

AGREEMENT

Between the

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

and

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

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## AGREEMENT

Between the

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

and

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

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

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

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

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

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

## ARTICLE I

**Section 1.** (a) The Company hereby recognizes the Union during the term of this Agreement as the sole and exclusive representative of all regular full-time and part-time employees of the occupational classifications in the units defined as "The Office, Clerical and Technical Unit" and "The Residual Unit," as described in the Order issued by the National Labor Relations Board dated August 12, 1944 and amended by the National Labor Relations Board Order dated February 24, 1967. The units so defined shall retain jurisdiction over such work as was normally performed by them prior to this Agreement but such jurisdiction shall not be expanded except by mutual agreement of the parties hereto or through due processes under the National Labor Relations Act. A-14

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

(c) This Agreement shall be final and binding upon the successors, assignees or transferees of the Union and the corporate entity of the Company.

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

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

(c) The Union recognizes that the management of the Company, the direction of the working forces, the determination of the number of people it will employ or retain in each classification, and the right to hire, suspend, discharge, discipline, promote, demote or transfer, and to release employees because of lack of work or for other proper and legitimate reasons are vested in and reserved to the Company. A-9

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

modified by this Agreement.

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

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

(a) All regular employees in the bargaining unit represented by the Union shall be required as a condition of their continued employment to maintain their membership in the Union in good standing on and after the thirty-first (31<sup>st</sup>) day following the employee's date of hire. The Union shall notify the Company's Labor Relations Department of any members who are not in good standing as determined by the Union. For the purposes of this provision, "membership in good standing" shall mean being a full member or a core fee payer of the Union.

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

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

(d) The Company shall provide the Union with time to discuss with new employees the Union and the existence of the collective bargaining agreement. The Company will provide new employees with electronic and/or paper access to the collective bargaining agreement, along with the Union's "Membership Application" and the "Payroll Deduction Authorization" cards for Union dues or core fees, so that enrollment will be effective 31 days after being hired.

(e) Except for those employees mentioned in subsection (d) of this section and subject to all state and federal laws, all employees who are not members of the Union shall be required, as a condition of their continued employment, to pay to the Union the applicable core fees representing the percentage of the Union's expenses that are for representational and other legally chargeable activities.

(f) The Union agrees that any present or future employee who is now or may become a member of the Union may withdraw from membership in the Union by giving notice in writing to the Labor Relations Department of the Company and to the Union.

However, the Union will not impose restrictions, which are prohibited by law, on employees who wish to withdraw from Union membership. After such withdrawal, an employee shall not be required to rejoin the Union as a condition of continued employment. Any such employee will remain obliged to pay the applicable core fees.

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

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

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

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

Agreement now in effect.

## **ARTICLE II**

**Section 1.** The Company agrees to designate and authorize a representative or representatives to meet with The General Board of the Union. It is agreed that these meetings shall be held quarterly, at a time mutually agreed upon, and at any other time upon the written request of either party to this Agreement. These meetings will be held within seven days after such request is made.

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

## **ARTICLE III**

**Section 1.** (a) This Agreement and the provisions thereof, shall become effective April 15, 2015 and shall continue in full force and effect until April 1, 2019, and from year-to-year thereafter unless changed by the parties.

(b) Either of the parties hereto desiring to change any section or sections of this Agreement and/or to terminate this Agreement shall notify the other party in writing of the desired changes at least 60 days prior to April 1, 2019 or any subsequent anniversary date. During this 60-day period, conferences shall be held by and between the parties hereto, with a view to arriving at a further Agreement, and in all events this Agreement shall remain in full force and effect during the period of negotiations.

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(c) In the event agreement is reached on or before April 1, the 2015 – 2019 Agreement will be extended for a mutually agreed number of calendar days. The Union shall have one-half of the mutually agreed number of calendar days immediately following the date an agreement is reached in which to submit the Agreement to its membership for ratification and in case of failure to ratify, in order that the Company shall have the remaining one-half of the mutually agreed number of calendar days as notice before a strike or work stoppage commences. Providing the mutually satisfactory Agreement is ratified by the membership within the first one-half of the mutually agreed number of days following the date an agreement is reached, such Agreement will be made retroactive to the 1st day of April and any agreed upon wage adjustments will be made retroactive to the 1st day of April.

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

#### ARTICLE IV

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

**Section 2.** The Company agrees that if a matter rightfully termed a Union activity is referred by an employee to his or her representative or delegate, and this is taken up with the supervisor or any one qualified or authorized to act for the Company, such Company representative shall not initiate, negotiate, or discuss this question with the employee without affording the representative or delegate of the division an opportunity to be present.

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

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

#### ARTICLE V

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

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

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

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

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

Existing system service and seniority records shall not be rearranged to meet the above requirements in exceptions (1), (2) and (3), but they shall be met in all cases beginning March 21, 1983.

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

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

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

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

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A-21  
A-44  
A-65

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

In the event no fully qualified individual has bid on a Union wide job opening, the previous experience requirement only will be waived, with the exception of positions within the General Clerical sequence, and an employee will not be disqualified for promotion on the basis of not having passed through a lower job in the promotional sequence if otherwise qualified. Employees who have at least one half of the required previous experience and are in the direct promotional sequence of a job opening, posted Union wide, where previous experience has been waived, will be considered for the job before all other non-qualified employees. Any claim of discrimination in this connection may be taken up by the Union as a grievance.

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

(g) If no qualified regular full-time employee has been accepted following the posting procedure and consideration of requests for demotion, second consideration for non-technical job openings shall be given to part-time employees within the bargaining unit based on qualifications as determined by the Company. For technical job openings, the Company will give second consideration to part-time employees with a technical degree and/or technical expertise based on qualifications as determined by the Company. As a result of these determinations, if the top two or more part-time applicants have equal assessments, then the non-technical or technical job opening will be offered to the applicant with the greatest system seniority.

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

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

the job posting procedure outlined above.

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

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

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

**Section 3.** (a) In the event of any layoffs or curtailments of employment, the Company will attempt to place the employee in a temporary assignment. Prior to making an assignment, the Company will discuss such assignment with the Union. If a temporary assignment is not available, rollbacks and layoffs shall be made in accordance with system seniority rights. When the Company reduces the number of employees in a job classification, the Company will use the following process to determine rollbacks and layoffs. Employees with the least amount of System Service seniority within the job classification that is targeted for a reduction will be assigned to vacant positions and/or replace full-time employees in the bidding area with the least amount of System Service seniority. Displaced employees must be qualified for the job classification to which they are assigned and the job classification must be within the same bidding area and below their former job classification. Displaced employees will be reclassified into the next lower job classification within their bidding area for which they are qualified, if there are employees in that job classification and they have less system seniority than the displaced employees. Displaced employees will have their wage rates red-circled for a period of 18 months. At the end of 18 months, their wage rates will be reduced to the maximum wage rate of the job classification to which they were reclassified. Displaced employees who are assigned to perform work in lower level job classifications, if qualified, will be reassigned to higher job classifications as they become available within the bidding area, until the displaced employees return to assignments within their former job classification; obtain a job within the bidding area at the same or higher wage level as their former job classification; or, obtain a job in another bidding area. Displaced employees will not be assigned to or be required to perform the duties of job classifications at levels higher than their former job classification. Any employees unable to be assigned to vacant positions and/or replace full-time employees in the bidding area will be subject to layoff.

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

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

For those full-time displaced employees with at least 15 years of service and subject to layoff, including employees who have been placed in a temporary position in accordance with this subsection, an effort will be made by the Company to find another job at the same or lower wage level for which the employee is qualified. The Company will discuss the employee's reclassification with the Union prior to it going into effect. If there are multiple displaced employees, vacant positions will be offered by system seniority; an employee has the right to turn down one offered position. An employee who turns down a position and who is not currently in a temporary assignment, could be subject to immediate rollback or layoff in accordance with this Section or to rollback or layoff at the end of the temporary assignment if no job is available. If the Company identifies such a vacant position for which the employee is qualified, the Company may reassign and reclassify the employee without posting the position. If no positions are identified by the Company the displaced employee, if qualified, will be allowed to displace the employee with the least amount of system seniority outside of the displaced employee's bidding area. Those employees with 15 or more years of service will have their wage rates red-circled for 18 months. After 18 months, the employee's rate of pay will be reduced to the maximum rate of pay for the classification to which they are assigned.

An employee unable to be reassigned and subject to being rolled back to the Call Center or Meter Reading Departments, will have the option of accepting the assignment in the Call Center or Meter Reading, being laid off, or being offered a severance as outlined in Sidebar Letter A-70.

A-70

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

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

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

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

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

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

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

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

(b) Permanent transfers from one department, district, or departmental section to another will not affect an employee's system service or classified seniority, which will be used to determine his system service and seniority rank in his new department, district, or departmental section. A-2

(c) When an employee has successfully bid on a posted job and his move to the posted job is delayed, consideration shall be given to the proper adjustment of the

employee's seniority rank so that the employee will not be penalized with respect to future promotions. The employee will receive a seniority date and the wage rate of the job on which he has been accepted no later than the beginning of the third week after the employee is notified that he has been accepted for the new job.

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

Effective January 1, 2016, the probationary period of any employee on an approved leave of absence lasting more than thirty days, will be extended by the duration of the leave of absence.

**Section 6.** Temporary employees shall be those hired for a specific job of a limited duration, not to exceed six months unless agreed upon by both parties, and shall not acquire system service or classified seniority rights. The Union shall be notified of the hiring of such employees.

A-6

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

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A-61

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

(c) The overtime provisions of this Agreement, including meal compensation, will only apply to part-time employees when they work in excess of their regular scheduled hours per day or eight hours per day, whichever is greater. Part-time employees will not be called out for overtime assignments unless all full-time available employees have

been called. The total number of part-time employees, excluding those in the Call Center and Meter Reading work groups and those hired to perform a continuing specific work requirement that is temporary in nature, will not exceed 5% of the total number of full-time employees performing work represented by the Union.

## **ARTICLE VI**

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

## **ARTICLE VII**

**Section 1.** Any dispute or disagreement arising between an employee and the Company or the Union and the Company involving wages, hours or work, conditions of employment, or otherwise of any nature arising out of this Agreement may become the subject of a grievance. However, with respect to any claim or dispute involving the application or interpretation of an employee welfare or pension (includes defined benefit and 401(k) plans) plan, the claim or dispute shall not be resolved under the grievance procedure outlined herein, but instead, shall be resolved in accordance with the terms and procedures set forth in the relevant plan document. Additionally, should the content of any communication relating to employee benefits conflict with the terms of the relevant plan document, the terms of the plan document shall govern. Recognizing the importance of resolving disputes or disagreements in a peaceful and timely manner and at the earliest stage possible, grievances shall be processed in accordance with the following procedure:

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### **1st Step**

An employee must take up any grievance initially with the supervisor involved, within 20 days of its occurrence or 20 days from the time the employee or the Union became aware of the occurrence. The initial meeting shall be held between the supervisor(s), the employee involved and the elected union representative or delegate. Grievances in this step shall be answered verbally at the meeting or within 5 days of the conclusion of the meeting. The supervisor will also inform the Union of the appropriate management person to notify in the event that the Union wishes to pursue the grievance to the second step.

### **2nd Step**

If the parties are unable to resolve the grievance following the first step, within 10 workdays of the first step response, the Union may submit a written grievance to the management of the department designated in the first step. Department management will schedule a meeting with a small committee representing the Union within 20

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

### **3rd Step**

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

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

### **Arbitration**

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

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

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

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

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

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

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

**ARTICLE VIII**

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

**MAXIMUM HOURLY WAGE RATES**

		Clerical (Non-Manual) Maximum Wage Rates				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 15,	April 1,	April 1,	April 1,
		2014	2015	2016	2017	2018
Wage level	Base Increase	NA	1.50%	2.00%	2.00%	2.00%
	Lump Sum	NA	1.00%	0.00%	0.00%	0.00%
	1	\$ 13.79	\$14.00	\$14.28	\$14.57	\$14.86
	2	\$ 15.25	\$15.48	\$15.79	\$16.11	\$16.43
	3	\$ 17.05	\$17.31	\$17.66	\$18.01	\$18.37
	4	\$ 17.05	\$17.31	\$17.66	\$18.01	\$18.37
	5	\$ 18.30	\$18.57	\$18.94	\$19.32	\$19.71
	6	\$ 19.98	\$20.28	\$20.69	\$21.10	\$21.52
	7	\$ 19.98	\$20.28	\$20.69	\$21.10	\$21.52
	8	\$ 22.17	\$22.50	\$22.95	\$23.41	\$23.88
	9	\$ 23.70	\$24.06	\$24.54	\$25.03	\$25.53
	10	\$ 25.48	\$25.86	\$26.38	\$26.91	\$27.45
	11	\$ 25.48	\$25.86	\$26.38	\$26.91	\$27.45
	12	\$ 26.56	\$26.96	\$27.50	\$28.05	\$28.61
	13	\$ 27.74	\$28.16	\$28.72	\$29.29	\$29.88
	14	\$ 28.76	\$29.19	\$29.77	\$30.37	\$30.97
	15*	\$ 29.39	\$29.83	\$30.43	\$31.04	\$31.66
16*	\$ 30.02	\$30.47	\$31.08	\$31.70	\$32.33	
17*	\$ 31.52	\$31.99	\$32.63	\$33.29	\$33.96	

\* Specially negotiated rates not subject to the Job Evaluation Committee.



		Meter Reading Maximum Wage Rates (Sidebar A48)				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 15,	April 1,	April 1,	April 1,
		2014	2015	2016	2017	2018
	Base Increase	NA	1.50%	2.00%	2.00%	2.00%
	Lump Sum	NA	1.00%	0.00%	0.00%	0.00%
Wage level	MR1	\$ 17.00	\$17.26	\$17.61	\$17.96	\$18.32
	MR2	\$ 17.19	\$17.45	\$17.80	\$18.16	\$18.52
	MR3	\$ 20.19	\$20.49	\$20.90	\$21.32	\$21.75
	MR4	\$ 23.93	\$24.29	\$24.78	\$25.28	\$25.79
	MR5	\$ 25.74	\$26.13	\$26.65	\$27.18	\$27.72
	MR6	\$ 18.17	\$18.67*	\$19.04	\$19.42	\$19.81

\* Maximum wage rate increased by \$0.50 in lieu of General Wage Increase.

		Call Center and Revenue Services Maximum Wage Rates (Sidebar A61 and A64)				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 15,	April 1,	April 1,	April 1,
		2014	2015	2016	2017	2018
	Base Increase*	NA	1.50%	2.00%	2.00%	2.00%
	Lump Sum*	NA	1.00%	0.00%	0.00%	0.00%
Level	C2**	\$ 15.08	\$ 15.08	\$ 15.08	\$ 15.08	\$ 15.08
	C3**	\$ 15.08	\$ 15.08	\$ 15.08	\$ 15.08	\$ 15.08
	C4**	\$ 12.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00
	C5***	\$ 18.50	\$ 19.00	\$ 19.00	\$ 19.00	\$ 19.00

\*Increase applicable to Clerical employees unless otherwise negotiated.

\*\*Employees hired after 4/1/12 are not eligible for the annual wage increase. Employees at or above the maximum rate of pay will receive the annual wage increase applicable to Clerical employees in the form of a lump sum. Minimum and maximum wage rates do not increase.

\*\*\*Eligible for the annual wage increase until maximum rate of pay. Employees at the maximum rate of pay will receive the annual wage increase applicable to Clerical employees in the form of a lump sum. Minimum and maximum wage rates do not increase.

		Manual Maximum Wage Rates				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 15,	April 1,	April 1,	April 1,
		2014	2015	2016	2017	2018
	Base Increase	NA	1.50%	2.00%	2.00%	2.00%
	Lump Sum	NA	1.00%	0.00%	0.00%	0.00%
Wage level	7	\$ 27.26	\$27.67	\$28.22	\$28.78	\$29.36
	10	\$ 25.81	\$26.20	\$26.72	\$27.25	\$27.80
	12	\$ 29.42	\$29.86	\$30.46	\$31.07	\$31.69
	16	\$ 29.42	\$29.86	\$30.46	\$31.07	\$31.69

		Technical Maximum Wage Rates				
		As Of	Effective	Effective	Effective	Effective
		April 1, 2014	April 15, 2015	April 1, 2016	April 1, 2017	April 1, 2018
Wage Level	Base Increase	NA	1.50%	2.00%	2.00%	2.00%
	Lump Sum	NA	1.00%	0.00%	0.00%	0.00%
	1	\$ 21.74	\$22.07	\$22.51	\$22.96	\$23.42
	2	\$ 23.75	\$24.11	\$24.59	\$25.08	\$25.58
	3	\$ 26.34	\$26.74	\$27.27	\$27.82	\$28.38
	4	\$ 28.22	\$28.64	\$29.21	\$29.79	\$30.39
	5	\$ 30.32	\$30.77	\$31.39	\$32.02	\$32.66
	6	\$ 31.65	\$32.12	\$32.76	\$33.42	\$34.09
	7	\$ 32.96	\$33.45	\$34.12	\$34.80	\$35.50
	8	\$ 34.20	\$34.71	\$35.40	\$36.11	\$36.83
	9	\$ 35.18	\$35.71	\$36.42	\$37.15	\$37.89
	10*	\$ 36.84	\$37.39	\$38.14	\$38.90	\$39.68
	11*	\$ 37.83	\$38.40	\$39.17	\$39.95	\$40.75
12*	\$ 38.82	\$39.40	\$40.19	\$40.99	\$41.81	

\* Specially negotiated rates not subject to the Job Evaluation Committee.

		CPC Maximum Wage Rates				
		As Of	Effective	Effective	Effective	Effective
		April 1, 2014	April 15, 2015	April 1, 2016	April 1, 2017	April 1, 2018
Level	Base Increase	NA	1.50%	2.00%	2.00%	2.00%
	Lump Sum	NA	1.00%	0.00%	0.00%	0.00%
	CP1	\$ 27.00	\$27.41	\$27.96	\$28.52	\$29.09
	CP2	\$ 31.84	\$32.32	\$32.97	\$33.63	\$34.30
	CP3	\$ 38.82	\$39.40	\$40.19	\$40.99	\$41.81

		Local Information Technology Maximum Wage Rates (Sidebar A73)				
		As Of	Effective	Effective	Effective	Effective
		April 1, 2014	April 15, 2015	April 1, 2016	April 1, 2017	April 1, 2018
Level	Base Increase	NA	1.50%	2.00%	2.00%	2.00%
	Lump Sum	NA	1.00%	0.00%	0.00%	0.00%
	IT1	\$ 36.84	\$37.39	\$38.14	\$38.90	\$39.68
	IT2	\$ 31.67	\$32.15	\$32.79	\$33.45	\$34.12
	IT3	\$ 26.79	\$27.19	\$27.73	\$28.28	\$28.85

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

(c) The wage increases mentioned above shall not apply to any employee whose present wage rate is on or above the new maximum wage rate of his job classification, except employees who are on physical retrogressions, who shall receive the increase applicable to their individual wage rate as of the indicated dates of increase.

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

(e) Whenever the difference between the minimum and maximum wage rates of a job classification is not divisible by \$0.25, the intermediate wage rates will be by \$0.25 steps, with the exception of the last step to the maximum wage rate of the job. In such case the increase to the maximum wage rate will include the \$0.25 increment plus the odd amount necessary to equal the maximum wage rate, provided, however, that the total amount of this increase is less than \$0.50.

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(f) Any employee in the Union who was on or below the maximum wage rate of his job classification as of the indicated dates of increase shall receive the increase applicable to the maximum wage rate of his job classification.

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

Name of Shift	Definition of Shift	Shift Differential Cents Per Hour
		May 11, 2015 – March 31, 2019
Day Shift	Where the majority of the scheduled hours worked are between 8:00 a.m. and 4:00 p.m.	\$0.00
Afternoon Shift	Where the majority of the scheduled hours worked are between 4:00 p.m. and 12:00 Midnight	\$1.75
Night Shift	Where the majority of the scheduled hours worked are between 12:00 Midnight and 8:00 a.m.	\$1.80

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

	As of May 11, 2015	As of April 1, 2016	As of April 1, 2017
Sunday Premium	\$1.90	\$1.95	\$2.00

(h) The nature of the work involved under each payroll classification shall be defined, as nearly as possible, by the Company and occupational classifications and job descriptions shall be prepared by the Company and be subject to review by the Union.

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

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

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

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

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

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

**ARTICLE IX**

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

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

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

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

**Section 2.** Compensation will not be provided for illnesses resulting from such causes as: illegal use of drugs or alcohol, willful intention to injure oneself, the commission of a crime, elective or cosmetic procedures not covered by the medical plan, the employee's refusal to adopt such remedial measures as may be commensurate with the employee's disability or permit reasonable examinations by the Company.

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**Section 3.** It is also mutually understood and agreed that the Company shall have the right to investigate and determine for its own satisfaction the bona fide nature of any

illness for which pay is requested as well as the duration thereof. In order to facilitate the scheduling of the work forces, employees who will be absent from work are expected to notify the Company as soon as possible, but not later than one hour after their regular starting times and in the case of shift workers, one hour before the start of their shifts. Unless an employee submits a legitimate excuse for not reporting the cause of absence before the end of the first hour of such absence, the employee's claim for sick leave pay shall not begin until such notice is received.

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

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

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

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

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

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

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

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

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

(g) Employees with 15 or more years of service with the Company shall be entitled to a fourth week of vacation or payment of one week's wages (40 hours) at straight time in lieu thereof. The Company may also require such employees to take the fourth week of their vacation at such time as does not interfere with the operations of the Company.

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

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

## **ARTICLE X**

**Section 1.** Regular employees entering the armed services of the United States or employees who are conscripted by the United States Government during a period of national emergency shall continue to accumulate full system service and full seniority and may return to their former position or one of equal pay and rank, provided they report for work with a certificate of satisfactory completion of military or governmental service within 90 days after their release from active service.

**Section 2.** (a) All Company sponsored life and AD&D insurance coverage for employees starting an approved military leave of absence will be continued for a period of at least 90 days after the employee's leave of absence begins with the same cost sharing as before the leave began.

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

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

**ARTICLE XI**

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

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

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

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

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

A-11

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



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

**Section 2.** (a) An employee who has completed six months of service with the Company shall be entitled to four compensated Personal days off and one compensated Diversity day off each calendar year. Requests for Personal/Diversity days should be made at least seven calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, a day off with less than a seven calendar-day notification may be approved by an employee's supervisor; such approval will not be unreasonably denied. The Company reserves the right to limit the number of employees who can be off on a specific day. Individual departments will attempt to accommodate as many requests as possible to take a Personal/Diversity day or vacation day on Martin Luther King, Jr. Day, Presidents' Day, and/or Good Friday.

(b) If a Personal/Diversity day is not used during a year, it shall be lost and no additional compensation shall be granted. Any employee who resigns, retires or is discharged from the Company for any reason shall not receive compensation for any remaining Personal/Diversity days.

(c) Personal/Diversity days must be taken in full day increments. Paid Personal/Diversity days will not be considered as absences for purposes of an individual's attendance record.

## **ARTICLE XII**

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

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

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

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

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A-17

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

A-71  
A-76

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

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

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

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

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

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**Section 4.** (a) Employees called out for other than planned overtime shall be paid a minimum of four hours at the appropriate overtime rate. Travel time of one-half hour each way will be allowed on a call-out when such call-out exceeds four hours of continuous work that is not contiguous with a regular scheduled shift. Employees will not be compensated for any travel time for planned overtime; or on a call-out when the employee is not released from work before his regularly scheduled shift; nor will travel time be allowed when overtime is worked continuously at the end of a regularly scheduled shift.

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

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

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

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

Effective May 11, 2015 – March 31, 2019
\$11.25

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

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**Section 7.** (a) Employees in this bargaining unit temporarily assigned to a supervisory position outside the bargaining unit for four hours or more, shall receive \$1.50 per hour above the maximum rate of pay of either their job classification, or the highest rated job classification they supervise, whichever is greater. It is expressly understood that employees temporarily assigned to a supervisory position shall direct the flow of work and oversee the assignment and completion of work in accordance with applicable policies and procedures in the department. However, they shall not have any responsibility for making hiring decisions, issuing evaluations or discipline, or moving work currently performed by other bargaining unit members into or out of any department.

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

by the Union would be laid off.

