at Step 3 with regard to any obligation of the Company to the Union as such, as opposed to its obligations to the individual employee(s). Also in the event an employee dies the Union may process any claim he would have had relating to any money due under any provision of this Agreement. In processing such claim on behalf of a deceased employee, the fifteen (15) day time limit for filing the initial grievance shall be waived.

B. In the event the Union believes that an interpretation contrary to the terms of this Agreement has occurred with respect to one or more employees, which interpretation, if established as a practice, might adversely affect other employees in the future, if the directly affected employees fail to file a grievance, then the Union may file a grievance in its own name at Step 2 for the purpose of obtaining a prospective determination with respect to employees generally.

## **12.8 Expedited Procedure.**

Notwithstanding the procedures set forth in this Article, the parties may by agreement omit any Step or Steps and proceed to a higher Step.

## **12.9 Extension of Time Limits.**

It is understood and agreed that any time limits specified in this Article XII and the following Article XIII may, and should be, extended for good reason shown. The period during negotiations for an extension or renewal of this Agreement shall specifically be deemed as requiring a liberal interpretation of this Section.



## **ARTICLE XIII**

### **ARBITRATION PROCEDURE**

#### **13.1 Arbitration Procedure.**

If the Step 3 answer of the Plant General Manager, the Manager Substation Construction and Maintenance, the Manager Electric System Planning Engineering and Metering, or the Manager Earlington Operations, or their designee(s), is unsatisfactory to the Union, the Union may refer such grievance to arbitration by delivering to the Manager Human Resources within twenty (20) days after receipt of the answer, written notification that it desires to arbitrate the grievance. If the Company and the Union are unable to agree to an arbitrator, the Company and Union shall jointly request the Federal Mediation and Conciliation Service to provide a list of seven (7) qualified arbitrators who have training or experience in the subject of the dispute in question. The representatives of the parties shall either agree to an arbitrator on the list or select one by each party's alternately striking a name from the list until one name remains. More than one grievance may be submitted to the same Arbitrator if a multiple submission is agreeable to both parties.

#### **13.2 Arbitration Hearing.**

The arbitration hearing shall be scheduled for a date as soon as mutually agreeable but within sixty (60) calendar days of the date that the Arbitrator is selected by the parties, provided the Arbitrator is available. The arbitration hearing shall be held at the Green River Power Station or the Company's District Office nearest to where the grievance arose or at a place mutually agreed upon by the Company and the Union or, if they are unable to agree, the Arbitrator shall select a neutral place in Madisonville, Kentucky for the hearing.

### **13.3 Duties of the Arbitrator.**

It shall be the duty of the Arbitrator to hear and render a decision on a dispute submitted to him in accordance with the terms of this Agreement. The Arbitrator shall regard the provisions of this Agreement as the sole and complete understanding governing the relationship of the parties, and it shall be his function to interpret and apply the specific provisions of this Agreement. The Arbitrator shall not supplement, enlarge, diminish or alter the scope or meaning of any provisions of this Agreement, nor entertain jurisdiction of any subject not covered hereby.

The decision and award of the Arbitrator shall be final and binding on the Company, the Union and the employees.

### **13.4 Costs of Arbitration.**

The compensation and expenses of the Arbitrator shall be borne equally by the parties. The compensation and expenses, if any, of witnesses and other participants in the arbitration shall be borne by the party desiring or requesting their presence, except that an employee at the Green River Power Station or an employee in the district where the grievance arose who is a witness may appear during his normal working hours for the time necessary to give his testimony only without loss of pay.

### **13.5 Arbitrator's Decision.**

The Arbitrator shall be jointly requested to render a copy of his decision to each party in writing within thirty (30) calendar days from the date of close of the hearing, or the filing of briefs, if any.

## ARTICLE XIV

### DISCIPLINARY SUSPENSION AND DISCHARGE

While it shall remain the policy of the Company to warn employees for minor infractions before taking disciplinary action or discharging them, it is understood that certain major offenses may be cause for immediate discipline, including discharge. Grievances involving discharge shall automatically be referred to Step 3.

In the event any employee is called before a Company representative for the purpose of being reprimanded or receiving disciplinary action, he will be, if he so chooses, allowed to have a Local Union representative present. In the event the Company intends to suspend or discharge an employee, or give a final written warning to an employee prior to discharge, the Company will inform the employee of his or her right to union representation. The parties agree that in general it is in the best interest of all concerned that disciplinary action be taken in private.

Should it be determined by the Company during the grievance procedure that any disciplinary action is too severe, or if a grievance concerning disciplinary action by the Company is referred to arbitration and the final decision of the Arbitrator results in a modification of the disciplinary action taken, the employee shall receive compensation for time lost from work in such amount as the Company and the Union mutually agree if the matter is resolved in the grievance procedure, or, if the matter is decided by an Arbitrator, as the Arbitrator may deem necessary to give proper redress under the circumstances, including consideration of any earnings or other compensation received by the employee during the period of such lost time; but the Arbitrator shall not reduce any back pay award by reason of earnings the employee would have received (such as from his farm, etc.) even if he had not lost time from work.

If an employee is discharged after completion of his probationary period and the discharge is protested through the grievance procedure, the Company will continue normal insurance coverage for such employee until the grievance is finally resolved.



## ARTICLE XV

### TEMPORARY ASSIGNMENTS AND PERMANENT JOB VACANCIES

#### 15.1 Temporary Assignments.

The Company may temporarily assign any employee to work in any other job classification; except that at Green River Power Station, other than in cases of emergency, consideration will be given to the senior available employee temporarily working out of his classification when there is a need to return an employee to such classification. If the employee has been temporarily assigned to a lower rated job, the applicable rate shall be the rate of his regular job, and if the employee has been temporarily assigned to a higher rated job, the applicable rate will be the higher of the rate of his regular job or the minimum of the rate range for the job to which he is assigned. Such assignments shall be effective upon the execution of a payroll authorization by a supervisor, and payment for work in a higher classification will be for a period of not less than eight (8) hours.

#### 15.2 Permanent Job Vacancies.

##### A. Policy.

It shall be the Company's policy to advance senior employees when permanent job vacancies occur, provided the employee is qualified.

##### B. Posting Procedure.

(1) When the Company determines that there is, or will be a permanent vacancy in the bargaining unit, it will post, for five (5) days, Saturdays, Sundays and Holidays excluded, a notice describing the job and its special qualifications, if any, including residency requirements for members of service organizations, if applicable, on bulletin boards throughout the bargaining unit. Copies of all such postings shall also be sent to the Union's Unit Secretary. An employee desiring consideration in the event of such a permanent vacancy should make written application on forms provided by the Company during such five (5) day period. After having given consideration to each applicant's Seniority, prior experience,



work record, skill and ability, the Company will post the name and seniority date of the successful bidder, if any, on the bulletin boards throughout the bargaining unit. Normally such announcement will be made within three (3) weeks after completion of the posting. During the time necessary to consider applications, the Company may fill the vacancy temporarily by assignment of any available employee. Employees who fail to make application will be considered to have waived their interest in the particular vacancy for that particular occasion only.

(2) If a posting is for a vacancy in a classification to which employees normally advance without bidding, such as provided in Paragraph G below, and if there is no qualified applicant and the Company does not hire a new employee from outside for the posted vacancy, then if the Company desires to fill the vacancy with an employee in a lower rated job than the one previously posted, it will post such lower rated job prior to hiring a new employee for such lower rated job.

#### **C. Bid by Absentee.**

The Company and the Union will cooperate in contacting any employee who is absent from work due to illness, injury, vacation or for other legitimate reason as specified in this Agreement during the entire posting period who notified either the Company or the Union, if possible, prior to his absence of an interest in bidding, to assure he is notified of the posting. If such employee is absent for three (3) weeks or less and is not contacted during such period and afforded an opportunity to bid, then upon return to work, he may bid on a job posted during his absence. However, such bid must be made within five (5) working days after the employee's return to work. If the Company awards the bid to such previously absent employee and if it had previously made an award to another applicant, such other applicant will be returned to his previous job.

#### **D. Bidding Limitation.**

An employee shall be limited to no more than one permanent job transfer per year under this bidding procedure to a job of equal or lower rate unless for reasons of health or for other good and sufficient reasons shown.

**E. No Qualified Applicants.**

Should there be no qualified applicant for any vacancy, then the Company may exercise its discretion in the filling of the vacancy by voluntary transfer or by hiring or it may cancel the posting.

**F. Hiring Experienced Employees.**

Should the Company hire any new employee who has had prior experience on a similar job requiring such skills for which hired to fill a vacancy for which the bidding procedure has not been completed, he shall be placed in the proper classification at a rate commensurate with such experience. Should any lower-rated employee with Seniority at the time of hiring such new experienced employee believe that he was qualified to perform the job for which the new employee was hired and desires assignment to such job, he may request and shall be granted a review of his qualifications and shall be upgraded to the same rate for which such new employee was hired should the facts demonstrate he was so qualified. Such up-grading and pay for same to become effective the date of hiring the new employee.

**G. Reclassification.**

A reclassification of an employee to a higher rated job, such as from Line Technician B to Line Technician A or from Maintenance Technician B to Maintenance Technician A, shall not be considered the filling of a permanent vacancy for purposes of this Article XV, and nothing in this Section 15.2 shall be construed to require the Company to post any such higher rated position.

**H. Training.**

In filling permanent vacancies in higher rated jobs in operating groups at the Green River Power Station, it is agreed that if there is no qualified applicant and if a qualified person cannot be hired from outside, the Company will be guided by the factors set forth in Paragraph B(l) above in selecting an employee from a lower classification in the operating group to attempt to train for the vacancy with the senior applicant given preference if the other factors are relatively equal, provided that such employee has demonstrated the basic physical and mental capacities to become qualified within a reasonable period and provided that such employee has not been selected for another training

position as described in this paragraph within the previous twelve (12) month period. Also, should the Company decide to attempt to train an unqualified employee to fill a vacancy other than in an operating group at the Green River Power Station, it will be guided by the factors set forth in Paragraph B(f) above in selecting an employee for such training with the senior applicant given preference if the other factors are relatively equal, provided that such employee has demonstrated the basic physical and mental capacities to become qualified within a reasonable period. In either event the Company will post a vacancy in the classification it desires to fill, designating that it is for training. The applicant selected shall not be assigned to such classification until he satisfactorily completes his training and becomes qualified.

**I. Return to Former Classification.**

In the event an unqualified employee is selected by the Company for training for a job and does not become qualified within a reasonable period, he shall be returned to his former classification or a classification of similar status. It is agreed that under normal circumstances an employee selected for training for a higher rated job in an operating group at the Green River Power Station under Paragraph H above should become qualified within sixty (60) working days on the job.

**J. Residence Requirements**

It is recognized that as a public utility the Company is obligated to provide reliable service to its customers. Such may at times make it necessary for employees to work overtime, both scheduled and on an emergency basis. Employees are expected to work their fair share of overtime work when called upon to do so by the Company and failure to do so may be cause for appropriate disciplinary action.

In addition, to assist in promptly responding to overtime callouts for emergencies, the following residence requirements shall apply:

- (a) Line Technicians and General Laborers in the Districts shall reside either (1) within the service territory of their local office or (2) within twenty-five (25) road miles of the technician's reporting location. Substation and Meter Technicians shall reside within twenty-five (25) road miles of their reporting location.
- (b) Service Technicians shall be on a telephone exchange that is local to the reporting office to which the technician regularly reports and reside either (1) within the service territory of the office to which the technician regularly reports or (2) within fifteen (15) road miles of that same reporting office.
- (c) Employees in Service or Line Technician positions and General Laborers in the Region as of the effective date of this policy (August 1, 1994) who do not meet these residency requirements will not be required to move. However, those Service or Line Technicians or General Laborers in the Region can not move any further from their current reporting location than they now live.
- (d) Line Technicians may transfer or bid to other positions within that line crew or to another line crew at the same reporting location without having to move.
- (e) Line Technicians described in paragraph (a) who transfer to Service Technician positions described in paragraph (b), must meet the residency requirements set forth in paragraph (b) even if the transfer does not involve a change in reporting location.
- (f) Service or Line Technicians or General Laborers in the Region that transfer to a position at a different reporting location than they now have must meet the residency requirements for that location.



## ARTICLE XVI

### ABSENCES AND LEAVES OF ABSENCE

#### **16.1 Absences.**

A. It is understood that an employee has a responsibility to his job and to the Company to report for work on time as scheduled. An employee who reports for work after his starting time may be refused work for the day at the discretion of his supervisor if a replacement for him has been called, his crew has already left without him or there is otherwise no work readily available for him.

B. When an employee cannot, for any reason, report for work as scheduled he must, in accordance with established procedures in effect at the time, notify the Company (personally or by other acceptable means) as soon as practicable, indicating to the extent possible the probable duration of his tardiness and absence. Failure to comply could result in an unexcused absence, even if the absence would otherwise have been legitimate.

#### **16.2 Disability Leave.**

Upon reasonable advance request, if possible, leave of absence without pay will be granted to any employee for illness, injury or pregnancy which prevents the employee from working, verified by the employee's doctor if requested, and concurred in, if the Company deems advisable, by a doctor selected by the Company, and will from time to time be extended if the circumstances warrant unless the employee's Seniority terminates under Section 9.5(F) or (K). The Company may require reasonable periodic verification from the employee of continued inability to work. To the extent such absence is covered by paid sick leave, long-term disability insurance or similar insurance, the reports under such programs shall be sufficient verification.

#### **16.3 Personal Leave.**

At the Company's discretion, leaves of absence without pay for an agreed upon period of time may be granted to any employee for personal reasons, and may from time to time be extended for additional periods if the circumstances warrant. Requests for such leaves of absence and extensions must be made in writing and approved by the Company.

## **16.4 Return To Work.**

A. The Company may require that an employee returning to work after being absent for a period in excess of five (5) consecutive work days due to any temporary disability or personal leave furnish, prior to the resumption of his duties, a certificate of ability to return to work and perform his regular duties from the employee's doctor, concurred in, if the Company deems advisable, by a doctor selected by the Company.

B. Examination by the doctor selected by the Company shall be confined to the illness or injury that caused the absence or to an illness or injury known or reasonably suspected to have occurred to the employee during such leave of absence. Such examination shall not be directed toward a condition that existed prior to the temporary disability or leave of absence unless the Company reasonably believes it would affect his ability to be qualified for his job.

C. Examination by the doctor selected by the Company shall be at the expense of the Company.

D. In the case of a disagreement between an employee's doctor and the Company doctor concerning the health of an employee, and the dispute becomes the subject of a grievance, a third disinterested doctor having special knowledge and experience in the matter shall be chosen by mutual agreement between the Company and the Union or if they are unable to agree, a third doctor chosen by an arbitrator shall examine the employee, and his decision shall be final and binding. The expense of the third physician shall be borne equally between the Company and the Local Union.

E. Nothing in this section shall be interpreted to affect the Company's right to require a physical examination at any time when it has reason to believe that an employee has a disability which could affect his ability to perform his job safely.

## **16.5 Early Termination.**

Any employee who desires to terminate his leave and return to work prior to the normal expiration date of any leave granted him may do so upon satisfying the requirements for return and giving the Company three (3) working days notice.

### **16.6 Pregnancy Leave.**

An employee on pregnancy leave may remain on leave for a period equal to the time allowed for non-work related illness or injury as provided in Section 16.2. Upon return to work, she may reclaim her job or select another in the same manner as if she had been absent for any other non-work related illness or injury. If the employee fails to apply for reinstatement, or refuses to take an available position as above provided, her employment shall be terminated.

### **16.7 Leave For Union Business.**

A leave of absence without pay will be given to employees who are elected and/or chosen delegates for the purpose of attending conventions, conferences and such usual and proper functions of the Union (normally not to exceed two (2) weeks plus travel time). Not more than two (2) employees shall be eligible for such leave at any one time, but if two (2) are to be absent at the same time, they will be selected from unrelated work groups so as to avoid a double burden on the remaining employees by reason of the absences. The Company, without creating any future obligation or precedent, may grant Union requests for leaves for additional employees. The Union will give sufficient notice to allow for orderly replacement on work assignments.

### **16.8 Periodic Payments.**

It should be the responsibility of the employee to make arrangements for the payment of any insurance premiums and the like which are his obligations during any leave of absence.

### **16.9 Fraud.**

Obtaining a leave of absence or extension thereof under false pretense or falsifying forms, applications, and other information pertaining to a leave may be cause for appropriate disciplinary action.





## **ARTICLE XVII**

### **ALLOWED TIME**

#### **17.1 Funeral Pay.**

Funeral leave is paid for a maximum of five days for Immediate Family Members who include: spouse, child, step-child, or parent or step-parent.

Funeral leave is paid for a maximum of three days for Other Family Members who include: brother; sister; grandparents; grandchildren; parents-in-law; sons-in-law; daughters-in-law; spouses of the employee's brothers or sisters; employee's spouse's brothers, sisters, parents and grandparents; step relations of the preceding, or any relative living with the employee.

Such days shall be consecutive work days and shall be computed in direct relation to the death and funeral, but shall not extend beyond the day following the funeral, except in the case of the death of an Immediate Family Member in which case such days may extend to the second day following the funeral. Payment will not be made for any day during such three- or five-day period on which the employee would otherwise not work.

Employees will not be paid for unused funeral leave.

Should the employee need to be absent on a normal scheduled day or days, other than those for which payment is provided above, the employee may elect to take such day or days as vacation time, provided he is then entitled to sufficient vacation time which he has not utilized by time off or for which he has not been paid.

Payment shall be made on the next pay day after receiving notice in writing from the employee and (a) the name of the deceased person and relationship to the employee, and (b) the date and location of the funeral.

#### **17.2 Military Training or Temporary Duty.**

A regular full-time employee with at least six (6) months of regular full-time service is eligible for a maximum of fifteen (15) work days of leave for military duty in a calendar year for days he is required to serve on which he would otherwise be scheduled to work. This leave is in addition to any vacation to which he may be entitled during that year. During such leave an employee will be entitled to pay from the Company amounting to the difference between his normal straight time compensation (including a regular shift differential, if any, and any other

regular hourly payments) and his military pay (not including subsistence pay) for the period of such military obligation, not to exceed fifteen (15) work days.

### **17.3 Jury Duty.**

If a regular full-time employee (other than a probationary employee) is summoned for jury duty or is subpoenaed to appear as a witness in court and is required to so report or serve or appear on a regular work day during normal working hours which he would otherwise be scheduled to work, he shall be paid the difference between his normal straight time hourly rate (including regular shift differential, if any, and any other regular hourly payments) for those hours lost and the payment received for such service (but not including any payment officially designated as expenses). In the case of such an employee on an afternoon or night shift, the Company shall reschedule him to the day shift for days he is required to report to court. If any such employee is not required to appear until, or is released from such service at, a time that reasonably permits him to report to work or to return to work during his scheduled hours, he will so report or return and may be assigned to his normal duties or may be assigned to such other work as may be available. To be entitled to pay under this section, an employee must notify his supervisor as far in advance of the date he is required to report for such duty as possible and present a statement from the Clerk of the Court giving the time and date of such duty and the amount of compensation received for such service. In no event shall pay under this Section exceed eight (8) hours pay per day.

### **17.4 Sick Leave Plan.**

Any employee who cannot report to work as scheduled because of personal or family illness should attempt to contact his or her manager before the scheduled start time or as soon as possible thereafter. Medical certification may be requested.

The Company will provide up to 40 hours of sick leave per calendar year.

Unused sick leave may not be accumulated. Unused sick leave is not paid to the employee.

An employee may use sick leave in one-hour increments.

A. Employee

1. Must report the cause of the employee's absence to his or her immediate supervisor (or to the individual designated by the supervisor to receive such reports) as soon as possible, but in any event not later than the beginning of the first work shift from which the employee will be absent;
2. Must adopt such remedial measures as may be commensurate with his or her disability;
3. Must, upon request, present evidence satisfactory to the Company, of the employee's inability to work, or that the injury or illness was non-occupational;
4. Must have accumulated unused sick leave credit at least equal to the hours being reported for sick leave pay; and
5. Must advise his or her supervisor (or the individual designated by the supervisor to receive such reports) of the date on which the employee expects to return to work as far in advance thereof as possible. Where the employee's work is being performed by relief or substitute personnel, at the supervisor's request such advice must be given at least one hour prior to the beginning of the shift on which the employee expects to return to work.

B. No sick leave will be allowed for any injury or illness arising out of, or in the course of, any occupation or employment for wage or profit.

Sick leave credit cannot be used for any other purpose than specified in the plan, and is not payable in cash, or in any other form, should the employee leave the Company. This plan is designed to assist the employee to prevent a loss of income due to absence from duty because of illness.

If an employee becomes ill or injured while on vacation, the employee shall be paid only for the vacation, except as noted in 8.7(A).

If an employee becomes ill or injured on a holiday, the employee is to be paid only for the holiday.

If the illness continues after a vacation or holiday period, benefits under the Sick Leave Plan would commence upon completion of the scheduled vacation or holiday.

## **17.5 Personal Days**

An employee should prearrange all personal days with his or her manager.

Two personal leave days are available during a rolling 12-month period. (The 12-month period begins when the employee takes a personal day.)

If an employee has available personal days, he or she will be required to use that time for bridging to Short Term Disability (STD) if remaining sick time is not adequate.

There is no carry-over of unused personal days.

There is no pay in lieu of personal days under any circumstances.

## **17.6 Short Term Disability (STD)**

1. Employees may be eligible for Short Term Disability (STD) for medically certified absences following a 40 hour (five-day) elimination period. If an employee is admitted to the hospital on an inpatient or outpatient basis, immediately or during the first five days of absence, the 40 hour (five day) elimination period (either in full or in part) is waived. Medically certified absences of a recurring nature within the same calendar year do not require meeting multiple elimination periods. However, medically certified absences within the same calendar year which are not of a recurring nature require a 40 hour (five day) elimination period per occurrence.

2. STD benefits are paid according to the following schedule:

Up to 800 hours are paid at 100% of the employee's base pay, less any deductible sources of income (e.g., state disability, workers' compensation). Additional hours for absences which extend up to 180 calendar days are paid at 75% of the employee's base pay. No payments under the STD program will be made for absences exceeding 180 calendar days. STD hours available are reduced by the number of 100% STD hours used in the preceding 12 months. For the purpose of subtracting STD used in the preceding 12 months, only STD hours paid at 100% of base pay are considered.

3. An employee who is receiving STD while on an approved continuous leave of absence, and whose disability spans from one calendar year to the next, will continue receiving STD benefits in the new calendar year for the duration of the leave or until eligible for Long Term Disability and will not be required to meet another 40 hour (five day) elimination period or use available Sick Leave.

4. An employee who is receiving STD sporadically due to a medically certified condition of a recurring nature, and whose disability spans from one calendar year to the next will be required to use Sick Leave for the first 40 hours (five days) of absence in a new year however, the 40 hours (five days) need not be consecutive.

5. An employee who is injured on the job may be eligible to receive STD immediately, with no elimination period. Each incident will be evaluated on a case-by-case basis for coordination with workers' compensation benefits.

6. When an employee is rendered temporarily disabled as a result of a medical condition, the employee is required to submit physician's documentation verifying the existence and expected duration of the disability.

7. Employees are paid STD based on their regular base pay.

8. An employee must submit documentation from their doctor that they are able to return to work before returning to an active status.

9. Absences which extend beyond 180 consecutive calendar days may qualify for benefits under Long Term Disability.

### **17.7 Accumulated Sick Leave**

An employee's unused sick leave hours, as of 9/30/99, can be used for the same purposes, other than for family illness, as the sick leave in Section 17.4 after the sick leave awarded each calendar year under 17.4 has been exhausted. The unused sick leave hours will be reduced by the number of hours used for this purpose.

In addition, unused sick leave hours as of 9/30/99, may be used to increase the pay an employee receives under the STD program in 17.6 for hours at 75% to 100%. The unused sick leave hours will be reduced by the number of hours used for this purpose.

In accordance with the provisions of the Company's retirement Annuity Plan, an employee's "credited service" at retirement as that term is defined in the Plan, will be increased by the number of that employee's unused days of sick leave as of his or her retirement date at a rate of 260 days being equal to one year of "credited service." Unused days exceeding, or less than, 260 will be expressed as a fraction of a year, as it is defined herein.

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## ARTICLE XVIII

### HEALTH AND RETIREMENT BENEFITS

During the term of this Agreement the Company will continue to provide the existing or no less favorable, group life insurance, long-term disability insurance, retirement annuity and medical, including post-retirement medical care insurance benefits, dental assistance program, employee savings plan, employee assistance program, dependent care assistance plan, and dependent life insurance plan for members of the bargaining unit as are provided for other full time employees of the Company, which have been generally described by the Company in written proposals during negotiations. The details of such benefits shall be as specifically provided in master plan documents or insurance contracts covering the terms of such plans. (A) payments for such benefits must be deductible as business expenses or contributions to a qualified plan, and (B) benefits provided through an insurance carrier shall be those provided by the policy or contract and such coverage must continue to be available from the same or another carrier on a reasonable basis. If occasion to change or discontinue any of such benefits should arise under clause (A) or (B), the Company will notify the Union and the parties will promptly enter into negotiations as to the benefits to be changed or substituted. The Company will furnish identification cards for medical purposes. The Company will furnish each employee annually the amount of his accumulated sick leave and the aggregate amount of his contributions to the retirement plan.

The Retirement Plan will be amended to provide that no contribution by a Participant shall be required or permitted under the Plan subsequent to December 31, 1980.





## ARTICLE XIX

### TRANSFER OUT OF THE BARGAINING UNIT

#### **19.1 Permanent Transfer.**

The selection of employees to be promoted to supervisory positions or to be transferred to other positions excluded from the bargaining unit shall be at the sole discretion of the Company, subject to the agreement of the employee. For the first sixty (60) calendar days the employee shall continue to accrue Seniority in the bargaining unit. If the Company transfers him back to the bargaining unit, or he asks to be removed from the position within the sixty (60) days period, he shall return to the bargaining unit and will be placed on the job he held prior to such promotion or transfer, or to another job in accordance with such accrued Seniority if an adjustment in the work force has occurred during his absence. If he continues in the supervisory or other position outside the bargaining unit beyond the sixty (60) day period, his Seniority shall be broken and he shall lose all rights under this Agreement. The Company will notify the Unit Secretary of the date of permanent transfer.

#### **19.2 Temporary Transfer.**

Should an employee covered by this Agreement temporarily be designated by the Company as a Temporary Supervisor to fill in temporarily for eight (8) hours or more for any regular supervisor such as during vacations, illness, death in the family, jury duty or other absences of a temporary nature, and the employee accepts such duties, he shall receive his regular rate of pay or the rate of the supervisor whose work he performs, whichever is higher, during the period that the employee performs such work. The area grievance committeeman or Unit President will be informed of such designation.



## **ARTICLE XX**

### **WAGES**

#### **20.1 Hourly Wages.**

The hourly wage rates for the respective job classifications and the effective dates thereof are as set forth in Exhibit A to this Agreement.

#### **20.2 Shift Differential.**

A. A shift differential of fifty cents (\$.50) per hour shall be paid for all work performed by full time employees assigned to an afternoon shift, and sixty-seven cents (\$.67) per hour shall be paid for all work performed by such employees assigned to a night shift. Any shift regularly commencing at or after 5 a.m. and prior to 12 noon shall be considered a day shift. Any shift regularly commencing at or after 12 noon and prior to 8 p.m. shall be considered an afternoon shift. Any shift regularly commencing at or after 8 p.m. and prior to 5 a.m. shall be considered a night shift.

B. A shift differential of forty-five cents (\$.45) per hour shall be paid for all work performed by full time employees at Green River Power Station assigned to a rotating shift regardless of when a particular shift may commence.

C. A shift differential of sixty-seven cents (\$.67) shall be paid for all work performed by full time employees at Green River Power Station assigned to a relief shift regardless of when a particular shift may commence.

D. Only one shift differential can be applicable to any particular hours by any employee.

#### **20.3 Sunday Differential.**

A Sunday differential of ninety-five cents (\$.95) per hour shall be paid for all work performed on Sunday by full time employees who are assigned to work on Sunday as a part of their normal (non-overtime) schedule. This differential will be in addition to any applicable shift differential.

#### **20.4 Pay for Work Performed.**

If an employee who is regularly required to, and who is qualified to, perform the work of the next higher classification makes a request to the Company that he be promoted, the Company at its option will either (a) stop requiring him to perform the work, (b) temporarily assign him to the classification under Section 15.1 for the periods he is required to perform the work or (c) permanently promote him to such classification.

## **ARTICLE XXI**

### **TWO-PERSON CREW PREMIUM**

When two non-supervisory employees are assigned work to be performed without the direction of a supervisor and the work involves the installation, maintenance or operation of electric lines or equipment, the company may designate one of the employees to be in charge of the work to be performed. The employee designated to be in charge shall be paid a \$1.00 per hour premium over their regular rate of pay.



## ARTICLE XXII

### **EMPLOYEES WORKING AWAY FROM THEIR REGULAR PLACE OF EMPLOYMENT**

#### **22.1 Transportation and Lodging**

Whenever an employee is temporarily assigned duties away from his regular place of employment, he will be provided transportation, or compensation for transportation, between the temporarily assigned job and his regular place of employment or headquarters. If, in the opinion of his supervisor, it is impractical for the employee to return daily to his regular place of employment, the Company will provide suitable lodging (single room, if available) and board at or near the place of such temporary employment.

For each trip authorized by the Company, between the places of work assigned and the regular place of work or headquarters, time required for travel shall be considered as time worked. It is not the policy of the Company to require any employee to stay away from his regular place of employment or headquarters for a continuous period of more than two (2) weeks, except in cases of emergency.

Except in cases of emergency, employees who will be required to stay away from home overnight will be given notice of that requirement as soon as possible, but not later than the day before.

#### **22.2 Meals**

When it is necessary for any employee to work in areas away from his regular headquarters, or to work hours in excess of his normal hours, the Company will provide additional compensation or meals as follows:

A. Whenever a line crew, service crew, substation crew, or any employee is working away from their regular headquarters and returning to their regular headquarters each day, the Company shall provide an additional \$7.00 of compensation to be added to the employee's payroll check as reimbursement for the purchase of the noon meal by the employee, provided the lunch can be obtained in the area in which the crew or employee is working. Where the lunch cannot be obtained in the area in which the crew or employee is working, then each employee will



be required to bring his own lunch with him from home. In those instances in which it will be necessary for the employee to bring his own lunch, then the supervisor should so advise on the day before working in the area.

B. Whenever a line crew, service crew, substation crew, or any employee performs work in excess of his normal hours, to such an extent that the excess hours interfere or conflict with the employee's normal or regular meal time, the Company will furnish or pay for the employee's meal, or meals, required during such hours of work.

C. Whenever any employee or crew is working away from regular headquarters and not returning to their regular headquarters each day, then all board and lodging while away from regular headquarters will be paid for by the Company. Under such circumstances, the supervisor will arrange for a hot lunch to be selected from the regular menu at a public eating place at noon if it is practical to do so. Under no circumstances should more than one (1) hour be taken for the noon lunch period, including travel time from work area to the eating place and return. If the work is so located that it is impractical for the crew to go to a public eating place for their noon meal, then the supervisor will arrange for lunches to be provided at the job site.

D. In those cases where the work is so located that it is impractical for the crew to go to a public eating place for their noon meal and the employee is either provided the noon meal or is reimbursed for the purchase of the noon meal under this Section 22.2, it will be permissible for the supervisor to authorize the taking of only 30 minutes for the lunch period and quitting work 30 minutes earlier than would be the case where an hour lunch period is taken.

Except during emergencies or during extraordinary circumstances, the lunch hour of day shift employees shall normally begin not earlier than 11:00 a.m., nor later than 1:00 p.m. local standard time.

## **ARTICLE XXIII**

### **RETIREMENT**

The practice of retirement of employees at age sixty-five (65) will continue in effect; provided, however, that if for any period during the life of this Agreement, mandatory retirement at such age shall be prohibited by law, then for so long as such prohibition shall remain in effect, the retirement age hereunder shall be increased to such age as is necessary in order to comply with the law.



## **ARTICLE XXIV**

### **BULLETIN BOARD**

The Company will either provide space on its bulletin boards, or provide separate bulletin boards at the same locations, where notices of the Union meetings and other official business of the Union may be posted from time to time. Such notices shall not consist of or include advertising or the promotion of political, religious or charitable projects or contain any material derogatory to the Company, any of its affiliates, or any employee or employees of the Company.

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## ARTICLE XXV

### SHIFT PREFERENCE

A. 1. At the Green River Power Station, the selection of assignments within the operating groups will be made as follows:

During the month of December of each year, the Company shall first identify the operating groups by posting under the name of the Shift Supervisor; provided this shall not restrict the Company's management right to change supervision from time to time. The employees in the various classifications required will be permitted to indicate their choice of assignment to an operating group in order of seniority, but the final right to schedule group positions, and to change them from time to time, is exclusively reserved to the Company in order to assure safe and efficient operations. Any resulting change in group assignments will become effective at the start of a pay period near the first of January selected by the Company.

A. 2. In the event that a vacancy occurs in an operating group:

- 1) That vacancy or any resulting vacancy will be filled by seniority among the operators in that classification and the successful bidder(s) to that classification beginning with the most Senior Operator to whom that position was blocked during the most recent shift selection.
- 2) Vacancies created while operators are in training will be filled by Relief Operators from Relief Group "R."
- 3) When possible, because of available relief, the Senior Relief Group "R" operator in the classification needed shall have first choice in filling the temporary vacancy created because of training.
- 4) There shall be no limit on the number of occasions that this process may occur except that the preceding section (1) shall not apply when a vacancy occurs after October 1.

- 5) When a vacancy occurs after October 1, the successful bidder shall fill the original vacancy should he or she complete training before any changes in group assignments become effective as a result of the shift selection for the following year.
- 6) When a successful bidder is posted on or before December 1, he or she will be permitted a shift selection for the following year within the classification to which they bid by order of seniority among the employees in that classification regardless of whether training has or has not been completed.

B. The Relief Group "R" Unit Operators, Unit Operator Assistants, and Auxiliary Operators will work non-relief days at assigned duties.

C. Relief operators shall be listed on the overtime list in his/her own classification, and one classification immediately below.

## **ARTICLE XXVI**

### **TELEPHONES**

A. The Company shall reimburse the full amount of each employee's Basic Telephone Service Cost during any month in which the employee's residence telephone number is given in a local telephone directory, under the Company's listing, as a number to be called in an emergency, "if no answer", or other similar basis or if it is, at any time during a calendar month, recorded on the Company's automatic telephone answering device as a number to be called by the public to obtain emergency service.

B. The term "Basic Telephone Service Cost" as used above shall be the monthly charge made by the telephone company and paid by the employee for one telephone on the telephone company's minimum rate for residential private line service to the employee's residence. It shall not include installation charges or mileage charges for the extension of a telephone line to the employee's home in rural areas.





## **ARTICLE XXVII**

### **MOVING EXPENSES**

A. When the permanent reporting location of an employee is changed (a) because of his bidding into a permanent job vacancy under Section 15.2 of this Agreement, or, (b) when the Company requests him to take a job which requires his moving to another location, or, (c) when he is released for lack of work and then exercises his placement rights to displace another employee under Section 10.1 of this Agreement, and the employee is required to move his residence because of this change, the Company will pay, upon receipt of satisfactory evidence, the actual cost of moving his household goods to the new location.

B. As much advance notice as possible will be given the employee of the proposed change in headquarters to give him sufficient time to arrange for new quarters in the new locality. If it is not possible to give the employee reasonable notice of the proposed change in permanent headquarters, and it is necessary for the employee to live in the new location until he can arrange to move, the Company will pay his reasonable board and lodging expenses not to exceed one calendar month unless otherwise agreed upon. If it is not possible to give such reasonable notice of the change, but it is not necessary for the employee to live in the new location until he can arrange to move, the Company will pay mileage at its standard rate for the mileage by which the distance from his present residence to his new headquarters exceeds the distance to his old headquarters, not to exceed one calendar month unless otherwise agreed upon.

C. It will be the responsibility of the employee to obtain at least two (2) written estimates from movers on the cost of moving his household goods. If two movers are not reasonably available, his supervisor shall assist in obtaining the estimate(s). Such estimates are to be submitted to the manager or department head of the area in which the employee is presently located for prior acceptance and approval.

D. The Company shall not be obligated to pay the moving expenses of (a) any employee who has less than twelve (12) months of continuous service since last date of hire, or, (b) in the case of any other employee, more than once in any period of twelve (12) consecutive months in connection with that employee's transfer to a new regular place of employment, unless (in either case) the move is at the Company's request.

**E. Nothing in this Article of this Agreement shall be interpreted to require any employee to change his place of residence.**

## **ARTICLE XXVIII**

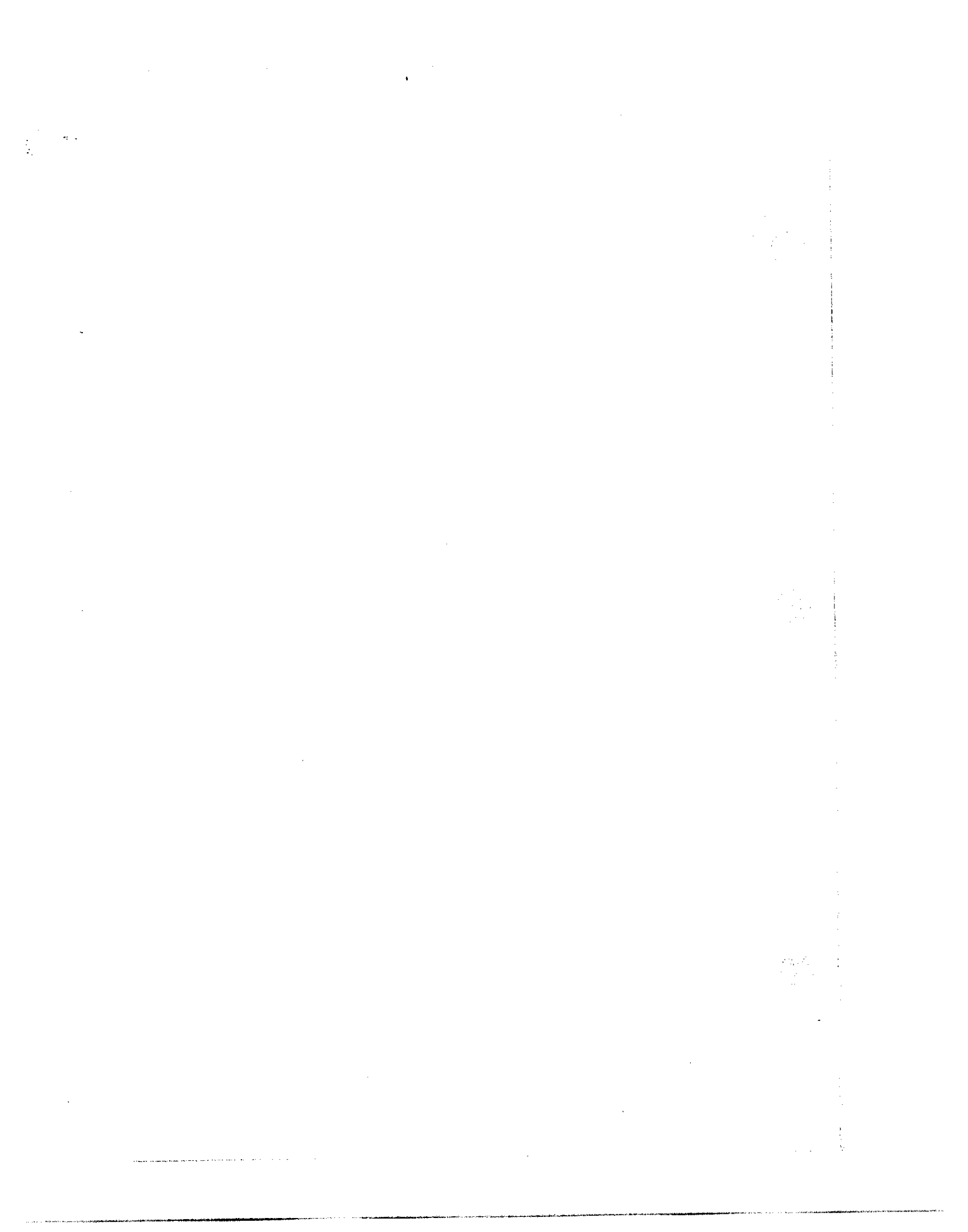
### **LAUNDRY**

The Company will continue, as in the past, to pay for laundering the following items of employees' wearing apparel soiled in connection with the operation or maintenance of the Green River Power Station:

Coveralls  
Overalls  
Overall Jackets  
Work Shirts  
Work Trousers

The Company will not be responsible for dry cleaning any employee's clothing nor will it be responsible for laundering other items of clothing, such as underwear, T-shirts, socks, caps, gloves, towels, etc., nor for any special service, such as clothing repairs, for which a special charge is made.

The Plant General Manager will arrange for the above service with a commercial laundry operating in the area in such a manner as will insure satisfactory quality at reasonable cost.



## **ARTICLE XXIX**

### **SAFETY AND HEALTH**

The Company will continue, as heretofore, to make reasonable provisions for the safety and health of its employees during the hours of their employment. The Company and Union will cooperate in the continuing objective to eliminate accidents and health hazards.

The Company and the Union agree to a Joint Health and Safety Advisory Committee for the purpose of reviewing, discussing and recommending new or revised safety and health rules and procedures. The Committee shall be chaired by the Manager, Health and Safety, and shall meet quarterly. This Committee shall consist of not more than two (2) members of the Union. The Union representatives who shall attend a particular meeting shall be made known to the Manager, Health and Safety not less than two (2) weeks prior to the date established for the meeting. At the same time, the Union shall notify the Company of the subjects it desires to address at the meeting.

The Company will continue its practice of paying for approved lens and safety frames for an employee which are ordered through, and pursuant to the terms of, the Company's safety spectacle program. Also (except for items such as safety shoes and long sleeved shirts which would replace an employee's normal clothing) protective devices, protective clothing and other equipment required to be worn by the Company safety rules, and all tools required to perform the Company's work, shall be provided by the Company without cost to the employee.



## **ARTICLE XXX**

### **CONFLICT WITH LAW**

In the event any provision of this Agreement is held to be in conflict with or in violation of any state or federal statute, rule, decision, or valid administrative rule or regulation, such statute, rule, decision, administrative rule or regulation shall control, but all of the provisions of this Agreement not in conflict therewith shall continue in full force and effect.





## **ARTICLE XXXI**

### **ENTIRE AGREEMENT**

This Agreement sets forth the entire understanding between the Company and the Union and represents the full and complete agreement between the parties on all bargainable issues for the duration hereof. Both the Company and the Union unqualifiedly waive, for the duration of this Agreement, any obligation on the part of the other to bargain collectively with respect to any subject or matter not expressly covered by this Agreement. Neither party intends to be bound or obligated except to the extent that it has expressly so agreed herein and this Agreement shall be strictly construed. This Agreement applies only to the Earlington Operations, Areas 1 (Parkway) and 2 (Green River) of Kentucky Utilities Company as described in Article II herein, and no employee covered by this Agreement shall have or be entitled to any rights, benefits or privileges in any other region, plant or operation of the Company (now existing or hereafter established). None of the benefits, rights or privileges afforded by this Agreement to the Union or any employee shall survive the expiration or termination of this Agreement.



## **ARTICLE XXXII**

### **TERMINATION**

This Agreement shall be in full force from August 1, 2000, without modification or addition for its duration to 12:01 A.M. August 1, 2002, unless amended by mutual agreement.

Thereafter, it shall continue in force until sixty (60) days subsequent to notification by certified or registered mail, return receipt requested, by either party to the other party, but in no case shall terminate prior to the date indicated above.

Notwithstanding the other provisions of this Article, the Company and the Union may reopen the Wage Scale, of this agreement for the purpose of negotiating wage rates to become effective August 1, 2001, provided that neither the Company nor the Union may require the other to negotiate concerning any term other than the wage rates to be effective August 1, 2001. This Agreement will be reopened for such purposes only if the Company or the Union actually delivers to the other, not later than July 1, 2001, written notice of intent to reopen. Failing receipt by the Company or the Union, on the date specified, or such written notice to reopen, this Agreement shall continue in full force and effect through August 1, 2002, and the wage rates in effect as of midnight July 31, 2001, shall continue in full force and effect for the duration of the Agreement. If this Agreement is reopened in accordance with the provisions of this paragraph, and the parties have not reached an agreement by midnight July 31, 2001, this Agreement shall be suspended and the Company and the Union shall have the same rights and obligations as they would have possessed had the Agreement expired, provided that neither the Company nor the Union may require the other to negotiate concerning any term other than the wage rates to be effective August 1, 2001.