### **ARTICLE XIII**

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

(b) If an employee with 15 or more years of service becomes physically unable to satisfactorily and safely perform the regular duties of his classification, an effort will be made by the Company to find work of a less strenuous nature for which he is qualified and to which the employee will be retrogressed. The employee's wage rate will be reduced by an amount equal to the semi-annual merit increase for the employee's job classification at the time of the assignment to a job of a lower classification and at six months' periods will be reduced by an amount equal to the semi-annual merit increase for the employee's job classification until the employee's wage rate is equal to the maximum wage rate of the job classification to which he has been retrogressed.

(c) If an employee with 10 to 14 years of service becomes physically unable to satisfactorily and safely perform the regular duties of his job classification, he may request a demotion to a lower classification requiring work of a less strenuous nature for which he is qualified to perform. If such a demotion is granted by the Company, the employee will be assigned to a lower classification and will have his wage rate red-circled until it is equal to the maximum wage rate of the job classification to which he has been demoted. Employees whose wages have been red-circled and who subsequently achieve 15 years of service will become retrogressed in accordance with paragraph (b) above.

(d) If an employee with less than 10 years of service becomes physically unable to satisfactorily and safely perform the regular duties of his job classification, he may request a demotion to a lower classification requiring work of a less strenuous nature for which he is qualified to perform. If such a demotion is granted by the Company, the employee will be assigned to a lower classification and will have his wage rate established at the maximum wage rate of the job classification to which he has been demoted.

**Section 2.** Injured employees who are unable to work because of an industrial accident will be paid a supplement in an amount equal to one half of the difference between what he/she would have received at regular work and the amount received as compensation for such injury, for a period not to exceed 26 weeks. This supplemental industrial accident compensation will begin after the initial seven calendar day waiting period and will continue for not more than 26 weeks of continuous disability. If, however, an industrial accident disability continues for two or more weeks, the employee will receive this supplemental industrial accident compensation for the initial seven day waiting period.

**Section 3.** Upon the death of the designated relatives of an employee, the employee, upon request, may be entitled to the stipulated maximum number of calendar days off for which the employee is entitled to receive regular pay for not more than the indicated number of consecutive working days, including the day of the funeral. No pay will be granted for regular scheduled off days.

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

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

#### **ARTICLE XIV**

**Section 1.** The Company agrees to erect bulletin boards at locations to be selected by the Union and the Company. The use of these boards is restricted to the following: notices of Union meetings, notices of Union elections, notices of changes within the Union affecting its membership, and any other notices issued on the letterhead of the Union and signed by the President and Secretary of the General Board. There shall be no other general distribution or posting by the members of the Union of pamphlets, or political literature of any kind, except as herein provided.

#### **ARTICLE XV**

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

## ARTICLE XVI

**Section 1.** (a) The Company agrees to notify the Union of the contemplated hiring of any outside contractors to do work normally performed by regular employees covered by this Agreement. Such notification will be given if it is contemplated that the work will be in excess of 2,000 man-hours.

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

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

(b) When it is necessary to temporarily assign employees to a headquarters A-15 other than their own or to a job site reporting location that is further from their home than their regular headquarters, these employees will be paid mileage at the prevailing rate based on the additional round-trip mileage employees are required to drive. No mileage compensation will be paid for the temporary assignment if the other reporting location is closer to the employee's home. Employees reassigned (non-temporary assignment) to a different headquarters will be paid mileage compensation during the first fourteen calendar days of the reassignment.

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

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

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

## ARTICLE XVII

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

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

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

### **ARTICLE XVIII**

**Section 1.** RETIREMENT INCOME PLAN: (a) Eligible Union employees hired or rehired before January 1, 2016 will participate, or continue to participate, in the existing Cinergy Corp. Union Employees' Retirement Income Plan (the "Retirement Income Plan"); provided, however, that effective January 1, 2009, the cash balance feature provided under the Retirement Income Plan shall be amended to provide that all future pay and interest credits provided thereunder to eligible Union employees will mirror the pay and interest credits provided as of the date of this Agreement under the Duke Energy Retirement Cash Balance Plan (i.e., 4% - 7% depending on age and years of service), and as further amended under the terms set forth in the April 15, 2015 Letter Agreement titled "Amendment to A58 Retirement Plan Agreement. Employees hired or rehired on or after January 1, 2016 will not be eligible to participate in the Retirement Income Plan.

(b) It is agreed that the Company will not reduce the benefits and the Union will not request any change in the Retirement Income Plan until the expiration of the Agreement on April 1, 2019.

### **ARTICLE XIX**

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

### **ARTICLE XX**

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

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A42b

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

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

## **ARTICLE XXI**

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

## **ARTICLE XXII**

**Section 1.** (a) Eligible Union employees will participate or continue to participate in the existing Duke Energy Retirement Savings Plan (the "RSP"); provided, however, that (i) for eligible Union employees in the Cinergy Traditional Formula under the Cinergy Corp. Union Employees' Retirement Income Plan (Retirement Income Plan), the matching contribution formula (rate and definition of eligible compensation) under the RSP will continue to be the formula in effect prior to January 1, 2009 (i.e. 100% match on pre-tax and Roth 401(k) contributions up to 3% of the participant's eligible pay, 50% match on the pre-tax and Roth 401(k) on next 2% of the participant's eligible pay, and an incentive match based on the attainment of corporate goals established by Duke Energy), (ii) for all other eligible Union employees, the matching contribution formula rate (rate and definition of eligible compensation) under the RSP will mirror the matching contribution formula provided under the RSP for all eligible union employees other than "Cinergy Traditional Employees" as of the date of this Agreement (i.e. 100% match on pre-tax and Roth 401(k) contributions up to 6% of the participants eligible compensation, with no incentive matching contribution opportunity), and (iii) for eligible Union employees who are not eligible for the Retirement Income Plan on or after January 1, 2016, the RSP shall provide the employer retirement contribution formula (rate and definition of total pay under the RSP that mirrors the employer retirement contribution formula provided for all participants who are not eligible to participate in a defined benefit pension plan (i.e.4% of total pay) as of the date of this Agreement.

A-58  
A-58a

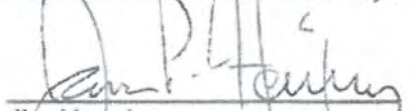
(b) The RSP is contained in the existing Duke Energy Retirement Savings Plan as amended and restated effective January 1, 2014 and as amended by an amendment dated December 19, 2014.




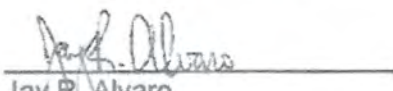
(c) The Company hopes and expects to continue the RSP indefinitely, but must reserve the right to alter it or discontinue Company contributions to it for a time. However, under no circumstances shall any part of the corpus or income held by the Trustee of the RSP be recoverable by the Company or be used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

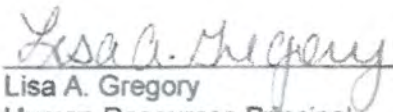
IN WITNESS WHEREOF, the Utility Workers Union of America, AFL-CIO, Local 600, formerly the Independent Utilities Union, Cincinnati, Ohio and Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., do hereby, by their duly authorized agents, execute and sign this Agreement in duplicate on this 15 day of April, 2015.

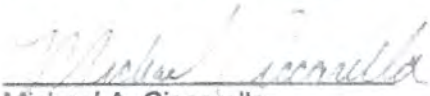
**DUKE ENERGY OHIO, INC.  
DUKE ENERGY KENTUCKY, INC.**

  
Jim Henning  
State President - Ohio/Kentucky


  
Stan Sherrill  
Vice President, Employee/Labor Relations

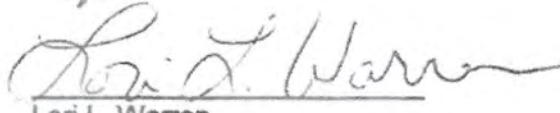
  
Jay R. Alvaro  
Director, Labor Relations

  
Lisa A. Gregory  
Human Resources Principal

  
Michael A. Ciccarella  
Senior HR Consultant


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

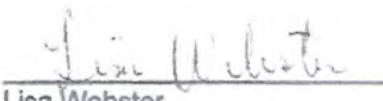
  
James W. Anderson  
President

  
Lori L. Warren  
Vice President

  
Steve Kowolonek  
Secretary

  
Shirley Cockrell  
Treasurer

  
D.L. Wallace  
Delegate

  
Lisa Webster  
Delegate

# TENTATIVE AGREEMENT UWUA, IUU LOCAL 600 2019-2022

**TERM OF THE AGREEMENT** – Effective April 1, 2019 – March 31, 2023.

**WAGE INCREASES** – Applicable to all employees unless otherwise negotiated

	2019	2020	2021	2022
Base Increase	2.5%	2.5%	2.5%	2.5%

- All wage increases will be effective the first day of the pay period that includes April 1<sup>st</sup>, of each year of the contract.

**METER READER WAGE INCREASE** – Employees in the Meter Reader – Full Time classification (Job Code 61425) will be reclassified as Meter Reader – New. The wage rate will be established at the MR 3 level. Incumbent employees will receive an increase to the minimum MR 3 rate and be eligible for merit increases in addition to the annual General Wage Increase.

**MODIFICATION OF THE UNION EMPLOYEE INCENTIVE PLAN (UEIP)** – Beginning with the 2020 performance period, the incentive plan goals for all employees will be solely based on the applicable corporate goals (i.e. earnings per share (“EPS”), operational excellence, customer satisfaction), as determined by the Company.

**MEAL COMPENSATION** – Increases to \$11.50, for the term of the Agreement, effective the first full payroll week following ratification.

**SHIFT DIFFERENTIAL** – The shift differential for the afternoon shift will increase to \$1.80 and the differential for night shift will increase to \$1.85 effective the first full payroll week following ratification.

**SUNDAY PREMIUM** – The Sunday hourly premium amount will increase to \$2.05 effective the first full payroll week following ratification.

**BEREAVEMENT** – Modified to provide for time off benefits following the death of a foster brother/sister, aunt/uncle, nephew/niece and any relative who resides in the employee’s household. Maximum number of days off increased for the death of a grandparent or spouse’s grandparent.

**CINCINNATI CALL CENTER** – For the term of the Agreement, employees in the Cust Svc Rep-FT Regular and Customer Service Rep-Full Time New job classifications will be eligible for the annual General Wage Increase effective April 1, 2020. The Agreement also provides for the use of Virtual Agents and a 33% response rate for call outs associated with outages, abnormal, or emergency situations.

**REVENUE SERVICES** – The premium associated with specialty work will be expanded to include switched meter work. The minimum wage rate will increase to \$17.00 upon ratification of the Agreement and will not increase in subsequent years. The maximum wage rate will increase to \$19.50 on ratification and to \$19.75 on April 1, 2021.

**MODIFIED COMPETENCY BASED SELECTION** – Enhancements made to the Competency-Based Selection process to further support employee development.

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

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

**SICK AND FAMILY CARE** - Effective January 1, 2020, employees will be eligible for 80 hours of paid time off due to qualifying sick or family care reasons on the same basis as the Company's general, non-represented employee population in lieu of pre-paid sick time. Employees completing their probationary period prior to December 31, 2019 will receive 40 hours of pre-paid sick time. Unused hours can be rolled over from year to year, up to a maximum of 120 hours.

**VACATION CARRYOVER** – Vacation carryover increased from 40 to 80 hours.

**BARGAINING UNIT SENIORITY** – Effective January 1, 2020, Bargaining Unit Seniority will be used for vacation selection purposes.

**EFFECTIVE DATE OF PAY CHANGES** - Any changes to wage rates, including merit or general wage increases, will be applied beginning the first day of the pay period that includes the effective date of the increase.

**PAY DAY** - Pay Checks will be directly deposited into one or more bank accounts employees shall designate and authorize. Direct Deposit advices will be mailed to the employee's home address if he/she has elected to receive a printed copy. For any employee who specifically declines to authorize direct deposit, a paper check will be mailed to the employee's home address.

**TEMPORARY UPGRADING** – When employees are temporarily upgraded they will receive the minimum rate of the higher job classification or \$10.00 per week more than their current wage rate, whichever is greater.

**POST-RETIREMENT HEALTHCARE** – Beginning as soon as January 1, 2021, employees who do not enroll in Duke Energy-sponsored pre-65 retiree medical, dental and vision coverage at the time of retirement or following the expiration of any COBRA continuation will not be permitted to enroll themselves or their eligible dependents at a future date.

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



Labor Relations

Union Proposal 2

Article I – Section 3

3/5/19

**Union Proposal 2:** Kentucky Right to Work

The provisions of this Article I, Section 3(a) regarding Union Security, shall not be applied to bargaining unit members in any state in which such union-security provisions are prohibited by law. The parties agree that, if the current law changes to make such union security provisions applicable, or not applicable, to any employees covered by this Agreement, the Parties will deem the Agreement amended to comply with the then current law.

TA 3/7/19  
JC2

JRA 3/7/19



## Labor Relations

## Article V Modifications

TA 3/27/19  
JCF JRA 3/27/19

**ARTICLE V**

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

1. System service shall be based upon the length of time an employee has been continuously employed by the Company, and shall be the governing factor in establishing vacation dates.
2. Classified seniority shall be the length of time worked by an employee on a specific classified job.
- 2-3. Bargaining unit seniority shall be the length of time an employee has been (continuously) employed in a job position within the bargaining unit represented by the Union, and shall be the governing factor in the selection of vacation. The bargaining unit seniority list will be maintained by the Union based on information provided to the Union by the Company. The bargaining unit seniority list will be provided to the Company and used for the purpose of vacation selection beginning January 1, 2020.

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


- (1) Been laid off because of lack of work and has not, at any time during the period of layoff or during a period not to exceed three years from the date of layoff, refused to return to work for the Company in a capacity formerly held or comparable to the capacity formerly held, by the employee. However, actual time away will be deducted from the employee's system service.
- (2) Been granted a leave of absence for good cause by consent of the Company, without loss of system service and seniority rights, providing the employees are available whenever necessary for the Company's medical examinations during the leave of absence. However, the employees will receive vacation in accordance with the second paragraph of Article IX, Section 5. Requests for leave of absence and consent hereto shall be in writing.
- (3) Entered the military service of the United States or has been conscripted by the United States Government. No deductions for time away shall be made from the employee's system service and seniority record.
- (4) Resigned voluntarily and subsequently been re-hired. Actual time away will be deducted from the employee's system service and seniority record, and, while previous system service shall be maintained, no classified seniority shall be retained.

Existing system service and seniority records shall not be rearranged to meet the above requirements in exceptions (1), (2) and (3), but they shall be met in all cases beginning March 21, 1983.

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

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

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

	Labor Relations
	Article V Modifications

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

(ed) Should the classified seniority of any two or more employees be equal, the respective seniority position of such employees shall be determined by the Union randomly drawing the names of the affected employees. The Company will be notified of the results, in writing.

In the event no fully qualified individual has bid on a Union wide job opening, the previous experience requirement only will be waived, with the exception of positions within the General Clerical sequence, and an employee will not be disqualified for promotion on the basis of not having passed through a lower job in the promotional sequence if otherwise qualified. Employees who have at least one half of the required previous experience and are in the direct promotional sequence of a job opening, posted Union wide, where previous experience has been waived, will be considered for the job before all other non-qualified employees. Any claim of discrimination in this connection may be taken up by the Union as a grievance.

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

(gf) If no qualified regular full-time employee has been accepted following the posting procedure and consideration of requests for demotion, second consideration for non-technical job openings shall be given to part-time employees within the bargaining unit based on qualifications as determined by the Company. For technical job openings, the Company will give second consideration to part-time employees with a technical degree and/or technical expertise based on qualifications as determined by the Company. As a result of these determinations, if the top two or more part-time applicants have equal assessments, then the non-technical or technical job opening will be offered to the applicant with the greatest system seniority.

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

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

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

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

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

**Section 3.** (a) In the event of any layoffs or curtailments of employment, the Company will attempt to place the employee in a temporary assignment. Prior to making an assignment, the Company will discuss such assignment with the Union. If a temporary assignment is not available, rollbacks and layoffs shall be made in accordance with system seniority rights. When the Company reduces the number of employees in a job classification, the Company will use the following process to determine rollbacks and layoffs. Employees with the least amount of System Service seniority within the job classification that is targeted for a reduction will be assigned to vacant positions and/or replace full-time employees in the bidding area with the least amount of System Service seniority. Displaced employees must be qualified for the job classification to which they are assigned and the job classification must be within the same bidding area and below their former job classification. Displaced employees will be reclassified into the next lower job classification within their bidding area for which they are qualified, if there are employees in that job classification and they have less system seniority than the displaced employees. Displaced employees will have their wage rates red-circled for a period of 18 months. At the end of 18 months, their wage rates will be reduced to the maximum wage rate of the job classification to which they were reclassified. Displaced employees who are assigned to



## Labor Relations

## Article V Modifications

perform work in lower level job classifications, if qualified, will be reassigned to higher job classifications as they become available within the bidding area, until the displaced employees return to assignments within their former job classification; obtain a job within the bidding area at the same or higher wage level as their former job classification; or, obtain a job in another bidding area. Displaced employees will not be assigned to or be required to perform the duties of job classifications at levels higher than their former job classification. Any employees unable to be assigned to vacant positions and/or replace full-time employees in the bidding area will be subject to layoff.

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

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

For those full-time displaced employees with at least 15 years of service and subject to layoff, including employees who have been placed in a temporary position in accordance with this subsection, an effort will be made by the Company to find another job at the same or lower wage level for which the employee is qualified. The Company will discuss the employee's reclassification with the Union prior to it going into effect. If there are multiple displaced employees, vacant positions will be offered by system seniority; an employee has the right to turn down one offered position. An employee who turns down a position and who is not currently in a temporary assignment, could be subject to immediate rollback or layoff in accordance with this Section or to rollback or layoff at the end of the temporary assignment if no job is available. If the Company identifies such a vacant position for which the employee is qualified, the Company may reassign and reclassify the employee without posting the position. If no positions are identified by the Company the displaced employee, if qualified, will be allowed to displace the employee with the least amount of system seniority outside of the displaced employee's bidding area. ~~These employees with 15 or more years of service will have their wage rates red-circled for 18 months. After 18 months, the employee's rate of pay will be reduced to the maximum rate of pay for the classification to which they are assigned.~~

An employee unable to be reassigned and subject to being rolled back to the Call Center or Meter Reading Departments, will have the option of accepting the assignment in the Call Center or Meter Reading, being laid off, or being offered a severance as outlined in Sidebar Letter A-70.

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

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


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

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

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

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



	Labor Relations
	Article V Modifications

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

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

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

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

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

~~Effective January 1, 2016,~~ The probationary period of any employee on an approved leave of absence lasting more than thirty days, will be extended by the duration of the leave of absence.

**Section 6.** Temporary employees shall be those hired for a specific job of a limited duration, not to exceed six months unless agreed upon by both parties, and shall not acquire system service or classified seniority rights. The Union shall be notified of the hiring of such employees.

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

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

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

Section 8. Employees promoted to a job outside the bargaining unit and who return to the bargaining unit within six months, shall retain all classified and bargaining unit seniority accumulated up to the date of their promotion. If employees who were in a job outside the bargaining unit for more than six months, return to the bargaining unit, they will be placed in a starting job classification and receive a classified seniority date behind all employees but shall retain all bargaining unit seniority accumulated up to the date of their promotion out of the bargaining unit. No employee may return to a bargaining unit job classification if management does not approve, a position is not available or if as a result, an employee represented by the Union would be laid off.



UWUA Local 600 – 2019 Negotiations

MP #9 – Effective Date of Wage Changes - TA

Article VIII, Section 1

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

Any changes to wage rates, including merit or general wage increases, will be applied beginning the first day of the pay period that includes the effective date of the increase.

Any changes to wage rates, including merit or general wage will increase, will be effective the first day of a pay period.

TA 3/7/19  
JCT  
JRA 3/7/19



UWUA Local 600 – 2019 Negotiations

MP #8 – Payday - TA

Article VIII, Section 1

New Paragraph: Pay Checks will be directly deposited into one or more bank accounts employees shall designate and authorize. Direct Deposit advices will be mailed to the employee's home address if he/she has elected to receive a printed copy. For any employee who specifically declines to authorize direct deposit, a paper check will be mailed to the employee's home address.

T + 3/7/19  
JCT  
JRA 3/7/19



Union 9 – Personal & Diversity Holidays  
Company Counter  
Article XI – Section 2 (Personal and Diversity Days)

3/5/19

**Section 2.** (a) An employee who has completed six months of service with the Company shall be entitled to four compensated Personal days off and one compensated Diversity day off each calendar year. Requests for Personal/Diversity days should be made at least ~~seven~~five calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, a day off with less than a ~~seven~~five calendar-day notification may be approved by an employee's supervisor; such approval will not be unreasonably denied. The Company reserves the right to limit the number of employees who can be off on a specific day. Individual departments will attempt to accommodate as many requests as possible to take a Personal/Diversity day or vacation day on Martin Luther King, Jr. Day, Presidents' Day, and/or Good Friday.

TA 3/7/19  
JCZ  
JAS 3/7/19

UWUA Local 600 & Duke Energy  
Union Proposal  
February 21, 2019

ARTICLE XIV

Section 1. The Company agrees to erect bulletin boards at locations to be selected by the Union and the Company. The use of these boards is restricted to the following: notices of Union meetings, notices of Union elections, notices of changes within the Union affecting its membership, and any other notices issued on the letterhead of the Union ~~and signed by the President and Secretary of the General Board~~. There shall be no other general distribution or posting by the members of the Union of pamphlets, or political literature of any kind, except as herein provided.

TA 3/4/19  
JCT JPA 3/4/19

T/A  
JPA  
3/28/19  
TA 3/28/19  
JCF

April xx, 2019

Mr. Steve Kowolonek  
President  
Local Union 600, IUU  
Utility Workers Union of America  
810 Brighton Street  
Newport, Kentucky 41071

Re: Meter Reading

Dear Mr. Kowolonek:

During the 2019 contract negotiations, representatives of the Company and the Union discussed Meter Reading operations.

Job Classification, Meter Reader – New: As discussed, the Meter Reader – Full Time job classification will be retitled Meter Reader – New and the wage rate adjusted to the MR 3 wage level upon ratification of the new Agreement. Incumbent employees in this classification will have their hourly rate adjusted to the minimum rate of the MR 3 wage level and will be eligible for merit and general wage increases as outlined in the Agreement.

Part-time Meter Readers: Should part time employees be utilized in the future, they will be hired into the Meter Reader – New classification at the minimum rate of pay as outlined in the Agreement. All provisions of the Agreement regarding part-time employment would apply to these employees. Part-time Meter Readers will receive the appropriate compensation for overtime when they work in excess of 8-hours in a day or any other regularly scheduled shift that is longer than 8 hours.

Hours of Work: Core meter reading hours will be from 7:30 AM to 4:00 PM, subject to changes based on business needs and to any schedule arrangements approved by an employee's supervisor or manager. The normal work day will consist of 8.5 hours including a 30 minute unpaid meal break; however, based on business needs, employees may be assigned a straight eight hour shift with a paid fifteen minute break. The Company reserves the right to change these hours based on business needs in accordance with the Agreement. Employees working in excess of their scheduled work day will receive premium pay and meal compensation as provided for in the Agreement.

Transfers: Any future full-time openings in divisions offices will first be offered to voluntary transfers of current qualified full-time Meter Readers.

Sincerely,

Jay R. Alvaro  
Labor Relations

April xx, 2019

TA 3/28/19  
OCF  
JRA 3/28/19

Mr. Steve Kowolonek  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Cincinnati Customer Care Center

Dear Mr. Kowolonek:

During the 2019 contract negotiations, representatives of the Company and the UWUA, Local 600 (the "Union") discussed the Duke Energy Cincinnati Customer Care Center.

As agreed, the Cincinnati Customer Care Center organization will consist of Customer Service Representatives (CSR) and Service Installation (SI). The CSR group will consist of employees in the Cust Svc Rep-FT Regular, Customer Service Rep-Full Time New, and Cust Serv Rep-Part Time New job classifications. The Service Installation group will consist of employees in the Order Processing and Customer Service Representative – Service Installation classifications.