**Official addresses for such notification are:**

**Company:**       **Manager Human Resources  
Kentucky Utilities Company  
500 Stone Road  
Lexington, Kentucky 40503**

**With copy to:**

**Manager, Earlington Operations  
Kentucky Utilities Company  
195 Hubert Reid Drive  
Earlington, Kentucky 42410**

**and**

**Plant General Manager  
Green River Power Station  
Kentucky Utilities Company  
P.O. Box 191  
Central City, Kentucky 42338**

**Union:**       **Sub-District Director  
District 8 United Steelworkers of America  
AFL-CIO-CLC  
200 High Rise Drive, Suite 144  
Louisville, Kentucky 40213**

**With a copy to Staff Representative servicing  
contract at that time.**

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized representative:

**For the Company:**



**KENTUCKY UTILITIES COMPANY  
EARLINGTON OPERATIONS,  
AREAS 1 (PARKWAY) AND 2 (GREEN RIVER)**

Joseph S. Moyers,  
Manager Human Resources

Ken Sheridan,  
Earlington Operations

C. Rice Eaves,  
General Manager Green River Station

**For the Union:**



**UNITED STEELWORKERS OF AMERICA  
AFL-CIO-CLC**

George F. Becker,  
International President

Leo W. Gerard,  
International Secretary-Treasurer

Richard H. Davis,  
Int. V.P. (Administration)

Leon Lynch,  
Int. V.P. (Human Affairs)

Ernest R. Thompson,  
Director, District 8



Frank D. Pittman,  
Sub-District Director

Joe Villines,  
Staff Representative

**Bob McRoy,  
Unit President, Local Union 9447-01**

**Jeff Brinkley,  
Committee**

**Gary Stallings,  
Committee**

**Dwight Swift,  
Committee**

**Joseph L. Groves,  
Committee**

**EXHIBIT A**

**WAGE RATES**

**HOURLY RATES CLASSIFICATIONS**

**EFFECTIVE JULY 29, 2001**

**BARGAINING UNIT EMPLOYEES**

**EARLINGTON OPERATIONS,  
AREAS 1 (PARKWAY) AND 2 (GREEN RIVER)  
INCLUDING GREEN RIVER GENERATING STATION**

**KENTUCKY UTILITIES COMPANY**

Whenever an employee is promoted to a classification having a higher starting rate, he shall receive the starting rate of the new classification or the next higher step in that classification which is at least ten cents (\$.10) per hour above the employee's rate prior to the promotion. Thereafter he shall progress as though he had already worked the period required by the preceding steps in his new classification.

Any new employee, upon producing evidence satisfactory to the Company of previous experience in the classification in which he is being employed, shall be given credit for such experience, except that he shall not start higher than the "After One Year" step and, in such event, shall receive the "After Two Years" step after one year's continuous employment. However, if after employment he demonstrates that he has knowledge, skill and ability equivalent to that of an employee who has had two years' experience in the classification, he shall receive the "After Two Years" step beginning with the first payroll period commencing after sixty (60) days of employment.

Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or record of material used by crews, shall, in addition to his regular wage, receive \$15.00 per month during the first year he is so designated, \$20.00 per month during the second year, and \$30.00 per month thereafter as compensation for the satisfactory performance of these duties.



**Any employee, other than a supervisor, who is designated by the Company to operate winch truck used by crews shall receive six cents (\$.06) per hour in addition to his regular wage.**

**Any employee, other than a supervisor, who is designated by the Company to keep time of crews and/or records of material used by crews, and who shall also be designated by Company to operate winch truck used by crews, shall be paid both the monthly and hourly premiums set out in the two preceding paragraphs in addition to his regular wage.**

## WAGE SCALE

Classification	First Year in Classification	After One Year in Classification	After Two Years in Classification
Laborer - Skilled	\$21.87	\$23.07	\$24.51
Laborer - Semi-Skilled	\$18.53	\$19.32	\$20.63
Laborer - General	\$13.37	\$14.27	\$15.20
Line Technician A	\$21.87	\$23.07	\$24.51
Line Technician B	\$18.53	\$19.32	\$20.63
Line Technician C	\$16.16	\$17.14	\$18.44
Meter Technician A	\$21.87	\$23.07	\$24.51
Meter Technician B	\$19.43	\$20.34	\$21.38
Meter Reader (Note 6)	\$18.53	\$19.32	\$20.63
Patroller	\$19.43	\$20.34	\$21.38
Service Technician A	\$21.87	\$23.07	\$24.51
Service Technician B	\$18.53	\$19.32	\$20.63
Service Technician C	\$16.16	\$17.14	\$18.44
Auxiliary Operator	\$21.01	\$21.87	\$22.67
Coal Equipment Operator	\$21.57	\$22.81	\$24.18
Ass't Coal Yard Supervisor (Note 1)	\$25.48	\$25.48	\$25.48
Maintenance Technician A	\$21.87	\$23.07	\$24.51

<b>Classification</b>	<b>First Year in Classification</b>	<b>After One Year in Classification</b>	<b>After Two Years in Classification</b>
Maintenance Technician B	\$20.83	\$21.12	\$21.39
Maintenance Technician C	\$18.53	\$19.32	\$20.63
Lead Mechanic or Lead Electrician (Note 2)	\$24.85	\$25.24	\$25.67
Unit Operator	\$24.58	\$25.04	\$25.48
Unit Operator Assistant	\$22.81	\$23.40	\$24.51
Trainee A (Note 4)	\$16.64	\$16.64	\$16.64
Trainee B (Note 3)	\$15.63	\$15.63	\$15.63
Lead Line Technician (Note 5)	\$24.96	\$24.96	\$24.96
Substation Technician A	\$21.87	\$23.07	\$24.51
Substation Technician B	\$18.53	\$19.32	\$20.63

**Note 1** Applicable only to the supervisor of a coal unloading crew working a shift other than a shift supervised by a Coal Yard Supervisor.

**Note 2** Applicable, upon Plant General Manager's recommendation, to not more than one employee in a crew of 3 or more which is normally supervised by a Chief Electrician, Chief Mechanic or Assistant Superintendent. Employees in this classification will be expected to supervise the crew, or any subdivision of it, in the absence of the regular supervisor.

**Note 3** Applicable to employees who have been selected for and are in training for Line Technician or Service Technician C only. A trainee in this category will be assigned to the classification for which he is in training at the end of

six (6) months, if he is then qualified, or, if not, as soon thereafter as he becomes qualified.

**Note 4 Region:** Applicable to employees who have been selected for and are in training for Meter Reader, Semi-Skilled Laborer, Substation Technician B or any other classification having a first year hourly rate in excess of the Trainee A hourly rate. A trainee in this category will be assigned to the classification for which he is training at the end of the six (6) months, if he is then qualified, or, if not, as soon thereafter as he becomes qualified.

**Green River Generating Station:** Trainee A classification may, at the discretion of management, be utilized to prepare employees for possible future advancement opportunities as Maintenance Technician C or Auxiliary Operator positions. Trainee A classification to be filled by employees with generating station experience only. Once promoted into a Trainee A position, employees shall be ineligible for pay at a higher rate of pay under 15.1, Temporary Assignments ("step-up" pay) in recognition that assignments of such higher level responsibilities are a normal part of the Trainee A responsibilities, in addition to other duties they may be assigned. Trainee A incumbents are promoted only when higher level positions are posted and filled and the Trainee A is the successful bidder under Article XV.

**Note 5** Applicable in overhead line construction crews normally consisting of 6 or more, including the Supervisor, in which supervision by other than Supervisor is frequently required.

**Note 6** Employees or new hires entering the Meter Reader classification on or after August 1, 2000 will be paid the Laborer-General wage scale.





**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 50**

**Responding Witnesses: Paula H. Pottinger, Ph.D./Valerie L. Scott**

Q-50. Provide a detailed analysis of all benefits provided to the employees of KU. For each benefit include:

- a. The number of employees covered at test-year end.
- b. The test-year actual cost.
- c. The amount of test-year actual costs capitalized and expensed.
- d. The average annual cost per employee.

- A-50.
- a. See attached.
  - b. See attached.
  - c. See attached.
  - d. See attached.

**Kentucky Utilities Company**

Q50 - a. The number of employees at test-year end was 943 (1)

Q50 - b. c. d.	Capitalized (2)	Expensed (2)	Total Cost (2)	Cost Per Employee (2)	# of Employees (1)
Pension	1,610,453.57	2,783,325.69	4,393,779.26	4,659.36	943
Post Retirement Benefits - FAS 106	3,174,303.88	5,755,801.05	8,930,104.93	9,469.89	943
Medical	2,149,187.09	4,462,865.40	6,612,052.49	7,011.72	943
Life Insurance	150,751.42	177,522.53	328,273.95	348.12	943
Dental	178,176.19	343,245.85	521,422.04	552.94	943
401(k)	485,635.59	1,035,649.00	1,521,284.59	1,613.24	943
Total	\$ 7,748,507.74	\$ 14,558,409.52	\$ 22,306,917.26	\$ 23,655.27	

(1) This is the number of employees at test-year end. The costs are created by the participants in each plan. Participant count may vary from employee count. For example, not all employees have elected to participate in the Medical Plan because it requires an employee premium contribution, whereas all employees participate in Life Insurance because it is automatically provided to all employees with the full premium paid by the Company.

(2) This cost is for the KU participants only. There is also cost charged to KU from Servco that is not included in this calculation.





**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 51**

**Responding Witness: Paul W. Thompson**

Q-51. Provide a list of generation units completed or under construction during the test year. This list should include the capacity, actual cost at test-year end and/or estimated total cost, type of fuel to be utilized, and the in-service or estimated completion date for each unit.

A-51. No new units were completed during the test year. The following pertains to the four units currently under construction, as authorized in Case No. 2003-00381.

<u>Unit</u>	<u>Ownership Percentage</u>		<u>Fuel Type</u>	<u>Expected Net Capability (Summer-MW)</u>	<u>Actual</u>	<u>Anticipated Completion Date</u>	<u>Estimated</u>
	<u>KU</u>	<u>LGE</u>			<u>Cost as of 9/30/2003 (\$000)</u>		<u>Cost at Completion (\$000)</u>
Trimble County 7	63%	37%	Natural Gas	152	\$ 42,971	April, 2004	\$ 54,591
Trimble County 8	63%	37%	Natural Gas	152	\$ 42,957	April, 2004	\$ 54,591
Trimble County 9	63%	37%	Natural Gas	152	\$ 42,953	June, 2004	\$ 54,591
Trimble County 10	63%	37%	Natural Gas	152	\$ 42,954	June, 2004	\$ 54,591
GSM/Switching equipment	63%	37%			<u>\$ 2,262</u>		<u>\$ 9,028</u>
					\$ 174,097		\$ 227,391
					KU Cost share	\$ 109,804	\$ 143,256
					LG&E Cost share	\$ 64,293	\$ 84,135



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 52**

**Responding Witness: Paul W. Thompson**

Q-52. Provide an annualization of the operation of any generating units declared commercial during the test year using KU's estimate of the annual cost of operation of these units.

A-52. KU did not declare any new units as commercial during the test year.



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 53**

**Responding Witness: Valerie L. Scott**

Q-53. Provide complete details of the financial reporting and rate-making treatment of KU's pension costs.

A-53. The financial accounting and reporting of pension costs for KU are as follows: KU's pension costs for the year are determined by Mercer Human Resource Consulting, an actuarial firm, and follows the requirements of Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions". In addition to Mercer's calculation, pension costs include the payment to Pension Benefit Guaranty Corp. These costs are applied to all labor charged during the year to distribute the costs between capital and operating expenses.

For rate-making a pro forma adjustment is made to annualize the pension expenses for the test period. The adjustment is the difference in the net periodic cost calculated by Mercer for 2003 and the amount included in the test period. Please see Rives Exhibit 1, Reference Schedule 1.13, Volume 4 of 6 of KU's Application filed in the case on December 29, 2003.



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 54**

**Responding Witness: Valerie L. Scott**

- Q-54. Provide complete details of KU's financial reporting and rate-making treatment of Statement of Financial Accounting Standard ("SFAS") No. 106, including:
- a. The date that KU adopted SFAS No. 106.
  - b. All accounting entries made at the date of adoption.
  - c. All actuarial studies and other documents used to determine the level of SFAS No. 106 cost recorded by KU.
- A-54. The financial accounting and reporting of post retirement medical benefits for KU are as follows: KU's post retirement medical benefits for the year are determined by Mercer Human Resource Consulting, an actuarial firm, and follows the requirements of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Post Retirement Benefits Other Than Pensions". These costs are applied to all labor charged during the year to distribute the costs between capital and operating expenses.

For rate-making a pro forma adjustment is made to annualize the post retirement medical benefits expenses for the test period. The adjustment is the difference in the net periodic cost calculated by Mercer for 2003 and the amount included in the test period.

- a. KU adopted SFAS No. 106 effective January 1, 1993.
- b. At the date of adoption, KU debited Post Retirement Medical Expenses \$998,528 and Deferred Regulatory Assets for \$86,613 and credited Other Deferred Liabilities for \$1,085,141. KU currently expenses SFAS No. 106 amounts.
- c. See attached schedule from Mercer for SFAS No. 106 costs. Proprietary information not responsive to the question has been redacted.



**LG&E Energy LLC FAS132 Disclosure for Fiscal Year Ending December 31, 2003**  
for Postretirement Benefit Plans

Redacted

	2003		2002	
	LG&E	Service	LPI	WKE
			Total	Grand Total
<b>Change in benefit obligation</b>				
Benefit obligation at 11/30/2002	\$ 93,232,867	\$ 11,618,634	\$	\$ 104,851,501
Service cost	604,285	867,589		805,736
Interest cost	6,871,592	816,680		6,312,823
Plan amendments	7,380,474	42,603		
Acquisitions/divestitures	-	-		
Exchange rate changes	-	-		
Curialment (gain) or loss	-	-		
Settlement (gain) or loss	-	-		
Special termination benefits	(9,313,433)	(376,587)		(7,329,244)
Benefits paid net of retiree contributions	-	-		
Settlement payments	-	-		
Actuarial (gain) or loss	9,254,099	1,433,789		1,371,822
Benefit obligation at 12/31/2003	\$ 108,029,884	\$ 14,392,738	\$	\$ 105,762,878
<b>Change in plan assets</b>				
Fair value of plan assets at 11/30/2002	\$ 1,477,895	\$ 179,881	\$	\$ 7,942,740
Adjustment for transfers	-	-		
Actual return on plan assets	2,076,521	(375,873)		(774,587)
Acquisitions/divestitures	-	-		
Employer contributions	6,401,139	809,171		5,505,818
Benefits paid net of retiree contributions	(9,313,433)	(376,587)		(7,329,244)
Settlement payments	-	-		
Administrative expenses	31,904	5,494		34,305
Exchange rate changes	-	-		
Fair value of plan assets at 12/31/2003	\$ 874,056	\$ 42,108	\$	\$ 5,378,032
<b>Reconciliation of funded status</b>				
Funded status				
Unrecognized actuarial (gain) or loss	\$ (107,355,828)	\$ (14,350,632)	\$	\$ (100,383,846)
Unrecognized transition (asset) or obligation	23,723,964	5,747,383		24,012,951
Unrecognized prior service cost	6,028,975	985,826		10,088,368
Net amount recognized at 12/31/2003	\$ (68,123,385)	\$ (7,138,574)	\$	\$ (64,140,389)
<b>Amounts recognized in the statement of financial position consist of:</b>				
Prepaid benefit cost	\$ (66,123,395)	\$ (7,138,574)	\$	\$ (64,140,389)
Accrued benefit liability	N/A	N/A		N/A
Intangible asset	N/A	N/A		N/A
Accumulated other comprehensive income	\$ (66,123,395)	\$ (7,138,574)	\$	\$ (64,140,389)
<b>Prepaid (Accrued) benefit cost at 12/31/2002</b>				
Net periodic postretirement benefit cost	\$ (62,092,103)	\$ (5,669,010)	\$	\$ (59,892,049)
Employer contributions	10,366,381	2,081,735		9,754,158
January 1 to December 31	6,337,089	609,171		5,505,818
Transfers within plan	-	-		
FAS 88 changes	-	-		
Prepaid (Accrued) benefit cost at 12/31/2003	\$ (66,123,395)	\$ (7,138,574)	\$	\$ (64,140,389)

Redacted

Redacted



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 55**

**Responding Witness: Valerie L. Scott**

Q-55. Provide complete details of KU's financial reporting and rate-making treatment of SFAS No. 112, including:

- a. The date that KU adopted SFAS No. 112.
- b. All accounting entries made at the date of adoption.
- c. All actuarial studies and other documents used to determine the level of SFAS No. 112 cost recorded by KU.

A-55. The financial accounting and reporting of post employment benefits for KU are as follows:

KU's post employment benefits for the year are determined by Mercer Human Resource Consulting, an actuarial firm, and follows the requirements of Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits". These costs are applied to all labor charged during the year to distribute the costs between capital and operating expense.

For rate-making no pro forma adjustment is made.

- a. KU adopted SFAS No. 112 in December 1993.
- b. At the date of adoption, KU debited Post Employment Benefits Expense for \$1,394,396 and credited Accumulated Provision for Pension & Benefits for the same amount.
- c. See attached. Proprietary information not responsive to the question has been redacted.

**MERCER**

Human Resource Consulting

462 South Fourth Street, Suite 1500

Louisville, KY 40202-3415

502 561 4500 Fax 502 561 4747

www.mercerHR.com

January 5, 2004

Mr. Scott Williams  
 LG&E Energy Corp.  
 220 West Main Street  
 Louisville, KY 40232

**Confidential**

Subject:

**FAS 112 Liability on December 31, 2003**

Dear Scott:

The FAS 112 liability as of December 31, 2003 for post employment benefits for disabled employees of LG&E Energy Corp., based on the final discount rate of 6.25%, is \$ *Redacted*. Costs by division are shown below:

<b>Division</b>	<b>Liability</b>
LG&E	\$ 2,747,237
Kentucky Utilities	5,454,349
ServCo	479,651
LPI/S	<i>Redacted</i>
WKE	<i>Redacted</i>
Total	\$ <i>Redacted</i>

The FAS 112 liability includes the actuarial present value of medical benefits for each disabled employee and their dependents until the disabled's age 65, when the FAS 112 benefit terminates (benefits beyond age 65 are accounted for under FAS 106). It also includes the actuarial present value of continued life insurance for disabled employees of Kentucky Utilities, ServCo and WKE.

The present value was developed using generally accepted actuarial valuation techniques and reasonable assumptions with regard to disabled and non-disabled (dependent) mortality. To reflect the probability of recovery from disability and return to active work, we developed an adjustment factor of 90.20 percent from standard actuarial recovery tables and multiplied it by the present values that were calculated assuming no recovery. Census data as of January 1, 2003 was provided by LG&E. We have not performed an audit of this data.

# MERCER

Human Resource Consulting

Page 2

January 5, 2004

Mr. Scott Williams

LG&E Energy Corp.

In developing claims costs for the December 31, 2003 valuation, we assumed disabled employees generated claims similar to male retirees age 65 prior to Medicare offset. We made this assumption since we expect claims costs for disabled individuals to be significantly higher than for healthy individuals, but we do not have specific disabled claims data.

Certain disabled individuals were identified as ineligible for Medicare benefits with no expectation that they will become Medicare eligible. We have assumed that these individuals' status will not change. For all other disabled individuals we have assumed that after two years of disability Medicare will be primary in the medical plan and will reduce the company's cost by 65%. All other assumptions follow the assumptions used in the FAS 106 valuation for January 1, 2003, with the exception of the discount rate and medical trend rates, which were updated to reflect the measurement date of December 31, 2003.

If you have any questions or need any additional information please call me at 502 561 4622.

Sincerely,



Marcie S. Gunnell, ASA, MAAA

Copy:

Lastacia Dalton, Henry Erk, Patrick Baker



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 56**

**Responding Witness: Valerie L. Scott**

- Q-56. Provide complete details of KU's financial reporting and rate-making treatment of SFAS No. 143, including:
- a. The date that KU adopted SFAS No. 143.
  - b. All accounting entries made at the date of adoption.
  - c. All studies and other documents used to determine the level of SFAS No. 143 cost recorded by KU.
  - d. A schedule comparing the depreciation rates utilized by KU prior to and after the adoption of SFAS No. 143. The schedule should identify the assets corresponding to the affected depreciation rates.
- A-56.
- a. KU adopted SFAS No. 143 as of January 1, 2003.
  - b. See attached. for accounting entries made to adopt SFAS No. 143.
  - c. Due to their voluminous nature, the documents used to determine the level of SFAS No. 143 cost recorded by KU are provided separately in Volume 4 of 4 of this filing. Please note that information protected from disclosure by the attorney-client privilege has been redacted.
  - d. See attached for a schedule comparing the depreciation rates utilized by KU prior to and after the adoption of SFAS No. 143. For underlying assets Kentucky Utilities Company utilized the depreciation rates approved by the Commission in Case No. 2001-140 both prior to and after the adoption of SFAS No 143. For ARO assets set up pursuant to SFAS No. 143, Kentucky Utilities Company utilized the rates approved by the Commission in Case No. 2001-140 excluding the net salvage component.

**Kentucky Utilities Company  
ARO Journal Entries Required at Implementation**

ENTRY	DESCRIPTION	(\$000's)	
		DEBIT	CREDIT
#1	Long Lived Assets - ARO - BS Accounts 317, 347 or 359.1 ARO Liability - BS Account 230  <i>To record the initial present value of ARO asset and liability</i>	8,608	8,608
#2	Cumulative Effect Adjustment - IS Account 435 Accumulated Depreciation of ARO Asset - BS Account 108  <i>To record accumulated depreciation on ARO assets</i>	1,536	1,536
#3	Cumulative Effect Adjustment - IS Account 435 ARO Liability - BS Account 230  <i>To record accumulated accretion on ARO liability</i>	9,869	9,869
#4	Accumulated Deprecation- BS Account 108 Regulatory Liability - BS Account 254 Cumulative Effect Adjustment - IS Account 435  <i>To reclassify existing Cost of Removal</i>	2,388	910 1,478
#5	Regulatory Assets - BS Account 182.3 Regulatory Credits - IS Account 407  <i>Because ARO costs qualify for SFAS 71 treatment the cumulative affect adjustments are offset by a credit to Other Regulatory Credits (Account 407) and a debit to Regulatory Assets (Account 182.3)</i>	9,926	9,926



Kentucky Utilities Company  
Depreciation Rates Utilized Subsequent to the Adoption of SFAS No. 143

Facility Name	Asset #	Asset Description	Pre SFAS 143 Depreciation Rate	Post SFAS 143 Depreciation Rate
BROWN CT TRANSMISSION SUBSTATION	114313AROP	GSU 130MVA XFRM 3P.G0053	2.21%	2.21%
BROWN CT TRANSMISSION SUBSTATION	123128AROP	GSU 130 MVA XFMR G0054, 145-13 KV, 3P	2.21%	2.21%
BROWN CT TRANSMISSION SUBSTATION	137939AROP	GSU TRANSF. 130MVA,13.8KV,3P,ABB,S/N:LNM59612	2.21%	2.21%
BROWN CT TRANSMISSION SUBSTATION	137940AROP	GSU TRANSF. 130MVA,13.8KV,3P,ABB,S/N:LNM59611	2.21%	2.21%
BROWN CT TRANSMISSION SUBSTATION	142246AROP	GSU POWER TRANSFORMER- CT 6	2.21%	2.21%
BROWN CT TRANSMISSION SUBSTATION	142247AROP	GSU POWER TRANSFORMER - CT 7	2.21%	2.21%
BROWN NORTH TRANSMISSION SUBSTATION	062433AROP	GSU MCGRAW EDISON 450 MVA 30 POWER TRANSFORMER	2.21%	2.21%
BROWN PLANT TRANSMISSION SUBSTATION	058941AROP	GSU WEST TRANSFORMER, MAIN POWER, 120000 KVA, 30 13800	2.21%	2.21%
BROWN PLANT TRANSMISSION SUBSTATION	059009AROP	GSU GE TRANSFORMER, FDA-T-60 1850,000KVA-138,000KVA	2.21%	2.21%
E W BROWN CT UNIT 11	PIP2BRAROC	AROC - CT FUEL OIL PIPING	0.00%	3.55%
E W BROWN CT UNIT 9	114355AROC	AROC - CT9 FUEL OIL TANKS	0.00%	3.39%
E W BROWN CT UNIT 9	114355AROP	FUEL TANK/BERM&LINER	3.39%	3.39%
E W BROWN STEAM UNIT 1	101524AROC	AROC - BR 1 COAL STORAGE	0.00%	2.25%
E W BROWN STEAM UNIT 1	101524AROP	COAL STORAGE	2.90%	2.90%
E W BROWN STEAM UNIT 1	114424AROC	AROC - ASH POND	0.00%	2.25%
E W BROWN STEAM UNIT 1	114424AROP	ASH POND	2.90%	2.90%
E W BROWN STEAM UNIT 1	COALBRAROC	AROC - COAL PILE RETENTION POND	0.00%	2.25%
E W BROWN STEAM UNIT 3	102462AROC	AROC - BR 3 FUEL OIL TANKS	0.00%	2.25%
E W BROWN STEAM UNIT 3	102462AROP	FUEL OIL STORAGE TANK	0.00%	3.39%
E W BROWN STEAM UNIT 3	132682AROC	AROC - BR3 SEWAGE TREATMENT PLANT	3.91%	3.91%
E W BROWN STEAM UNIT 3	132682AROP	SEPTIC TANK	0.00%	3.39%
E W BROWN STEAM UNIT 3	1763547AROP	GSU CT5 TRANSFORMER	3.91%	3.91%
E W BROWN STEAM UNIT 3	PIPBAROC	AROC - STATION FUEL OIL PIPING	2.21%	2.21%
E W BROWN STEAM UNIT 3	RADBRAROC	AROC - RADIATION SOURCES	0.00%	3.39%
GHEHT PLANT TRANSMISSION SUBSTATION	063991AROC	AROC - GH4 GSU TRANSFORMER	0.00%	1.90%
GHEHT PLANT TRANSMISSION SUBSTATION	063991AROP	GSU MAIN POWER TRANSFORMER	2.21%	2.21%
GHEHT PLANT TRANSMISSION SUBSTATION	064114AROC	AROC - GH1 GSU TRANSFORMER	0.00%	1.90%
GHEHT PLANT TRANSMISSION SUBSTATION	064114AROP	GSU MAIN POWER TRANSF. COMPLETE W/ACCESS, 550MVA,30.	2.21%	2.21%
GHEHT PLANT TRANSMISSION SUBSTATION	064115AROC	AROC - GH2 GSU TRANSFORMER	0.00%	1.90%
GHEHT PLANT TRANSMISSION SUBSTATION	064115AROP	GSU MAIN POWER TRANSF 540MVA	2.21%	2.21%
GHEHT PLANT TRANSMISSION SUBSTATION	1732720AROC	AROC - GH SPARE GSU TRANSFORMER	0.00%	1.90%
GHEHT PLANT TRANSMISSION SUBSTATION	1732720AROP	GSU 145/18KV 600 MVA TRANSFORMER SPARE	2.21%	2.21%
GHEHT PLANT TRANSMISSION SUBSTATION	1732740AROC	AROC - GH3 GSU TRANSFORMER	0.00%	1.90%
GHEHT PLANT TRANSMISSION SUBSTATION	1732740AROP	GSU 345/21KV 605 MVA TRANSFORMER GHENT 3	2.21%	2.21%
GHEHT UNIT 1	104329AROC	AROC - COAL STORAGE	0.00%	2.82%
GHEHT UNIT 1	104329AROP	ADDITION TO COAL YARD BASE	3.12%	3.12%
GHEHT UNIT 1	104352AROC	AROC - SEWAGE TREATMENT PLANT	0.00%	2.82%
GHEHT UNIT 1	104352AROP	SEWER SYSTEM AND SEWAGE TREATING PLANT	3.12%	3.12%
GHEHT UNIT 1	104400AROC	AROC - UG TANK COAL YARD	0.00%	2.82%
GHEHT UNIT 1	104400AROP	100,000 GAL. OIL TANK, COMPLETE	3.12%	3.12%
GHEHT UNIT 1 SCRUBBER	133299AROC	AROC - GYPSUM STACK	0.00%	5.11%
GHEHT UNIT 1 SCRUBBER	133299AROP	GYPSUM STACK DECANT STRUCTURE	5.67%	5.67%
GHEHT UNIT 2	104973AROC	AROC - STATION FUEL OIL PIPING	0.00%	1.49%
GHEHT UNIT 2	104973AROP	FUEL OIL PIPING	1.84%	1.84%
GHEHT UNIT 4	105544AROC	AROC - CHEMICAL TANKS GH4	0.00%	1.93%
GHEHT UNIT 4	105544AROP	CHEMICAL FEED TANK	2.16%	2.16%
GHEHT UNIT 4	133391AROC	AROC - ASH POND GH4	0.00%	1.93%
GHEHT UNIT 4	133391AROP	ASH POND (WET OR DRY)	2.16%	2.16%
GHEHT UNIT 4	RADGHAROC	AROC - RADIATION SOURCES	0.00%	1.93%
GREEN RIVER PLANT TRANSMISSION SUBST	045084AROC	AROC - GR3 GSU TRANSFORMER	0.00%	1.90%
GREEN RIVER PLANT TRANSMISSION SUBST	045084AROP	GSU G.E. POWER TRANSFORMER 480000/640000/60000 KVA 30	2.21%	2.21%

Kentucky Utilities Company  
Depreciation Rates Utilized Subsequent to the Adoption of SFAS No. 143

Facility Name	Asset #	Asset Description	Pre SFAS 143 Depreciation Rate	Post SFAS 143 Depreciation Rate
GREEN RIVER PLANT TRANSMISSION SUBST 045085AROC		AROC - GSU SPARE TRANSFORMER	0.00%	1.90%
GREEN RIVER PLANT TRANSMISSION SUBST 045085AROP		GSU G.E. TYPE OAF/FA-T AUTO TRANSFORMER 60000/80000/	2.21%	2.21%
GREEN RIVER PLANT TRANSMISSION SUBST 045207AROC		AROC - G1-2 GSU TRANSFORMER	0.00%	1.90%
GREEN RIVER PLANT TRANSMISSION SUBST 045207AROP		GSU TRANSF. 12500KVA,69000/13200KV, TYPE H-60,W91,2,3.	2.21%	2.21%
GREEN RIVER PLANT TRANSMISSION SUBST 045281AROC		AROC - GR4 GSU TRANSFORMER	0.00%	1.90%
GREEN RIVER PLANT TRANSMISSION SUBST 045281AROP		GSU 3 OHM TRANSFORMER 120/134.4MVA	2.21%	2.21%
GREEN RIVER UNIT 4	103939AROC	AROC - OIL STORAGE TANKS	0.00%	2.32%
GREEN RIVER UNIT 4	103939AROP	500,000 GALLON TANK	3.10%	3.10%
GREEN RIVER UNIT 4	132623AROC	AROC - SEWAGE TREATMENT PLANT	0.00%	2.32%
GREEN RIVER UNIT 4	132623AROP	SEWAGE LIFT STATION PUMP AND M	3.10%	3.10%
GREEN RIVER UNIT 4	HAZGRAROC	AROC - HAZARDOUS MATERIAL TANK	0.00%	2.32%
GREEN RIVER UNIT 4	MERCGRAROC	AROC - MERCURY SOURCES	0.00%	2.32%
GREEN RIVER UNIT 4	NUCGRAROC	AROC - NUCLEAR SOURCE	0.00%	2.32%
GREEN RIVER UNITS 1 & 2	102983AROC	AROC - ASH POND	1.71%	0.89%
GREEN RIVER UNITS 1 & 2	102983AROP	SLUDGE POND FOR S02 SCRUBBER	0.00%	1.71%
GREEN RIVER UNITS 1 & 2	103022AROC	AROC - COAL STORAGE	0.00%	0.89%
GREEN RIVER UNITS 1 & 2	103022AROP	DRAINAGE SYSTEM AROUND COAL YARD	1.71%	1.71%
GREEN RIVER UNITS 1 & 2	103234AROC	AROC - LIMESTONE SILO	0.00%	0.89%
GREEN RIVER UNITS 1 & 2	103234AROP	500 TON LIME STORAGE BIN	1.71%	1.71%
GREEN RIVER UNITS 1 & 2	1706389AROC	AROC - UNDERGROUND TANKS 1 & 2	0.00%	0.89%
GREEN RIVER UNITS 1 & 2	1706389AROP	CAUSTIC STORAGE TANK	1.71%	1.71%
SYSTEM LABORATORY	LABBRAROC	AROC - LAB	0.00%	4.22%
TYRONE PLANT TRANSMISSION SUBSTATION 051476AROP		GSU TRANSFORMER, 12,500KVA, 39830/69000Y T106	2.21%	2.21%
TYRONE PLANT TRANSMISSION SUBSTATION 051477AROP		GSU TRANSFORMER, 12,500KVA, 39830/69000Y T107	2.21%	2.21%
TYRONE PLANT TRANSMISSION SUBSTATION 051478AROP		GSU TRANSFORMER, 12,500KVA, 39830/69000Y T109	2.21%	2.21%
TYRONE PLANT TRANSMISSION SUBSTATION 051480AROP		GSU TRANSFORMER, 12,500KVA, 39830/69000Y B-99	2.21%	2.21%
TYRONE PLANT TRANSMISSION SUBSTATION 051481AROP		GSU TRANSFORMER, 12,500KVA, 39830/69000Y B-100	2.21%	2.21%
TYRONE PLANT TRANSMISSION SUBSTATION 051482AROP		GSU TRANSFORMER, 12,500KVA, 39830/69000Y B-101	2.21%	2.21%
TYRONE PLANT TRANSMISSION SUBSTATION 051486AROP		GSU TRANSFORMER, G.E. 80000KVA 13200 69000Y/OLTS #G-2	2.21%	2.21%
TYRONE PLANT TRANSMISSION SUBSTATION 051487AROP		GSU TRANSFORMER, G.E. 6,250 KVA 69000Y/24000	2.21%	2.21%
TYRONE UNIT 3	101197AROC	AROC - COAL STORAGE	0.00%	1.03%
TYRONE UNIT 3	101197AROP	COAL STORAGE AREA	2.13%	2.13%
TYRONE UNIT 3	101251AROC	AROC - SEWAGE TREATMENT PLANT	0.00%	1.03%
TYRONE UNIT 3	101251AROP	SEWAGE TREATMENT PLANT	2.13%	2.13%
TYRONE UNIT 3	101281AROC	AROC - ASH POND	0.00%	1.03%
TYRONE UNIT 3	101281AROP	ASH BASIN LINE	2.13%	2.13%
TYRONE UNIT 3	101358AROC	AROC - SVC WATER PUMP STATION	0.00%	1.03%
TYRONE UNIT 3	101358AROP	WESTINGHOUSE CIRCULATING WATER PUMPS, VERTICAL FLO	2.13%	2.13%
TYRONE UNIT 3	122567AROC	FUEL OIL STORAGE TANK-550 GALL	0.00%	1.03%
TYRONE UNIT 3	122567AROP	AROC - FUEL OIL TANKS	2.13%	2.13%
TYRONE UNIT 3	MERCYAROC	AROC - MERCURY SOURCES	0.00%	1.03%
TYRONE UNIT 3	PIFTYAROC	AROC - STATION FUEL OIL PIPING	0.00%	1.03%
TYRONE UNITS 1 & 2	100858AROC	AROC - FUEL OIL TANKS UNIT 1	0.00%	1.03%
TYRONE UNITS 1 & 2	100858AROP	14000 GAL FUEL OIL TANK	2.13%	2.13%



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 57**

**Responding Witness: Valerie L. Scott**

Q-57 Provide the following information concerning the costs for the preparation of this case:

- a. A detailed schedule of expenses incurred to date for the following categories:
  - (1) Accounting;
  - (2) Engineering;
  - (3) Legal;
  - (4) Consultants; and
  - (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation that support charges incurred in the preparation of this rate case. Indicate any costs incurred for this case that occurred during the test year.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.
- c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

A-57. a.(1-5)

See attached. Please note that information protected from disclosure by the attorney-client privilege and for work product doctrine has been redacted.

b. See attached.

c. The Company will provide the monthly updates as requested.

KENTUCKY UTILITIES COMPANY

CASE NO. 2003-00434

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated December 19, 2003

Question No. 57a

Responding Witness: Valerie L. Scott

Wire # / Journal # /	Account	Date	Check #	Vendor #	Vendor Name	Amount	Description	Hours	Rate/Hr
0110.105.018570.026900.186023.0321.0000		16-Jul-03	46268	16680	OGDEN NEWELL AND WELCH	12,493.50	KU Electric rate case preparation	54.32	230.00
0110.105.018570.026900.186023.0321.0000		15-Sep-03	48681	16680	OGDEN NEWELL AND WELCH	5,124.46	KU Electric rate case preparation	22.28	230.00
0110.105.018570.026900.186023.0321.0000		23-Sep-03	48681	16680	OGDEN NEWELL AND WELCH	1,410.75	KU Electric rate case preparation	6.13	230.00
0110.105.018570.026900.186023.0321.0000		19-Nov-03	50331	16680	OGDEN NEWELL AND WELCH	2,515.75	KU Electric rate case preparation	10.94	230.00
0110.105.018570.026900.186023.0321.0000		02-Dec-03	50407	16680	OGDEN NEWELL AND WELCH	10,148.50	KU Electric rate case preparation	43.19	235.00
0110.105.018570.026900.186023.0321.0000		08-Dec-03	50407	16680	OGDEN NEWELL AND WELCH	34,864.10	KU Electric rate case preparation	148.36	235.00
					<b>TOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC</b>	<b>66,557.06</b>			
0110.105.018570.021440.186023.0305.0000		04-Nov-03	48964	53957	EDGEWOOD CONSULTING INC	10,659.59	Rate-of-return studies for KU Electric rate case	47.38	225.00
0110.105.018570.021440.186023.0305.0000		05-Dec-03	49783	53957	EDGEWOOD CONSULTING INC	4,785.49	Rate-of-return studies for KU Electric rate case	21.27	225.00
0110.105.018570.021440.186023.0305.0000		03-Jul-03	45428	36895	MANAGEMENT APPLICATIONS CONSULTING INC	630.00	Paul Normand - KU Electric rate case loss studies	3.94	160.00
0110.105.018570.021440.186023.0305.0000		01-Aug-03	46916	36895	MANAGEMENT APPLICATIONS CONSULTING INC	1,092.00	Paul Normand - KU Electric rate case loss studies	6.83	160.00
0110.105.018570.021440.186023.0305.0000		03-Oct-03	48137	36895	MANAGEMENT APPLICATIONS CONSULTING INC	1,386.00	Paul Normand - KU Electric rate case loss studies	8.66	160.00
0110.105.018570.021440.186023.0305.0000		07-Nov-03	48926	36895	MANAGEMENT APPLICATIONS CONSULTING INC	7,182.00	Paul Normand - KU Electric rate case loss studies	44.89	160.00
0110.105.018570.021440.186023.0305.0000		05-Dec-03	50533	36895	MANAGEMENT APPLICATIONS CONSULTING INC	5,502.00	Paul Normand - KU Electric rate case loss studies	34.39	160.00
0110.105.018570.021440.186023.0305.0000		09-Jul-03	45339	40674	THE PRIME GROUP LLC	4,633.33	Steve Seelye - KU Electric rate case cost of service study	23.17	200.00
0110.105.018570.021440.186023.0305.0000		05-Aug-03	45687	40674	THE PRIME GROUP LLC	14,516.66	Randall Walker - KU Electric rate case cost of service study	96.78	150.00
0110.105.018570.021440.186023.0305.0000		04-Sep-03	46575	40674	THE PRIME GROUP LLC	6,600.00	Various Consultants - KU Electric rate case strategic analysis support	44.00	150.00
0110.105.018570.021440.186023.0305.0000		06-Oct-03	47909	40674	THE PRIME GROUP LLC	2,600.00	Steve Seelye - KU Electric rate case cost of service study	13.00	200.00
0110.105.018570.021440.186023.0305.0000		04-Nov-03	48940	40674	THE PRIME GROUP LLC	14,750.00	Various Consultants - KU Electric rate case cost of service study	98.33	150.00
0110.105.018570.021440.186023.0305.0000		11-Dec-03	50043	40674	THE PRIME GROUP LLC	30,800.00	Various Consultants - KU Electric rate case cost of service study	205.33	150.00
0110.105.018570.026120.186023.0314.0000		30-Jun-03	45262	58967	AUS Consultants	1,825.04	Earl Robinson - KU Elec rate case depreciation study	12.17	150.00
0110.105.018570.026120.186023.0314.0000		02-Jun-03	44543	58967	AUS Consultants	874.32	Earl Robinson - KU Elec rate case depreciation study	4.60	190.00
0110.105.018570.026120.186023.0314.0000		04-Aug-03	46637	58967	AUS Consultants	6,240.25	Various Consultants - KU Elec rate case depreciation study	32.84	190.00
0110.105.018570.026120.186023.0314.0000		01-Sep-03	47420	58967	AUS Consultants	6,271.25	Various Consultants - KU Elec rate case depreciation study	33.01	190.00
0110.105.018570.026120.186023.0314.0000		06-Oct-03	48856	58967	AUS Consultants	10,284.55	Earl Robinson - KU Elec rate case depreciation study	54.13	190.00
0110.105.018570.026120.186023.0314.0000		03-Nov-03	50779	58967	AUS Consultants	4,395.00	Earl Robinson - KU Elec rate case depreciation study	23.13	190.00
					<b>TOTAL CONSULTANTS KU ELECTRIC</b>	<b>135,027.48</b>			
0110.105.018570.026900.186023.0670.0000		23-Dec-03	50174	59656	NATIONAL SERVICE INFORMATION INC	56.00	Corporate - retrieval - assumed business name search		
0110.105.018570.026900.186023.0670.0000		23-Dec-03	50174	59656	NATIONAL SERVICE INFORMATION INC	41.00	Corporate - retrieval - good standing - short form		
0110.105.018570.026900.186023.0670.0000		23-Dec-03	50174	59656	NATIONAL SERVICE INFORMATION INC	71.00	Corporate - retrieval - articles of incorporation		
0110.105.018570.026900.186023.0670.0000		23-Dec-03	50174	59656	NATIONAL SERVICE INFORMATION INC	45.50	Corporate - retrieval - articles of incorporation		
0110.105.018570.026900.186023.0670.0000		23-Dec-03	50174	59656	NATIONAL SERVICE INFORMATION INC	20.00	Corporate - retrieval - assumed business name search		

KENTUCKY UTILITIES COMPANY

CASE NO. 2003-00434

Schedule of Rate Case Preparation Costs

Response to Commission's Order

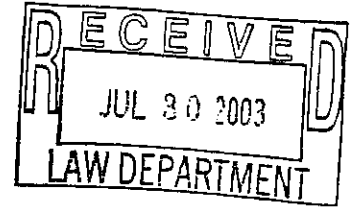
Dated December 19, 2003

Question No. 57a

Responding Witness: Valerie L. Scott

Wire # / Journal # / Account	Date	Check #	Vendor #	Vendor Name	Amount	Description	Hours	Rate/hr
0110 105 018570 026900 186023 0670 0000	23-Dec-03	50174	59656	NATIONAL SERVICE INFORMATION INC	30.00	Corporate - retrieval - good standing - short form		
0110 105 018570 021440 186023 0210 0000	27-Dec-03	50572	57676	HENDERSON SERVICES LLC	50.92	KU Electric rate case related electrical work in Regulatory dept	1.00	50.90
0110 105 018570 021440 186023 0210 0000	27-Dec-03	50572	57676	HENDERSON SERVICES LLC	525.97	KU Electric rate case related electrical work in Regulatory dept	10.33	50.90
TOTAL SUPPLIES / SERVICES - OTHER KUELECTRIC					840.39			
<b>TOTAL RATE CASE EXPENSES @ 1/6/2003</b>					<b>202,424.93</b>			

Ogden Newell & Welch PLLC  
1700 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202  
Phone: (502) 582-1601  
Fax: (502) 581-9564  
TIN# 61-0427208



Louisville Gas & Electric Company  
Attn: John R. McCall  
Executive Vice President, General  
Counsel & Corporate Secretary  
220 West Main Street  
Louisville, KY 40202

July 16, 2003  
Invoice # 109389  
TIN # 61-0427208  
Account: 000001/000294

$1/2 = 12,493.50$

Re: 2003-04 Rate Case  
Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
Operating Co.: LG&E/KU  
Our Reference: 000001/000294/KRR/G110

Fees rendered this bill \$ 24,987.00

Total Current Charges This Matter

\$ 24,987.00

111254 ERATE03 0321 026900 = 12493.50

111262 ERATE03 0321 026900 = 12493.50

Balance as of June 30, 2003

24987.00

~~\$2,759.00~~

Less credits (payments, write downs, adjustments)

Balance due on prior billings

Total Amount Due This Matter

Prepared by (see attached for approval):

*Kathy L. Wilson*  
Kathy L. Wilson, Legal Admin. Asst.

Date: 8-28-03

Payment is due upon receipt. If any of our invoices remain unpaid for more than 60 days, we may, consistent with our professional responsibilities and, if applicable, the requirements of any tribunal, cease performing services for you until arrangements satisfactory to us have been made for payment of the arrearage and future fees. We have collection procedures which we will follow to ensure that the account is paid.