The Cincinnati Customer Care Center wages and merit increases will be administered per the attached (Attachment A). The minimum wage rate for the Cust Svc Rep-FT Regular and Customer Service Rep-Full Time New classifications will be \$14.50 per hour and the maximum hourly rate will be \$16.00 per hour. Effective April 1, 2020 and for the remaining term of the 2019 – 20xx Agreement, the General Wage Increase (GWI) applicable to UWUA represented Clerical employees will be applied to the maximum hourly wage rate of \$16.00 for the Cust Svc Rep-FT Regular and Customer Service Rep-Full Time New classifications. In addition, this increase will be applied to the individual hourly wage rates for employees in these classifications not to exceed the maximum rate of pay. The minimum rate of pay will not increase over the term of the Agreement.

Incentives in the Cincinnati Customer Care Center will be based on the achievement of established performance measures as determined by the Company. The Company will notify the Union of any changes and will meet to discuss if requested by the Union. Any request by the Union to meet for discussion will not delay the implementation of incentive measures. Any employee, who is serving in a non-call-taking role, will receive a bonus equal to the average bonus payout for call-takers, unless an alternative method is mutually agreed upon by management and union representatives. There will be a quarterly review by management and union representatives to ensure that bonus calculations are accurate. Assuming the union representatives involved in this review are in agreement with the calculations, the Union agrees not to support or process grievances related to the bonus calculations.

An incentive eligible employee, who leaves the Cincinnati Call Center, prior to the end of a quarter, will receive a prorated bonus for the time worked in the Cincinnati Call Center organization.

It is expected that representatives working evening, night, holiday or weekend shifts provide at least three hours' notice if they are going to be unable to report to work, whether due to illness or other factors. It is understood that there will be times when an emergency occurs within three hours of the start of an employee's shift.

Employees (including SI), who are called out for other than planned overtime, will be paid a minimum of four hours at the appropriate overtime rate except when they come in, relative to storms, less than four hours before their scheduled shift. In this case, they will only be paid at the applicable overtime rate for a minimum of two hours.

The Call Center may elect to observe the actual holiday or the Company designated holiday based on business needs. Prior to December 31 of each year the Company will notify employees of the holiday schedule for the following year. Employees scheduled to work the holiday designated by the Call Center that are excused from work by the Company will receive holiday pay for the regularly scheduled hours they would have worked on the holiday. All other employees will receive eight hours of holiday pay. Twelve hour and nine hour employees working on the holiday designated by the Call Center will receive time and one-half pay for their scheduled hours. If the employee exceeds their scheduled hours, double time will be paid for those hours worked in excess of their schedule. **In order to be eligible to receive holiday pay, full time Customer Service Representatives must work the last regularly scheduled workday prior to the holiday and the first regularly scheduled workday after the holiday.**

The Union agrees to support the following:

Virtual Routing (Base Customer Care)

- The Union agrees to not grieve the routing of Duke Energy customer calls and other types of Call Center non-call work to available representatives within the Duke Energy Call Centers or outsourced center(s). The outsourced portion of this work is not subject to any related side-letter agreements.

Premium for Specialties

- Employees in developmental roles will receive \$1.75 per hour in addition to the employee's normal hourly wage rate. These roles currently include the training of new employees and performing the duties of On Job Trainer. This premium may be applied to other roles as determined by the Company. Prior to applying this premium to other duties, the Union and Company will meet at least thirty days in advance to discuss.
- Full-time new and part-time representatives, within the Cincinnati Call Center, who demonstrate, through assessment, that they are fluent in Spanish, will be paid a premium of \$1.00 per hour.

**Applicable to Customer Care Operations (Base and SI)**

- **Virtual Agents.** The use of Virtual Agents was discussed and it was agreed that the Company will have the ability to implement a Virtual Agent program based on business needs. The advantages to such a program include faster response for emergency/outage situations, a more efficient use of resources, and increased customer satisfaction. Eligibility will be based on an employee's performance including but not limited to:
  - Achieving or exceeding all performance metrics.
  - **No corrective action within the past twelve months.**
  - Minimal escalations or Resource Support Line (RSL) calls.
  - Participating employees who subsequently develop performance related issues may have their Virtual Agent privileges revoked.



The number of employees participating in the program is at the sole discretion of the Company. In the event that two or more employees' performance is equal as determined by the Company, seniority will be the deciding factor. Order Processing Representative and Customer Service Representative – Service Installation (CSR-SI) classifications will be combined when determining eligibility for the Service Installation work group. In addition, the program may be suspended or discontinued based on business needs by the Company in its sole discretion. Prior to making such a decision, the Company will meet with the Union for discussion.

- **Emergency or Abnormal Operations.** In order to ensure that our customers' needs are met during outage, abnormal, or emergency situations, it was agreed that a 33% response rate over a rolling twelve month period would apply to all Cincinnati Customer Care employees. Response is defined as reporting to work a call out associated with these types of situations. Any employee who has pre-approved vacation/personal time scheduled immediately prior to or after scheduled off days, or is beginning or ending a bereavement leave, will not have a non-response credited to them for the purposes of calculating the response rate. However, if an employee does respond in this situation a credit will be applied. Employees failing to meet the required rate are subject to corrective action.
- **Vacation Availability.** In the event that Workforce Management determines that additional vacation slots are available during the workday, employees will have the ability to make a request to take advantage of these slots.

#### **Applicable to Base Customer Care Operations**

Employees may be hired either as full time or part time based on business needs. ~~The starting wage rate for new full-time Customer Service Representatives will be \$12.00 per hour and the maximum will be \$15.08 per hour.~~ In accordance with the Collective Bargaining Agreement new employees will be classified as probationary for a period of one year. Probationary CSRs will not be eligible to apply for other positions for a period of twelve months from the date of hire. Employees meeting the educational requirements for technical positions represented by the UWUA will be eligible to apply within the twelve month period.

Based on business needs there may be a requirement for part time CSRs. All part-time CSRs will receive part-time employee benefits, regardless of the number of hours they work. While the intention is for part-time CSRs to be scheduled for less than 32 hours per week, they may exceed this number of hours due to actual or expected peak call volumes, trading of hours between employees, etc.

In 2012 two new schedules were agreed to;

- A) 3 twelve hour days and 1 four hour day.
- B) 4 nine hour days and 1 four hour day.

The Company reserves the right to implement these and other schedules based on business needs. At least 30 days prior to implementation, the Union and Company will meet to discuss the schedule. The Company will make every attempt to notify effected employees within a reasonable amount of time when planned overtime is being cancelled.

The meal provision for twelve hour workers will be triggered when the employee works thirteen consecutive hours and fifteen consecutive hours with the employee receiving a meal, or compensation in lieu thereof. For employees on a nine hour schedule, a meal or compensation in lieu thereof, will be provided at eleven and fifteen consecutive hours respectively.

Personal days must be taken in full day increments regardless of the employee's schedule. Twelve hour shift workers will be entitled to three personal day and one diversity day and nine hour shift workers will be entitled to four personal days and one diversity day.

**Applicable to Service Installation**

Customer Service Representative – Service Installation (CSR-SI) within the Customer Relations bid area will have a minimum wage rate of \$16.50 and a maximum wage rate of \$19.00 per hour. Only full time employees will be considered for this position. The minimum and maximum wage rates are not subject to the negotiated annual wage increases. For the first 12 months after entry into the classification, and in accordance with the Patrick P. Gibson Letter, employees failing to meet performance standards may be demoted to the Full Time New job classification. Such demotion may take place prior to corrective action being taken. This does not preclude action being taken on more serious offenses such as but not limited to attendance, zero tolerance calls, or any dischargeable offense. Any demotion will not be subject to the grievance procedure. If such a demotion occurs, the employee's rate of pay will be reduced to the rate of pay at the time the employee promoted to the CSR-SI position plus any merit increase that the employee had received since their promotion, not to exceed the maximum wage rate for the CSR classification. If the employee is demoted, they will not be considered for promotion for an additional nine months, from the date of demotion or last corrective action. During the first six months, an employee can request to demote from CSR-SI. Employees who demote within six months will retain their classified seniority. Employees demoted after six months will receive an adjusted seniority date.

Employees in the CSR-SI classification will receive a \$0.50 merit increase every six months in accordance with the December 29, 2000 Patrick P. Gibson Letter in lieu of the annual general wage increase until reaching the maximum rate of pay. Once an employee reaches the maximum rate of pay, they will receive an annual lump sum equal to the negotiated general wage increase for clerical employees.

Employees accepting a Customer Service Representative – Service Installation position will not be eligible to cross or laterally bid for a period of nine months from the date they enter the classification.

This letter will be in effect during the term of the 2019 – 202X Agreement.

Sincerely,

Jay R. Alvaro  
Labor Relations

Attachments

	Cust Svc Rep-FT Regular and Customer Service Rep-Ftn			
	Current Max	April 1, 2020	April 1, 2021	April 1, 2022
General Wage Increase	NA	TBD	TBD	TBD
Max Wage	\$16.00	TBD	TBD	TBD

1. Merit increases for Customer Service Rep-Ftn remain at \$0.25 every six months in accordance with the Letter of Agreement dated February 23, 2018.
2. Merit increases for Cust Svc Rep-FT Regular remain at \$0.50 until April 1, 2020 at which time the amount will be reduced to \$0.25 due to the GWI being applicable.
3. Customer Care Incentive Bonus of up to \$500 per quarter based on performance.
4. Employees are eligible to participate in the UEIP.

Title	Wage Range	Negotiated Base Wage Increases	Merit Increases	UEIP	Call Center Incentive Bonus
CSR – PTN	\$12.00 - \$13.00 <sup>1</sup>	Same as Clerical <sup>2</sup>	\$0.25	Yes	Up to \$375 per Quarter
CSR-SI	\$16.50 - \$19.00 <sup>1</sup>	See #3	\$0.50 <sup>4</sup>	Yes	See #5
Order Processing Rep	N9	Same as Clerical	\$0.25 every six months.	Yes	See #5

1. The minimum and maximum wage rates for the CSR-PTN and CSR -SI will not increase with annual base wage increases.
2. Any CSR-PTN with a wage rate at or above the maximum will receive their annual increase in the form of a lump sum rather than a base increase.
3. Semi-annual merit increases are in lieu of General Wage Increase.
4. \$0.50 every six months is in lieu of General Wage Increase. After maximum is reached employee will receive a lump sum increase equal to the negotiated annual wage increase for clerical employees.
5. Service Installation representatives assigned to take base calls at least 35% of the quarter will receive the quarterly Call Center Incentive based on their performance.

DRAFT

TA 3/21/19  
JA  
KH

March 31, 2019

Mr. Steve Kowolonek  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Revenue Services Representatives

Dear Mr. Kowolonek:

During the 2012 negotiations, the parties discussed consolidating the current three work groups within the Revenue Services Department into one newly created job classification classification titled "Revenue Services Representative" (RSR). Based on these discussions, the parties agreed to create the RSR position in accordance with this letter.

Specifically, Revenue Services currently is comprised of three work groups: (1) Billing, (2) Accounts Receivables, and (3) Payments. These three work groups' functions will be combined and performed by the newly created RSR position. The job description for the RSR position is Attachment A to this letter.

1. **Wage Rate:** The minimum rate of pay for the RSR position is established at \$17.00 per hour and will not increase during the term of the contract. The maximum rate of pay is \$19.50 per hour with the maximum increasing to \$19.75 on April 1, 2021. The GWI will not increase the minimum or maximum rate of pay for this position. Any employee below the new minimum rate of pay will be increased to new minimum with next payroll following contract ratification.
2. **Merit Increases:** Employees in the RSR position may progress to the maximum wage rate through merit increases of \$0.25 at six-month intervals. Employees will be eligible for \$0.25 merit increases in accordance with the December 29, 2000 Patrick P. Gibson Letter. Employees at the maximum rate of pay will receive an annual merit increase in a lump sum amount equal to the negotiated general wage increase for clerical employees, which may be in the form of a percentage pay increase and/or lump sum amount.
3. **Selection:** The Company will give first consideration to full-time employees over part-time employees in the competency-based selection process for the RSR position when all other things are equal.
4. **Incumbent Employees.** Incumbent employees will perform all functions of the newly created job description but will be considered grandfathered in their existing classifications. Incumbent employees will continue to receive the negotiated general wage increases applicable to their current job classifications in accordance with the Collective Bargaining Agreement. In addition, these employees will retain all bid and rollback rights in the Customer Relations Bidding Area.
5. **Tamper Theft and Switched Meter Work -**The Company and the Union agree to establish a \$1.75 per hour premium to be paid to employees in the RSR position when management assigns them to perform tamper theft and switched meter work. Management will assign full-time employees to perform specialty-type work as needed. Any employee who has received a verbal warning in the past six months, or a disciplinary letter or higher-level discipline in the past year will not be considered. Such employees are eligible for consideration once his or her record is free from a verbal warning for six months, and/or free from any disciplinary letter or higher-level discipline for

March 21, 2019

one year. It is anticipated the number of employees performing this work will vary based on work load. Should additional specialty type work be brought into these teams the company will meet with the Union, at their request, to determine whether the premium is applicable to the work. The Company reserves the right in its sole discretion to determine whether the premium is applicable.

Management will consider seniority as a tiebreaker to determine which equally qualified employees will be assigned to perform this work. No premium will be paid to employees while training or on paid time off. This letter shall not be construed as limiting management's rights under the terms of the applicable collective bargaining agreement.

Title	Wage Range	Merit Increase
Revenue Services Rep April XX 2019 – March 31, 2020	\$17.00 - \$19.50	\$0.25 every 6 months
Revenue Services Rep April 1, 2021 – March 31, 202X	\$17.00 - \$19.75	\$0.25 every 6 months

This letter will be in effect during the term of the 2019 – 202X Agreement.

Very truly yours,

Jay R. Alvaro  
Labor Relations

UWUA 600 & Duke Energy  
Company Counter Proposal, March 21, 2019

April \_\_, 2019

SIDEBAR LETTER A65

Mr. Steve Kowolonek  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Competency Based Selection

Dear Mr. Kowolonek:

During the 2019 negotiations, the Company and Union discussed the ongoing implementation of a Competency Based Selection (CBS) Process for certain job classifications. Specifically, this process will be utilized when filling certain clerical jobs designated as Level N8 and above and certain technical jobs designated as level T4 and above. This will ensure that the most qualified candidate is selected for the position and is more likely to succeed.

Job openings will be filled using the following Competency Based Selection process:

- Job applications/resumes will be screened to determine that the basic qualifications, as set forth in the job description are met. An employee's corrective action which is below Suspension will not affect consideration of the employee for any jobs that are posted externally.
- To supplement their application, Company employees may print copies of their training records, job history, or other similar documents relating to their employment from the Employee Center on the Company's portal, and provide such documents to interviewers during the interview process or as attachments to their electronic application. All such documents provided by employees will be considered by the Company.
- Candidates meeting the minimum qualifications will be evaluated based on the following factors: skills and qualifications, prior job performance and/or experience and, in certain positions, a Basic Skills Assessment.
- Absent unusual circumstances, candidates will be interviewed by a team of at least three qualified, interviewers as determined by the Company. When determined by the Company to be feasible, one of the interviewers will be from a department outside of the department posting the position. Human Resources and/or Labor Relations will continue to provide guidance as appropriate.
- Company employees will be provided with advantage points in the process that will not be provided to external applicants. Specifically, the advantage points will be calculated as follows:
  - One point will be provided for existing UWUA members; and
  - One point will be provided for existing UWUA members who are full-time employees.

Accordingly, a part-time UWUA member would be provided with one advantage point and full-time UWUA members would be provided with two advantage points.

- Seniority will be the deciding factor if there are two full-time, internal candidates who are equally qualified as determined by the Company.
- Unsuccessful candidates under this process will be provided with additional interview training and/or assistance with resume preparation upon their written request to their HR Business Partner.

The process, as outlined above, will be used for the following job classifications:

CLERICAL	TECHNICAL
Gas Operations Administrator	System Integrity Technician Associate
Administrative Office Clerk	System Integrity Technician
Electric Operations Clerk	Sr System Integrity Technician
Order Processing Representative	Gas Technician
Sourcing/Purchasing Associate	Control Technician III
Customer Relations Representative B	Technician
Gas Document Specialist	Control Technician II
Customer Relations Clerk B	Gas Layout Technician
Office Coordinator	T&D Support Technician
Revenue Services Representative	Control Technician I
Service Installation Representative	Sr Gas Layout Technician
Customer Experience Support	GIS Technologist II
Senior Work Management Specialist	GIS Technologist I
Land Analyst	GIS Technologist III
Gas Office Coordinator	LIT Support Agent II
Gas Operations Support Specialist	LIT Support Agent I
Customer Relations Representative C	T&D Design Technician
Customer Relations Clerk C	Design Technician
Engineering Office Clerk	Operations Technician
Administrative Office Clerk - IT	Sr Substation Design Technician
	Sr T&D Design Technician
	Distribution Technician
	Substation Design Technician
	Surveying Technician
	Sr Transmission and Distribution Technician
	Sr T&D Support Technician
	Gas Marketing Specialist
	Configuration Management Specialist
	Engineering Specialist I
	Engineering Specialist Assistant
	Event Tech Services Specialist I
	Gas Controls System Tech
	P&C Design Document Specialist
	Lighting Specialist I
	Lighting Specialist II

Additionally, the Company would use this process to fill any newly created job classifications that are at or above the N8 or T4 wage level (or its equivalent). The selection process for Customer Projects Resource Specialist, Customer Project Coordinator and the Gas Operations Trainer, will remain as outlined in the applicable side bar letters.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations

TA  
JA 3/26/2019  
JA 3/26/19



TA 3/21/19  
JC  
JG

Mr. Steve Kowolonek  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Engineering Specialist Progression

Dear Mr. Kowolonek:

During the 2015 and 2019 negotiations, the parties discussed the Company's decision to establish an Engineering Specialist Job Progression in the Customer Projects Bidding Area and the Transmission & Distribution Bidding Area. This progression will consist of the Engineering Specialist I, II, and III classifications. The wage levels for these newly created positions will be as follows:

Job Classification	Wage Level	Maximum Hourly Rate as of 3/31/19
Engineering Specialist III	T9	\$37.89
Engineering Specialist II	T8	\$36.83
Engineering Specialist I	T4	\$30.39

Wage progression will be as outlined in Article VIII of the Agreement and Sidebar Letter A40, with selections determined by the Company in accordance with Sidebar Letter A65. Employees are required to successfully complete all training programs required by the Company and to promote to the Engineering Specialist II position in a timely manner. Employees successfully completing the requirements for the Engineering Specialist III position will automatically promote to that position. In addition, the Company maintains all rights provided under the Collective Bargaining Agreement and applicable sidebar letters, including but not limited to the right to revise the Engineering Specialist job descriptions based on future business needs. Should such material revisions occur, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

Employees in the Engineering Specialist I classification may be assigned to a specific headquarters for training purposes as determined by the Company. Employees in the Engineering Specialist I classification will receive all training necessary, as identified by the Company, to safely perform assigned duties and meet all requirements to promote to the Engineering Specialist II position.

Due to a restructuring of how work is performed by the Company, the Company does not anticipate any future postings for Customer Project Apprentice positions. Incumbent employees will be grandfathered under their existing job description, and will be eligible to continue to receive the negotiated wage increase applicable to employees in the Technical Unit. Existing employees in the progression not at the maximum rate of pay will be eligible to continue receive merit increases as outlined in the December 28, 2012 letter regarding this subject. Also, incumbent employees in the Customer Project Associate and Customer Project Apprentice classifications must continue to meet all Company expectations as previously required, including but not limited to the requirement to progress.

As agreed, when the Company fills a position in the "Engineering Specialist II" classification, the senior qualified Technician in good standing will be promoted to T&D Design Technician. Furthermore, when the Company fills a position in the "Engineering Specialist III" classification, the senior qualified T&D Design Technician in good standing will be promoted to Senior T&D Design Technician. In all cases, employees must be in qualified and in good standing to be eligible for a promotion. This process will continue until all incumbents in the following classifications: Technical Apprentice, Design Technician, Technician, and, T&D Design Technician as of the date the Collective Bargaining Agreement is ratified until all eligible employees have had the opportunity to progress to the Sr. T&D Design Technician position. The T&D progression will be closed to Technical Apprentices and Technicians hired after April 15, 2015. It is the intent of the Distribution Design organization to utilize the Engineering Specialist progression for all such future hires.

For the purposes of "hand-raising" (bidding on headquarters or location) within the Customer Projects Bid Area, the Customer Projects Coordinator and the Engineering Specialist III classifications will be combined. In the event of a work force reduction, the Engineering Specialist progressions in the Customer Projects Bid Area and the Transmission & Distribution Bidding Area will be combined.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations  
Duke Energy

UWUA Local 600 & Duke Energy  
Union Counter-Proposal  
March 26, 2019

April \_\_, 2019

Mr. Steve Kowolonek  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

TX 3/27/19  
JCA  
JCA 3/27/19

Re: Inclement Weather

Dear Mr. Kowolonek:

At Duke Energy, our goal is a zero injury and illness safety culture for our employees and the communities we serve. In order to address the UWUA Local 600's concerns regarding inclement weather, when the Company determines there is a safety concern during periods of heavy or continuous storms or excessive cold weather, the Company will not require employees to perform construction or maintenance work in exposed locations outdoors, unless such work is necessary to protect life, property, or continuity of service. Employees are encouraged to communicate with their supervisors or managers to report and discuss any weather situations they believe may be unsafe. It is expressly understood and agreed that the services to be performed by the employees covered by this Contract pertain to and are essential to the operation of a public utility and to the welfare of the public.

Sincerely,

Lisa A. Gregory  
Manager, Labor Relations


March 21, 2019

UWUA, Local 600  
Company Counter  
March 7, 2019

Tx 3/7/19  
JCA  
JCA 3/7/19

*The Union proposes the following as titles for the current contract articles (~~changing the numbers to Arabic from Roman~~): Maintain current numbering convention including the use of Roman Numerals*

- Article 1, Recognition, Management Rights, Union Security and Dues Check-Off
- Article 2, Labor-Management Meetings
- Article 3, Duration and Amendment of Contract
- Article 4, Labor-Management Relations
- Article 5, Seniority
- Article 6, Health & Safety
- Article 7, Grievance and Arbitration Procedure
- Article 8, Wages and Compensation
- Article 9, Vacation and Other Leave Benefits (Incorporate Funeral Leave provisions into this Article)
- Article 10, Military Leave of Absence
- Article 11, Holidays
- Article 12, Hours of Work and Overtime
- Article 13, Physical Inability and On-the-Job Injury; Funeral Leave – *The Union proposes moving the portions of this article relating to funeral leave to Article 9 and removing it from the title.*
- Article 14, Union Bulletin Boards
- Article 15, Union Leave
- Article 16, Contracting, Location Reporting and Vehicles
- Article 17, Witness Fees and Jury Duty
- Article 18, Retirement Income Plan
- Article 19, Miscellaneous Benefit Plans
- Article 20, Hospital and Medical Plans
- Article 21, Protection of Benefits
- Article 22, Retirement Savings Plan

	Sidebar Letter A70
	UWUA Severance Program March 28, 2019

*mtk 3/29/19* *JK 3-29-19*

To the extent the Company and the union agree that a severance opportunity will be provided to UWUA-represented employees during the term of the CBA, the Company will provide employees A severance program will be offered to employees represented by the UWUA who are designated as eligible by management in selected areas of the Company. Eligible employees will receive a one-time lump-sum severance payment and other benefits if they meet basic plan requirements, as set forth below.

### Severance Payment Formula

The Severance Payment will be calculated as follows based on the Eligible Employee's release date:

- Two weeks of Annual Base Pay for each Year of Service (including partial Years of Service).
- For employees hired on or after April 1, 1989, the Severance Payment will not be less than 12 weeks and not more than 52 weeks of the eligible employee's Annual Base Pay.
- For employees hired before April 1, 1989, the Severance Payment will not be more than two times the eligible employees Annual Base Pay. The maximum severance payment will not exceed two times an employee's annual compensation calculated as two times the compensation listed in Box 5 of the employee's most current W-2.
- The lump-sum payment for eligible full-time employees will be equivalent to two (2) weeks of annual base pay per each full year of service.
- The maximum severance payment will not exceed two times an employee's annual compensation calculated as two times the compensation listed in Box 5 of the employee's most current W-2.


### Additional Benefits

- Six months of Company-paid medical/dental coverage under COBRA following separation for all participating employees who have such coverage in effect as active employees upon separation.
- Access to outplacement services under the Company's program.

### Design Features

- Employees are required to remain employed in good standing until their release date, which will be established by management in its sole discretion.
- Employees must sign and not revoke a Waiver and Release of All Claims in order to receive any benefits under this Program.
- Employees who separate under this Program will not be eligible for rehire or for staff-augmentation contingent worker (contractor) assignments for 12 months after their release date.