Louisville Gas & Electric Company  
Page 3 of 5

Ogden Newell & Welch PLLC  
Invoice No. 109389

Professional Services for the period through 06/30/03, including the following:

Re: 2003-04 Rate Case  
Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
Operating Co.: LG&E/KU  
Our Reference: 000001/000294/KRR/G110

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
06/03/03	↑ REDACTED INFORMATION ↓	KRR	2.00
06/04/03		KRR	2.00
06/09/03		AKS	2.50
06/09/03		KRR	6.00
06/10/03		AKS	0.80
06/10/03		KRR	4.50
06/11/03		AKS	1.10
06/11/03		KRR	10.00
06/12/03		AKS	0.60
06/12/03		KRR	3.00
06/13/03		KRR	4.50
06/16/03		KRR	1.00
06/17/03		JAB	2.50
06/18/03		AKS	2.10
06/18/03		JAB	1.30
06/18/03		KRR	5.50
06/19/03		AKS	4.30
06/19/03		KRR	6.00
06/20/03		KRR	3.80

Keep this copy for your records

Louisville Gas & Electric Company  
 Page 4 of 5

Ogden Newell & Welch PLLC  
 Invoice No. 109389

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>	
06/21/03	↑	KRR	4.00	
06/23/03		AKS	5.30	
06/23/03		KRR	11.00	
06/24/03		AKS	2.10	
06/24/03		AKS	2.60	
06/24/03		KRR	3.00	
06/25/03		REDACTED INFORMATON	KRR	3.00
06/26/03		↓	AKS	7.00
06/26/03			KRR	9.50
06/27/03			KRR	4.50
06/30/03	KRR		1.50	
<b>Total Services</b>			<b>\$24,987.00</b>	

<b>Summary of Services</b>					
<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>	
KRR	Riggs, Kendrick R.	84.80	230.00	19,504.00	
AKS	Sturgeon, Allyson K.	28.40	175.00	4,970.00	
JAB	Bickett, Joseph A.	3.80	135.00	513.00	
<b>Total Services</b>		<b>117.00</b>		<b>\$24,987.00</b>	

TOTAL FEES & DISBURSEMENTS

\$24,987.00

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Louisville Gas & Electric Company  
Page 5 of 5

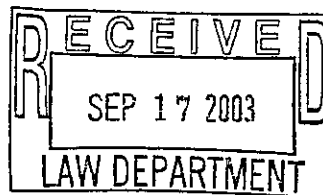
Ogden Newell & Welch PLLC  
Invoice No. 109389

**Total Current Charges This Matter** **\$24,987.00**

**Outstanding Invoices**

<u>Date</u>	<u>Invoice No.</u>	<u>Billed Amount</u>	<u>Payment/Credits</u>	<u>Balance Due</u>
04/25/03	107471	\$ 115.00	\$ 0.00	\$ 115.00
05/30/03	108313	\$ 5,589.00	\$ 0.00	\$ 5,589.00
06/30/03	109063	\$ 4,055.00	\$ 0.00	\$ 4,055.00
<b>Total Outstanding Invoices This Matter</b>				<b>\$9,759.00</b>
<b>Total Amount Due This Matter</b>				<b>\$34,746.00</b>

Ogden Newell & Welch PLLC  
1700 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202  
Phone: (502) 582-1601  
Fax: (502) 581-9564  
TIN# 61-0427208



Louisville Gas & Electric Company  
Attn: John R. McCall  
Executive Vice President, General  
Counsel & Corporate Secretary  
220 West Main Street  
Louisville, KY 40202

September 15, 2003  
Invoice # 110781  
TIN # 61-0427208  
Account: 000001/000294

1/2 = 5124.46  
5124.45

Re: 2003-04 Rate Case  
Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
Operating Co.: LG&E/KU  
Our Reference: 000001/000294/KRR/G110

Fees rendered this bill	\$ 9,228.50
Disbursements	\$ 1,020.41
<b>Total Current Charges This Matter</b>	<b>\$ 10,248.91</b>

Payment is due upon receipt. If any of our invoices remain unpaid for more than 60 days, we may, consistent with our professional responsibilities and, if applicable, the requirements of any tribunal, cease performing services for you until arrangements satisfactory to us have been made for payment of the arrearage and future fees. We have collection procedures which we will follow to ensure that the account is paid.

111254	ERATE03	0321	026900 =	5124.45
111262	ERATE03	0321	026900 =	5124.46
				<u>10248.91</u>

Prepared by (see attached for approval):

Kathy L. Wilson  
Kathy L. Wilson, Legal Admin. Asst.

Date: 11-7-03

Keep this copy for your records.

Louisville Gas &amp; Electric Company

Page 3 of 4

Ogden Newell &amp; Welch PLLC

Invoice No. 110781

Professional Services for the period through 07/31/03, including the following:

Re: 2003-04 Rate Case

Your Reference: Resp. Atty: Linda S. Portasik, Esq.

Operating Co.: LG&amp;E/KU

Our Reference: 000001/000294/KRR/G110

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/01/03	↑ REDACTED INFORMATION ↓	KRR	2.60
07/07/03		KRR	1.00
07/09/03		KRR	0.20
07/14/03		KRR	1.80
07/16/03		AKS	2.40
07/16/03		KRR	1.00
07/17/03		AKS	3.90
07/17/03		KRR	1.00
07/18/03		KRR	3.00
07/21/03		AKS	0.30
07/21/03		KRR	7.50
07/22/03		AKS	2.50
07/22/03		KRR	10.40
07/28/03		KRR	2.00
07/29/03		KRR	0.40
07/30/03	KRR	2.30	

Keep this copy for your records.

Louisville Gas &amp; Electric Company

Ogden Newell &amp; Welch PLLC

Page 4 of 4

Invoice No. 110781

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
<b>Total Services</b>			<u>\$9,228.50</u>

<u>Init</u>	<u>Timekeeper</u>	<u>Summary of Services</u>		<u>Hours</u>	<u>Rate</u>	<u>Value</u>
KRR	Riggs, Kendrick R.	16.6		33.20	230.00	7,636.00
AKS	Sturgeon, Allyson K.	6.5		9.10	175.00	1,592.50
<b>Total Services</b>				42.30		<u>\$9,228.50</u>

**Disbursements**

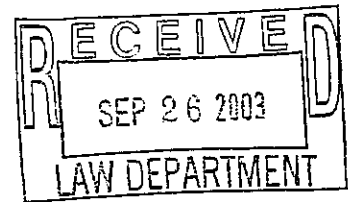
<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Amount</u>
06/10/03	VENDOR: Riggs, Kendrick; INVOICE#: 061003; DATE: 6/10/03 - Reimburse expenses parking at Actors Theatre Garage for meeting at LG & E re: rate case	KRR	\$6.00
07/21/03	VENDOR: Riggs, Kendrick; INVOICE#: 072203; DATE: 7/31/03 - Reimburse airfare from Vermont to Louisville and return to Vermont 7/21-22/03	KRR	\$863.00
07/21/03	VENDOR: Riggs, Kendrick; INVOICE#: 072203; DATE: 7/31/03 - Reimburse car rental from St. Albans to Burlington, Vt	KRR	\$98.42
07/21/03	VENDOR: Riggs, Kendrick; INVOICE#: 072203; DATE: 7/31/03 - Reimburse expense lunch at Cincy Airport	KRR	\$6.99
07/22/03	VENDOR: Riggs, Kendrick; INVOICE#: 072203; DATE: 7/31/03 - Reimburse expense parking at Louisville Airport	KRR	\$32.00
07/22/03	VENDOR: Riggs, Kendrick; INVOICE#: 072203; DATE: 7/31/03 - Reimburse expense parking at Burlington, VT airport	KRR	\$14.00
<b>Total Disbursements</b>			<u>\$1,020.41</u>

**TOTAL FEES & DISBURSEMENTS** **\$10,248.91**

**Total Current Charges This Matter** **\$10,248.91**

Keep this copy for your records.

Ogden Newell & Welch PLLC  
 1700 PNC Plaza  
 500 West Jefferson Street  
 Louisville, KY 40202  
 Phone: (502) 582-1601  
 Fax: (502) 581-9564  
 TIN# 61-0427208



Louisville Gas & Electric Company  
 Attn: John R. McCall  
 Executive Vice President, General  
 Counsel & Corporate Secretary  
 220 West Main Street  
 Louisville, KY 40202

September 23, 2003  
 Invoice # 111024  
 TIN # 61-0427208  
 Account: 000001/000294

112 = 1410.75

Re: 2003-04 Rate Case  
 Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
 Operating Co.: LG&E/KU  
 Our Reference: 000001/000294/KRR/G110

Fees rendered this bill \$ 2,821.50

Total Current Charges This Matter \$ 2,821.50

111254 ERATE03 0321 026900 = 1410.75  
 111262 ERATE03 0321 026900 = 1410.75

Balance as of September 15, 2003

2821.50

~~511,248.91~~

Less credits (payments, write downs, adjustments)

Balance due on prior billings

Total Amount Due This Matter

Prepared by (see attached for approval):

*Kathy L. Wilson*  
 Kathy L. Wilson, Legal Admin. Asst.

Date: 11-7-03

Payment is due upon receipt. If any of our invoices remain unpaid for more than 60 days, we may, consistent with our professional responsibilities and, if applicable, the requirements of any tribunal, cease performing services for you until arrangements satisfactory to us have been made for payment of the arrearage and future fees. We have collection procedures which we will follow to ensure that the account is paid.


Keep this copy for your records.

Louisville Gas & Electric Company  
 Page 3 of 4

Ogden Newell & Welch PLLC  
 Invoice No. 111024

Professional Services for the period through 08/31/03, including the following:

Re: 2003-04 Rate Case  
 Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
 Operating Co.: LG&E/KU  
 Our Reference: 000001/000294/KRR/G110

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/04/03	 REDACTED INFORMATON	AKS	1.30
08/05/03		KRR	1.00
08/06/03		KRR	0.50
08/07/03		AKS	2.60
08/11/03		KRR	1.00
08/13/03		KRR	1.50
08/25/03		KRR	2.30
08/26/03		KRR	3.00
<b>Total Services</b>			<b>\$2,821.50</b>

<u>Summary of Services</u>					
<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>	
KRR	Riggs, Kendrick R.	9.30	230.00	2,139.00	
AKS	Sturgeon, Allyson K.	3.90	175.00	682.50	
<b>Total Services</b>		<b>13.20</b>		<b>\$2,821.50</b>	

TOTAL FEES & DISBURSEMENTS \$2,821.50

**Keep this copy for your records.**



Louisville Gas & Electric Company

Page 4 of 4

Ogden Newell & Welch PLLC

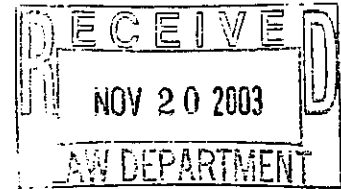
Invoice No. 111024

**Total Current Charges This Matter** **\$2,821.50**

**Outstanding Invoices**

<u>Date</u>	<u>Invoice No.</u>	<u>Billed Amount</u>	<u>Payment/Credits</u>	<u>Balance Due</u>
09/15/03	110781	\$ 10,248.91	\$ 0.00	\$ 10,248.91
<b>Total Outstanding Invoices This Matter</b>				<b>\$10,248.91</b>
<b>Total Amount Due This Matter</b>				<b>\$13,070.41</b>

Ogden Newell & Welch PLLC  
1700 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202  
Phone: (502) 582-1601  
Fax: (502) 581-9564  
TIN# 61-0427208



Louisville Gas & Electric Company  
Attn: John R. McCall  
Executive Vice President, General  
Counsel & Corporate Secretary  
220 West Main Street  
Louisville, KY 40202

November 19, 2003  
Invoice # 112322  
TIN # 61-0427208  
Account: 000001/000294

$\frac{1}{2} = 2515.75$

Re: 2003-04 Rate Case  
Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
Operating Co.: LG&E/KU  
Our Reference: 000001/000294/KRR/G110

Fees rendered this bill \$ 5,031.50

**Total Current Charges This Matter \$ 5,031.50**

Payment is due upon receipt. If any of our invoices remain unpaid for more than 60 days, we may, consistent with our professional responsibilities and, if applicable, the requirements of any tribunal, cease performing services for you until arrangements satisfactory to us have been made for payment of the arrearage and future fees. We have collection procedures which we will follow to ensure that the account is paid.

111254 erate03 0321 026900 = 2515.75  
111262 erate03 0321 026900 = 2515.75  
5031.50

Prepared by (see attached for approval):

*KW*

Kathy L. Wilson, Legal Admin. Asst.

Date: 12-18-03

Keep this copy for your records.

Louisville Gas & Electric Company

Page 3 of 4

Ogden Newell & Welch PLLC

Invoice No. 112322

Professional Services for the period through 09/30/03, including the following:

Re: 2003-04 Rate Case

Your Reference: Resp. Atty: Linda S. Portasik, Esq.

Operating Co.: LG&E/KU

Our Reference: 000001/000294/KRR/G110

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
09/03/03	↑	KRR	2.00
09/07/03		KRR	0.20
09/08/03		KRR	1.00
09/12/03		KRR	2.00
REDACTED INFORMATON			
09/15/03	↓	KRR	0.50
09/17/03		AKS	1.40
09/25/03		AKS	2.90
09/25/03		KRR	2.50
09/26/03		KRR	3.30
09/28/03		KRR	1.30
09/29/03		AKS	0.40
09/29/03		KRR	2.50
09/30/03		KRR	3.00

**Total Services**

\$5,031.50

**Keep this copy for your records.**

Louisville Gas & Electric Company

Page 4 of 4

Ogden Newell & Welch PLLC

Invoice No. 112322

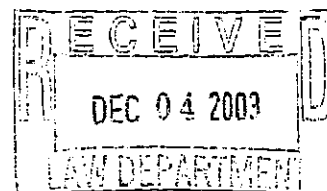
<u>Init</u>	<u>Timekeeper</u>	<b>Summary of Services</b>		
		<u>Hours</u>	<u>Rate</u>	<u>Value</u>
KRR	Riggs, Kendrick R.	18.30	230.00	4,209.00
AKS	Sturgeon, Allyson K.	4.70	175.00	822.50
	<b>Total Services</b>	<b>23.00</b>		<b>\$5,031.50</b>

**TOTAL FEES & DISBURSEMENTS** **\$5,031.50**

**Total Current Charges This Matter** **\$5,031.50**

## Ogden Newell &amp; Welch PLLC

1700 PNC Plaza  
 500 West Jefferson Street  
 Louisville, KY 40202  
 Phone: (502) 582-1601  
 Fax: (502) 581-9564  
 TIN# 61-0427208



Louisville Gas & Electric Company  
 Attn: John R. McCall  
 Executive Vice President, General  
 Counsel & Corporate Secretary  
 220 West Main Street  
 Louisville, KY 40202

December 2, 2003  
 Invoice # 113192  
 TIN # 61-0427208  
 Account: 000001/000294

$\frac{1}{2} = 10148.50$

Re: 2003-04 Rate Case  
 Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
 Operating Co.: LG&E/KU  
 Our Reference: 000001/000294/KRR/G110

Fees rendered this bill \$ 20,294.00

Disbursements \$ 3.00

Total Current Charges This Matter \$ 20,297.00

111254 ERATE03 0321 026900 = 10148.50  
 111262 ERATE03 0321 026900 = 10148.50

Balance as of November 19, 2003

Less credits (payments, write downs, adjustments)

Balance due on prior billings

Total Amount Due This Matter

Prepared by (see attached for approval):

KLW

Kathy L. Wilson, Legal Admin. Asst.

Date: 12-18-03

~~\$25,220.50~~

Payment is due upon receipt. If any of our invoices remain unpaid for more than 60 days, we may, consistent with our professional responsibilities and, if applicable, the requirements of any tribunal, cease performing services for you until arrangements satisfactory to us have been made for payment of the arrearage and future fees. We have collection procedures which we will follow to ensure that the account is paid.

Keep this copy for your records.

Louisville Gas & Electric Company  
Page 4 of 6

Ogden Newell & Welch PLLC  
Invoice No. 113192

Professional Services for the period through 10/31/03, including the following:

Re: 2003-04 Rate Case  
Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
Operating Co.: LG&E/KU  
Our Reference: 000001/000294/KRR/G110

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
10/01/03		KRR	3.00
10/02/03		KRR	0.50
10/03/03		KRR	3.00
10/06/03		KRR	6.50
10/09/03		KRR	0.90
10/10/03		KRR	1.50
10/13/03		KRR	1.50
	REDACTED INFORMATON		
10/15/03		JGC	1.00
10/20/03		KRR	1.50
10/21/03		KRR	2.00
10/24/03		KRR	4.00
10/27/03		KRR	8.50
10/27/03		WDC	3.50
10/28/03		AKS	7.60

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Louisville Gas & Electric Company  
Page 5 of 6

Ogden Newell & Welch PLLC  
Invoice No. 113192

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>	
10/28/03	↑	JGC	4.50	
10/28/03		KRR	4.00	
10/28/03		WDC	8.00	
10/29/03		AKS	5.30	
10/29/03		JGC	1.10	
10/29/03		KRR	2.00	
10/29/03		WDC	5.50	
10/30/03		REDACTED INFORMATON	AKS	7.20
10/30/03		↓	KRR	3.00
10/30/03			WDC	4.60
10/31/03	JGC		2.50	
10/31/03	KRR		5.00	
10/31/03	WDC		9.00	
<b>Total Services</b>			<b>520,294.00</b>	

Summary of Services

<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>
KRR	Riggs, Kendrick R.	46.90	235.00	11,021.50

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Louisville Gas &amp; Electric Company

Ogden Newell &amp; Welch PLLC

Page 6 of 6

Invoice No. 113192

AKS	Sturgeon, Allyson K.	20.10	185.00	3,718.50
JGC	Cornett, J. Gregory	9.10	190.00	1,729.00
WDC	Crosby, III, W. Duncan	30.60	125.00	3,825.00
	<b>Total Services</b>	<b>106.70</b>		<b>\$20,294.00</b>

**Disbursements**

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Amount</u>
10/06/03	VENDOR: Riggs, Kendrick; INVOICE#: 100103; DATE: 10/6/03 - Parking fee for mtg. at LG & E re: rate case	KRR	\$3.00
	<b>Total Disbursements</b>		<b>\$3.00</b>

<b>TOTAL FEES &amp; DISBURSEMENTS</b>	<b>\$20,297.00</b>
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<b>Total Current Charges This Matter</b>	<b>\$20,297.00</b>
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**Outstanding Invoices**

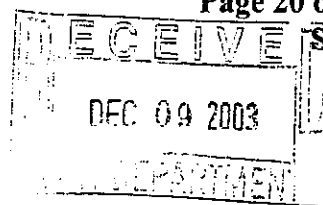
<u>Date</u>	<u>Invoice No.</u>	<u>Billed Amount</u>	<u>Payment/Credits</u>	<u>Balance Due</u>
11/19/03	112322	\$ 5,031.50	\$ 0.00	\$ 5,031.50
	<b>Total Outstanding Invoices This Matter</b>			<b>\$5,031.50</b>
	<b>Total Amount Due This Matter</b>			<b>\$25,328.50</b>

Keep this copy for your records.



Scott

Ogden Newell & Welch PLLC  
1700 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202  
Phone: (502) 582-1601  
Fax: (502) 581-9564  
TIN# 61-0427208



Louisville Gas & Electric Company  
Attn: John R. McCall  
Executive Vice President, General  
Counsel & Corporate Secretary  
220 West Main Street  
Louisville, KY 40202

December 8, 2003  
Invoice # 113330  
TIN # 61-0427208  
Account: 000001/000294

1/2 = 34,864.10

Re: 2003-04 Rate Case  
Your Reference: Resp. Atty: Linda S. Portasik, Esq.  
Operating Co.: LG&E/KU  
Our Reference: 000001/000294/KRR/G110

Fees rendered this bill \$ 69,640.00  
Disbursements \$ 88.20

Total Current Charges This Matter  
111254 erate03 0321 026900 = 34,864.10  
111262 erate03 0321 026900 = 34,864.10  
69,728.20

\$ 69,728.20

Balance as of December 2, 2003

Less credits (payments, write downs, adjustments)

Balance due on prior billings

Total Amount Due This Matter

Prepared by (see attached for approval):

KLW

Kathy L. Wilson, Legal Admin. Asst.

Date: 12-18-03

~~69,656.70~~

Payment is due upon receipt. If any of our invoices remain unpaid for more than 60 days, we may, consistent with our professional responsibilities and, if applicable, the requirements of any tribunal, cease performing services for you until arrangements satisfactory to us have been made for payment of the arrearage and future fees. We have collection procedures which we will follow to ensure that the account is paid.

Keep this copy for your records.

Louisville Gas &amp; Electric Company

Page 4 of 9

Ogden Newell &amp; Welch PLLC

Invoice No. 113330

Professional Services for the period through 11/30/03, including the following:

Re: 2003-04 Rate Case

Your Reference: Resp. Atty: Linda S. Portasik, Esq.

Operating Co.: LG&amp;E/KU

Our Reference: 000001/000294/KRR/G110

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
11/02/03		KRR	1.50
11/02/03		WDC	4.60
11/03/03		AKS	7.10
11/03/03		JGC	5.50
11/03/03		KRR	4.00
11/04/03		AKS	9.60
11/04/03	REDACTED INFORMATON	JGC	9.00
11/04/03		KRR	1.00
11/05/03		AKS	7.20
11/05/03		JGC	9.50
11/05/03		KRR	6.00
11/06/03		AKS	7.60
11/06/03		JGC	8.50
11/06/03		KRR	1.00
11/06/03		WDC	0.30
11/07/03		JGC	7.50


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Louisville Gas & Electric Company

Page 5 of 9

Ogden Newell & Welch PLLC

Invoice No. 113330

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>	
11/07/03		KRR	9.00	
11/08/03		KRR	1.50	
11/10/03		AKS	7.50	
11/10/03		KRR	1.50	
11/10/03		WDC	1.60	
11/10/03		WDC	2.30	
11/11/03		AKS	5.20	
11/11/03		REDACTED INFORMATON	JGC	3.00
11/11/03			KRR	2.00
11/11/03			WDC	4.50
11/12/03			AKS	5.60
11/12/03			JGC	1.20
11/12/03			KRR	1.50
11/12/03			LRH	6.50
11/12/03		SKJ	6.50	
11/12/03		WDC	3.80	


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Louisville Gas & Electric Company

Ogden Newell & Welch PLLC

Page 6 of 9

Invoice No. 113330

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
11/13/03		AKS	1.30
11/13/03		KRR	5.00
11/13/03		WDC	4.00
11/14/03		JGC	3.50
11/14/03		KRR	6.00
11/15/03		KRR	1.00
11/16/03		KRR	1.00
11/17/03		AKS	7.20
11/17/03		JGC	5.20
11/17/03		KRR	3.50
11/18/03	AKS	6.50	
11/18/03	JGC	2.50	
11/18/03	KRR	7.40	
11/19/03	AKS	7.60	
11/19/03	JGC	6.00	

REDACTED INFORMATON


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Louisville Gas & Electric Company

Page 7 of 9

Ogden Newell & Welch PLLC

Invoice No. 113330

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
11/19/03		KRR	1.30
11/20/03		AKS	9.20
11/20/03		JGC	5.50
11/20/03		KRR	8.80
11/21/03		AKS	1.20
11/21/03		JGC	12.00
11/21/03		KRR	14.30
11/24/03		AKS	7.10
11/24/03		JGC	5.00
11/24/03		KRR	11.50
11/25/03	AKS	7.80	
11/25/03	JGC	6.20	
11/25/03	KRR	3.50	
11/26/03	AKS	9.30	

REDACTED INFORMATON


Keep this copy for your records.