The Company shall designate who will be eligible for the severance program by department, job classification, age and/or years of service, or other legitimate, objective criteria, as determined by the Company, in its sole discretion.

	<b>UWUA Local 600 – 2019 Negotiations</b>
	Union Economic Bereavement – Company Counter Article XII, Section 3 March 28, 2019

**Section 3.** Upon the death of the designated relatives of an employee, the employee, upon request, may be entitled to the stipulated maximum number of calendar days off for which the employee is entitled to receive regular pay for not more than the indicated number of consecutive working days, including the day of the funeral. No pay will be granted for regular scheduled off days.

Relationship	Maximum Consecutive Calendar Days Off	Maximum Consecutive Working Days Off with Pay
Spouse or Domestic Partner	7	5
Child/Step/Foster	7	5
Mother/Step/Foster	7	5
Father/Step/Foster	7	5
Brother/Step/Foster	7	5
Sister/Step/Foster	7	5
In-Laws (father, mother, brother, sister, son or daughter)	5	3
Grandchild/Step	5	3
Grandparent/Spouse's Grandparent	<del>4</del> 5	<del>2</del> 3
<u>Any relative who resides in the employee's household</u>	<u>7</u>	<u>5</u>
<u>Aunt / Uncle</u>	<u>5</u>	<u>3</u>
<u>Nephew / Niece</u>	<u>5</u>	<u>3</u>

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

*MAC 3/29/19*  
*JK 3-29-19*



WME  
AK  
3/29/19  
3-29-19

April \_\_, 2019

Mr. Steve Kowolonek  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Post-Retirement Medical Benefits

Dear Mr. Kowolonek:

During the 2019~~5~~ negotiations, the parties discussed post-retirement healthcare benefits. This letter amends the Post-Retirement Medical Benefits Sidebar Letter A-42 dated June 10, 2004 and A-42a dated April 13, 2012, and confirms these discussions and the resulting agreement.

#### Access to Post-Retirement Health Benefits

Employees who terminate on or after October 1, 2015 after attaining at least age 50 with at least 5 years of service will have unsubsidized access (i.e., no Company contributions) to post-retirement medical, dental, and vision coverage; provided, however, that beginning as soon as January 1, 2021, employees who do not enroll in Duke Energy-sponsored pre-65 retiree medical, dental and vision coverage at the time of retirement or following the expiration of any COBRA continuation will not be permitted to enroll themselves or their eligible dependents at a future date. Coverage for retirees age 65 and older will be provided on an unsubsidized basis through a Medicare Coordinator. The Company shall provide a subsidy/contribution towards the cost of post-retirement health coverage only as provided below in this letter.

#### Subsidies/Company Contributions - Traditional Option

For employees who terminate on or after October 1, 2015, the "Traditional Option" is hereby amended to provide contributions towards the cost of post-retirement healthcare coverage, in the form of credits to a newly established Subsidy Health Reimbursement Account ("Subsidy HRA"), only for individuals who are under age 65 and who are:

- In a group eligible for a medical subsidy under the rules in effect prior to October 1, 2015, which is limited to those hired prior January 1, 2013; and
- At least age 55 with at least 10 years of service at termination of employment.

The amount of the contributions will vary as follows:

- Eligible employees age 50 or older by October 1, 2015 will receive (during retirement) a pre-65 contribution of \$350 per month, plus \$175 per month for their spouse/domestic partner, if any; and

- Eligible employees younger than age 50 as of October 1, 2015 will receive (during retirement) a pre-65 contribution of \$250 per month, plus \$125 per month for their spouse/domestic partner, if any.

Subsidies/Company Contributions - HRA Option

Effective October 1, 2015, the "HRA Option" is hereby amended such that:

- The Company will discontinue crediting 1/12 of \$1,000 each month to the health reimbursement accounts for those employees who have a health reimbursement account under the HRA Option, with interest credits continuing; and
- The Company will offer a choice window in 2015 to employees who have a health reimbursement account under the HRA Option to elect whether to continue in the HRA Option (modified as described in the above bullet) or to forego their rights to their modified health reimbursement accounts under the HRA Option in exchange for participation in the Traditional Option (modified to provide credits to a Subsidy HRA as described above).

Miscellaneous

The post-retirement health benefits described above will replace the post-retirement medical coverage options in effect prior to October 1, 2015, for employees who terminate on or after October 1, 2015, including those described in Sidebar Letters A-42 and A-42a. These benefits will be governed by and construed in accordance with the applicable plan documents.

In all other respects, Sidebar Letters A-42 and 42a shall continue in accordance with their terms.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations



April xx, 2019

Mr. Steve Kowolonek  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

*note 3/29/19  
AK 3-29-19*

RE: Temporary Upgrading

Dear Mr. Kowolonek:

During the ~~2005~~ 2019 contract negotiations, representatives of the Company and the Union discussed temporarily upgrading employees in clerical and technical job classifications.

The Agreement provides that temporary upgrading shall only be available for manual employees. However, as a result of these discussions, the Company will agree, during the term of the ~~2005--2008~~ 2019 - 20xx Agreement, to permit clerical and technical employees to be temporarily advanced to higher classifications. Employees will only be given consideration for temporary advancement when they actually replace another employee in a higher job classification for a full day or more; or supervision deems there is a need for an employee to fulfill the duties of a higher classified job for a full day or more. When employees are temporarily upgraded they will receive the minimum rate of the higher job classification or ~~\$4.00~~ 10.00 per week more than their current wage rate, whichever is greater. When selecting the individual to be temporarily advanced, the management will give consideration to seniority and rotation among qualified employees. Such upgrading will not take place when the work duties of another employee are distributed among several other employees, or when employees perform duties of higher classified jobs for training purposes. ~~Temporary upgrades will not apply to the Statistical Typist, Typist-Clerk, Receptionist-Typist, Stenographer or Senior Stenographer job classifications.~~

The Company voiced a serious concern about the potential for voluminous grievances if temporary upgrading is permitted for non-manual employees as described. As agreed, no grievances will be processed by the Union as a result of this limited exception to Article XII, Section 6 of the Agreement.

Sincerely,

Jay R. Alvaro  
Labor Relations

| ~~April 21, 2004~~ April xx, 2019

| Mr. ~~Jim Andersen~~ Steve Kowolonek  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

*MHC 3/29/19  
AK 3-29-19*

Re: Vacation Carryover

| Dear Mr. ~~Andersen~~ Kowolonek:

| During the ~~2005-2019~~ negotiations, representatives of the Company and the Union discussed carryover vacations.

| As agreed, for the term of the current Agreement, employees entitled to a vacation may carryover up to ~~one~~ two weeks of vacation to the next year. The carryover of vacation must be approved by supervision. Furthermore, vacation carried over may be taken any time during the following calendar year.

This letter describes the agreement concerning the carryover of vacation.



# HISTORICAL SIDEBAR LETTERS 2015 – 2019

Between

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

and

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

## **Appendix A**

### **Historical Documents Preserved And Made A Part Of This Agreement For Interpretation And Application**

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

## APPENDIX A

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

Document Number	Document Date	Article	Subject
A-1	12/22/1971	IX, 5(c)	Vacation Selection
A-2	07/16/1974	V, 4(b)	Inter-Department Transfers
A-3	03/28/1977	V, 2(c)	Multiple Posting System in Property Department
A-4	03/28/1977	V, 3(d)	Testing Procedures When Employees Promote
A-5	04/13/2012	IX, 4	Leaves of Absence
A-6	04/18/1989	V, 6	Hiring Co-ops – Union Notification
A-8	04/13/2012	IX, 5(c)	Partial Day Vacation Administration
A-9	04/18/1989	I, 2(c)	Falsification and Tampering with Company Records
A-11	04/16/1992	XI, 1(d)	Holiday Call-Out
A-12	04/16/1992	XII, 2(a)	Flextime
A-13	04/16/1992	XII, 3(b)	24 Hour Notice – Change of Shift
A-14	04/16/1992	I, 1(a)	Reorganization of Distribution Operations Division
A-15	04/16/1992	XVI, 2(b)	Out-of-Town Work or Training
A-17	04/13/2012	XII, 2(a)	Four 10-Hour Day Guidelines
A-18	04/16/1992	VII, 1(a)	Personal Attorneys
A-20	07/19/1994	V, 2(e)	Gas Operations Trainer
A-21	01/11/1998	V, 2(e) VIII, 1(a) VIII, 1(i)	Customer Projects Resource Specialist
A-32	04/14/2015	II, 1 III, 1(b) VII, 1(a)	Time Off for Union Duties/Business
A-38	09/02/1998	VIII, 1(i)	BOGAR Job Evaluation System
A-40	12/29/2000	VIII, 1(e) VIII, 1(h) VIII, 1(i)	Manual, Clerical and Technical Job Classifications
A-41	05/14/2003	VIII, 1(i)	Disconnect Non-Pay, Succession and Special Reads
A-42	06/10/2004	XX, 1	Post-Retirement Medical
A-42a	04/13/2012	XX, 1	Amendment to Sidebar Letter A-42 Post-Retirement Medical Benefits
A-42-b	04/15/2015	XX, 1	Amendment to Sidebar Letter A-42 and A42a Post-Retirement Medical Benefits

Document Number	Document Date	Article	Subject
A-46	04/21/2005	XII, 6	Temporary Upgrading in Clerical and Technical Jobs
A-48	04/21/2005	V, 7(a) VIII, 1(a)	East Meter Reading
A-49	04/21/2005	V, 3(a)	Interplant Seniority Rights
A-50	04/21/2005	IX, 2	Treatment for Substance Abuse
A-51	04/21/2005	XI, 2(a)	Personal/Diversity Day Requests
A-52	04/21/2005	IX, 5(a)	Vacation Carryover
A-55	04/21/2005	V, 3(a)	Job Elimination Situations
A-58	06/02/2008	XXII, 1	Retirement Plan Agreement
A-58a	04/14/2015	XXII, 1	Amendment to Retirement Plan Agreement
A-59	06/02/2008	Misc.	Sabbatical Vacation Bank and Vacation Credit Programs
A-60	06/02/2008	Misc.	Union Employee Annual Incentive Program (UEIP)
A-60a	04/14/2015	Misc.	Amendment to Union Employee Annual Incentive Plan (UEIP)
A-61	04/14/2015	V, 7(a) VIII, 1(a)	Cincinnati Call Center
A-62	06/02/2008	Misc.	Part-Time Employee Benefits
A-63	06/02/2008	Misc.	Meter Reading Travel Allowance
A-64	04/14/2015	VIII, 1(a)	Revenue Services Representatives
A-65	04/14/2015	V, 2	Competency Based Selection
A-70	04/14/2015	V, 3(a)	UWUA Severance Program
A-71	04/13/2012	XII, 2(b)	Overtime Provisions
A-73	11/16/2009	Misc.	LIT Job Progression
A-74	03/31/2011	XII, 4(a)	On Call Rotation – Local IT Support
A-75	01/16/2012	Misc.	G.I.S. Job Progression
A-76	12/20/2012	XII, 2(b)	Foreign Utility Assistance
A-77	05/08/2014	Misc.	Senior Work Management Support Specialist
A-79	04/14/2015	Misc.	Separation of Delivery Operations and Gas Operations
A-80	04/14/2015	Misc.	Global Positioning Systems (GPS)
A-81	04/14/2015	Misc.	Engineering Specialist Progression
A-82	04/14/2015	V, 2	Customer Relations Representative/Clerk C Positions

THE CINCINNATI GAS & ELECTRIC COMPANY



December 22, 1971

Mr. Charles J. Neuhaus  
Chairman  
Independent Utilities Union  
P.O. Box 1757  
Cincinnati, Ohio 45201

Dear Mr. Neuhaus:

Reference is made to our discussion at a meeting on November 30, 1971 and to your letter of December 1, 1971, concerning a uniform vacation selection procedure for employees represented by the Independent Utilities Union.

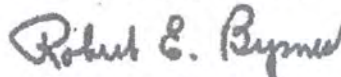
In accordance with our conversation, the Company will adopt the following vacation selection procedures effective January 1, 1972:

Preference for the first two weeks of vacation to which an employee is entitled will be considered within a job classification at each particular work location on a system service basis. Employees entitled to more than a two week vacation may select that additional vacation on a system service basis after all eligible employees within the job classification at each particular work location have had an opportunity to select the dates for at least two weeks of their vacation.

It is emphasized that this procedure will in no way affect the Company's right to determine the number of employees who may take a vacation at any one time.

Please confirm that the procedure stated in this letter is satisfactory to the Union so that the various affected Company departments may be notified prior to January 1, 1972.

Very truly yours,



Robert E. Byrnes  
Manager  
Industrial Relations

A-1

(Due to the deteriorating condition of the original, this letter has been retyped.)

July 16, 1974

Mr. Charles J. Neuhaus  
Chairman  
Independent Utilities Union  
P.O. Box 1757  
Cincinnati, Ohio 45202

Dear Mr. Neuhaus:

During the 1974-1977 negotiation meetings, the committees of the Company and the Independent Utilities Union discussed interdepartment transfers to different job classification and lateral bids and their effect on classified seniority. The following procedure has been implemented as a result of the negotiations and subsequent discussions with representatives of the Union.

Individuals who laterally bid or transfer from one bidding area to another will receive classified seniority dates based on the dates they enter the new job classifications in the new bidding area. However, when an employee's move is delayed, consideration will be given to the proper adjustment of the employee's classified seniority rank so that the employee will not be penalized with respect to future opening within the new department. When such employees bid on future openings in the new department, they will be ranked on the basis of their classified seniority date in that bidding area. Should these employees bid on an opening posted outside their immediate bidding area, their wage level seniority will be used in determining their ranking for consideration on the posting. In accordance with past practice, departmental personnel will be given first consideration on an initial I.U.U. wide posting.

The only exceptions to the above procedures are for the following employees in the Customer Services Division of the Customer and Public Relations Department: Douglas Ray Deaton, Patricia L. Lindsay, and Ronald Eugene May. These employees, as was agreed during the negotiations, will be ranked according to wage level date on all promotional bids after they acquire the minimum work experience required for a promotion.

The procedure described in this letter applies only to transfers and lateral bids across bidding areas. Wage level seniority will continue to govern on lateral bids within a bidding area where specific procedures have previously been established.

The Company believes that the described procedures will conform with the agreement reached during the discussions at the 1974 negotiation meetings and will eliminate the potential for employees who transfer or laterally bid into another bidding area from subsequently acquiring more seniority than incumbent employees within the same classification. If the Union concurs with these arrangements, please initial and return the attached copy of this letter.

Very truly yours,

Robert L. Byrnes  
Manager  
Industrial Relations

cc: L. M. Dagenbach  
R. G. Graham

A-2



(Due to the deteriorating condition of the original, this letter has been retyped.)

March 28, 1977

Mr. E. Edward Devine  
Chairman  
Independent Utilities Union  
P.O. Box 1757  
Cincinnati, Ohio 45201

Dear Mr. Devine:

During the 1977 negotiation meetings, the Company and the Union agreed to the introduction of a multiple posting system into the Property Department. This system is designed to speed up the process of filling job openings in the clerical and manual groups of the Department. For the purpose of posing job openings, accepting bids and selecting qualified applicants for job classifications bargained for by the Independent Utilities Union the existing northern, southern, eastern and western divisions of the Department will remain unchanged. Through multiple posting any known original job openings that the Company decides to fill will be listed on the posting. Any equal or lower level job that opens as a result of the original postings may be filled as a resultant available opening. In addition, any original job opening that becomes available during the posting period may also be filled as a resultant available opening. However, the Company must maintain the right to discontinue the filling of openings at any level of the procedure.

To clarify the procedures, the meaning of certain terms used herein are defined as follows:

A "posting" is the announcement of a job opening on the proper forms which are displayed on the bulletin boards of headquarters within the four divisions of the Property Department.

A "bid" is a written request of an employee on the proper form for consideration for an opening.

A "cross-bid" is a bid for an opening in the same job classification in another Division.

A "lateral bid" is a bid for an opening in a different job classification having the same maximum rate of pay.

A "promotional bid" is a bid for an opening in a job classification having a higher maximum rate of pay.

Any Property Department employee may submit a bid at any time. It is not necessary that a job opening be posted before a bid can be submitted. Only one promotional bid, one cross-bid or one lateral bid can be made on a single bid sheet. The bidder may also indicate on the bid sheet his preference for geographical division in numerical sequence. The bid sheet on file with the latest date as of the closing date of a particular posting will be used in processing that posting. It is imperative that the employee be continually aware of the bids he has on file, as well as his promotional opportunities. An employee accepted on a valid bid must accept the new job classification or new location.

Mr. E. Edward Divine  
March 28, 1977  
Page 2

To be valid, a bid must be made out in duplicate and signed by the bidder's supervisor on or prior to the closing date of a posting. One copy of the bid will be returned to the bidder and the other copy will be forwarded to the general office of the Property Department. All bids submitted in the beginning of a calendar year will be retained and used for processing all postings for the calendar year unless changed by the employee.

The acceptance of a bidder on a posting will invalidate all bids of that employee and the employee must submit new bids for consideration on future openings. Any individual bid can be invalidated (withdrawn) by submission of a similar bid with a later date or by the bidder submitting a bid sheet requesting cancellation of all previous bids. In addition, all bids become invalid on December 31 of any year. This will require new bids to be submitted on the first working day of each year or as soon thereafter as practical.

After a job posting has closed the ranking of applicants will be determined on the basis of qualifications, promotional sequences, and classified seniority. Bids will be considered in the following order:

1. Cross-bids
2. Lateral bids
3. Promotional bids

The successful applicant on lateral and promotional bids may be required to qualify by means of an examination if specified by the applicable job descriptions.

Requests for specific job assignments, locations, or shifts within a division may be made in writing to the supervisor in charge of that division. The supervisor will forward a copy of such request to the general office of the Property Department for filing. These requests will be considered by the division supervisor when an opening occurs and prior to the posting of such an opening. However, employees may not exercise their seniority to assure a particular job assignment, location or shift within a division. Requests for assignments will be retained in file until December 31 of any particular year and will be given consideration when job openings occur in the division in which the applicant presently works.

A "results of job opening" will be posted after all bids have been processed. This form will indicate the successful applicants, the headquarters, shift schedule, type of change and effective date. Any applicable payroll changes will be effective on the date which is designated on the multiple posting results sheet.

If, as the result of a job posting, an original opening or any resultant opening cannot be filled by an employee within the Property Department, that job may be posted Company wide.

In addition to permitting more than one cross-bid per posted opening, it is believed that this procedure will materially reduce the time required for the filling of job openings thereby expediting the promotion of employees. It is contemplated that this change in procedure in the Property Department will become effective on or about May 1, 1977.

Very truly yours,

Arthur R. Ehrnschwender

(Due to the deteriorating condition of the original, this letter has been retyped.)

March 28, 1977

Mr. E. Edward Divine  
Chairman  
Independent Utilities Union  
P.O. Box 1757  
Cincinnati, Ohio 45201

Dear Mr. Divine:

During the 1977 negotiations, the committees for the Company and the Union discussed the testing procedures which are utilized in many promotional sequences when employees promote.

In certain areas of the Company, an employee is tested on the basis of the job from which he promotes. In other instances, testing is based on the job into which an employee will progress and is given within a certain time interval before or after the employee is accepted. Further, the re-testing time interval for employees who do not successfully complete a promotional test varies in different departments. In certain areas of the Company, employees may be pre-tested for future promotional openings. The Union has requested that such advance testing be made available to employees for the next job in their promotional sequence even though an opening may not exist.

The Company is not opposed to advance testing in those situations where a supervisor agrees that such advance testing is in the best interest of all concerned. It must be realized, however, that in some areas of the Company, methods or technology often change so that advance testing is not practical, in such instances the material upon which an employee is tested may be altered substantially at the time an employee may ultimately be promoted. An employee who wishes to be considered for this advance testing should consult with his supervisor. The supervisor will appraise the employee if such testing is permissible and, if not, the supervisor will explain to the employee why his request may not be granted.

It is thought that this letter will clarify any misunderstanding that may have existed concerning advance testing.

Very truly yours,

Arthur R. Ehrnschwender



April 13, 2012

Mr. James Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Leaves of Absence

Dear Mr. Anderson:

During 2012 contract negotiations, the parties discussed Sidebar Letter A-5 dated April 10, 1986 regarding good cause for granting leaves of absence. The parties recognized that there have been significant legal developments since 1986, including but not limited to passage of the Family Medical Leave Act (FMLA) and the Uniformed Service Employment and Reemployment Rights Act (USERRA). Given these and other similar developments, the parties agreed to replace the April 10, 1986 Sidebar Letter as set forth herein.

The Company understands that employees may need to be away from the workplace at times for legitimate reasons. The Company further recognizes that time away from work is important to maintaining a healthy work-life balance. At the same time, the Company depends on a responsible and dependable workforce to serve its customers and meet its business goals.

To balance these interests, the Company provides leaves of absence for qualifying reasons, such as for new parents, medical issues (experienced by the employee or eligible family members), military service, caregivers, education, and other personal reasons deemed by the Company or its third party administrators to justify a leave of absence. Leaves of absence may be granted for up to a maximum of six (6) months, or as otherwise set forth in the applicable summary plan description.

All leaves of absence are provided in a manner consistent with applicable laws. To the extent that a leave of absence provided by the Company is over and above the employee's legal entitlement, it is recognized to be a privilege and not a right of the employee. Such leaves are granted at the discretion of the Company. While never desirable, an employee's absence in most situations can be tolerated more so during certain times of the year than other times.

It is difficult to enumerate the variable circumstances under which employees may be granted personal leaves of absence. The Company evaluates each request on an individual basis in light of the surrounding circumstances specific to such request. For

example, leaves of absence will not be granted for individuals who are absent due to incarceration or for individuals who want to try full-time employment elsewhere.

Employees are expected to cooperate with providing supporting documentation in a timely and truthful manner as needed by the Company and/or its third party administrators to manage the leave process consistently. Employees also are expected to keep their management apprised of their return-to-work status and any work-related restrictions prior to returning to work. Advance notice of the employee's return-to-work date and of any work-related restrictions is necessary for business planning and to ensure compliance with applicable laws.

It is believed that this letter accurately describes the parties' agreement.

Very truly yours,



Jay R. Alvaro  
Vice President, Labor Relations

**CG&E** The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

Robert E. Byrnes  
Senior Vice President

April 18, 1989

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

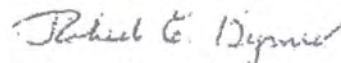
Dear Mr. Bradford:

During the 1989 negotiations, the parties discussed the possibility of the Company notifying the Union of the initial employment of co-ops in two year Associate Degree programs.

As agreed during these negotiations, Department Managers will attempt to inform the Union delegates whenever a two year co-op is hired within their areas of responsibility.

It is thought that by proceeding in this manner, the concerns expressed by the Union during the negotiating meetings will be alleviated.

Very truly yours,



Robert E. Byrnes

A-6



April 13, 2012

Mr. James Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Partial Day Vacation Administration

Dear Mr. Anderson:

During 2012 contract negotiations, the parties discussed the granting of vacations in less than one day increments.

As was agreed, department managers will review their individual work groups and where it will not disrupt normal operations, at their discretion, permit requests for partial day vacations in increments of one-half the employee's scheduled work day but not less than four hours. It was further agreed that requests for these partial days must be made at least seven calendar days prior to the date requested and must be approved by supervision. However, because of extenuating circumstances, a partial day off with less than a seven (7) calendar day notification may be approved by an employee's supervisor.

Currently there are some departments that allow, business needs permitting, employees to take partial vacation days in less than half day increments. It is agreed that individual departments will have the ability to grant vacation requests for less than half day increments at their discretion.

It is believed that this letter accurately describes the parties' agreement.

Very truly yours,

A handwritten signature in black ink that reads 'Jay B. Alvaro'.

Jay B. Alvaro  
Vice President, Labor Relations

CG&E The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

Robert E. Byrnes  
Senior Vice President

April 18, 1989

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

Dear Mr. Bradford:

During the 1989 negotiation meetings, the committees for the Company and the Union discussed the degree of discipline to be administered to employees who falsify or tamper with Company records.

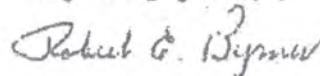
Many employees represented by the Union are in positions of trust concerning Company records and accounts. The management depends upon the integrity of each employee in the performance of his or her various job duties and responsibilities. The importance of this reliance upon complete employee veracity cannot be overemphasized.

In many disciplinary situations, the Company adheres to a policy of progressive and constructive discipline in order to impress upon employees the nature of Company expectations. However, as mutually agreed upon during the negotiations, employees whose dishonest acts adversely affect the Company will be summarily discharged. For example, it has been a long established Company policy that all meter reading personnel will be terminated who curb readings, falsify records, or are guilty of defalcation; immediate discharge for these activities will continue.

Employees in various departments have access to Company and other accounting and business records and are confronted with situations where circumstances could allow indiscretions for their personal gain or the benefit of others without proper remuneration to the Company. Many positions of trustworthiness could be misdirected to a manipulation or falsification of Company records in a fraudulent, larcenous, or otherwise dishonest manner. As agreed, such activities will result in immediate termination of employment.

If the types of activities occur as described above, the Company will react in good faith upon a full, fair, and impartial investigation. The Company will take every precaution to evaluate particular incidents in full light of all circumstances in order to make certain that any summary termination is not undertaken in an arbitrary, capricious, or disparate manner.

Very truly yours,



Robert E. Byrnes

A-9



**CG&E** The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

April 16, 1992

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

Dear Mr. Bradford:

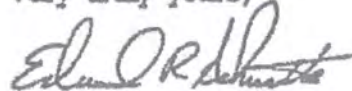
During the 1992 negotiation meetings, representatives of the Company and the Union discussed the negotiated intent and the current administration of holiday call out provisions contained in Article XI, Section 1 (d) of the Agreement.

There was no dispute between the parties as to how an employee is compensated for any call out assignment where all the hours worked by the individual were entirely within the holiday (midnight to midnight). When such call out assignments are for four hours or less the employee receives four hours pay at the appropriate overtime rate and no travel pay. When such call outs are more than four hours but less than eight, the employee receives eight hours of pay at the appropriate overtime rate and no travel pay. When an employee works entirely within the holiday for more than eight hours, all hours worked after eight hours are compensated at the double time rate of pay with no travel pay. The area of dispute between the parties concerns those call out assignments which are worked contiguous to hours on the day before or the day after a holiday.

In order to completely resolve this matter, the Company is willing to compensate the employee for one hour of travel time at the appropriate rate of pay for call outs of four hours or more contiguous with hours worked into or out of a Company recognized holiday. However, the guarantee of eight hours pay for a call out that is more than four hours but less than eight that is contained in Article XI, Section 1 (d) will not apply to call outs that are contiguous with hours into or out of the holiday.

By proceeding in this manner, it is thought that a consistent and equitable manner of administering the holiday pay provisions of the Agreement can be attained.

Very truly yours,

  
Edward R. Schuetz

A-11

**CG&E** The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

April 16, 1992

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

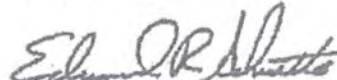
Dear Mr. Bradford:

During the 1992 negotiation meetings between the Company and the Union, the committees discussed the use of flextime.

As was discussed during these meetings, it is the policy of the Company to use flextime programs in those work groups where such scheduling is deemed appropriate by the Department Manager. Although the Company reserves the right to discontinue the use of flextime where appropriate, it will meet with the Union before proceeding.

It is thought that this will adequately describe the discussion concerning this matter.

Very truly yours,

  
Edward R. Schuette

A-12

**CG&E** The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

April 16, 1992

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

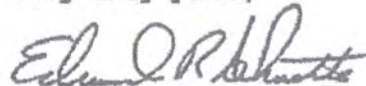
Dear Mr. Bradford:

During the 1992 negotiation meetings, the committees for the Company and the Union discussed the change of schedule provision in Article XII, Section 3 (b).

Although the language in the current Agreement states that an employee will receive at least a 24-hour notice of a change in shift, the Company will attempt to give at least a five calendar day notice of such changes.

It is thought that this is a fair and equitable policy which will satisfy the interests of all concerned.

Very truly yours,

  
Edward R. Schuetts

A-13

**CG&E** The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

April 16, 1992

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

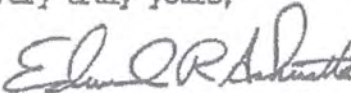
Dear Mr. Bradford:

During the 1992 negotiations, the committees for the Company and the Union discussed the reorganization of the Distribution Operations Division of the Electric Systems Operations Department.

As was agreed during these negotiations, the supervisory positions within this section will have the flexibility to perform bargaining unit work when an Operations Technician is unavailable to readily respond to a customer inquiry that needs immediate attention. On those occasions supervision will be able to investigate, resolve and recommend solutions to customers about their inquiries. They may also be setting test equipment and or preparing written recommendations for customers. It is anticipated that the performance of this bargaining unit work will be minimal. As stated during the negotiations, it is thought that supervisory employees will only perform these types of operations on an average of one per week. In the event that the Operations Technician, assigned to a specific area, is on vacation, that average may increase to approximately two to three per week. This agreement does not restrict supervisory employees from doing work they previously performed.

It is thought that this agreement will enable us to better serve our customers.

Very truly yours,

  
Edward R. Schuette

A-14

**CG&E** The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

April 16, 1992

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

Dear Mr. Bradford:

During the 1992 negotiation meetings, representatives for the Company and the Union discussed the policies and procedures to be utilized when employees are required to work or train at out-of-town locations.

The mode of transportation to be utilized for all out-of-town trips will be determined by the Company. Commercial airlines will be used whenever possible. The Company will normally furnish roundtrip airline tickets (tourist or coach class) between the Greater Cincinnati Airport and the point of destination. If prior arrangements are made and the Company agrees, employees may drive to and from their destination and be reimbursed at the appropriate mileage rate but not exceeding the cost of the roundtrip airline ticket. Each individual request will be evaluated by the Company before determining if alternate transportation will be permitted. Employees utilizing the personal car option will not be granted additional time off from their regular scheduled work week in order to meet travel schedules not arranged by the Company. Nor will any other expenses such as personal auto repairs and insurance, extra meals or lodging be reimbursed by the Company.

Normally the Company will arrange for, and pay any living accommodation expenses. Occasionally, there will be times when employees will be responsible for direct payment prior to leaving the hotel/motel. In this case, the employees will receive advance payment for the applicable room rates and must reconcile their accounts personally. During most other out-of-town trips, prior arrangements may permit invoicing of applicable hotel/motel room costs directly to the Company. In this situation, involved employees will not receive any direct payments for room costs. Other types of accommodations will be handled on a case-by-case basis with methods of payment appropriate to the situation.

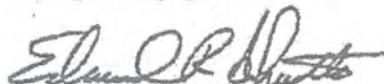
For extended trips, employees will be informed prior to leaving for the out-of-town assignment as to the number of return trips to Cincinnati they will be allotted. For these return trips, the Company will normally furnish transportation. In the event that visits home are granted and taken, the Company will reimburse each employee for roundtrip transportation costs only.

A-15

The Company may establish and pay an applicable per diem rate in advance for each out-of-town day and each travel day. This rate, which may vary between individual out-of-town locations, will include all other expenses, such as meals, laundry, telephone calls, tips, etc. Transportation and lodging will not be included in the daily per diem amount that each employee will receive. Any expenses incurred over and above the stipulated per diem amount for any given trip will be the responsibility of the employee. Alternately, the Company may elect to reimburse employees for the direct reasonable expenses for such items as meals, laundry, telephone calls, tips, etc. The Company will determine on a case-by-case basis whether a per diem arrangement or reimbursement for reasonable expenses is used for out-of-town assignments.

It is thought that this letter will clarify the Union's concerns about the policies and procedures to be utilized when employees are required to work or train at out-of-town locations.

Very truly yours,

  
Edward R. Schuetts



April 13, 2012

Mr. James Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Four 10-Hour Day Guidelines

Dear Mr. Anderson:

During the 2012 negotiations, the parties discussed Side bar Letters A-17 and A-47 regarding four 10-hour day workweeks. As a result of those discussions, the parties agreed to the following revised Guidelines for employees who are assigned to work four 10-hour days.

1. **Off Days.** Management will attempt to provide employees working a four 10-hour day workweek with three consecutive off days. However, employees in a particular work group may request or may be required to have two consecutive off days and another off day within the scheduled workweek. Supervision will give due consideration to such requests.
2. **Overtime.** Time and one-half will be paid for all overtime hours worked in any single workweek, with the exception of Sunday. All overtime hours worked on a Sunday will be paid at double time.
3. **Vacation.** One day vacations are for 10 hours. Weekly vacations are for 40 hours. Employees who are transitioning to or from a four 10-hour day workweek shall be entitled to all accrued vacation (i.e., if an employee returns to an five 8-hour day schedule with 10 hours remaining vacation, the employee will have one day and two hours of vacation to take in accordance with the contract).
4. **Personal Days.** Personal days must be taken in full days regardless of the employee's schedule, and cannot be taken in smaller increments. For employees on 10-hour shifts, personal days are paid for 10 hours. For employees on 8-hour shifts, personal days are paid for 8 hours.
5. **Holidays.** Employees working four 10-hour shifts convert to a five 8-hour day schedule during all workweeks that contain a holiday recognized by the Company in an effort to maintain consistency throughout the bargaining unit for employees to receive 40 hours of pay.

For any other alternate work hour schedule that may be developed, it is agreed that at least two off days will be consecutive. The two consecutive off day agreement does not apply to any currently established workweek or when changing from one schedule to another. Furthermore, the two consecutive off day requirement can be waived, but both supervision and the employee must mutually agree to such a schedule.

It is thought that this letter accurately describes the parties' agreement.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jay R. Alvaro". The signature is written in a cursive style with a large initial "J".

Jay R. Alvaro  
Vice President, Labor Relations



**CG&E** The Energy Service Company

The Cincinnati Gas & Electric Company  
P.O. Box 960 Cincinnati, Ohio 45201-0960

April 16, 1992

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

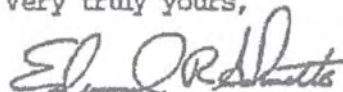
Dear Mr. Bradford:

During the 1992 negotiation meetings the committees of the Company and the Union discussed the representation of employees by personal attorneys or outside agencies during the grievance and arbitration procedures.

As a result of these discussions, the parties agreed that the Union is the sole bargaining representative for its members and therefore no outside representation will be permitted during such meetings. This in no way restricts the Union's ability to have an attorney represent its own interests during the grievance and arbitration procedures.

It is believed that by proceeding in this manner the concerns expressed during these meetings have been alleviated.

Very truly yours,



Edward R. Schuette

A-18

OCT-13-99 WED 9:15 AM IUU

P. 6

**CG&E ■ The Energy Service Company**

The Cincinnati Gas & Electric Company  
PO Box 960 - Cincinnati, Ohio 45201-0960

July 19, 1994

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

This letter cancels and supercedes my previous letter to you, dated July 13, 1994.

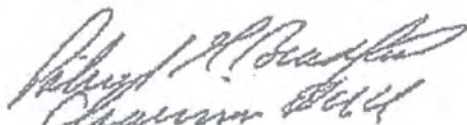
Reference is made to our meeting on Tuesday, June 28, 1994 regarding the new job classification, Gas Operations Trainer, Job Code #827. In addition to you and I, Messrs. E. Schuette and D. Zanitsch representing the Company and Mr. D. Rosing representing the IUU were also in attendance.

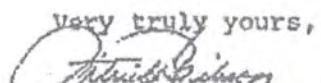
As agreed, the new job classification of Gas Operations Trainer, Job Code #827 will be established at wage level 12. This new job classification was evaluated by the Company's Non-Manual Job Evaluation Committee as a wage level 11.

In return for the Company's willingness to establish this new job classification at wage level 12, the Union agreed that the Management of Gas Operations will select the individual they deem to be most qualified for this position in lieu of accepting the most senior qualified individual. The Union further agreed not to process any grievances related to the selection process for this position.

If future re-evaluations of this job classification increase the total number of points sufficient to increase the wage level to 12, this job classification will remain a wage level 12 and the selection process will revert to being conducted in accordance with the Union contract in effect at that time.

If you concur with this agreement, please sign and date a copy of this letter and return it to my office.

  
Chairman  
7/21/94

Very truly yours,  
  
Patrick P. Gibson

cc: E.R. Schuette  
D.E. Zanitsch

\jobeval\trainer

A-20

January 11, 1998

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P. O. Box 1757  
Cincinnati, Ohio 45201

Dear Pat:

Per our discussion on November 5, 1998, this letter details our discussion on the development of Customer Projects Resource Specialist position. Pending final Management approval, these positions will be newly created IUU jobs within Energy Delivery and will be filled based on business needs as determined by Management.

The duties and responsibilities of the Customer Projects Resource Specialist are:

- On-the-job training of new employees in a work group
- Presenting and/or assisting others in classroom training
- Serving as an expert resource on work procedures and related technical information
- Providing refresher/remedial/supplemental training requested by the work group supervisor
- Performing duties in various work groups and as mutually agreed upon by respective work group supervisors

The Customer Projects Department will post Customer Projects Resource Specialist vacancies when they occur. In exchange for the specially negotiated Customer Projects Resource Specialist wage rate, interested, qualified candidates will be selected by the Targeted Selection process. In the event that two candidates are rated equal through the Targeted Selection process, in accordance with the current IUU Agreement seniority will be the prevailing factor.

The Customer Projects Resource Specialist positions will be filled by IUU represented employees in the following bidding areas:

- Customer Projects
- Electric Operations
- Gas Operations

For the initial Customer Projects Resource Specialist job posting, T&D Coordinators will be considered. If selected, the T&D Coordinators who accept the Customer Projects Resource Specialist position must join the Independent Utilities Union within thirty (30) days of being reclassified as a Customer Projects Resource Specialist. For the selection of reporting locations, successful IUU candidates shall have preference, based on System Seniority over successful T&D Coordinator candidates.

The Customer Projects Resource Specialist position will be staffed using the following process:

- Bids and/or resumes will be screened to determine that minimal qualifications are met
- Candidates will participate in a Targeted Selection interview process by at least three (3) qualified interviewers. If agreed to by the candidate, IJU leadership may observe this process.
- A data integration process will be used to create a rank listing of qualified candidates. IJU leadership may observe this process.
- Qualified candidates will be asked to develop and present a five minute presentation on the topic of their choice. These presentations will be scored on a pre-determined set of criteria by at least two experienced, exempt trainers.
- Positions will be offered to the successful candidates.
- Resultant job opening may be backfilled in accordance with the current IJU agreement.

The minimum and maximum wage rates for the Customer Projects Resource Specialist position will be \$860.00 to \$910.00.

Customer Projects Supervisors assigned a Customer Projects Resource Specialist will be responsible for assignment of their work schedules, performance evaluations, discipline and administrative requirements. Customer Projects Resource Specialist's performance will be evaluated formally on the same schedule as other employees within Energy Delivery.

Customer Projects Resource Specialists will be required to travel to other locations away from their normal work locations. Existing Company and departmental policies will determine compensation and reimbursement for out-of-pocket expenses. The working hours for Customer Projects Resource Specialists may need to be flexible. Training activities may require work hours other than a normal 8 a.m. to 5 p.m. schedule.

Customer Projects Resource Specialists may accept temporary upgrades to supervisory positions, not to exceed 90 consecutive days, if they would have otherwise been upgraded.

Very truly yours,

Jerry W. Baird, Manager  
Customer Projects

(New -January 11, 1999  
Energy Delivery Business Unit  
Gas & Electric Support Services Department

60600

CLASSIFICATION:            CUSTOMER PROJECTS RESOURCE SPECIALIST

A. DUTIES:

Under general supervision, with a work schedule covering days, nights, weekends and holidays is responsible for providing needs assessment, assisting in the development and presentation of training programs related to the job skill areas identified for Customer Project Coordinators and Office Coordinators, maintaining training materials and providing on-site support as required at various Company locations.

1. Conducts job skill training as required for Customer Project Coordinators and Office Coordinators.
2. Assists in designing training modules for classroom and on-the-job training.
3. Designs job aides and other training-related materials.
4. Conducts follow up on-the-job training to employees returning from classroom training.
5. Participates as "job expert" on teams as required.
6. Works with other Company departments to provide supplemental training, module development, and/or consultation as required.
7. Assists in maintaining training documentation to ensure that all materials are up to date and in compliance with standards.
8. Provides input on employee performance in job duties that are based on classroom and field training.
9. Conducts follow-up evaluations to critique the effectiveness of training and training materials.
10. Participates in Company training programs and/or outside seminars to enhance job related skills.
11. Operates and maintains audio visual equipment.
12. Supports employees as initial point of contact for job related issues.

(New -January 11, 1999  
Energy Delivery Business Unit  
Gas & Electric Support Services Department

13. Schedules facilities, trainees, equipment and material for training programs.
14. Performs the duties of Customer Project Coordinators and/or Office Coordinators as needed and as able in the event of emergencies, job deadlines or excessive workload.
15. Performs other similar or less skilled work.

**B. QUALIFICATIONS:**

Must meet the Company's requirements as to GENERAL QUALIFICATIONS, and in addition:

1. Must have at least 5 years' Company experience in assisting or designing the process of getting gas or electric service to our customers.
2. Must have demonstrated the ability to successfully apply Company and Commission rules, regulations, and standards as appropriate.
3. Must have experience in designing and presenting informational material to other departments and associates within the Company, outside groups and organizations or other customers in a professional and organized manner.
4. Must have successfully passed the technical aptitude battery of tests.
5. Must have experience in successfully facilitating and leading groups of employees to achieve desired goals.
6. Must be capable of designing training materials, instructing others and conducting classroom training.
7. Must be capable of using and trouble shooting audio visual and computer software and hardware equipment.
8. Must have a valid driver's license.

## Energy Delivery Customers Projects

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### Customer Projects Resource Specialist

<b>Overview</b>	To improve and supplement classroom training in the Customer Projects Department, full-time Resource Specialist positions were established in 1998. The duties and responsibilities of the Customer Projects Resource Specialist (CPRS) are listed below. The CPRS positions will be filled based on business needs as determined by Management. These positions are newly created jobs within Energy Delivery.
<b>Eligible Job Classifications*</b>	CPRS positions will be filled by IUU represented employees in the following bidding areas: <ul style="list-style-type: none"><li>• Customer Projects</li><li>• Electric Operations</li><li>• Gas Operations</li></ul>
<b>CPRS Responsibilities</b>	The following responsibilities are included in CPRS duties: <ul style="list-style-type: none"><li>• On-the-job training of new and existing employees in a work group.</li><li>• Presenting and/or assisting others in classroom training.</li><li>• Serving as an expert resource on work procedures and related technical information.</li><li>• Providing refresher/remedial/supplemental training requested by the work group supervisor.</li><li>• Performing duties in various work groups and as mutually agreed upon by respective work group supervisors.</li></ul>

*\*For the initial Customer Projects Resource Specialist job posting, T&D Coordinators will be considered. If selected, the T&D Coordinators who accept the Customer Projects Resource Specialist position must join the Independent Utilities Union within thirty (30) days of being reclassified as a Customer Projects Resource Specialist. For the selection of reporting locations, successful IUU candidates shall have preference, based on System Seniority over successful T&D Coordinator candidates.*

**Selection  
Procedures**

The Customer Projects Department will post CPRS vacancies when they occur. In exchange for the specially negotiated Customer Projects Resource Specialist wage rate, interested, qualified candidates will be selected by the Targeted Selection process. In the event that two candidates are rated equal through the Targeted Selection process, in accordance with the current IUU Agreement seniority will be the prevailing factor.

The CPRS position will be staffed using the following process:

- 1) Bids and/or resumes will be screened to determine that minimal qualifications are met.
- 2) Candidates will participate in a Targeted Selection interview process by at least 3 qualified interviewers. If agreed to by candidate, Union leadership may observe this process.
- 3) A data integration process will be used to create a rank listing of qualified candidates. IUU leadership may observe this process.
- 4) Qualified candidates will be asked to develop and present a 5-minute presentation on the topic of their choice. These presentations will be scored on a pre-determined set of criteria by at least 2 experienced exempt trainers.
- 5) Positions will be offered to the successful candidates.
- 6) Resultant job openings may be backfilled in accordance with the current agreement.

**Wage Rates**

The minimum and maximum wage rates for the Customer Projects Resource Specialist position will be \$860.00 to \$910.00.

**Reporting  
Relationships**

CPRS will report to Customer Project Supervisors.

Customer Projects Supervisors assigned a Customer Projects Resource Specialist will be responsible for assignment of their work schedules, performance evaluations, discipline and administrative requirements. Customer Projects Resource Specialist's performance will be evaluated formally on the same schedule as other employees within Energy



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Delivery.

**Additional  
Consideration**

CPRS will be required to travel to other locations away from their normal work locations. Existing company and departmental policies will determine compensation and reimbursement for out-of pocket expenses.

The working hours for CPRS may need to be flexible. Training activities may require CPRS to work hours other than a normal 8 to 5 schedule.

CPRS may accept temporary upgrades to supervisory positions, not to exceed 90 consecutive days, if they would have otherwise been upgraded.



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Time Off For Union Duties/Business

Dear Mr. Anderson:

During the 2015 - 2019 negotiations, the representatives of the Company and the Union clarified the administration of time off work and compensation for performing Union duties/business. Subject to legitimate business needs, the Company will grant compensated or non-compensated time off work in accordance with the following guidelines.

**NEGOTIATIONS**

Members of the Union negotiating committee and any other employee required to attend or prepare for negotiating meetings will be able to attend during working hours. These employees will not be compensated by the Company for time spent in and preparing for negotiations, unless previously agreed to by the parties.

**GRIEVANCES & ARBITRATIONS**

A reasonable number of employees will be able to prepare for and attend grievance and arbitration meetings. Union employees will not lose their straight-time wages while attending grievance meetings. The time spent by Union members in preparing for and attending all arbitration meetings is not compensable by the Company.

**JOINT MEETINGS**

A reasonable number of employees will be able to attend joint meetings between Union members and Company representatives. These employees will not lose their straight-time wages while attending or preparing for joint meetings.

**UNION DUTIES/MEETINGS**

A reasonable number of employees may be excused but not compensated by the Company for attending, preparing for or performing union duties/meetings. This includes items such as counting votes, regular Union meetings, General Board meetings, working on Union accounting records, or other union duties or meetings.

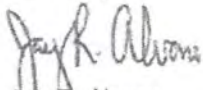
**MILEAGE  
EXPENSES**

The Company will agree to reimburse the Union mileage expenses for up to two union representatives to attend Company scheduled meetings. This does not include grievance meetings, arbitrations, negotiations or meetings held at the request of the Union. The Company will agree to reimburse the Union mileage expense for one union representative to attend fact finding meetings. The Union will provide an itemized statement each month for this expense and the Company will reimburse the Union.

There may be occasions when exceptions to these guidelines may be granted. The parties will make every effort to accommodate each other in these matters. The Union agreed to give as much advance notice as possible to supervisors of employees who need to be off work for Union business.

The advancing of wages for non-compensable union business will continue, absent abuse of this process. If problems arise, management will meet with the Union in an attempt to correct the abuse. However, management must maintain the right to discontinue this arrangement, if a satisfactory resolution cannot be reached.

Sincerely,



Jay R. Alvaro  
Director, Labor Relations  
Duke Energy

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

September 2, 1998

Mr. Patrick G. Bradford  
Chairman  
Independent Utilities Union  
P O Box 1757  
Cincinnati, Ohio 45202



Dear Mr. Bradford,

As you are aware, a new job evaluation system, the BOGAR Job Evaluation System is being implemented for all job classifications represented by the IBEW, Local 1347, IUU and the USWA, Locals #12049 and #5541-08. The new system was designed by the ERT Sub-Committee II (Joint Union/Management Team) and approved for implementation by the ERT at its June 29, 1998 meeting. The BOGAR Job Evaluation System completely replaces the McIntyre system.

The McIntyre Evaluation break points for each grade level have been mathematically converted to new break points under the BOGAR System, therefore it is not necessary for job classifications to be reevaluated at this time. Only new job classifications or revised job classifications with significant changes since their last evaluation will be evaluated using the new system. Job classifications will retain their current wage rates/grade levels, but will be subject to change if they are revised and reevaluated as was the practice in the past.