Louisville Gas & Electric Company

Ogden Newell & Welch PLLC

Page 8 of 9

Invoice No. 113330

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
11/26/03	REDACTED INFORMATON 	JGC	8.30
11/26/03		KRR	8.00
11/28/03		JGC	5.00
11/29/03		JGC	5.20
11/29/03		KRR	4.30
11/30/03		JGC	4.50

**Total Services**

\$69,640.00

**Summary of Services**

<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>
LRH	Hillerich, Linda R.	3.25	6.50	585.00
KRR	Riggs, Kendrick R.	52.3	104.60	24,581.00
AKS	Sturgeon, Allyson K.	53.5	107.00	19,795.00
JGC	Cornett, J. Gregory	56.55	113.10	21,489.00
WDC	Crosby, III, W. Duncan	10.55	21.10	2,637.50
SKJ	Jones, Stephanie K.	3.25	6.50	552.50
<b>Total Services</b>		<b>358.80</b>		<b>\$69,640.00</b>

**Disbursements**

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Amount</u>
11/24/03	VENDOR: Riggs, Kendrick; INVOICE#: 112403; DATE: 11/24/03 - Reimburse expenses travel to Frankfort to meet with Betsy Blackford(AG)	KRR	\$21.60
11/24/03	VENDOR: Riggs, Kendrick; INVOICE#: 112403; DATE: 11/24/03 - Reimburse expenses travel from Frankfort to Cincinnati to meet w/Mike Kurtz(KIUC)	KRR	\$30.96
11/24/03	VENDOR: Riggs, Kendrick; INVOICE#: 112403; DATE: 11/24/03 - Reimburse expenses travel from Cincinnati to Louisville	KRR	\$35.64
<b>Total Disbursements</b>		44.10	<u>\$88.20</u>

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Louisville Gas & Electric Company  
Page 9 of 9

Ogden Newell & Welch PLLC  
Invoice No. 113330

<b>TOTAL FEES &amp; DISBURSEMENTS</b>	<b>\$69,728.20</b>
<b>Total Current Charges This Matter</b>	<b>\$69,728.20</b>

**Outstanding Invoices**

<u>Date</u>	<u>Invoice No.</u>	<u>Billed Amount</u>	<u>Payment/Credits</u>	<u>Balance Due</u>
11/19/03	112322	\$ 5,031.50	\$ 0.00	\$ 5,031.50
12/02/03	113192	\$ 20,297.00	\$ 0.00	\$ 20,297.00
<b>Total Outstanding Invoices This Matter</b>				<b>\$25,328.50</b>
<b>Total Amount Due This Matter</b>				<b>\$95,056.70</b>

**Keep this copy for your records.**

AP  
11-17-03**EDGEWOOD CONSULTING, INC.**

541 BEAR LADDER ROAD

WEST FULTON, NEW YORK 12194

TELEPHONE (518) 827-8488

FACSIMILE (518) 827-8489

November 7, 2003

INVOICE NO. 33401

Mr. John Wolfram  
 Manager, Regulatory Policy and Strategy  
 Louisville Gas and Electric Company  
 220 West Main Street  
 Louisville, KY 40202

**FOR PROFESSIONAL SERVICES**

Rate of return studies and consultation in connection with ESM and electric rate proceedings for Kentucky Utilities Company before the Public Service Commission of Kentucky, for the period July 1 – October 31, 2003.

Principals	41.00 hours	\$ 9,225.00
Economic Analysts and Research Assistants	22.00 hours	<u>1,650.00</u>
		\$ 10,875.00

Out-of-Pocket Expenses:

Travel	\$ 0.00
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Postage, Telephone, Courier Service, Reproduction & Typing	\$ <u>345.62</u>
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\$ 345.62

TOTAL

\$ 11,220.62

*John Wolfram* 4/17/07

Project    Task    Exp Type    Exp Org

\$ 11,220.62



**EDGEWOOD CONSULTING, INC.**

341 BEAR LADDER ROAD

WEST FULTON, NEW YORK 12194

TELEPHONE (518) 827-8488

FACSIMILE (518) 827-8489

December 5, 2003

INVOICE NO. 33402

Mr. John Wolfram  
 Manager, Regulatory Policy and Strategy  
 Louisville Gas and Electric Company  
 220 West Main Street  
 Louisville, KY 40202

**FOR PROFESSIONAL SERVICES**

Rate of return studies and consultation in connection with ESM and electric rate proceedings for Kentucky Utilities Company before the Public Service Commission of Kentucky, for the period November 1 – November 30, 2003.

Principals	19.00 hours	\$ 4,275.00
Economic Analysts and Research Assistants	7.50 hours	<u>562.50</u>
		\$ 4,837.50

Out-of-Pocket Expenses:

Travel	\$ 0.00
--------	---------

Postage, Telephone, Courier Service, Reproduction & Typing	\$ <u>199.86</u>
--	------------------

\$ 199.86

TOTAL

\$ 5,037.36

*John Wolfram 12/9/03*

*Project Task Exp Type Exp Org*

Sent to AP 7-29-03 Scott



# MANAGEMENT APPLICATIONS CONSULTING, INC.

1103 Rocky Drive • Suite 201 • Reading, PA 19609-1157 • 610/670-9199 • fax 610/670-9190 • www.manapp.com

## INVOICE

TO: LGE Energy Corp.  
220 West Main Street, P. O. Box 32010  
Louisville, KY 40232  
Attn: Mr. Howard Bush  
Manager Regulatory Compliance

INVOICE # 20030714

W. O. # 200224

DATE 07/03/03

TERMS: Net 10 Days

BILLING PERIOD: 4 Weeks Ended 6/27/03

KU/LGE LOSS STUDIES

### PROFESSIONAL SERVICES

NAME:

Paul M. Normand

HOURS	HOURLY RATE	BILLING
7.50	\$160	\$ 1,200.00

SUBTOTAL LABOR \$1,200.00

### OUT-OF-POCKET EXPENSES

<u>Project</u>	<u>Task</u>	<u>Exp Type</u>	<u>Exp Ctg</u>	
10/01/02	ERATE	CR05	021440	\$ 630.00
10/01/02	ERATE	CR05	021440	\$ 630.00

Miscellaneous Office Expenses 5.00% \$ PROF 60.00  
(Telephone, reproduction, Postage/Shipping, data processing)

SUBTOTAL EXPENSES \$60.00

TOTAL CHARGES \$1,260.00

**MANAGEMENT APPLICATIONS CONSULTING, INC.**

**Professional Services**

**June 2003**

**Paul M. Normand**

**W. O. #200224**

**LGE**

**Loss Studies for KU and LGE**

<u>Date</u>	<u>Time</u>	<u>Description</u>
6/9/03	1.5	Load research detail – discuss with Company.
6/11/03	1.0	Conference call and review with Howard.
6/17/03	4.5	Reconstruct peaks – can't tie out.
6/17/03	.5	Conference call and review with Tom and Dan.
<b>TOTAL</b>	<b>7.5</b>	

**CHANGE OF DISBURSEMENT REQUEST**

(Corporate Policy & Procedures are on Intranet)

Specify Company:  
 LGE Energy Services Inc.      \_\_\_\_\_ Kentucky Utilities Company  
 \_\_\_\_\_ Louisville Gas & Electric Company (Utility)      \_\_\_\_\_ Western Kentucky Energy Corp

SUPPLIER NAME: Management Applications Consulting, Inc.      DUE DATE: 09/10/2003  
 REMITTANCE ADDRESS: INVOICE # 20030714

**SPECIAL INSTRUCTIONS:**

ACCOUNTING DISTRIBUTION					AMOUNT
PROJECT	TASK	EXP TYPE	EXP ORG		
109920	ERATE	0305	021440		-\$630.00
109920	ERATE03	305	021440		\$630.00
109989	ERATE	305	021440		-\$630.00
109989	ERATE03	305	021440		\$630.00
<b>TOTAL</b>					<b>\$0.00</b>

PREPARER SIGNATURE: Tim Harder      DATE: 09/08/2003  
 APPROVER SIGNATURE: \_\_\_\_\_      DATE: \_\_\_\_\_  
 APPROVER TITLE: \_\_\_\_\_

REASON FOR EXPENDITURE:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Sent to AP  
9-18-03

## MANAGEMENT APPLICATIONS CONSULTING, INC.

1103 Rocky Drive • Suite 201 • Reading, PA 19609-1157 • 610/670-9199 • fax 610/670-9190 • www.manapp.com

## INVOICE

TO: LGE Energy Corp.  
220 West Main Street, P. O. Box 32010  
Louisville, KY 40232  
Attn: Mr. Howard Bush  
Manager Regulatory Compliance

INVOICE # 20030809

W. O. # 200224

DATE 08/01/03

TERMS: Net 10 Days

BILLING PERIOD: 4 Weeks Ended 7/25/03

KU/LGE LOSS STUDIES

PROFESSIONAL SERVICES

## NAME:

Paul M. Normand

HOURS	HOURLY RATE	BILLING
13.00	\$160	\$ 2,080.00

SUBTOTAL LABOR \$2,080.00

OUT-OF-POCKET EXPENSES

Project	Task	Exp Type	Exp Org	
109930	ERATE03	0305	021440	\$ 1,092.00
109989	ERATE03	0305	021440	\$ 1,092.00
				<u>\$2,184.00</u>

Miscellaneous Office Expenses 5.00% \$ PROF  
(Telephone, reproduction, Postage/Shipping, data processing)

SUBTOTAL EXPENSES \$104.00

TOTAL CHARGES \$2,184.00

**MANAGEMENT APPLICATIONS CONSULTING, INC.**

**Professional Services**

**July 2003**

**Paul M. Normand**

**W. O. #200224**

**LGE**

**Loss Studies for KU and LGE**

<u>Date</u>	<u>Time</u>	<u>Description</u>
	13.0	Expand each model for classes and begin to reconcile KWH and KW for KU based on historical data.  Discuss with Tom and Howard -- can't reconcile and will wait on Company reviews.
<b>TOTAL</b>	<b>13.0</b>	

Sent to AP 10-21-03  
Scott

# MANAGEMENT APPLICATIONS CONSULTING, INC.

1103 Rocky Drive • Suite 201 • Reading, PA 19609-1157 • 610/670-9199 • fax 610/670-9190 • www.manapp.com

## INVOICE

TO: LGE Energy Corp.  
220 West Main Street, P. O. Box 32010  
Louisville, KY 40232  
Attn: Mr. Howard Bush  
Manager Regulatory Compliance

BILLING PERIOD: 4 Weeks Ended 9/26/03

KU/LGE LOSS STUDIES

PROFESSIONAL SERVICES

NAME: Paul M. Normand

INVOICE # 20031007

W. O. # 200224

DATE 10/03/03

TERMS: Net 10 Days

HOURS	HOURLY RATE	BILLING
16.50	\$160	\$ 2,640.00

SUBTOTAL LABOR \$2,640.00

### OUT-OF-POCKET EXPENSES

<u>Project</u>	<u>Task</u>	<u>Exp Type</u>	<u>Exp Org</u>	
104920	ERATE03	0305	021440	1,386.00
104989	ERATE03	0305	021440	1,386.00

Miscellaneous Office Expenses 5.00% \$ PROF 132.00  
(Telephone, reproduction, Postage/Shipping, data processing)

SUBTOTAL EXPENSES \$132.00

TOTAL CHARGES \$2,772.00

OK John Wilson 10/21/03

**MANAGEMENT APPLICATIONS CONSULTING, INC.****Professional Services****September 2003****Paul M. Normand****W. O. #200224****LGE  
Loss Studies for KU and LGE**

<b><u>Date</u></b>	<b><u>Time</u></b>	<b><u>Description</u></b>
9/9/03	6.5	Review data files sent by Tom for consistency.
9/10/03	2.5	Review data files sent by Tom for consistency. Discuss with Tom outstanding problems and time table.
9/12/03	4.0	Start with residential data for KU in model.
	3.5	Start with residential data for LGE.
<b>TOTAL</b>	<b>16.5</b>	





## MANAGEMENT APPLICATIONS CONSULTING, INC.

1103 Rocky Drive • Suite 201 • Reading, PA 19609-1157 • 610/670-9199 • fax 610/670-9190 • www.manapp.com

## INVOICE

TO:

LGE Energy Corp.  
220 West Main Street, P. O. Box 32010  
Louisville, KY 40232  
Attn: Mr. Howard Bush  
Manager Regulatory Compliance

INVOICE # 20031109

W. O. # 200224

DATE 11/07/03

BILLING PERIOD: 5 Weeks Ended 10/31/03

TERMS: Net 10 Days

KU/LGE LOSS STUDIES

PROFESSIONAL SERVICES

NAME:

Paul M. Normand

HOURS	HOURLY RATE	BILLING
85.50	\$160	\$ 13,680.00

SUBTOTAL LABOR \$13,680.00

OUT-OF-POCKET EXPENSES

Project	Task	Exp Type	Exp Org	
104920	ERATE03	0305	021440	\$ 7,182.00
104989	ERATE03	0305	021440	\$ 7,182.00

Miscellaneous Office Expenses 5.00% \$ PROF 684.00  
(Telephone, reproduction, Postage/Shipping, data processing)

SUBTOTAL EXPENSES \$684.00

TOTAL CHARGES \$14,364.00

**MANAGEMENT APPLICATIONS CONSULTING, INC.**

**Professional Services**

**October 2003**

**Paul M. Normand**

**W. O. #200224**

**LGE  
Loss Studies for KU and LGE**

<b><u>Date</u></b>	<b><u>Time</u></b>	<b><u>Description</u></b>
9/30/03	5.5	Review Tom's revised load research received today.
10/2/03	6.5	Input load research data.
10/3/03	7.0	Develop first pass for transmission only losses.
10/4/03	5.5	Develop first pass for transmission only losses.
10/9/03	6.0	Set up new link for LGE/KU with updated transmission losses.
10/10/03	4.0	Update transmission loss results.
10/16/03	5.0	Redo transmission line data to tie to FERC.
10/17/03	4.5	Adjust load research in models.
10/18/03	4.5	Reconcile MWH to use in loss studies.
10/22/03	6.5	Update model with Tom's final numbers.
10/23/03	5.5	Develop preliminary KU/LGE losses.
10/28/03	7.0	Check each company transformer detail.
10/29/03	7.5	Modify company model to use compact.
10/30/03	3.5	Adjust sales data for OS sales.
10/31/03	7.0	LGE MWH estimates adjusted for large company use and recalculated – need additional data from engineering on schedule loads and parallel flows to replace estimates.
<b>TOTAL</b>	<b>85.5</b>	



MANAGEMENT APPLICATIONS CONSULTING, INC.

1103 Rocky Drive • Suite 201 • Reading, PA 19609-1157 • 610/670-9199 • fax 610/670-9190 • www.manapp.com

*Sent to AP  
12-11-03*

INVOICE

TO: LGE Energy Corp.  
 220 West Main Street, P. O. Box 32010  
 Louisville, KY 40232  
 Attn: Mr. Howard Bush  
 Manager Regulatory Compliance

INVOICE # 20031208

W. O. # 200224

DATE 12/05/03

BILLING PERIOD: 4 Weeks Ended 11/28/03

TERMS: Net 10 Days

KU/LGE LOSS STUDIES

PROFESSIONAL SERVICES

NAME:

Paul M. Normand  
 Michael J. Morganti  
 PA Secretarial

HOURS	HOURLY		BILLING
	RATE		
64.50	\$160	\$	10,320.00
1.00	\$145	\$	145.00
0.50	\$30	\$	15.00

SUBTOTAL LABOR \$10,480.00

OUT-OF-POCKET EXPENSES

Miscellaneous Office Expenses 5.00% of Professional Services 524.00  
 (Telephone, reproduction, Postage/Shipping, data processing)  
 SUBTOTAL EXPENSES \$524.00

TOTAL CHARGES \$11,004.00

<u>Project</u>	<u>Task</u>	<u>Exp. Type</u>	<u>Exp. Org</u>
109920	ERATE03	0305	021440
109989	ERATE03	0305	021440

5,502.00

5,502.00

*[Handwritten signature]*

## MANAGEMENT APPLICATIONS CONSULTING, INC.

Scott

## Professional Services

November 2003

Paul Normand

W. O. #200224

LGE  
Loss Studies for KU and LGE

<u>Date</u>	<u>Time</u>	<u>Description</u>
11/01/03	6.5	Redo calculations to reflect changes in Load Research.
11/02/03	8.5	Redo calculations to reflect changes in Load Research.
11/03/03	8.0	Redo calculations to reflect changes in Load Research.
11/06/03	1.0	Discuss details on conference call.
	4.5	LG&E Form 1 loss percentage inconsistent with KU results - Company updating and forwarding to Tom - new and updated Load Research files.
11/7/03	5.5	Redo all calculations per new Company adjustment.
11/8/03	7.0	Redo all calculations per new Company adjustment.
11/9/03	6.5	Redo all calculations per new Company adjustment.
11/10/03	7.0	Redo all calculations per new Company adjustment.
11/11/03	8.0	Finalize.
11/12/03	2.0	Outline reports – Hold/wait until Company cost and load studies finalized.
<b>TOTAL</b>	<b>64.5</b>	

**MANAGEMENT APPLICATIONS CONSULTING, INC.**

**Professional Services**

**November 2003**

**Michael Morganti**

**W. O. #200224**

**LGE  
Loss Studies for KU and LGE**

<b><u>Date</u></b>	<b><u>Time</u></b>	<b><u>Description</u></b>
11/3/03	1.0	Analyzing formulas in loss study.
<b>TOTAL</b>	<b>1.0</b>	

# The Prime Group

Priority Marketing, Planning and Regulatory Support

## Invoice for Services Rendered

Sent to  
AP  
7-14-03

Invoice date: July 9, 2003

*John Wolf* 7/14/03

To: Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Attn: Mr. John-Wolfram

### LG&E Rate Cases

21.0 hours of consulting work by Steve Seelye @ \$200.00/hr during June in developing a cost of service study and rate design to support an electric rate case for LG&E. \$ 4,200.00

37.5 hours of consulting work by Larry Feltner @ \$150.00/hr during June in developing a cost of service study and rate design to support an electric rate case for LG&E. \$ 5,625.00

2.0 hours of consulting work by Larry Feltner @ \$150.00/hr during June in developing a weather normalization adjustment to support a gas rate case for LG&E. \$ 300.00

53.0 hours of consulting work by Randall Walker @ \$150.00/hr during June in calculating gas supply cost revenues and other billing adjustments by rate schedules and updating billing data to support gas rate case. LG&E \$ 7,950.00

**Sub-total for LG&E rate cases** \$18,075.00

### KU Rate Case

16.0 hours of consulting work by Steve Seelye @ \$200.00/hr during June in developing a cost of service study and rate design to support an electric rate case for LG&E. \$ 3,200.00

**Sub-total for KU rate case** \$ 3,200.00

# The Prime Group

*Priority Marketing, Planning and Regulatory Support*

## Rate Case Support

16.0 hours of consulting work by Martin Blake @ \$200.00/hr during June in preparing and presenting rate case presentation to LG&E management team, attending Regulatory Oversight Committee meeting, attending rate case meeting and preparing Seelye testimony. \$ 3,200.00

11.0 hours of consulting work by Eric Blake @ \$100.00/hr during June in researching performance standards in other states. \$ 1,100.00

**Subtotal for Rate Case Support** \$ 4,300.00

**Total due for June**

**\$25,575.00**

Please remit within 30 days to:

**The Prime Group, LLC  
PO Box 7469  
Louisville, Ky 40257-7469**

<u>Project</u>	<u>Task</u>	<u>Exp Type</u>	<u>Exp Code</u>	
104430	ERATE	0305	031440	\$ 11,255.34
104920	ERATE	0305	021440	\$ 9,683.33
104934	ERATE	0305	021440	\$ 4,633.33
				\$ 25,575.00

# ■ The Prime Group ■

*Priority Marketing, Planning and Regulatory Support*

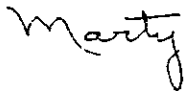
July 9, 2003

Mr. John Wolfram  
Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Dear John:

Enclosed is an invoice for the work that The Prime Group performed for LG&E during June in developing analysis and materials to support electric rate case filings for LG&E and KU. Thank you for the opportunity to work with you on these projects.

Sincerely,



Marty Blake  
Principal



**CHANGE OF DISBURSEMENT REQUEST**

(Corporate Policy & Procedures are on Intranet)

**Specify Company:**

X LOE Energy Services Inc.  
Louisville Gas & Electric Company (Utility)

Kentucky Utilities Company  
Western Kentucky Energy Corp

SUPPLIER NAME: The Prime Group, LLC

DUE DATE: 09/10/2003

REMITTANCE ADDRESS: INVOICE # N/A

INVOICE Date 07/09/03

INVOICE Amount \$25,575.00

**SPECIAL INSTRUCTIONS:**

ACCOUNTING DISTRIBUTION					AMOUNT
PROJECT	TASK	EXP TYPE	EXP ORG		
109920	ERATE	0305	021440		-\$11,258.34
109920	ERATE03	305	021440		\$11,258.34
109920	GRATE	305	021440		-\$9,683.33
109920	GRATE03	305	021440		\$9,683.33
109989	ERATE	305	021440		-\$4,633.33
109989	ERATE03	305	021440		\$4,633.33
<b>TOTAL</b>					<b>\$0.00</b>

PREPARER SIGNATURE: Tim Harder      DATE: 09/08/2003

APPROVER SIGNATURE: \_\_\_\_\_      DATE: \_\_\_\_\_

APPROVER TITLE: \_\_\_\_\_

REASON FOR EXPENDITURE:

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# ■ The Prime Group ■

*Priority Marketing, Planning and Regulatory Support*

## Invoice for Services Rendered

Invoice date: August 5, 2003

To: Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Attn: Mr. John Wolfram

### LG&E Rate Cases

94.5 hours of consulting work by Larry Feltner @ \$150.00/hr during July in preparing 2 <sup>nd</sup> quarter update for cost of service study and rate design to support an <u>electric</u> rate case for <u>LG&amp;E</u> .	\$14,175.00
--	-------------

13.0 hours of consulting work by Eric Blake @ \$100.00/hr during July in preparing 2 <sup>nd</sup> quarter update for cost of service study and rate design to support an <u>electric</u> rate case for <u>LG&amp;E</u> .	\$ 1,300.00
---	-------------

39.0 hours of consulting work by Randall Walker @ \$150.00/hr during July in preparing 2 <sup>nd</sup> quarter update for cost of service study and rate design to support <u>gas</u> rate case.	\$ 5,850.00
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Sub-total for LG&E rate cases	\$21,325.00
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### KU Rate Case

83.0 hours of consulting work by Randall Walker @ \$150.00/hr during July in preparing 2 <sup>nd</sup> quarter update for cost of service study and rate design to support <u>electric</u> rate case.	\$12,450.00
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Sub-total for KU rate case <sup>ket</sup>	\$12,450.00
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# ■ The Prime Group ■

*Priority Marketing, Planning and Regulatory Support*

## Rate Case Support

8.0 hours of consulting work by Martin Blake @ \$200.00/hr during July in attending Regulatory Oversight and rate case meetings and assisting with Seelye testimony. \$ 1,600.00

10.0 hours of consulting work by Martin Blake @ \$200.00/hr during July in researching service quality standards in other states. \$ 2,000.00

13.0 hours of consulting work by Steve Seelye @ \$200.00/hr during July in attending Regulatory Oversight and other rate case meetings. \$ 2,600.00

Subtotal for Rate Case Support \$ 6,200.00

**Total due for July** **\$39,975.00**

Please remit within 30 days to:

**The Prime Group, LLC**  
**PO Box 7469**  
**Louisville, Ky 40257-7469**

*from website 8/7/03*

<u>Project</u>	<u>TASK</u>	<u>Exp Type</u>	<u>Exp Org</u>	
109920	ERATE	0305	021440	\$ 17,541.67
100030	GRATE	0305	021440	\$ 7,916.67
129954	ERATE	0305	021440	\$ 14,516.66
				\$ 39,975.00

# **The Prime Group**

*Priority Marketing, Planning and Regulatory Support*

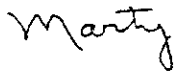
August 5, 2003

Mr. John Wolfram  
Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Dear John:

Enclosed is an invoice for the work that The Prime Group performed for LG&E during July in developing analysis and materials to support electric rate case filings for LG&E and KU. Thank you for the opportunity to work with you on these projects.

Sincerely,



Marty Blake  
Principal



Sent to AP Scott

9-11-03

# The Prime Group

Priority Marketing, Planning and Regulatory Support

## Invoice for Services Rendered

Invoice date: September 4, 2003

To: Louisville Gas & Electric Company  
Attn: Mr. John Wolfram  
P.O. Box 32010  
Louisville, KY 40232

*feltner 9/11/03*

### LG&E Electric Rate Case

17.0 hours of consulting work by Steve Seelye @ \$200.00/hr during August in preparing updated cost of service study and rate design to support an electric rate case for LG&E. \$ 3,400.00

77.5 hours of consulting work by Larry Feltner @ \$150.00/hr during August in preparing updated cost of service study and rate design to support an electric rate case for LG&E. \$11,625.00

6.0 hours of consulting work by Eric Blake @ \$100.00/hr during August in preparing updated cost of service study and rate design to support an electric rate case for LG&E. \$ 600.00

### LG&E Gas Rate Case

88.5 hours of consulting work by Randall Walker @ \$150.00/hr during August in preparing updated cost of service study and rate design to support a gas rate case for LG&E. \$13,275.00

**Sub-total for LG&E rate cases \$28,900.00**

### KU Rate Case

16.5 hours of consulting work by Steve Seelye @ \$200.00/hr during August in preparing updated cost of service study and rate design to support an electric rate case for KU. \$ 3,300.00

22.0 hours of consulting work by Randall Walker @ \$150.00/hr during August in preparing updated cost of service study and rate design to support an electric rate case for KU. \$ 3,300.00

**Sub-total for KU rate case \$ 6,600.00**

**Total due for August \$35,500.00**

Please remit within 30 days to:

The Prime Group, LLC  
PO Box 7469  
Louisville, Ky 40257-7469

The Prime Group, LLC  
6711 Fallen Leaf • P.O. Box 7469 • Louisville, KY • 40257-7469  
PHONE 502.415.7000 FAX 502.226.0004

*Please see  
back for*

<u>Project</u>	<u>TASK</u>	<u>Exp Type</u>	<u>Exp Org</u>	
109920	ERATE03	0305	021440	\$ 15,625.00
109920	GRATE03	0305	021440	\$ 13,275.00
109989	ERATE03	0305	021440	\$ 6,600.00
				<hr/>
				\$ 35,500.00

# ■ The Prime Group ■

*Priority Marketing, Planning and Regulatory Support*

September 4, 2003

Mr. John Wolfram  
Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Dear John:

Enclosed is an invoice for the work that The Prime Group performed for LG&E during August in developing analysis and materials to support rate case filings for LG&E and KU. Thank you for the opportunity to work with you on these projects.

Sincerely,



Marty Blake  
Principal



*Sent to Scott**10-7-03*

# The Prime Group

*Priority Marketing, Planning and Regulatory Support*

## Invoice for Services Rendered

Invoice date: October 6, 2003

To: Louisville Gas & Electric Company  
Attn: Mr. John Wolfram  
P.O. Box 32010  
Louisville, KY 40232

### LG&E Electric Rate Case

22.0 hours of consulting work by Steve Seelye @ \$200.00/hr during September in preparing updated cost of service study and rate design to support an electric rate case for LG&E. \$ 4,400.00

36.0 hours of consulting work by Larry Feltner @ \$150.00/hr during September in preparing updated cost of service study and rate design to support an electric rate case for LG&E. \$5,400.00

45.0 hours of consulting work by Eric Blake @ \$100.00/hr during September in preparing updated cost of service study and rate design to support an electric rate case for LG&E. \$ 4,500.00

### LG&E Gas Rate Case

9.0 hours of consulting work by Steve Seelye @ \$200.00/hr during September in preparing updated cost of service study and rate design to support an natural gas rate case for LG&E. \$ 1,800.00

58.0 hours of consulting work by Randall Walker @ \$150.00/hr during September in updating information and data for September cost of service study, calculating GSC and other adjustments for billing analyses and rate design. \$ 8,700.00

**Sub-total for LG&E rate cases** \$24,800.00

### KU Rate Case

13.0 hours of consulting work by Steve Seelye @ \$200.00/hr during September in preparing updated cost of service study and rate design to support an electric rate case for KU. \$ 2,600.00

**Sub-total for KU rate case** \$ 2,600.00

**Total due for September** \$27,400.00

Please remit within 30 days to:

**The Prime Group, LLC**  
PO Box 7469  
Louisville, Ky 40257-7469

The Prime Group, LLC  
6711 Fallen Leaf • P.O. Box 7469 • Louisville, KY • 40257-7469

*John Wolfram 10/7/03*

*... see back*

<u>Project</u>	<u>Task</u>	<u>Exp Type</u>	<u>Exp Org</u>	
109920	ERATE03	0305	021440	\$ 14,300.00
109920	GRATE03	0305	021440	\$ 10,500.00
109989	ERATE03	0305	021440	2,600.00
				<hr/>
				27,400.00

# ■ The Prime Group ■

*Priority Marketing, Planning and Regulatory Support*

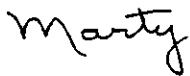
October 6, 2003

Mr. John Wolfram  
Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Dear John:

Enclosed is an invoice for the work that The Prime Group performed for LG&E during September in developing analysis and materials to support rate case filings for LG&E and KU. Thank you for the opportunity to work with you on these projects.

Sincerely,



Marty Blake  
Principal

# The Prime Group

Priority Marketing, Planning and Regulatory Support

## Invoice for Services Rendered

Invoice date: November 4, 2003

To: Louisville Gas & Electric Company  
Attn: Mr. John Wolfram  
P.O. Box 32010  
Louisville, KY 40232

OK  
John Wolfram 11/6/03

### LG&E Electric Rate Case

54.5 hours of consulting work by Steve Seelye @ \$200.00/hr \$ 10,900.00  
during October in providing support for an electric rate case for LG&E.

55.5 hours of consulting work by Larry Feltner @ \$150.00/hr \$ 8,325.00  
during October in providing support for an electric rate case for LG&E.

78.0 hours of consulting work by Randall Walker @ \$150.00/hr \$ 11,700.00  
during October in providing support for an electric rate case for LG&E.

21.0 hours of consulting work by Eric Blake @ \$100.00/hr \$ 2,100.00  
during October in providing support for an electric rate case for LG&E.

**Sub-total for LG&E electric rate case \$ 33,025.00**

### LG&E Gas Rate Case

18.0 hours of consulting work by Steve Seelye @ \$200.00/hr \$ 3,600.00  
during October in providing support for a natural gas rate case for LG&E.

76.0 hours of consulting work by Randall Walker @ \$150.00/hr \$ 11,400.00  
during October in providing support for a natural gas rate case for LG&E.

**Sub-total for LG&E gas rate case \$ 15,000.00**

### KU Rate Case

28.0 hours of consulting work by Steve Seelye @ \$200.00/hr \$ 5,600.00  
during October in providing support for an electric rate case for KU.

39.0 hours of consulting work by Randall Walker @ \$150.00/hr \$ 5,850.00  
during October in providing support for an electric rate case for KU.

# The Prime Group

Priority Marketing, Planning and Regulatory Support

33.0 hours of consulting work by Eric Blake @ \$100.00/hr during October in providing support for an electric rate case for KU. \$ 3,300.00

**Sub-total for KU rate case** \$14,750.00

**Total due for October** \$62,775.00

Please remit within 30 days to:

**The Prime Group, LLC**  
PO Box 7469  
Louisville, Ky 40257-7469

<u>Project</u>	<u>Task</u>	<u>Exp Type</u>	<u>Exp Org</u>	
109920	ERATE03	0305	021440	# 33,025.00
109920	GRATE03	0305	021440	# 15,000.00
109989	ERATE03	0305	021440	\$ 14,750.00
				<u>62,775.00</u>

# ■ The Prime Group ■

*Priority Marketing, Planning and Regulatory Support*

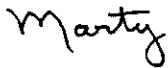
November 4, 2003

Mr. John Wolfram  
Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Dear John:

Enclosed is an invoice for the work that The Prime Group performed for LG&E during October in developing analysis and materials to support rate case filings for LG&E and KU. Thank you for the opportunity to work with you on these projects.

Sincerely,



Marty Blake  
Principal

# The Prime Group

Priority Marketing, Planning and Regulatory Support

## Invoice for Services Rendered

Sent to AP  
12-16-03

Invoice date: December 11, 2003

To: Louisville Gas & Electric Company  
Attn: Mr. John Wolfram  
P.O. Box 32010  
Louisville, KY 40232

### LG&E Electric Rate Case

48.0 hours of consulting work by Steve Seelye @ \$200.00/hr during November in providing support for an electric rate case for LG&E. \$ 9,600.00

65.0 hours of consulting work by Larry Feltner @ \$150.00/hr during November in providing support for an electric rate case for LG&E. \$ 9,750.00

26.0 hours of consulting work by Randall Walker @ \$150.00/hr during November in providing support for an electric rate case for LG&E. \$ 3,900.00

8.0 hours of consulting work by Marty Blake @ \$200.00/hr during November in providing support for an electric rate case for LG&E. \$ 1,600.00

22.0 hours of consulting work by Eric Blake @ \$100.00/hr during November in providing support for an electric rate case for LG&E. \$ 2,200.00

**Sub-total for LG&E electric rate case \$ 27,050.00**

### LG&E Gas Rate Case

42.0 hours of consulting work by Steve Seelye @ \$200.00/hr during October in providing support for a natural gas rate case for LG&E. \$ 8,400.00

57.0 hours of consulting work by Randall Walker @ \$150.00/hr during October in providing support for a natural gas rate case for LG&E. \$ 8,550.00

**Sub-total for LG&E gas rate case \$ 16,950.00**

# The Prime Group

Priority Marketing, Planning and Regulatory Support

## KU Rate Case

40.0 hours of consulting work by Steve Seelye @ \$200.00/hr during November in providing support for an electric rate case for KU.	\$ 8,000.00
105.0 hours of consulting work by Randall Walker @ \$150.00/hr during November in providing support for an electric rate case for KU.	15,750.00
27.0 hours of consulting work by Larry Feltner @ \$150.00/hr during November in providing support for an electric rate case for KU.	\$ 4,050.00
13.5 hours of consulting work by Marty Blake @ \$200.00/hr during November in providing support for an electric rate case for KU.	\$ 2,700.00
3.0 hours of consulting work by Eric Blake @ \$100.00/hr during November in providing support for an electric rate case for KU.	\$ 300.00
<b>Sub-total for KU rate case</b>	<b>\$30,800.00</b>
<b>Total due for November</b>	<b>\$74,800.00</b>

Please remit within 30 days to:

**The Prime Group, LLC**  
**PO Box 7469**  
**Louisville, Ky 40257-7469**

<u>Project</u>	<u>Task</u>	<u>Exp Type</u>	<u>Exp Org</u>		
109920	ERATE03	C305	021440	\$	27,050.00
109920	GRATE03	C305	021440	\$	16,950.00
109989	ERATE03	C305	021440	\$	30,800.00
					<u>74,800.00</u>

*for Walker 12/16/03*



# **The Prime Group**

*Priority Marketing, Planning and Regulatory Support*

December 11, 2003

Mr. John Wolfram  
Louisville Gas & Electric Company  
P.O. Box 32010  
Louisville, KY 40232

Dear John:

Enclosed is a corrected invoice for the work that The Prime Group performed for LG&E during November in developing analysis and materials to support rate case filings for LG&E and KU. Sorry for the error in the Dec. 5 invoice. I appreciate Vicky Harper calling it to our attention. Merry Christmas and Happy New Year!

Sincerely,



Marty Blake  
Principal



Weber, Fick & Wilson Division  
 AUS Consultants  
 155 Gaither Drive  
 PO Box 1050  
 Moorestown, NJ 08057-1050  
 856 234 9200

Invoice Number 088884 **Scott**  
 Invoice Date June 30, 2003  
 PO Number  
 Contract DEP  
 Project 57-0328  
 Page 1 of 2  
 Incorporated  
 www.ausinc.com FID# 22-1943906  
 Consultant:  
 EARL M. ROBINSON  
 EROBINSON@WFW-AUSINC.COM

Gerald Skaggs  
 Louisville Gas & Electric Serv  
 Kentucky Utilities  
 PO Box 32020  
 Louisville, KY 40232

	Current Hours	Rate	Current Amount
Professional Services			
DAVID A. SHEFFER	12.00	150.00	1,800.00
Out of Pocket Expenses			
Production Costs			25.04
Invoice Total			<u>1,825.04</u>

Please remit to:  
 Weber, Fick & Wilson Division  
 P.O. Box 1050  
 Moorestown, NJ 08057-1050  
 Invoice due upon presentation

57LOL

Project 110304 Task DEPSTP  
 Exp Org D210120 Exp Type 314  
 Name Printed Gerald Skaggs  
 Title Manager - Property Accounting  
 Signature Gerald Skaggs

Earl M. Robinson, CDP  
President & CEO

AUS CONSULTANTS  
Utility Services  
Weber Fick & Wilson Division  
1000 N. Front St., Suite 200  
Wormleysburg, PA 17043  
(717) 763-9890  
FAX: (717) 763-9931  
INTERNET: <http://www.ausinc.com>  
E-MAIL: [erobinson@wfw-ausinc.com](mailto:erobinson@wfw-ausinc.com)

July 15, 2003

Mr. Gerald Skaggs  
LOUISVILLE GAS & ELECTRIC SERVICES CO.  
P.O. Box 32020  
Louisville, KY 40232

RE: WFW Ref. No. 57-0329  
Electric - Depreciation Study

Dear Mr. Skaggs:

Please find enclosed our invoice in the amount of \$1,727.50 for professional services and/or expenses incurred and rendered up through June 30, 2003 relative to the initial tasks in developing a depreciation data base.

Upon your approval, I would appreciate you placing this invoice in line for payment at your convenience.

Sincerely,

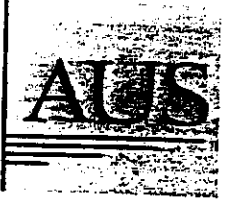


Earl M. Robinson

EMR:sd  
enclosure

**ALS**





Weber, Fick & Wilson Division  
 AUS Consultants  
 155 Gaither Drive  
 PO Box 1050  
 Moorestown, NJ 08057-1050  
 856 234 9200

Invoice Number 088668  
 Invoice Date June 02, 2003  
 PO Number  
 Contract DEP  
 Project 57-0329  
 Page 1 of 2  
 Incorporated  
 www.ausinc.com FID# 22-1943906  
 Consultant:  
 EARL M. ROBINSON  
 EROBINSON@WFW-AUSINC.COM

Gerald Skaggs  
 Louisville Gas & Elect Serv Co  
 Electric  
 PO Box 32020  
 Louisville, KY 40232

	Current Hours	Rate	Current Amount
Professional Services			
EARL M. ROBINSON	5.00	190.00	950.00
Out of Pocket Expenses			
Travel & Related Expenses			798.63
Invoice Total			<u>1,748.63</u>

Please remit to:  
 Weber, Fick & Wilson Division  
 P.O. Box 1050  
 Moorestown, NJ 08057-1050  
 Invoice due upon presentation

57LOL

Project 110304 Task DEPSTD  
 Exp Org 026120 Exp Type →  
 Name Printed Gerald Skaggs  
 Title Manager - Property Accounting  
 Signature [Signature]  
 314-\$475  
 641-\$399.32  
\$874.32

Project 110281 Task DEPSTD  
 Exp Org 026120 Exp Type →  
 Name Printed Gerald Skaggs  
 Title Manager - Property Accounting  
 Signature [Signature]  
 314-\$475  
 641-\$399.32  
\$874.31

<sup>Scott</sup>  
**AUS CONSULTANTS**  
**Utility Services**

**Weber Fick & Wilson Division**  
1000 N. Front St., Suite 200  
Wormleysburg, PA 17043  
(717) 763-9890  
FAX: (717) 763-9931  
INTERNET: <http://www.ausinc.com>  
E-MAIL: [erobinson@wfw-ausinc.com](mailto:erobinson@wfw-ausinc.com)

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**Earl M. Robinson, CDP**  
President & CEO

June 12, 2003

Mr. Gerald Skaggs  
LOUISVILLE GAS & ELECTRIC SERVICES CO.  
P.O. Box 32020  
Louisville, KY 40232

RE: WFW Ref. No. 57-0329  
Depreciation Study

Dear Mr. Skaggs

Please find enclosed our invoice in the amount of \$1,748.63 for professional services and/or expenses incurred and rendered up through June 1, 2003 relative to the initial project preparation plus reimbursement for initial meeting expenses.

Upon your approval, I would appreciate you placing this invoice in line for payment at your convenience.

Sincerely,



Earl M. Robinson

EMR:sd  
enclosure

**AUS**

*Change of Distribution*

**DISBURSEMENT REQUEST**

(Corporate Policy & Procedures are on Intranet)

Specify Company:

X LGE Energy Services Inc.

Louisville Gas & Electric Company (Utility)

Kentucky Utilities Company

Western Kentucky Energy Corp

SUPPLIER NAME: AUS Consultants

REMITTANCE ADDRESS: 155 Gaither Drive

PO Box 1050

Moorestown, NJ 08057-1050

DUE DATE:

**SPECIAL INSTRUCTIONS:**

ACCOUNTING DISTRIBUTION				AMOUNT
PROJECT	TASK	EXP TYPE	EXP ORG	
110304	DEPSTD	314	26120	-\$475.00
110304	DEPSTD	641	26120	-\$399.32
<i>AA</i> 110275	186023	314	26120	\$874.32
110281	DEPSTD	314	26120	-\$475.00
110281	DEPSTD	641	26120	-\$399.31
<i>Wk W</i> 110265	186021	314	26120	\$855.73
<i>Wk W</i> 10265	186022	314	26120	\$216.58
<b>TOTAL</b>				<b>\$0.00</b>

PREPARER SIGNATURE: *Angelina Greente* DATE: *9/9/03*

APPROVER SIGNATURE: *[Signature]* DATE: *9-9-03*

APPROVER TITLE: *Manager - Property Accounting*

REASON FOR EXPENDITURE:

Invoice # 088668

Attachment to PSC Question No. 57(a)(1-5)



Invoice Number: 089069  
 Invoice Date: August 04, 2003  
 PO Number:  
 Contract: DEP  
 Project: 57-0328  
 Page: 1 of 2  
 Incorporated:  
 www.ausinc.com FID# 22-1943906  
 Consultant:  
 EARL M. ROBINSON  
 EROBINSON@WFW-AUSINC.COM

Weber, Fick & Wilson Division  
 AUS Consultants  
 155 Gaither Drive  
 PO Box 1050  
 Moorestown, NJ 08057-1050  
 856 234 9200

Gerald Skaggs  
 Louisville Gas & Electric Serv  
 Kentucky Utilities  
 PO Box 32020  
 Louisville, KY 40232

	Current Hours	Rate	Current Amount
<b>Professional Services</b>			
EARL M. ROBINSON	4.00	190.00	760.00
COREY D. SHAMBAUGH	10.00	90.00	900.00
DAVID A. SHEFFER	30.50	150.00	4,575.00
<b>Out of Pocket Expenses</b>			
Production Costs			5.25
<b>Invoice Total</b>			<u><u>6,240.25</u></u>

Please remit to:  
 Weber, Fick & Wilson Division  
 P.O. Box 1050  
 Moorestown, NJ 08057-1050  
 Invoice due upon presentation

57LOL

026120 Project 110275 Task 186023  
 Exp Org 018570 Exp Type 314  
 Name Printed Gerald Skaggs  
 Title Manager - Property Accounting  
 Signature [Handwritten Signature]



~~AUS CONSULTANTS~~

Utility Services

Weber Fick & Wilson Division

1000 N. Front St., Suite 200

Wormleysburg, PA 17043

(717) 763-9890

FAX: (717) 763-9931

INTERNET: <http://www.ausinc.com>

E-MAIL: [erobinson@wfw-ausinc.com](mailto:erobinson@wfw-ausinc.com)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Earl M. Robinson, CDP  
President & CEO

August 11, 2003

Mr. Gerald Skaggs  
LOUISVILLE GAS & ELECTRIC SERVICES CO.  
P.O. Box 32020  
Louisville, KY 40232

RE: WFW Ref. No. 57-0328  
Kentucky Utilities - Depreciation Study

Dear Mr. Skaggs:

Please find enclosed our invoice in the amount of \$6,240.25 for professional services and/or expenses incurred and rendered up through August 3, 2003 relative to the completion of tasks in developing a depreciation data base, depreciation study analysis and depreciation calculations.

Upon your approval, I would appreciate you placing this invoice in line for payment at your convenience.

Sincerely,



Earl M. Robinson

EMR:sd  
enclosure

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**AUS**



Invoice Number  
Invoice Date  
PO Number  
Contract  
Project  
Page  
Incorporated  
www.ausinc.com  
Consultant:  
EARL M. ROBINSON  
EROBINSON@WFW-AUSINC.COM

Weber, Fick & Wilson Division  
AUS Consultants  
155 Gaither Drive  
PO Box 1050  
Moorestown, NJ 08057-1050  
856 234 9200

Gerald Skaggs  
Louisville Gas & Electric Serv  
Kentucky Utilities  
PO Box 32020  
Louisville, KY 40232

	Current Hours	Rate	Current Amount
<b>Professional Services</b>			
EARL M. ROBINSON	20.50	190.00	3,895.00
COREY D. SHAMBAUGH	3.00	90.00	270.00
DAVID A. SHEFFER	14.00	150.00	2,100.00
<b>Out of Pocket Expenses</b>			
Production Costs			6.25
<b>Invoice Total</b>			<u>6,271.25</u> ✓

Please remit to:  
Weber, Fick & Wilson Division  
P.O. Box 1050  
Moorestown, NJ 08057-1050  
Invoice due upon presentation

57LOU01

Project 110275 ✓ Task 181023 ✓  
Exp Org 021020 Exp Type 314  
Name Printed Gerald Skaggs  
Title Manager - Property Accounting  
Signature

---

---

Earl M. Robinson, CDP  
President & CEO

**AUS CONSULTANTS**

**Utility Services**

Weber Fick & Wilson Division

1000 N. Front St., Suite 200

Wormleysburg, PA 17043

(717) 763-9890

FAX: (717) 763-9931

INTERNET: <http://www.ausinc.com>

E-MAIL: [erobinson@wfw-ausinc.com](mailto:erobinson@wfw-ausinc.com)

September 15, 2003

Mr. Gerald Skaggs  
LOUISVILLE GAS & ELECTRIC SERVICES CO.  
P.O. Box 32020  
Louisville, KY 40232

RE: WFW Ref. No. 57-0328  
Kentucky Utilities - Depreciation Study

Dear Mr. Skaggs:

Please find enclosed our invoice in the amount of \$6,271.25 for professional services and/or expenses incurred and rendered up through August 31, 2003 relative to the completion of tasks in developing a depreciation data base, depreciation study analysis and depreciation calculations.