Under the current agreement, a company job evaluation committee is responsible for evaluating all new or revised job classifications. (Article VIII, Section 1(I)). A key component of the new job evaluation system is the establishment of a new joint Union/Management job evaluation committee. The committee will consist of two management representatives from each business unit, two representatives from the IUU, IBEW and each USWA local and two representatives from the Corporate Center. Accordingly, there will be 16 total members with a maximum of 10 active during an evaluation. Operating guidelines for the committee are as follows:

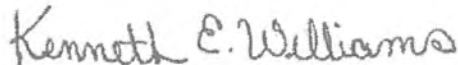
- Unions will appoint their representatives and they will only participate in the evaluation of job classifications represented by their Union.
- Unaffected union representatives may be present, but will not participate at this time.
- No more than two of the four USWA representatives will participate in the evaluation of USWA job classifications.

- The participating union must have at least one representative available during the evaluation process.
- Consensus should be reached on each factor during the evaluation; absent consensus, majority rules.
- The participating Business Unit must have at least one representative available during the evaluation process.
- All job evaluation members should be informed it is a long term commitment.
- A quorum to have a meeting is six members.

A job evaluation coordinator from the Human Resources Department will also facilitate in the evaluation process and will not be a voting member. The ERT Sub-Committee II also established the pre-evaluation process, presentation guidelines, post evaluation process, training, a creditability check and employee communication and these will be implemented as presented to the ERT at the June 29 meeting.

This letter and accord modifies the terms of the 1996-2001 contract with respect to the job evaluation system and it is believed that this letter accurately describes the agreement the Company and Union have reached.

Sincerely,



Kenneth E. Williams  
Manager  
Employee Relations and Safety

**INTERNAL CORRESPONDENCE**

To: Officers, General Managers and Managers  
From: Patrick Gibson  
Subject: **MANUAL, CLERICAL AND TECHNICAL JOB CLASSIFICATIONS**  
Date: December 29, 2000  
Reply By: **CINERGY.**

The purpose of this letter is to amend and update the Walter C. Beckjord letter of October 1, 1945, which has served as a preamble to the Cincinnati Gas & Electric Company's job classification and evaluation system for Union represented job classifications:

In October 1945, after a careful and comprehensive study of the various kinds of work necessary to conduct the business of the Company in a safe, efficient and otherwise satisfactory manner, and the requirements of each job involved, the Company by agreement with the Unions representing the employees and with the approval of the National War Labor Board (Region V), placed into effect a schedule of job titles and descriptions for *all* manual, clerical and technical employees. Wage rate schedules were established and made effective in accordance with the Union agreements and the approval of the War Labor Board.

The job descriptions and wage rate schedules were designed to provide a fair and equitable means by which all the jobs, within the scope of the plan, being filled by manual, clerical and technical employees could be designated with uniformity and understanding throughout the Company system. The Company and the duly certified exclusive bargaining representatives of the bargaining units agreed to the basis used for defining jobs. It became the duty and responsibility of the supervisory force as the representatives of management to see that it was applied and maintained in a fair and consistent manner. It was also essential that employees clearly understood the duties and requirements of the jobs to which they were assigned. While the job descriptions were not intended to be all-inclusive, they were intended to cover such typical tasks necessary to provide a fair basis for evaluation.

The job classification and evaluation plan provided:

1. A set of job descriptions which prescribe typical duties and qualifications;

### **INTERNAL CORRESPONDENCE**

2. A set of promotional charts indicating the line of normal promotions in the respective departments;
3. A set of wage schedules containing maximum wage rates for all jobs and steps of progression to arrive at the maximum wage rates;

In September 1998, a new evaluation system (BOGAR) was implemented to evaluate all manual, clerical and technical job classifications represented by the International Brotherhood of Electrical Workers, Local 1347; the United Steelworkers of America, Locals 12049 and 5541-06; and the Independent Utilities Union. A joint union/management committee designed the BOGAR Job Evaluation System. In addition to the items listed above, the BOGAR system requires a Job Evaluation Questionnaire to be completed and approved for each new or revised job classification.

### **JOB DESCRIPTIONS**

Each job description consists of a statement of the nature of work involved in the job classification, in sufficient detail to identify the title and content to those familiar with the organization; also a statement of the minimum qualifications required to enter the job. Each job description is subdivided into two parts, "Duties" and "Qualifications" as follows:

#### **DUTIES**

This section is devoted to a description of the essential duties required in the classification itself, considered entirely apart from the individual who may occupy the position. A sufficient number of duties are listed to:

1. Indicate the character and grade of the work;
2. Indicate the variety of duties;
3. Distinguish each job classification from another.

The duties for each job description are those principal duties that are required to properly identify and evaluate each of the specific job classifications. These duties are not to be considered all-inclusive. Employees may be temporarily assigned, within their capabilities, duties of other classifications. When the temporarily assigned duties are those of a higher or lower rated job classification the employees should be paid the appropriate rate of pay in accordance with the Union agreement.

This section also indicates, as a general guide, the degree of supervision under which the employees are expected to be able to perform their work; that is under "Close," "Directive," or "General Directive" supervision. These terms are defined as follows:

## **INTERNAL CORRESPONDENCE**

1. The term "under close supervision" means that the employees perform only those tasks which they have been instructed to do and are observed and supervised most of the time while performing them.

For example: A helper assisting a mechanic in performing assignments would ordinarily be under the "close" supervision of the mechanic.

2. The term "under directive supervision" means that the employees perform primarily those tasks and duties which they have been directed to do and then carry out such instructions under observation or checking from time to time.

For example: A mechanic, working under the direction of a supervisor, assigned to a section of the work but observed or contacted periodically during the day, by the supervisor, would be considered as working under "directive" supervision.

3. The term "under general directive supervision" means that the employees under general instructions perform duties independently, but within the limitations of standard practices or procedure.

For example: A Senior Lineworker operating in the field on scheduled assignments, in accordance with standard practices and procedures but without any supervision while in the field, whose production or performance would be the check on activities and quality of work, would be considered as working under "general directive" supervision.

## **QUALIFICATIONS**

In this section of the job descriptions are listed those minimum qualifications which the individual is expected to bring to the job. Specifically included are such items as basic education, degree of skill, extent of experience, special knowledge, and other required qualifications.

### **Company Requirements as to General Qualifications**

In addition to the duties and qualifications for each job classification as set forth in the job descriptions, each employee must meet the Company's requirements as to general qualifications, which include:

1. The physical and mental abilities to perform the essential functions of the job classification, with or without reasonable accommodations;

The Cincinnati Gas & Electric Company

PSI Energy, Inc.



### **INTERNAL CORRESPONDENCE**

2. The willingness to follow instructions and cooperate with other employees;
3. The willingness to respond to calls outside of regular hours, when the need arises and in emergencies, to help in any department or phase of the Company's operations in which they are qualified to help;
4. The willingness to work a shift schedule and irregular hours where the nature of the work requires it;
5. The willingness to direct and instruct or train employees, of a lower job rating, assisting on the same work;
6. If required by assignment to drive automobile or trucks, must hold a valid State Bureau of Motor Vehicles Operators' license;
7. Compliance with the general rules and practices of the Company, with specific rules of the department in which they are employed, and with those of other departments with which their work must be coordinated;
8. Thorough familiarity with and strict observance of the Company's safety rules applicable to their job;
9. Have the characteristics of dependability, trustworthiness, and carefulness, and have a satisfactory previous record in these respects;
10. The willingness to submit to physical examinations by a licensed physician designated by the Company;
11. The willingness to supply the necessary employment records including, but not limited to, birth certificate, social security number, selective service record, military record, character and past employment records.

### **JOB EVALUATION QUESTIONNAIRE**

Each questionnaire consists of questions related to the six factors used to evaluate a job classification under the BOGAR system. One or more employees in a job classification represented by the applicable Union must complete and sign one questionnaire. A departmental management representative must approve the completed questionnaire. The six factors and related sections of the questionnaire are as follows:

## **INTERNAL CORRESPONDENCE**

### **Knowledge**

Questions related to the amount of formal and informal education, training and experience.

### **Responsibility**

Questions related to the amount of responsibility for such things as: Company funds; confidential information; safety, training and/or work direction of others; materials and equipment; etc.

### **Customer Contact**

Questions related to the amount, importance and difficulty of contacts with internal and external customers.

### **Decision Making and Complexity of Duties**

Questions related to the complexity of the work; the freedom employees have to make decisions; and, the impact their decisions may have on the Company.

### **Physical/Adverse Characteristics**

Questions related to the amount, duration and frequency of: physical work (e.g., lifting, climbing and walking); and, work in adverse conditions (e.g., heat, cold, dust and noise).

### **Hazards**

Questions related to the inherent dangers in the job which directly expose the employee to the possibility of accidents which may result in lost time accidents or death.

## **WAGE SCHEDULE**

### **Starting Rates**

When employees are first assigned to a job classification, they receive the starting/minimum rate indicated in the wage schedule for that job, except in cases where an employee is already receiving a rate equal to or in excess of the starting/minimum rate indicated. In such event when the employee is promoting into the job classification, the employee receives an increase as described in the applicable Union Agreement, but in no event in excess of the maximum wage rate for the job to which the employee is assigned.

## **INTERNAL CORRESPONDENCE**

### **Progression Steps within a Wage Range**

The wage range provides for progression steps leading up to the maximum evaluated rate of the job. Job progression steps are designed for the purpose of advancing an employee within the wage range. These progression steps are to be used as follows:

At intervals of six months, the supervisor shall make a review of the employee's development and progress on the assigned job. If progress, measured by demonstrated ability and performance, has been satisfactory, the scheduled progression step will be made effective on the first Monday following the expiration of that particular interval, until the employee's wage rate equals the maximum rate specified for the particular job classification.

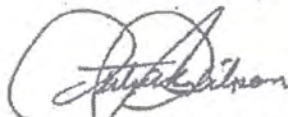
When the performance review indicates that the employee has not made satisfactory progress in the job and an increase in pay is not warranted the employee is to be personally notified by the immediate supervisor that the progression step increase is being withheld. The notification must take place at least one month in advance of the date for the scheduled progression step. In addition, serious consideration should be given as to whether or not the employee should be demoted, transferred or released. The Union may request a review of such a decision. Such review is to be made by a representative or representatives of the Union and a representative or representatives of the Company.

For new employees the six-month interval will start from the hiring date, and for promoted employees, a new series of six-month intervals will start on the date of promotion.

### **CONCLUSION**

Although this plan is set forth as clearly and explicitly as possible, questions may arise as to the intent or interpretation of some provisions. In such event, the matter should be discussed with a representative in the Labor Relations department.

Very Truly Yours,



Patrick P. Gibson

The Cincinnati Gas & Electric Company

PSI Energy, Inc.

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

May 14, 2003

Ms. Mary Harthun  
President  
Local Union 600, IUU  
Utility Workers Union of America  
810 Brighton Street  
Newport, Kentucky 41071



Re: Disconnect Non-pay, Succession  
And Special Meter Reads Agreement

Dear Ms. Harthun:

This letter documents our discussions and agreements related to disconnect non-pay (DNP) field credit activity and succession and special meter reading work.

In August 2002, the Company met with the leadership of each of the CG&E affiliated local unions to discuss the need to significantly increase the number of completed DNP's and to complete all succession/special meter reads at a competitive cost. As a result of those discussions, a team was formed, which included the leadership from each union and management representatives, to evaluate the business case for implementing necessary flexibilities and cost control measures to perform the identified work at a competitive cost. The team was charged with reaching a consensus on a plan to achieve the desired results.

It was recognized that residual union jurisdictional issues around the DNP work and the succession and special meter reading work had resulted in restrictive work practices across the multiple unions connected with these job functions. Since August of 2002, the joint union and management team has worked together on a regular basis to achieve compromise for the implementation of the following competitive alternatives to outsourcing these job functions. Pending agreement with the leadership of the four local unions involved in the discussions, the Company will implement the changes described below.

The Company will form a new centrally managed work group for the specific purpose of performing the DNP fieldwork. The Company will initially staff the new work group with 10 existing employees (Senior Representatives) represented by the UWUA currently performing DNP work. Additionally, 8 employees will be added in each of two entry-level job classifications, one represented by the USWA and the other by the IBEW, Local 1347. It is understood that if any of the aforementioned 10 employees represented by the UWUA vacate their position and the Company decides to backfill the position(s), it will be filled as an entry-level DNP worker represented by the USWA or IBEW. The Company assured the Union that the two clerical positions that provide support to the DNP work process would not be eliminated as a result of this reorganization.

The 16 new entry-level DNP worker job openings will be made available to other employees represented by their respective unions (i.e., USWA and IBEW). If all 16 openings are not filled by employees in their respective unions or by displaced employees in redeployment represented by the IBEW, the remaining openings will be made available to full-time meter readers and then part-time meter readers, in that order. If any full-time or part-time meter

readers vacate their positions as a result of accepting any of the initial 16 DNP worker job openings represented by the IBEW and USWA, the Company will backfill those vacancies accordingly (i.e., part-time with part-time and full-time with full-time). These agreements only apply to the initial 16 DNP worker job openings.

If any of the 10 Senior Representatives in Revenue Collections are bumped by Senior Representatives with more seniority as a result of Company initiatives, it will not impact the number of positions being eliminated through attrition.

The succession and special meter reading duties will be primarily, but not exclusively, assigned to UWUA represented employees. As a result, 10 new full-time meter reader job openings will be filled. Management intends to assign work other than succession/special reads to DNP workers represented by the USWA and IBEW, whenever there is other productive work available for them to perform within their job classifications. However, this does not restrict management's right to assign those employees to perform such meter reads. The Company agreed to backfill part-time meter reader positions that are vacated as a result of part-time meter readers accepting any of the initial 10 new full-time meter reader positions.

This agreement is made between the parties without prejudice to the position of either party regarding the jurisdiction, assignment and contracting of work. However, the Union agrees that no grievances will be filed or pursued relating to the assignment of work as described above, for the duration of this agreement. To the extent that the Company has retained its rights with regard to making future changes to this, or any other work processes in the future, the Union retains its right to grieve in the event that management implements changes to the above-described terms for achieving the DNP, succession and special meter reading work. In this context, however, it is also understood that slight modifications to this overall business plan may be made, as long as the plan's basic design remains in effect.

The team of management and union leaders is commended for their commitment to meeting the present day business needs in a competitive manner. It is expected that all parties will benefit by this plan for achieving this work with company employees. Please sign where indicated below to indicate the Union's agreement to the above terms.

For the Company:

Todd Arnold 5/14/03  
Todd Arnold Date  
V.P., Customer  
Contact Services

Patricia Walker 5/14/03  
Patricia K. Walker Date  
V.P., Billing &  
Metering Services

For the Union:

Mary Hartman 5-15-03  
Mary Hartman Date  
President  
Local Union 600, IUU  
Utility Workers Union  
Of America

Cc: J. O'Conner  
J. Polley

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

June 10, 2004

Ms. Mary Harthun  
President  
Local Union 600, IUU  
Utility Workers Union of America  
810 Brighton Street  
Newport, Kentucky 41071



Re: Post-Retirement Medical Benefits

Dear Ms. Harthun:

On April 27, 2004, the Company met with union representatives from UWUA Local 600, USWA 5541-06 and 12049 and IBEW 1347 to continue the negotiations for providing a post-retirement health reimbursement account ("HRA") option (the "HRA Option") to our active employees. Prior to that meeting, in a letter dated March 2, 2004, the Company provided the unions (I) a written overview of the Company's proposed design for the HRA Option, and (II) written responses to certain related questions. This letter updates the Company's proposed design for the HRA Option.

I. OVERVIEW OF HRA OPTION

All current, full-time employees represented by UWUA, Local 600 will be able to make a one-time choice between continuing in the current traditional post-retirement medical option (the "Traditional Option") or electing to participate in the new HRA Option described below. Employees will be required to make this election by a specified election date in 2004. (Notwithstanding the foregoing, employees currently receiving long-term disability benefits or on a military leave of absence, will make this election when they return to active, full-time status. If they do not return to active, full-time status, they will default to the Traditional Option.) All employees hired or rehired on or after January 1, 2005 will participate in the HRA Option. Each employee who elects to participate in the HRA Option, and each employee hired on or after January 1, 2005, will be referred to as a "HRA Participant" herein.

Under the Traditional Option, eligible retirees (those who retire after attaining age 50 with five (5) years of Service, as defined in the applicable Pension Plan) are provided access to group medical coverage and a premium subsidy that varies based upon the retirees' service and classification (see detail regarding the various classifications and subsidy levels attached hereto).

Subject to any collective bargaining obligation, the Company reserves the right to amend, modify or terminate the Traditional Option and/or the HRA Option at any time. However, amounts already credited to a HRA Participant's account will not be reduced by amendment, except to the extent necessary or appropriate to comply with changes in the law.

Ms. Mary Harthun  
June 10, 2004  
Page 2

The benefit under the HRA Option is based on a bookkeeping account that can grow like a savings account with service and interest credits as described below. An employee who elects the HRA Option will start with an opening balance that is equal to 1/12th of \$1,000 for each prior calendar month in which the HRA Participant worked at least one day for the Company. In the future, the Company will credit eligible HRA Participants with an additional 1/12th of \$1,000 for each calendar month in which the HRA Participant works at least one day for the Company. The Company will also credit each eligible HRA Participant's bookkeeping account with an annual interest credit. Interest will be credited at the same interest rate as the cash balance updates as determined in August of each year, except that for the term of the current labor agreement, the interest rate will not be less than 3.5%; for 2004, the rate is 5.31%. Except as discussed below, only HRA Participants who are active, full-time employees and work at least one day in the month are eligible for the monthly service credit. Like retirees in the Traditional Option, HRA Participants will have access to group medical coverage only if they retire after attaining age 50 with five (5) years of Service (as defined in the applicable Pension Plan), however, there will be no subsidy. Please note the following regarding the HRA Option:

- a. If a HRA Participant retires after attaining age 50 with five (5) years of Service (as defined in the applicable Pension Plan), the amounts credited to the HRAs generally can be used for the qualified medical expenses, as defined in Section 213(d) of the Internal Revenue Code, of the retiree and the retiree's spouse and eligible dependents (see IRS publication 502 for examples of qualified medical expenses). To the extent permitted by applicable law and as is otherwise practicable, the HRA option is intended to provide a tax-free benefit. Due to future law changes, however, there can be no assurance of favorable tax treatment.
- b. Except as provided below, if the employment of a HRA Participant terminates prior to attaining age 50 with five (5) years of Service (as defined under the applicable Pension Plan), the HRA Participant forfeits all amounts credited to the HRA Account.
- c. If a HRA Participant dies while actively employed prior to attaining age 50 with five (5) years of service (as defined in the applicable Pension Plan), the HRA Participant forfeits all amounts credited to the HRA Account.
- d. If a HRA Participant dies while actively employed after attaining age 50 with five (5) years of Service, his/her spouse and eligible dependents will be entitled to use amounts credited to the HRA to pay qualified medical expenses immediately.
- e. In the event of disability or leave, the Company will continue monthly service credits for the first 12 months. The Company will continue interest credits while the HRA Participant is disabled or on leave (and prior to recovery or retirement). For HRA Participants on a military leave, service credits and interest credits will continue for the full qualified leave period.

Ms. Mary Harthun  
June 10, 2004  
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- f. If the employment of a HRA Participant is involuntarily terminated in connection with an involuntary reduction in force and such termination is in no way related to performance deficiencies, the HRA Participant will be eligible to maintain his/her HRA balance as of termination. The HRA Participant will be able to use amounts held in his/her HRA Account immediately following the termination.
- g. For the term of the current Collective Bargaining Agreement, the Company will agree not to amend, modify or terminate retiree health care benefits for any active employees covered by the CBA. Amounts credited to a HRA Participant's account will not be reduced by amendment, except to the extent necessary or appropriate to comply with changes in the law.

## II. QUESTIONS

Set forth below are responses to some of the questions regarding the HRA Option raised in previous meetings.

**1. Will the Company offer choice to all employees?**

**A:** Yes. Presently, the Company plans to allow all current, full-time employees to elect to stay in the Traditional Option or switch to the HRA Option. After January 1, 2005, new hires and rehires will automatically participate in the HRA Option.

**2. Will an employee be able to elect the HRA Option upon retirement?**

**A:** No. A one-time election will take place in 2004.

**3. Can a HRA Participant withdraw amounts credited to his/her HRA account in cash upon retirement? Can the Company pay the amount out in a lump sum?**

**A:** Money may be withdrawn from the HRA account only for paying qualified medical expenses. The account will not be paid out in cash. Favorable tax treatment is available for a HRA only if the HRA reimburses medical expenses as defined in Section 213(d) of the Internal Revenue Code. As stated below from IRS Notice 2002-45, any right to receive cash will disqualify the HRA from receiving favorable tax treatment.

"An HRA does not qualify for the exclusion under § 105(b) if any person has the right to receive cash or any other taxable or non-taxable benefit under the arrangement other than the reimbursement of medical care expenses. If any person has such a right under an arrangement currently or for any future year, all distributions to all



Ms. Mary Harthun  
June 10, 2004  
Page 4

persons made from the arrangement in the current tax year are included in gross income, even amounts paid to reimburse medical care expenses. For example, if an arrangement pays a death benefit without regard to medical care expenses, no amounts paid under the arrangement to any person are reimbursements for medical care expenses excluded under § 105(b)... Arrangements formally outside the HRA that provide for the adjustment of an employee's compensation or an employee's receipt of any other benefit will be considered in determining whether the arrangement is an HRA and whether the benefits are eligible for the exclusions under §§ 106 and 105(b). If, for example, in the year an employee retires, the employee receives a bonus and the amount of the bonus is related to that employee's maximum reimbursement amount remaining in an HRA at the time of retirement, no amounts paid under the arrangement are reimbursements for medical care expenses for purposes of § 105(b)..."

4. **What happens to the HRA balance upon disability or extended leave from the Company?**  
**A:** See Section I(e).
5. **What happens to the HRA balance in the event of a termination of employment?**  
**A:** See Section I.
6. **What happens to the HRA balance if I die while actively employed?**  
**A:** See Sections I(c) and I(d). Currently, the spouse and eligible dependents of an employee who dies while actively employed with Cinergy can elect to become covered under the non-union medical plan and receive subsidized coverage at the active employee rate until death or a disqualifying event (for the spouse, this would include, but not be limited to, remarrying or becoming Medicare eligible; for an eligible dependent, it would include, but not be limited to, ceasing to qualify as an eligible dependent due to age).
7. **Will the Company contributions be indexed in future years (e.g., indexed to the trend line for health care costs)?**  
**A:** No. At this time, we do not plan to align our service credit or interest credit to any index. However, the Company will continue to evaluate its crediting levels. Subject to any collective bargaining obligations, the Company reserves the right to make adjustments, including increasing, decreasing or discontinuing credits unilaterally.

Ms. Mary Harthun  
June 10, 2004  
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8. **Will the opening HRA balances be calculated with retroactive interest crediting?**  
**A:** No. Making retroactive interest credits would be cost prohibitive from the Company's perspective.
9. **What are other companies doing with regards to post-retirement healthcare?**  
**A:** See Hewitt survey previously provided (51% of survey respondents have a unionized workforce).
10. **How can HRA Participants use amounts credited to the HRA?**  
**A:** Money credited to a HRA can be used to reimburse the HRA Participant for medical expenses as defined in Section 213(d) of the Internal Revenue Code. See IRS publication 502 for examples of qualified medical expenses.
11. **Who will administer the HRA account balances?**  
**A:** Hewitt Associates will track the HRA credits while HRA Participants are actively employed. The Company is reviewing proposals from third party administrators for post-retirement administration, but this will likely be Hewitt Associates.
12. **Will the HRAs be protected/guaranteed?**  
**A:** The benefit under the HRA option is based on a bookkeeping account and is not funded like a 401(k) plan. See Section I regarding the Company's ability to amend.
13. **If the Company decides to eliminate the Traditional Option at a later date, would employees be allowed to get in the HRA?**  
**A:** The Company periodically evaluates its benefit programs and would determine the appropriate course of action at that time.
14. **Would interest on the HRA account continue to accrue after an employee retires?**  
**A:** See Section I.
15. **If two Cinergy employees are married, can they make different elections with respect to the HRA Option?**

Ms. Mary Harthun  
June 10, 2004  
Page 6

- A: Yes, one could elect to remain in the Traditional Option, and the other could elect the HRA Option; if they remain married during retirement and so elect, they would receive subsidized coverage under the Traditional Option and have access to amounts credited to the HRA on behalf of the other spouse. Regardless, the elections are independent of each other.