Upon your approval, I would appreciate you placing this invoice in line for payment at your convenience.

Sincerely,



Earl M. Robinson

EMR:sd  
enclosure

**AUS**



Weber, Fick & Wilson Division  
 AUS Consultants  
 155 Gaither Drive  
 PO Box 1050  
 Moorestown, NJ 08057-1050  
 856 234 9200

Invoice Number 089508  
 Invoice Date October 05, 2003  
 PO Number  
 Contract DEP  
 Project 57-0328  
 Page 1  
 Incorporated FID# 22-1943906  
 www.ausinc.com  
 Consultant:  
 EARL M. ROBINSON  
 EROBINSON@FW-AUSINC.COM

Gerald Skaggs  
 Louisville Gas & Electric Serv  
 Kentucky Utilities  
 PO Box 32020  
 Louisville, KY 40232

	Current Hours	Rate	Current Amount
Professional Services			
EARL M. ROBINSON	54.00	190.00	10,260.00
Out of Pocket Expenses			
Production Costs			24.55
Invoice Total			<u>10,284.55</u>

Please remit to:  
 Weber, Fick & Wilson Division  
 P.O. Box 1050  
 Moorestown, NJ 08057-1050  
 Invoice due upon presentation

57LOU01

Project 110275 ✓ Task 186023 ✓  
 Exp Org 0210120 Exp Type 314  
 Name Printed Gerald Skaggs  
 Title Manager, Property Accounting  
 Signature *Gerald Skaggs*

**AUS CONSULTANTS**

**Utility Services**

**Weber Fick & Wilson Division**

1000 N. Front St., Suite 200

Warmleysburg, PA 17043

(717) 763-9890

FAX: (717) 763-9931

INTERNET: <http://www.ausinc.com>

E-MAIL: [erobinson@wfw-ausinc.com](mailto:erobinson@wfw-ausinc.com)

\_\_\_\_\_  
Earl M. Robinson, CDP  
President & CEO

October 15, 2003

Mr. Gerald Skaggs  
LOUISVILLE GAS & ELECTRIC SERVICES CO.  
P.O. Box 32020  
Louisville, KY 40232

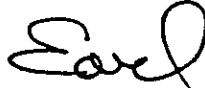
RE: WFW Ref. No. 57-0328  
Kentucky Utilities - Depreciation Study

Dear Mr. Skaggs:

Please find enclosed our invoice in the amount of \$10,284.55 for professional services and/or expenses incurred and rendered up through October 5, 2003 relative to the completion of tasks in developing a depreciation data base, depreciation study analysis and depreciation calculations.

Upon your approval, I would appreciate you placing this invoice in line for payment at your convenience.

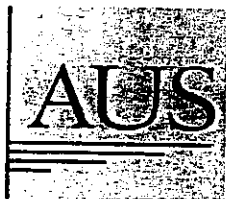
Sincerely,



Earl M. Robinson

EMR:sd  
enclosure

**AUS**



Invoice Number 089754 Scott  
 Invoice Date November 03, 2003  
 PO Number  
 Contract DEP  
 Project 57-0328  
 Page 1

Weber, Fick & Wilson Division  
 AUS Consultants  
 155 Gaither Drive  
 PO Box 1050  
 Moorestown, NJ 08057-1050  
 856 234 9200

Incorporated FID# 22-1943906  
 www.ausinc.com  
 Consultant:  
 EARL M. ROBINSON  
 EROBINSON@WFW-AUSINC.COM

Gerald Skaggs  
 Louisville Gas & Electric Serv  
 Kentucky Utilities  
 PO Box 32020  
 Louisville, KY 40232

	Current Hours	Rate	Current Amount
<b>Professional Services</b>			
EARL M. ROBINSON	22.00	190.00	4,180.00
<b>Administrative Services</b>			
Administrative Staff			215.00
<b>Invoice Total</b>			<u>4,395.00</u>

Please remit to:  
 Weber, Fick & Wilson Division  
 P.O. Box 1050  
 Moorestown, NJ 08057-1050  
 Invoice due upon presentation

57LOU01

Project 110275 Task 186023  
 Exp Org 0210120 Exp Type 314  
 Name Printed Gerald Skaggs  
 Title Manager - Property Accounting  
 Signature [Handwritten Signature]

AUS CONSULTANTS <sup>Scott</sup>

Utility Services

Weber Fick & Wilson Division

1000 N. Front St., Suite 200

Wormleysburg, PA 17043

(717) 763-9890

FAX: (717) 763-9931

INTERNET: <http://www.ausinc.com>

E-MAIL: [erobinson@wfw-ausinc.com](mailto:erobinson@wfw-ausinc.com)

Earl M. Robinson, CDP  
President & CEO

November 18, 2003

Mr. Gerald Skaggs  
LOUISVILLE GAS & ELECTRIC SERVICES CO.  
P.O. Box 32020  
Louisville, KY 40232

RE: WFW Ref. No. 57-0328  
Kentucky Utilities - Depreciation Study

Dear Mr. Skaggs:

Please find enclosed our invoice in the amount of \$4,395.00 for professional services and/or expenses incurred and rendered up through November 2, 2003 relative to the completion of tasks in completing the depreciation study analysis and depreciation calculations.

Upon your approval, I would appreciate you placing this invoice in line for payment at your convenience.

Sincerely,



Earl M. Robinson

EMR:sd  
enclosure

**AUS**

Scott

National Service Information, Inc.  
P.O. Box 6293  
Marion, OH 43301-6293

OK  
DCG  
Rate Case



59656  
12/22/03  
JA

Account #: 1236304

LG&E ENERGY CORP  
ATTN: CHRISTY  
220 WEST MAIN STREET  
LOUISVILLE, KY 40202

Invoice #: 0370983  
Invoice Date: 11/11/2003 12:20:10 PM  
Phone: 502-627-3773  
Fax: 502-627-3450  
Customer Rep: JODI  
FED EX: 2741-38661

Srch Name: KENTUCKY UTILITIES COMPANY  
County: SOS  
Courts Searched: SEC. OF STATE

Ref #: CHRISTY-VASOS  
Cnty Seat:  
St: VA

Product Description	Units	Costs
CORPORATE - RETRIEVAL - ASSUMED BUSINESS NAME SEARCH		
MISC. - MAILING COSTS	1	15.00
MISC. - CORRESPONDENT FEE	1	15.00
MISC. - COURT COSTS	1	6.00
Service Fee	1	20.00
<b>Total Due</b>		<b>\$56.00</b>

SEE ATTACHED CERTIFIED COPY OF ASSUMED FILING.

SENT OUT FEDERAL EXPRESS 11-11-03.

THANK YOU.....JODI

111262 ERATE03 0670 026900 = \$56.00

Approved by:

*Dorothy E. O'Brien*  
Dorothy E. O'Brien, Deputy General Counsel

Date: 11-26-03

RECEIVED  
DEC 05 2003  
ACCOUNTS PAYABLE

50174

Pay From This Invoice #

Total Due \$56.00

The information contained herein is public record information which has been retrieved by NSI from sources believed to be reliable, including but not limited state / local governments and various suppliers, however NSI makes no expressed or implied warranties or guarantees as to the accuracy or completeness of this reporting. NSI will accept no liability for errors or omissions of any kind and our liability will not exceed the charge levied by NSI for the specific service rendered on the item in question.



National Service Information, Inc.  
P.O. Box 6293  
Marion, OH 43301-6293

OK  
DCG  
Rate Case



59656  
12/22/03  
GA

Account #: 1236304

LG&E ENERGY CORP  
ATTN: CHRISTY  
220 WEST MAIN STREET  
LOUISVILLE, KY 40202

Invoice #: 0370980  
Invoice Date: 11/11/2003 12:13:18 PM  
Phone: 502-627-3773  
Fax: 502-627-3450  
Customer Rep: JODI  
FED EX: 2741-38661

Srch Name: KENTUCKY UTILITIES COMPANY  
County: SOS  
Courts Searched: SEC. OF STATE

Ref #: CHRISTY-VASOS  
Cnty Seat: St: VA

Product Description	Units	Costs
CORPORATE - RETRIEVAL - GOOD STANDING - SHORT FORM		
MISC. - CORRESPONDENT FEE	1	15.00
MISC. - COURT COSTS	1	6.00
Service Fee	1	20.00
<b>Total Due</b>		<b>\$41.00</b>

SEE ATTACHED CERTIFICATE OF GOOD STANDING.

SENDING OUT FEDERAL EXPRESS 11-11-03.

THANK YOU.....JODI

111262 ERATE03 0670 026900 = \$41.00

Approved by:

Dorothy E. O'Brien, Deputy General Counsel

Date: 11-26-03

RECEIVED  
DEC 05 2003  
ACCOUNTS PAYABLE

50174

Pay From This Invoice # Total Due \$41.00

The information contained herein is public record information which has been retrieved by NSI from sources believed to be reliable, including but not limited state / local governments and various suppliers, however NSI makes no expressed or implied warranties or guarantees as to the accuracy or completeness of this reporting. NSI will accept no liability for errors or omissions of any kind and our liability will not exceed the charge levied by NSI for the specific service rendered on the item in question.

Scott

ational Service Information, Inc.  
O. Box 6293  
Marion, OH 43301-6293

OK  
DCG  
Rate Case



59656  
12/2/03  
SA

Account #: 1236304

LG&E ENERGY CORP  
ATTN: CHRISTY  
220 WEST MAIN STREET  
LOUISVILLE, KY 40202

Invoice #: 0370978  
Invoice Date: 11/11/2003 12:10:31 PM  
Phone: 502-627-5773  
Fax: 502-627-3450

Customer Rep: JODI  
FED EX: 2741-38661

Srch Name: KENTUCKY UTILITIES COMPANY  
County: SOS  
Courts Searched: SEC. OF STATE

Ref #: CHRISTY-VASOS  
Cnty Seat: St: VA

Product Description	Units	Costs
CORPORATE - RETRIEVAL - ARTICLES OF INCORPORATION		
MISC - CERTIFIED	1	3.00
MISC - COPIES	22	33.00
MISC - CORRESPONDENT FEE	1	15.00
MISC - COURT COSTS	1	0.00
Service Fee	1	20.00
<b>Total Due</b>		<b>\$71.00</b>

SEE ATTACHED CERTIFIED COPIES FROM VA SOS.

SENDING OUT FEDERAL EXPRESS 11-11-03.

THANK YOU.....JODI

111262 ERATE03 - 0670 026900 = \$71.00

50774

Approved by:

Dorothy E. O'Brien, Deputy General Counsel

Date: 11-26-03

RECEIVED  
DEC 05 2003  
ACCOUNTS PAYABLE

Pay From This Invoice. #

Total Due \$71.00

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National Service Information, Inc.  
P.O. Box 6293  
Marion, OH 43301-6293

OK  
DCG  
Rate Case



59658 Scott  
12/20/03  
SP

Account #: 1236304

LG&E ENERGY CORP  
ATTN: CHRISTY  
220 WEST MAIN STREET  
LOUISVILLE, KY 40202

Invoice #: 0370711  
Invoice Date: 11/10/2003 10:50:57 AM  
Phone: 502-627-3773  
Fax: 502-627-3450  
Customer Rep: TENA  
FED EX: 2741-38661

Srch Name: KENTUCKY UTILITIES COMPANY  
County: SOS  
Courts Searched: SEC. OF STATE

Ref #: CHRISTY/SOS  
Cnty Seat: FRANKLIN  
St: KY

Product Description	Units	Costs
CORPORATE - RETRIEVAL - ARTICLES OF INCORPORATION		
MISC. - CERTIFIED	1	0.00
MISC. - COPIES	17	25.50
Service Fee	1	20.00
<b>Total Due</b>		<b>\$45.50</b>

SEE ATTACHED (1 CERTIFIED COPY) OF THE AMENDED AND RESTATED ARTICLES OF INCORPORATION FOR KENTUCKY UTILITIES COMPANY.

SENT FED-X ON 11-10-2003

THANK-YOU.....TENA

111262 ERATE03 0670 026900 = \$45.50

50174

Approved by:

Dorothy E. O'Brien, Deputy General Counsel

Date: 11/10/03

RECEIVED

NOV 12 2003

ACCOUNTS PAYABLE

Pay From This Invoice # Total Due \$45.50

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National Service Information, Inc.  
P.O. Box 6293  
Marion, OH 43301-6293

OK  
DCG  
Rate  
Case



Scott  
59654  
11/24/03  
SA

Account #: 1236304

LG&E ENERGY CORP  
ATTN: CHRISTY  
220 WEST MAIN STREET  
LOUISVILLE, KY 40202

Invoice #: 0370715  
Invoice Date: 11/10/2003 10:59:15 AM  
Phone: 502-627-3773  
Fax: 502-627-3450  
Customer Rep: TENA  
FED EX: 2741-38661

Srch Name: KENTUCKY UTILITIES COMPANY  
County: SOS  
Courts Searched: SEC. OF STATE

Ref #: CHRISTY-KYSOS  
Cnty Seat: FRANKLIN  
St: KY

Product Description	Units	Costs
CORPORATE - RETRIEVAL - ASSUMED BUSINESS NAME SEARCH		
Service Fee	1	20.00
<b>Total Due</b>		<b>\$20.00</b>

NO RECORD FOUND FOR ASSUMED NAME FILINGS FOR KENTUCKY UTILITIES COMPANY.

SENT FED-X ON 11-10-2003

THANK-YOU.....TENA

11262 ERATE03 0670 026900 = \$20.00

50174

Approved by:

Dorothy E. O'Brien, Deputy General Counsel

Date:

11-10-03

RECEIVED  
NOV 12 2003  
ACCOUNTS PAYABLE

Pay From This Invoice # Total Due \$20.00

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National Service Information, Inc.  
P.O. Box 6293  
Marion, OH 43301-6293

OK  
DCG  
Pole  
Case



59656  
12/24/03  
SN

Account #: 1236304

LG&E ENERGY CORP  
ATTN: CHRISTY  
220 WEST MAIN STREET  
LOUISVILLE, KY 40202

Invoice #: 0370713  
Invoice Date: 11/10/2003 10:55:17 AM  
Phone: 502-627-3773  
Fax: 502-627-3450

Customer Rep: TENA  
FED EX: 2741-38661

Srch Name: KENTUCKY UTILITIES COMPANY  
County: SOS  
Courts Searched: SEC. OF STATE

Ref #: CHRISTY-KYSOS  
Cnty Seat: FRANKLIN  
St: KY

Product Description	Units	Costs
CORPORATE - RETRIEVAL - GOOD STANDING - SHORT FORM		
MISC. - COURT COSTS	1	10.00
Service Fee	1	20.00
<b>Total Due</b>		<b>\$30.00</b>

SEE ATTACHED (1 CERTIFICATE OF GOOD STANDING) FOR KENTUCKY UTILITIES COMPANY

SENT FED-X ON 11-10-2003

THANK-YOU.....TENA

111262 ~~ERATED03~~ 0670 026900 = \$30.00 50174

Approved by:

  
Dorothy E. O'Brien, Deputy General Counsel

Date: 11-10-03

RECEIVED

NOV 12 2003

ACCOUNTS PAYABLE

Pay From This Invoice #

Total Due \$30.00

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Sent to AP Scott

12-10-03



# INVOICE

LG&E CORPORATE OFFICE  
ATTN: ACCOUNTS PAYABLE  
220 WEST MAIN ST.  
P.O. BOX 32020  
LOUISVILLE, KY 40232  
Customer #49940

FOR: ROGER HICKMAN  
LOC: 5TH FLOOR  
DATE: 11/17/2003  
P.O. #:

INVOICE #: 21630  
INV DATE: 12/8/2003  
DUE DATE: 1/7/2004  
HEND JOB# GD2066

DESCRIPTION	UNITS	RATE	AMOUNT
TECHNICIAN S.T.	31.00	50.90	1,577.90
TECHNICIAN T.H.	0.00	71.21	0.00
MATERIAL			132.82
15% MARK UP MATERIAL			19.92
<b>INVOICE TOTAL</b>			<b>\$1,730.64</b>

## INVOICE COMMENTS:

INSTALL 50A RECPT. FOR XEROX  
(COMPLETE)

*Electric drop, etc. for  
Xerox machine.  
ok for payment  
(change to rate codes)  
rdhickman 12/14/03*

*for Wally 12/14/03*

<u>Project</u>	<u>Task</u>	<u>Exp Org</u>	<u>Exp Type</u>	
109920	ERATE03	021440	0670	576.88
109920	ERATE03	021440	0670	576.88
109989	ERATE03	021440	0670	576.88

# JOB REPORT



- P.O. BOX 32038  
LOUISVILLE, KY 40232  
502/719-6615  
502/454-5415 FAX
- P.O. BOX 55127  
LEXINGTON, KY 40555  
859/422-3347  
859/254-2495 FAX

Scott

CUSTOMER: LGYE (XEROX OFFICE)	
DATE:	HENDERSON JOB NO. GD 8066
PAGE: _____ OF _____	CUSTOMER PURCHASE ORDER NO.
FIELD CHANGE ORDER NO.	

RATES DEPARTMENT  
IN THE XEROX OFFICE

EMPLOYEE NAME	11-17		11-18		S.T. Hrs.		T.H. Hrs.		D.T. Hrs.	
T HEINES	8	4					12			
M. Lollar	8	8					16			
P. JAKoby		3					3			
SEND THE INVOICE TO										
LGYE										
ROGER HICKMAN, RATES REGULATORY										
5TH FLOOR										
TOTAL HOURS										31
EQUIPMENT & TOOLS										

HENDERSON Representative

Thomas Blain

Customer's Representative

[Signature]

# JOB REPORT



P.O. BOX 32038  
LOUISVILLE, KY 40232  
502/719-6615  
502/454-5415 FAX

P.O. BOX 55127  
LEXINGTON, KY 40555  
859/422-3347  
859/254-2495 FAX

CUSTOMER: <u>LGVE (Xerox office)</u>	
DATE: <u>11-18-2003</u>	HENDERSON JOB NO. <u>GR 2066</u>
PAGE: _____ OF _____	CUSTOMER PURCHASE ORDER NO.
FIELD CHANGE ORDER NO.	

Scott

RATES DEPARTMENT  
IN THE XEROX OFFICE

11-18

EMPLOYEE NAME

S.T. Hrs. / T.H. Hrs. / D.T. Hrs.

P. JAKOBY

3

SEND THE INVOICE TO

LGVE

ROGER HICKMAN RATES REGULATORY  
5TH FLOOR

extra labor report for  
time billed on invoice  
# 21630 (50A receptacle)

Henderson Representative

Thomas Haines

Customer's Representative

John L. Hunt



## KENTUCKY UTILITIES

CASE NO. 2003-00434

## Schedule of Ratecase Preparation Costs

Response to Commission's Order

Dated December 19, 2003

Question No. 57b

Responding Witness: Valerie L. Scott

LINE NO				
1	ESTIMATED EXPENSES			
2	VENDOR	RATE	TOTAL UNITS	TOTAL ESTIMATED
3	CONSULTANTS	\$ 182.00	3,543	\$ 644,868.00
4	LEGAL	\$ 226.00	1,781	402,500.00
5	PRINTING COSTS & OTHER SUPPLIES			20,000.00
6	NEWSPAPER ADVERTISING			543,500.00
7	TOTAL PROJECTED COST			\$ 1,610,868.00

Note: The amounts above represent the latest estimates. These estimates will be revised periodically as changes become known.



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 58**

**Responding Witness: Earl Robinson**

- Q-58. Provide a copy of KU's most recent depreciation study. If no such study exists, provide a copy of KU's most recent depreciation schedule. The schedule should include a list of all facilities by account number, service life and accrual rate for each, the methodology that supports the schedule, and the date the schedule was last updated.
- A-58. The depreciation study is provided in Robinson – Appendix C, Volume 6 of 6 of KU's Application filed in this case on December 29, 2003.



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 59**

**Responding Witness: Michael S. Beer**

- Q-59. Describe the status of any outstanding recommendations relating to Kentucky jurisdictional electric operations contained in KU's management audits. Identify any savings or costs related to management audit recommendations, the impact of which is not already reflected in the test year of this case.
- A-59. There are no open recommendations from KU's last general management audit, conducted in 1994. A management audit of KU's fuel procurement practices is underway at this time, for which the recommendations are not yet known.



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2003-00434**

**Response to First Data Request of Commission Staff Dated December 19, 2003**

**Question No. 60**

**Responding Witness: Michael S. Beer**

Q-60. Concerning KU's demand side management ("DSM") programs:

- a. Describe the status of the DSM programs during and as of test-year end.
- b. Identify the revenues and expenses associated with KU's DSM programs during the test year. Include the account number used to record revenue and expense transactions for the DSM programs.

A-60. a. KU has several DSM programs in place, both now and during the test year, pursuant to Commission Orders in Case No. 2000-459. The programs are Residential Conservation, Residential Load Management, Residential Low Income Weatherization, Commercial Conservation, and Commercial Load Management. All five programs were in place throughout the entire test period.

Participation levels for the programs during the test period are tabulated below.

<b>Program</b>	<b>Participants</b>
Residential Conservation	656
Residential Load Management	7,468
Residential Low Income Weatherization	154
Commercial Conservation	194
Commercial Load Management	76
<b>TOTAL</b>	<b>8,548</b>

- b. See attached.

Kentucky Utilities Company  
Electric DSM Revenues and Expenses for the Test Year  
October 1, 2002 - September 30, 2003

## REVENUES

Account	Revenue Class	Amount
440010	Residential	\$ 2,597,120.05
442025	Commercial	\$ 272,522.90
442035	Industrial	\$ 14,210.04
442065	Mine Power	\$ 12,958.76
444010	Public Street and Highway	\$ 1,563.09
445010	Public Authority	\$ 2,269.13
445030	Municipal Pumping	\$ 42,290.65
	Total	\$ 2,942,934.62

## EXPENSES

908005		\$ 2,946,471.00
--------	--	-----------------