Please note that the explanation set forth above merely summarizes the basic elements of our currently proposed design for the HRA Option. The Company is in the process of working out the details of the HRA proposal and necessarily reserves the right to work out those details. The Company also reserves the right to more fully document the HRA Option, which option will be governed and construed in accordance with the terms of the Plan as adopted by the Company.

Very truly yours,

  
John E. Polley  
General Manager  
Labor Relations

cc: T. Verhagen  
P. Gibson  
K. Feld

bcc: L. Gregory

What are other companies doing with regards to post-retirement healthcare? Hewitt Associates conducted a survey for the Henry J Kaiser Family Foundation between June and September 2003 to understand how large private-sector employers are handling retiree health benefits. The survey included responses from 45% of all Fortune 100 companies and 30% of all Fortune 500 companies. Among the companies surveyed this is what they had to say:

- 10% have terminated all subsidized health benefits for *future* retirees
- 20% say they are very likely to terminate all subsidized health benefits for future retirees
- 35% of the firms terminated benefits for future retirees and now provide access-only to health benefits with the retiree paying 100% of the cost
- 6% of employers shifted to a defined contribution approach
- 71% report having increased retiree contributions to premiums in the past year 53% report increases to plan design cost sharing
- 57% increased prescription drug co-payments
- 12% now require mandatory mail-order refills for maintenance drugs

**Summary of Post-Retirement Health Care Options**

**Current Post-Retirement Health Care Option**

Employees hired before January 1, 2005, who elect the subsidy option and who retire from the company on or after age 50 with at least five years of service, may be entitled to a post-retirement health care subsidy from the company dependent on their years of service at retirement.

**Subsidy Schedule:**

<b>Service at Retirement</b>	<b>(Pre-65 only)</b>
30+	50%
29	45%
28	40%
27	35%
26	30%
25	25%
24	20%
23	15%
22	10%
21	5%
20	0%
19	0%
18	0%
17	0%
16	0%
15	0%
14	0%
13	0%
12	0%
11	0%
10	0%
9	0%
8	0%
7	0%
6	0%
5	0%



April 13, 2012

Mr. James Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Amendment to Sidebar Letter A-42 Post-Retirement Medical Benefits

Dear Mr. Anderson:

During 2012 contract negotiations, the parties discussed Sidebar Letter A-42 dated June 10, 2004 regarding post-retirement medical benefits. As a result of those discussions, the parties agreed that Sidebar Letter A-42 will (i) continue to apply without modification for employees hired prior to January 1, 2013, and (ii) be amended to reflect that any employee hired or rehired on or after January 1, 2013 will not participate in the HRA Option or the Traditional Option (both as defined in Sidebar Letter A-42). It follows that Sidebar Letter A-42 is hereby amended as set forth below:

In the second full paragraph on page one of Sidebar Letter A-42, the fifth and sixth sentences are hereby deleted and replaced with the following:


- All employees hired or rehired on or after January 1, 2005 and before January 1, 2013 will participate in the HRA Option. No employee hired on or after January 1, 2013 will participate in the HRA Option or the Traditional Option.
- No employee rehired on or after January 1, 2013 will continue to participate in the HRA Option or the Traditional Option following such rehire date. Any such rehired employee who was participating in the HRA Option or the Traditional Option at the time of such employee's prior termination of employment:
  - (i) shall be eligible for access to the HRA or premium subsidies, as applicable, only if he or she was eligible for such HRA access or premium subsidies at the time of such prior termination of employment, and
  - (ii) shall not accrue additional benefits under either the HRA Option or the Traditional Option.
- Employees hired or rehired on or after January 1, 2013 who retire after attaining age 50 with at least five (5) years of service under the applicable Pension Plan are provided unsubsidized access to post-retirement medical coverage.
- Each employee who elected to participate in the HRA Option, and each employee hired on or after January 1, 2005 and before January 1, 2013 will be referred to as an 'HRA Participant' herein.

**A-42a**

Any provision of Sidebar Letter A-42 that is inconsistent with the above shall be deemed no longer in effect. Except as provided herein, the remaining provisions of Sidebar Letter A-42 continue in full force and effect.

It is believed that this letter accurately reflects the parties' agreement.

Very truly yours,



Jay R. Alvaro  
Vice President, Labor Relations



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Post Retirement Healthcare

Dear Mr. Anderson:

During the 2015 negotiations, the parties discussed post-retirement healthcare benefits. This letter amends the Post-Retirement Medical Benefits Sidebar Letter A-42 dated June 10, 2004 and A-42a dated April 13, 2012, and confirms these discussions and the resulting agreement.

Access to Post-Retirement Health Benefits

Employees who terminate on or after October 1, 2015 after attaining at least age 50 with at least 5 years of service will have unsubsidized access (i.e., no Company contributions) to post-retirement medical, dental, and vision coverage. Coverage for retirees age 65 and older will be provided on an unsubsidized basis through a Medicare Coordinator. The Company shall provide a subsidy/contribution towards the cost of post-retirement health coverage only as provided below in this letter.

Subsidies/Company Contributions - Traditional Option

For employees who terminate on or after October 1, 2015, the "Traditional Option" is hereby amended to provide contributions towards the cost of post-retirement healthcare coverage, in the form of credits to a newly established Subsidy Health Reimbursement Account ("Subsidy HRA") only for individuals who are under age 65 and who are:

- In a group eligible for a medical subsidy under the rules in effect prior to October 1, 2015, which is limited to those hired prior January 1, 2013; and
- At least age 55 with at least 10 years of service at termination of employment.

The amount of the contributions will vary as follows:

- Eligible employees age 50 or older by October 1, 2015 will receive (during retirement) a pre-65 contribution of \$350 per month, plus \$175 per month for their spouse/domestic partner, if any; and
- Eligible employees younger than age 50 as of October 1, 2015 will receive (during retirement) a pre-65 contribution of \$250 per month, plus \$125 per month for their spouse/domestic partner, if any.



Subsidies/Company Contributions - HRA Option

Effective October 1, 2015, the "HRA Option" is hereby amended such that:

- The Company will discontinue crediting 1/12 of \$1,000 each month to the health reimbursement accounts for those employees who have a health reimbursement account under the HRA Option, with interest credits continuing; and
- The Company will offer a choice window in 2015 to employees who have a health reimbursement account under the HRA Option to elect whether to continue in the HRA Option (modified as described in the above bullet) or to forego their rights to their modified health reimbursement accounts under the HRA Option in exchange for participation in the Traditional Option (modified to provide credits to a Subsidy HRA as described above).

Miscellaneous

The post-retirement health benefits described above will replace the post-retirement medical coverage options in effect prior to October 1, 2015, for employees who terminate on or after October 1, 2015, including those described in Sidebar Letters A-42 and A-42a. These benefits will be governed by and construed in accordance with the applicable plan documents.

In all other respects, Sidebar Letters A-42 and 42a shall continue in accordance with their terms.

Sincerely,



Jay R. Alvaro  
Director, Labor Relations  
Duke Energy

April 21, 2005

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

Mr. Jim Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071



Re: Temporary Upgrading

Dear Mr. Anderson:

During the 2005 contract negotiations, representatives of the Company and the Union discussed temporarily upgrading employees in clerical and technical job classifications.

The Agreement provides that temporary upgrading shall only be available for manual employees. However, as a result of these discussions, the Company will agree, during the term of the 2005 - 2008 Agreement, to permit clerical and technical employees to be temporarily advanced to higher classifications. Employees will only be given consideration for temporary advancement when they actually replace another employee in a higher job classification for a full day or more; or supervision deems there is a need for an employee to fulfill the duties of a higher classified job for a full day or more. When employees are temporarily upgraded they will receive the minimum rate of the higher job classification or \$4.00 per week more than their current wage rate, whichever is greater. When selecting the individual to be temporarily advanced, the management will give consideration to seniority and rotation among qualified employees. Such upgrading will not take place when the work duties of another employee are distributed among several other employees, or when employees perform duties of higher classified jobs for training purposes. Temporary upgrades will not apply to the Statistical Typist, Typist Clerk, Receptionist Typist, Stenographer or Senior Stenographer job classifications.

The Company voiced a serious concern about the potential for voluminous grievances if temporary upgrading is permitted for non-manual employees as described. As agreed, no grievances will be processed by the Union as a result of this limited exception to Article XII, Section 6 of the Agreement.

Very truly yours,

A handwritten signature in black ink that reads "John E. Polley".

John E. Polley  
General Manager  
Labor Relations

A-46

April 21, 2005

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

Mr. Jim Anderson  
President  
Local Union 600, IUU  
Utility Workers Union of America  
810 Brighton Street  
Newport, Kentucky 41071



Re: East Meter Reading

Dear Mr. Anderson:

During the 2005 contract negotiations, representatives of the Company and the Union discussed the use of part-time Cinergy East Meter Readers.

The parties thoroughly discussed the Company's utilization of part-time employees to supplement the Meter-Reading work force. While plans to utilize technology such as Automated Meter Reading on a wide spread basis are still on the horizon, it is almost certain some form of AMR technology will be utilized in the near future that will reduce the need for meter readers to perform manual meter reading and field data collection.

The Company will continue to use part-time Meter Readers in the current manner and under the following conditions:

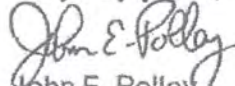
1. The meter reading work force will receive any base wage percentage increases applicable to the rest of the clerical workforce.
2. The starting wage rate for part-time meter readers will continue to be \$12.00/hour. The minimum wage rate for new full-time meter readers will continue to be \$14.00 per hour. These minimum wage rates will not be increased by negotiated base wage increases.
3. All part-time Meter Readers will be entitled to part-time employee benefits for employees working 20-31 hour per week, unless their regular schedule is less than 20 hours per week and in that case they will receive the benefits appropriate to that category, if any.
4. Part-time Meter Readers will not receive any overtime assignments unless the available full-time Meter Readers at that headquarters have been asked to participate in such overtime.
5. Part-time Meter Readers will receive the appropriate compensation for overtime when they work in excess of 8-hours in a day or any other regularly scheduled shift that is longer than 8 hours.

**A-48**

6. Any future full-time openings in division offices will be first offered to voluntary transfers of current qualified full-time Meter Readers. Regular employees who accept may be required to work overtime, regardless of the employee's age.
7. All Meter Readers will be trained as appropriate. Only volunteer union members would be utilized to train part-time Meter Readers in the field. If no one volunteers, supervision will conduct the training in the field.
8. In order to meet the meter-reading workload, the Company will have the option of adding either full-time or part-time employees to the meter-reading work force.
9. Part-time Meter Readers will be held accountable to the same performance standards as the regular meter reading work force. Additionally, supervision must maintain the right to evaluate and change the number of meters on each route.
10. New full-time Meter Readers and part-time Meter Readers will be eligible for \$0.25 merit increases every six months, until their wage rates equal their maximum wage rates.

By proceeding in this manner, the future impact on regular full-time East Meter Readers will be minimized.

Very truly yours,



John E. Polley  
General Manager  
Labor Relations

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

April 21, 2005

Mr. Jim Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky  
Cincinnati, Ohio 45202



Re: Interplant Seniority Rights

Dear Mr. Anderson:

During the 2005 negotiations, representatives of the Company and the Union discussed the interplant seniority rights for employees at the electric generating stations, in the event of a surplus situation.

As agreed, during the term of the 2005 - 2008 Agreement, should the Company declare a surplus at one of its electric generating stations and affected employees cannot be absorbed into the work force at the plant, all of the electric generating stations within the CG&E service territory will be considered one department for purposes of administering roll-backs. The intent is to provide the more senior employees at the station with a surplus situation, the ability to bump the less senior employees at the other stations. The wage rates of surplus employees will be red circled.

By proceeding in this manner, the Union's concern in this matter is alleviated.

Very truly yours,

A handwritten signature in cursive script that reads "John E. Polley".

John E. Polley  
General Manager  
Labor Relations

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

April 21, 2005

Mr. Jim Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071



Re: Treatment for Substance Abuse

Dear Mr. Anderson:

During the 2005 negotiations, representatives of the Company and the Union discussed the compensation policy for employees who undertake treatment for substance abuse.

While the treatment of these conditions is specifically excepted from coverage under the sick leave provisions of the Agreement, the Company will, for the term of the 2005 – 2008 Agreement, continue the arrangement of providing short-term disability benefits (STD) to employees who obtain treatment at an appropriate detoxification facility under the direction of the Company or in coordination with the Company and the employee's personal physician. Available STD may only be used for the first continuous absence when an employee undertakes to correct a substance abuse problem through an approved program. If the initial rehabilitation effort at a treatment center is not successful, the employee will not be granted additional STD.

The Company is willing to extend this extra effort to help afflicted employees and their families, to eliminate the burden imposed upon fellow employees, and to minimize lost productivity and absenteeism caused by substance abuse. Employees who are unwilling to accept the responsibility for their own behavior or who refuse to participate in a necessary program will, as in the past, jeopardize their continued employment with the Company.

The Union is encouraged to make the Company aware of individuals thought to have substance abuse problems. With such assistance, fellow employees may be given a chance for which they may be forever grateful.

Very truly yours,

A handwritten signature in black ink that reads "John E. Polley".

John E. Polley  
General Manager  
Labor Relations

**A-50**

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

April 21, 2005

Mr. Jim Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071



Re: Personal/Diversity Day Requests

Dear Mr. Anderson:

It was agreed that the individual departments would attempt to accommodate as many requests as possible to take a personal/Diversity or vacation day on Martin Luther King, Jr. Day, Presidents' Day and/or Good Friday during the term of the 2005 - 2008 Agreement. All requests for a personal/Diversity or vacation day must be made by employees at least 7 days in advance. Days requested with the 7 day advance notice will not be considered as an absence for determining an individual attendance record.

It is thought that this agreement will be mutually beneficial for all involved.

Very truly yours,

A handwritten signature in black ink that reads "John E. Polley". The signature is written in a cursive, flowing style.

John E. Polley  
General Manager  
Labor Relations

A-51

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

April 21, 2004

2005

Mr. Jim Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

**CINERGY.**  
CG&E

Re: Vacation Carryover

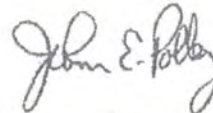
Dear Mr. Anderson:

During the 2005 negotiations, representatives of the Company and the Union discussed carryover vacations.

As agreed, for the term of the current Agreement, employees entitled to a vacation may carryover up to one week of vacation to the next year. The carryover of vacation must be approved by supervision. Furthermore, vacation carried over may be taken any time during the following calendar year.

This letter describes the agreement concerning the carryover of vacation.

Very truly yours,



John E. Polley  
General Manager  
Labor Relations

**A-52**



April 21, 2004 2005

Cinergy Corp.  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

Mr. James Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Job Elimination Situations

**CINERGY.**  
CG&E

Dear Mr. Anderson:

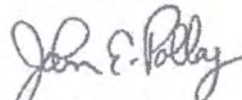
During the 2005 contract negotiations, representatives of the Company and the Union discussed the possibility of employees bumping other employees with less system service seniority at the same wage level in other job classifications in the event of a job elimination situation.

During the discussions the Union wanted the Company to agree to allow senior employees at a given wage level within a bidding area, the right to bump junior employees in other job classifications at the same wage level within the same bidding area, even though the senior employees had never been in the job classification(s) occupied by the junior employees. Due to the potential for a significant loss in productivity, the Company could not agree to that arrangement. However, during the term of the 2005 – 2008 agreement, it was agreed that if such a situation should arise, the Company would work with the Union on a case-by-case basis, in an attempt to place such employees in other available job classifications at the same wage level within the same bidding area. It was further agreed that if the Company is unable to place such employees in job classifications at the same wage level within the bidding area and they have 25 or more years of system service, they will maintain their job titles and wage levels and be eligible for negotiated increases and bonuses. This only applies when such employees with more system service seniority are qualified, but cannot bump into a same wage level job within the bidding area, held by a junior system service seniority individual because they have not passed through the other job.

It was also agreed that should a job elimination situation occur during the term of this Agreement, at the request of the Union, the parties would meet to discuss the rollback procedure described in Article V, Section 3, which may be revised by mutual agreement of the parties.

This accurately reflects the agreements reached between the parties.

Very truly yours,



John E. Polley  
General Manager  
Labor Relations

**A-55**



DUKE ENERGY CORPORATION  
139 East Fourth St.  
PO Box 960  
Cincinnati, OH 45201-0960

June 2, 2008

Mr. James W. Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Retirement Plan Agreement

Dear Mr. Anderson:

During the 2008 contract negotiations, representatives of the Company and the UAWA, Local 600 (the "Union") discussed the Company's desire to migrate all employees to a common benefits program. The following outlines the agreement between the Company and the Union for providing the employees with options and protections for Retirement Plan participation that will remain in effect during the 2008 – 2012 Contract.

**Traditional Retirement Program Frozen:**

Participation in the Cinergy Traditional Retirement Program will be frozen as of January 1, 2013 for certain employees. Active employees on January 1, 2013 who are younger than age 50 (as of December 31, 2012) and anyone who is older than 50 but has fewer than 25 years of service (as of December 31, 2012), will automatically begin participating in the New Duke Retirement Program.

**Voluntary Conversion Opportunities:**

Active employees in the Traditional Retirement Program will be offered a voluntary window in 2008 to elect to remain in the Traditional Pension Program or elect the New Retirement Program. In 2012, a second voluntary window will be offered only to those active employees who remain in the Traditional Program and who are age 50 with 25 years or more of service as of December 31, 2012.

**Voluntary Conversion to the New Retirement Program:**

**Part A Benefit (Part A):** The pension plan benefit employees will earn under the Traditional Program will be based on their participation service as of the "day before conversion date" and their final average monthly pay at retirement (not the date of conversion).

AND

**Part B Benefit (Part B):** On the "conversion date," employees will start earning an additional pension plan benefit through a new formula that "mirrors" the Duke Energy Retirement Cash Balance Plan.

The Company matching contributions for the 401(k) plan will be enhanced to mirror the Duke Energy Retirement Savings Plan. As a result, employees will be eligible to receive higher matching contributions on a broader definition of pay. The higher

Mr. James W. Anderson  
 June 2, 2008  
 Page 2

amount is a dollar-for-dollar match on the first 6% of eligible pay (this includes base, overtime and annual incentive pay).

Employees will also begin participating in an annual incentive plan with greater award opportunities (up to 5%).

**With Mandatory Conversion to the New Retirement Program:**

1. Mandatory conversion will be effective January 1, 2013 for employees who have elected to remain in the Cinergy Traditional Retirement Program. Other terms applicable to the mandatory conversion are as follows:
  - a. The final average monthly pay for retirement will be frozen at the time of conversion (no pay run up).
  - b. Employees will have no choice between annuity and lump sum on Part A; only the current traditional program annuitant options will be available for Part A.
  - c. Can still grow in to the 85 points.
  - d. Employees will receive the enhanced 401(k) and enhanced incentive pay as described above once they mandatorily convert.

**Employees Currently in the Cash Balance Plans:**

Employees who previously selected one of the Cinergy cash balance plans (Balance or Investor) will automatically transition to the New Retirement Program as soon as administratively possible, but no later than January 1, 2009, to include participation in a cash balance pension plan that mirrors the Duke Energy Retirement Cash Balance Plan and an enhanced 401(k) plan to mirror the Duke Energy Retirement Savings Plan and an enhanced annual incentive plan as described below:

**Annual Incentive Plan Summary Changes for those who elect or automatically move to the New Retirement Program:**

In conjunction with the New Retirement Program, all participants who volunteer or upon mandatory conversion to the New Retirement Program will be eligible for up to a 5% maximum annual incentive pay (payable in 2010) based on the achievement of goals as set forth below:

**NEW RETIREMENT PROGRAM – UEIP**

Goal	Level 1	Level 2	Level 3
Company Financial Result	.75%	1.5%	3%
Safety	.5%	.75%	1%
Customer Satisfaction	.5%	.75%	1%
	<b>1.75%</b>	<b>3.0%</b>	<b>5.0%</b>

Mr. James W. Anderson  
June 2, 2008  
Page 3

Annual Incentive Plan Summary Changes for those who do not elect the New Retirement Program:

Employees who elect to remain in the Cinergy Traditional Program, which provides benefits under the current final average pay formula, will not be eligible for the higher incentive payout, but will continue their eligibility for the current Cinergy 401(k) Plan formula and will begin participating in an annual incentive plan, with a maximum award of 2% based on the achievement of goals as set forth below:

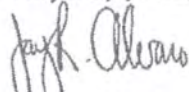
**TRADITIONAL RETIREMENT PLAN – UEIP**

Goal	Level 1	Level 2	Level 3
Company Financial Result	.5%	.75%	1%
Safety	.25%	.375%	.5%
Customer Satisfaction	.25%	.375%	.5%
	1.0%	1.5%	2.0%

The Retirement Conversion Agreement Survives the 2008 – 2012 Contract:

The Company and the Union expressly understand and agreed that the Retirement Program conversion agreement shall continue in full force through January 1, 2013, surviving the termination of the 2008 – 2012 Contract, and shall continue in full force through succeeding contracts, or in the absence of succeeding contracts, unless changed by mutual agreement of the parties.

Very truly yours,



Jay R. Alvaro  
Vice President



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Amendment to A-58 Retirement Plan Agreement

Dear Mr. Anderson:

During the 2015 negotiations, the Company and the Union discussed changes to the Company's retirement programs. This letter sets forth the changes that were agreed to by the Company and the Union.

#### Retirement Benefits for New Hires

For employees hired or rehired on or after January 1, 2016, the Company will provide an annual contribution to the Duke Energy Retirement Savings Plan ("RSP") in the amount of 4% of the employee's annual compensation (including base, overtime, and incentive compensation) in accordance with the RSP plan documents. Such newly hired or rehired employees also will be eligible for the Company-provided matching contribution equal to 100% of the before-tax (and Roth) contributions made up to 6% of eligible compensation in accordance with the RSP plan documents on the same basis as employees hired or rehired prior to January 1, 2016. Employees hired or rehired on or after January 1, 2016 will not be eligible to participate in the Cinergy Corp. Union Employees' Retirement Income Plan (the "Retirement Income Plan").

#### Cash Balance Interest Credit

The cash balance interest credit rate under the Retirement Income Plan for pay credits made on and after January 1, 2016 will be based on a 4% interest rate (0.327% monthly equivalent interest rate). For purposes of clarity, the cash balance interest credit rate applies to cash balance participants and the Part B benefit for participants who have a Part A (traditional) and Part B (cash balance) pension plan benefit. The Part A (traditional) portion of the participant's benefit will not be affected by this change.

#### Retirement Income Benefit for Long-Term Disability

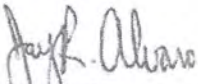
A participant who starts receiving long-term disability benefits on or after July 1, 2016 will receive interest credits under the Retirement Income Plan's cash balance formula while disabled, but will not receive pay credits while long-term disabled, in accordance with the Retirement Income Plan documents. This change will not apply for any individual who starts receiving long-term disability benefits before July 1, 2016, or participants under the traditional formula, or for the Part A benefit for participants who have a Part A (traditional) and Part B (cash balance) pension plan benefit.

For purposes of clarity, as previously agreed, the Company may in its discretion merge the Retirement Income Plan into the Duke Energy Retirement Cash Balance Plan or other defined benefit plan maintained by the Company. In accordance with applicable law, any such merger will not reduce participants' accrued benefits.

The complete provisions of the Company's retirement plans are set forth in the plan documents, as amended to make administrative changes, legally-required changes and/or technical changes that do not reduce the benefits formula. In the event of a conflict between any other communication and the plan documents themselves, the plan documents control.

It is thought that this letter accurately describes the agreement reached by the parties regarding amendments to Sidebar Letter A-58 relating to retirement plan agreements.

Sincerely,



Jay P. Alvaro  
Director, Labor Relations  
Duke Energy



DUKE ENERGY CORPORATION  
139 East Fourth St.  
PO Box 960  
Cincinnati, OH 45201-0960

June 2, 2008

Mr. James W. Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Sabbatical Vacation Bank and Vacation Credit Programs

Dear Mr. Anderson:

During the 2008 contract negotiations, representatives of the Company and the UWUA, Local 600 (the "Union") discussed the phasing out of the Sabbatical Vacation Bank and the Vacation Credit Programs.

As agreed, these programs shall be phased out in accordance with the attached document, Attachment A, which outlines the specific revisions to the Sabbatical Vacation Bank and Vacation Credit Programs that will remain in effect through December 31, 2012.

The Company and the Union expressly understand and agreed that the phasing out of the Sabbatical Vacation Bank and the Vacation Credit Programs, as stated in the attached document, shall continue in full force until December 31, 2012, surviving the termination of the 2008 – 2012 Contract, and shall continue in force through succeeding contracts, or in the absence of succeeding contracts, unless changed by mutual agreement of the parties.

Very truly yours,

A handwritten signature in black ink that reads 'Jay R. Alvaro'.

Jay R. Alvaro  
Vice President

Attachment

A-59

## ATTACHMENT A

**REVISIONS TO THE SABBATICAL VACATION BANK  
AND VACATION CREDIT PROGRAMS  
FOR UWUA, LOCAL 600**

Effective January 1, 2009, the Vacation Bank and Vacation Credit Programs will be phased out over a four year period and will be ending on December 31, 2012.

**THE CHANGES:****Sabbatical Vacation Program:**

- The sabbatical banking program will be eliminated for employees who are younger than 47 years old as of December 31, 2008.
- Employees who are 47 years old or older as of December 31, 2008 will be eligible to continue banking vacation until December 31, 2012, up to the limits described on the schedule below.
- Employees who have already banked more than the maximum amount of vacation based on the schedule below (including any vacation credits) cannot bank more after January 1, 2009 but will be grandfathered with the amount they have banked.
- No additional banking will be permitted after January 1, 2013. Therefore, the last opportunity to bank vacation will be in December 31, 2012 because banking is done at the end of the year.
- Banked vacation will be paid out at the final rate of pay at retirement.

**Vacation Credit Program:**

- Vacation Credits: Up to six weeks credit, starting at age 51, cannot exceed the employee's vacation entitlement.
- Employees who are at least 51 years old as of December 31, 2012 will continue to receive "vacation credits" up to the lesser of their annual vacation entitlement or the schedule below.
- The vacation credit program will be modified for employees who are younger than 51 years old as of December 31, 2012. For those employees "only" hired prior to January 1, 1997 will receive their "vacation credits" up to the amount of vacation time they were eligible for as of January 1, 2006.
- Vacation credits will be paid out at the final rate of pay of retirement.

**Service Credit Program:**

- Service Credits: Up to two weeks for years 32 and 33 years of employment in lieu of a 6<sup>th</sup> week of vacation time off.
- Employees will continue to receive one week of "service credit" added to their vacation bank in years 32 and 33 of employment in lieu of time off until December 31, 2012. Effective January 1, 2013, employees will be granted a 6<sup>th</sup> week of vacation time off during their 32<sup>nd</sup> year of employment in lieu of a week of service credit.
- An employee who has already reached their maximum or more of vacation bank before January 1, 2013 will receive their 6<sup>th</sup> week of vacation as "time off" in lieu of a service credit.

**THE SCHEDULE:**

Age as of: 12/31/2008	Maximum Banked Vacation (including vacation and service credits)
47	10
48	10
49	10
50	12
51	14
52	16
53	18
54	20
55	22
56	22





DUKE ENERGY CORPORATION  
 139 East Fourth St.  
 PO Box 960  
 Cincinnati, OH 45201-0960

June 2, 2008

Mr. James W. Anderson  
 President  
 Utility Workers Union of America  
 Local 600  
 810 Brighton Street  
 Newport, Kentucky 41071

RE: Union Employee Annual Incentive Program (UEIP)

Dear Mr. Anderson:

During the 2008 contract negotiations, representatives of the Company and the UWUA, Local 600 (the "Union") discussed that the payout for the incentive bonuses for employees will vary based on their participation in the offered retirement program.

Beginning with the 2009 goals and during the term of the 2008 – 2012 Agreement, the UEIP payout (payable in 2010) will be administered as follows:

Annual Incentive Plan Summary Changes for those who elect or automatically move to the New Retirement Program:

In conjunction with the New Retirement Program, all participants who volunteer, or upon mandatory conversion, will be eligible for up to a 5% maximum annual incentive pay, as specified below:

**NEW RETIREMENT PROGRAM – UEIP**

Goal	Level 1	Level 2	Level 3
Company Financial Result	.75%	1.5%	3%
Safety	.5%	.75%	1%
Customer Satisfaction	.5%	.75%	1%
	<b>1.75%</b>	<b>3.0%</b>	<b>5.0%</b>

Mr. James W. Anderson  
June 2, 2008  
Page 2

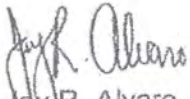
Annual Incentive Plan Summary Changes for those who remain in the Traditional Retirement Program:

Employees who elect to remain in the Cinergy Traditional Program, which provides benefits under the current final average pay formula, will not be eligible for the higher incentive payout, but will participate in an annual incentive plan; with a maximum award of 2%, as specified below:

**TRADITIONAL RETIREMENT PLAN – UEIP**

Goal	Level 1	Level 2	Level 3
Company Financial Result	.5%	.75%	1%
Safety	.25%	.375%	.5%
Customer Satisfaction	.25%	.375%	.5%
	<b>1.0%</b>	<b>1.5%</b>	<b>2.0%</b>

Very truly yours,

  
Jay R. Alvaro  
Vice President



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Amendment to A-60 Letter Regarding the Union Employee Annual Incentive Plan (UEIP)

Dear Mr. Anderson:

During the 2015 contract negotiations, representatives of the Company and the UWUA, Local 600 ("Union") discussed eligibility for the Union Employee Annual Incentive Plan ("UEIP"). As a result of those discussions, the parties agreed to amend Letter A-60 dated June 2, 2008 as set forth below.

Beginning with the 2015 calendar year performance period under the UEIP, the Company will provide a prorated UEIP payment (calculated as set forth below) to any eligible Union employee who meets the following criteria during a performance period: (i) works for at least six complete calendar months, and (ii) retires (as defined below).

Such prorated UEIP payments shall be paid in the first quarter of the calendar year immediately following the applicable performance period at the same time and on the same basis as other UEIP payments are made to other eligible Union employees, and any such prorated UEIP payment shall be calculated based on the eligible earnings of the retired Union employee during the applicable performance period and actual achievement relative to the pre-established goals set forth in Letter A-60.

For purposes of clarity, in no event will a Union employee who does not meet the criteria set forth in this letter be eligible for a prorated UEIP payment for a performance period if he or she isn't employed on December 31st of the performance period. For purposes of this Letter, "retire" means separate from employment with the Company after having attained at least age 55 and 10 years of service (as determined for purposes of access to Company sponsored retiree medical coverage).

In other respects, Sidebar Letter A-60 shall continue in full force and effect herein for the duration of the 2015 - 2019 Agreement, unless changed by mutual agreement of the parties.

Sincerely,

Jay B. Alvaro  
Director, Labor Relations  
Duke Energy

Sidebar Letter A60a



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Cincinnati Call Center

Dear Mr. Anderson:

During the 2015 contract negotiations, representatives of the Company and the UWUA, Local 600 (the "Union") discussed the Duke Energy Cincinnati Call Center.

As agreed, the Cincinnati Call Center organization will consist of Customer Service Representatives (CSR) and Service Installation (SI). The CSR group will consist of the following subgroups: full-time incumbent CSRs; full-time new CSRs; part-time incumbent CSRs; and part-time new CSRs. Incumbents are defined as CSRs who were employees in the Cincinnati Call Center prior to the original Call Center agreement of 1996.

The Cincinnati Call Center wages will be administered per the attached (Attachment A). None of the existing CSRs will have their wage rate reduced as a result of these changes. Full time CSRs will be eligible to receive a \$0.50 merit increase every six months in accordance with the December 29, 2000 Patrick P. Gibson Letter in lieu of the annual general wage increase until reaching the maximum rate of pay. Once an employee reaches the maximum rate of pay, they will receive an annual lump sum equal to the negotiated general wage increase for clerical employees.

Incentives in the Cincinnati Call Center will be based on the achievement of established performance measures as determined by the Company. The Company will notify the Union at least 30 days prior to any change of the performance measures and will discuss with the Union upon written request. Any employee, who is serving in a non-call-taking role, will receive a bonus equal to the average bonus payout for call-takers, unless an alternative method is mutually agreed upon by management and union representatives. There will be a quarterly review by management and union representatives to ensure that bonus calculations are accurate. Assuming the union representatives involved in this review are in agreement with the calculations, the Union agrees not to support or process grievances related to the bonus calculations.

An incentive eligible employee, who leaves the Cincinnati Call Center, prior to the end of a quarter, will receive a prorated bonus for the time worked in the Cincinnati Call Center organization.

It is expected that representatives working evening, night, holiday or weekend shifts provide at least three hours notice if they are going to be unable to report to work, whether due to illness or other factors. It is understood that there will be times when an emergency occurs within three hours of the start of an employee's shift.

Employees (including SI), who are called out for other than planned overtime, will be paid a minimum of four hours at the appropriate overtime rate except when they come in, relative to storms, less than four hours before their scheduled shift. In this case, they will only be paid at the applicable overtime rate for a minimum of two hours.

The Call Center may elect to observe the actual holiday or the Company designated holiday based on business needs. Prior to December 31 of each year the Company will notify employees of the holiday schedule for the following year. Employees scheduled to work the holiday designated by the Call Center that are excused from work by the Company will receive holiday pay for the regularly scheduled hours they would have worked on the holiday. All other employees will receive eight hours of holiday pay. Twelve hour and nine hour employees working on the holiday designated by the Call Center will receive time and one-half pay for their scheduled hours. If the employee exceeds their scheduled hours, double time will be paid for those hours worked in excess of their schedule.

The Union agrees to support the following:

Virtual Routing (Base Call Center)

- The Union agrees to not grieve the routing of Duke Energy customer calls and other types of Call Center non-call work to available representatives within the Duke Energy Call Centers or outsourced center(s). The outsourced portion of this work is not subject to any related side-letter agreements.

Premium for Specialties

- Employees in developmental roles will receive \$1.75 per hour in addition to the employee's normal hourly wage rate. These roles currently include the training of new employees and performing the duties of On Job Trainer. This premium may be applied to other roles as determined by the Company. Prior to applying this premium to other duties, the Union and Company will meet at least thirty days in advance to discuss.
- Full-time new and part-time representatives, within the Cincinnati Call Center, who demonstrate, through assessment, that they are fluent in Spanish, will be paid a premium of \$1.00 per hour.

Applicable to Base Call Center Operations

Employees may be hired either as full time or part time based on business needs. The starting wage rate for new full-time Customer Service Representatives will be \$12.00 per hour and the maximum will be \$15.08 per hour. In accordance with the Collective Bargaining Agreement new employees will be classified as probationary for a period of one year. Probationary CSRs will not be eligible to apply for other positions for a period of twelve months from the date of hire. Employees meeting the educational requirements for technical positions represented by the UWUA will be eligible to apply within the twelve month period.

Based on business needs there may be a requirement for part time CSRs. All part-time CSRs will receive part-time employee benefits, regardless of the number of hours they work. While the intention is for part-time CSRs to be scheduled for less than 32 hours per week, they may exceed this number of hours due to actual or expected peak call volumes, trading of hours between employees, etc.

In 2012 two new schedules were agreed to;

- A) 3 twelve hour days and 1 four hour day.
- B) 4 nine hour days and 1 four hour day.

The Company reserves the right to implement these and other schedules based on business needs. At least 30 days prior to implementation, the Union and Company will meet to discuss the schedule.

The Company will make every attempt to notify effected employees within a reasonable amount of time when planned overtime is being cancelled.

The meal provision for twelve hour workers will be triggered when the employee works thirteen consecutive hours and fifteen consecutive hours with the employee receiving a meal, or compensation in lieu thereof. For employees on a nine hour schedule, a meal or compensation in lieu thereof, will be provided at eleven and fifteen consecutive hours respectively.

Personal days must be taken in full day increments regardless of the employee's schedule. Twelve hour shift workers will be entitled to three personal day and one diversity day and nine hour shift workers will be entitled to four personal days and one diversity day.

#### **Applicable to Service Installation**

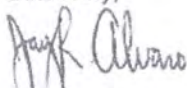
Customer Service Representative – Service Installation (CSR-SI) within the Customer Relations bid area will have a minimum wage rate of \$16.50 and a maximum wage rate of \$19.00 per hour. Only full time employees will be considered for this position. The minimum and maximum wage rates are not subject to the negotiated annual wage increases. For the first 12 months after entry into the classification, and in accordance with the Patrick P. Gibson Letter, employees failing to meet performance standards may be demoted to the Full Time New job classification. Such demotion may take place prior to corrective action being taken. This does not preclude action being taken on more serious offenses such as but not limited to attendance, zero tolerance calls, or any dischargeable offense. Any demotion will not be subject to the grievance procedure. If such a demotion occurs, the employee's rate of pay will be reduced to the rate of pay at the time the employee promoted to the CSR-SI position plus any merit increase that the employee had received since their promotion, not to exceed the maximum wage rate for the CSR classification. If the employee is demoted, they will not be considered for promotion for an additional nine months, from the date of demotion or last corrective action. During the first six months, an employee can request to demote from CSR-SI. Employees who demote within six months will retain their classified seniority. Employees demoted after six months will receive an adjusted seniority date.

Employees in the CSR-SI classification will receive a \$0.25 merit increase every six months in accordance with the December 29, 2000 Patrick P. Gibson Letter until reaching the maximum rate of pay and will be eligible for the General Wage Increase. Once an employee reaches the maximum rate of pay, they will receive an annual lump sum equal to the negotiated general wage increase for clerical employees.

Employees accepting a Customer Service Representative – Service Installation position will not be eligible to cross or laterally bid for a period of nine months from the date they enter the classification.

This letter will be in effect during the term of the 2015 – 2019 Agreement.

Sincerely,



Jay R. Alvaro  
Director, Labor Relations  
Duke Energy

Title	Wage Range	Negotiated Base Wage Increases	Merit Increases	Corporate Incentive Bonus	Call Center Incentive Bonus
CSR <sup>1</sup>	\$12.00 - \$15.08	See #3	\$0.50 every six months	Yes	Up to \$500 per Quarter
CSR - PTI <sup>1</sup>	\$15.08	See #2	N/A	Yes	Up to \$375 per Quarter
CSR - PTN <sup>1</sup>	\$11.00 - \$12.00	See #2	\$0.25 every six months.	Yes	Up to \$375 per Quarter
CSR-SI <sup>1</sup>	\$16.50 - \$19.00	See #4	\$0.25 every six months.	Yes	See #5
Order Processing Rep	N9	Same as Clerical	\$0.25 every six months.	Yes	See #5

1. *The minimum and maximum wage rates for the Service Installation Representative, CSR-PTI, CSR-PTN, and CSR positions will not increase with annual base wage increases.*
2. *Any CSR, CSR-FTN, CSR - PTI, and CSR-PTN, with a wage rate at or above the maximum will receive their annual increase in the form of a lump sum rather than a base increase.*
3. *Semi-annual merit increases in lieu of General Wage Increase. Once an employee reaches the maximum rate of pay, the GWI will be in the form of a lump sum payment.*
4. *Employees below the maximum rate of pay will receive the General Wage Increase (GWI) applicable to the Clerical Unit. Once an employee reaches the maximum rate of pay, the GWI will be in the form of a lump sum payment.*
5. *Order Processing Representatives assigned to take base calls at least 35% of the quarter will receive the quarterly Call Center Incentive based on their performance.*
6. *Any employee below the new minimum rate of pay will be increased to new minimum with next payroll following contract ratification.*



DUKE ENERGY CORPORATION  
 139 East Fourth St.  
 PO Box 960  
 Cincinnati, OH 45201-0960

June 2, 2008

Mr. James W. Anderson  
 President  
 Utility Workers Union of America  
 Local 600  
 810 Brighton Street  
 Newport, Kentucky 41071

RE: Part-Time Employee Benefits

Dear Mr. Anderson:

During the 2008 contract negotiations, representatives of the Company and the UWUA, Local 600 (the "Union") discussed benefits that would be extended to part-time employees represented by the Union. Accordingly, the following table outlines the benefits that these employees will receive during the term of the 2008 – 2012 Collective Bargaining Agreement.

Benefit	Comment
Pension	Only if work greater than 999 hours in a 365 day period
401(k)	Same as full time employees
Medical	Same as full time employees
Dental	Same as full time employees
Vision	Same as full time employees
Flex Spending Accounts	Same as full time employees
Short-Term Disability (STD)	After 12 consecutive months of employment
Bereavement	Day of funeral only
Holidays	Only if holiday falls on a regular scheduled work day
Personal Day	One personal day after 12 consecutive months of employment
Vacation	Number of hours regularly scheduled per week times # of vacation weeks based on years of service
Supplemental Workers' Compensation	Same as full time employees
Jury Duty & Witness Pay	Only if it falls on a regular scheduled work day
Shift/Sunday Premiums	Same as full time employees
Life and AD&D Insurance	Same as full time employees
Dependent Life Insurance	Same as full time employees

Very truly yours,

Jay R. Alvaro  
 Vice President

A-62





DUKE ENERGY CORPORATION  
139 East Fourth St.  
PO Box 960  
Cincinnati, OH 45201-0960

June 2, 2008

Mr. James W. Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Meter Reading Travel Allowance

Dear Mr. Anderson:

During the 2008 contract negotiations, representatives of the Company and the UWUA, Local 600 (the "Union") discussed the Meter Reading Travel Allowance and the cost of transportation resulting from rising gasoline prices.

As a result of those discussions, although the Company raised this allowance by \$1/day, the Company indicated its willingness to meet with representatives of the Union during the term of the 2008 – 2012 Agreement to discuss the allowance, if requested in writing by the Union.

Very truly yours,

Jay R. Alvaro  
Vice President



Duke Energy  
139 East Fourth Street  
Cincinnati, OH 45202

April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Revenue Services Representatives

Dear Mr. Anderson:

During the 2012 negotiations, the parties discussed consolidating the current three work groups within the Revenue Services Department into one newly created job classification titled "Revenue Services Representative" (RSR).

Specifically, Revenue Services currently is comprised of three work groups: (1) Billing, (2) Accounts Receivables, and (3) Payments. These three work groups' functions will be combined and performed by the newly created RSR position. As part of the 2015 negotiations, the parties have agreed to the following:

1. **Wage Rate:** The minimum rate of pay for the RSA position is established at \$16.50 per hour, and the maximum wage rate is \$19.00 per hour. The minimum and maximum wages will not increase during the term of the contract. Any employee below the new minimum rate of pay will be increased to new minimum with next payroll following contract ratification. Employees below the maximum rate of pay will receive the General Wage Increase (GWI) applicable to the Clerical Unit. Once an employee reaches the maximum rate of pay, the GWI will be in the form of a lump sum payment.
2. **Selection:** The Company will give first consideration to full-time employees over part-time employees in the competency-based selection process for the RSA position when all other things are equal. UWUA represented employees will receive an additional point(s) as provided for in Sidebar Letter A65.
3. **Incumbent Employees:** Incumbent employees will perform all functions of the newly created job description but will be considered grandfathered in their existing classifications. Incumbent employees will continue to receive the negotiated general wage increases applicable to their current job classifications in accordance with the Collective Bargaining Agreement. In addition, these employees will retain all bid and rollback rights in the Customer Relations Bidding Area.

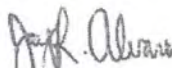
Sidebar Letter A64  
Page 1

4. Tamper Theft Work -The Company and the Union agree to establish a \$1.75 per hour premium to be paid to employees in the RSA position when management assigns them to perform tamper theft work. Management will assign full-time employees to perform specialty-type work as needed. Any employee who has received a verbal warning in the past six months, or a disciplinary letter or higher level discipline in the past year will not be considered. Such employees are eligible for consideration once his or her record is free from a verbal warning for six months, and/or free from any disciplinary letter or higher level discipline for one year. It is anticipated the number of employees performing this work will vary based on work load. Should additional specialty type work be brought into these work groups the company will meet with the Union, at their request, to determine whether the premium is applicable to the work. The Company reserves the right in its sole discretion to determine whether the premium is applicable.

Management will consider seniority as a tiebreaker to determine which equally qualified employees will be assigned to perform this work. No premium will be paid to employees while training or on paid time off. This letter shall not be construed as limiting management's rights under the terms of the applicable collective bargaining agreement.

This letter will be in effect during the term of the 2015 - 2019 Agreement.

Sincerely,



Jay R. Alvaro  
Director, Labor Relations  
Duke Energy



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Competency Based Selection (CBS)

Dear Mr. Anderson:

During the 2015 negotiations, the Company and Union discussed the ongoing implementation of a Competency Based Selection (CBS) Process for certain job classifications. Specifically, this process will be utilized when filling certain clerical jobs designated as Level N8 and above and certain technical jobs designated as level T4 and above. This will ensure that the most qualified candidate is selected for the position and is more likely to succeed.

Job openings will be filled using the following Competency Based Selection process:

- Job applications/resumes will be screened to determine that the basic qualifications, as set forth in the job description are met.
- To supplement their application, Company employees may print copies of their training records, job history, or other similar documents relating to their employment from the Employee Center on the Company's portal, and provide such documents to interviewers during the interview process or as attachments to their electronic application. All such documents provided by employees will be considered by the Company.
- Candidates meeting the minimum qualifications will be evaluated based on the following factors: skills and qualifications, prior job performance and/or experience and, in certain positions, a Basic Skills Assessment.
- Absent unusual circumstances, candidates will be interviewed by a team of at least three qualified interviewers as determined by the Company.
- Company employees will be provided with advantage points in the process that will not be provided to external applicants. Specifically, the advantage points will be calculated as follows:
  - One point will be provided for existing UWUA members; and
  - One point will be provided for existing UWUA members who are full-time employees.

Accordingly, a part-time UWUA member would be provided with one advantage point and full-time UWUA members would be provided with two advantage points.

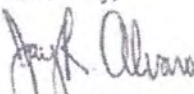
- Seniority will be the deciding factor if there are two full-time, internal candidates who are equally qualified as determined by the Company.
- Unsuccessful candidates under this process will be provided with additional interview training and/or assistance with resume preparation upon their written request to their HR Business Partner.

The process, as outlined above, will be used for the following job classifications:

CLERICAL	TECHNICAL
Gas Operations Administrator	Corrosion Technician A
Administrative Office Clerk	Gas Technician
Electric Operations Clerk	Control Technician III
Order Processing Representative	Technician
Sourcing/Purchasing Associate	Control Technician II
Customer Relations Representative B	Gas Layout Technician
Gas Document Specialist	T&D Support Technician
Customer Relations Clerk B (excluding moves due to hand-raising in Order Completion)	Control Technician I
Office Coordinator	Sr. Gas Layout Technician
Revenue Services Representative	GIS Technician II
Service Installation Representative	GIS Technician I
Customer Experience Support	GIS Team Lead
Senior Work Management Specialist	LIT Support Agent II
Land Analyst	LIT Support Agent I
Gas Office Coordinator	T&D Design Technician
Gas Operations Support Specialist	Design Technician
Customer Relations Representative C	Operations Technician
Customer Relations Clerk C	Sr. Substation Design Technician
	Sr. Surveying Technician
	Sr. T&D Design Technician
	Distribution Technician
	Substation Design Technician
	Surveying Technician
	Sr Graphics & Design Technician
	Sr Transmission and Distribution Technician
	Sr T&D Support Technician
	Gas Marketing Specialist
	Sr Gas Marketing Specialist
	Configuration Management Specialist
	Engineering Specialist I, II and III

Additionally, the Company would use this process to fill any newly created job classifications that are at or above the N8 or T4 wage level (or its equivalent). The selection process for Customer Projects Resource Specialist, Customer Project Coordinator and the Gas Operations Trainer, will remain as outlined in the applicable side bar letters.

Sincerely,



Jay R. Alvaro  
Director, Labor Relations  
Duke Energy

Sidebar Letter A65  
Page 2

	Sidebar Letter A70
	UWUA Severance Program

A severance program will be offered to employees represented by the UWUA who are designated as eligible by management in selected areas of the Company. Eligible employees will receive a one-time lump-sum severance payment and other benefits if they meet basic plan requirements.

#### Severance Payment Formula

- The lump-sum payment for eligible full-time employees will be equivalent to two (2) weeks of annual base pay per each full year of service.
- The maximum severance payment will not exceed two times an employee's annual compensation calculated as two times the compensation listed in Box 5 of the employee's most current W-2.

#### Additional Benefits

- Six months of Company-paid medical/dental coverage under COBRA following separation for all participating employees who have such coverage in effect as active employees upon separation.
- Access to outplacement services under the Company's program.

#### Design Features

- Employees are required to remain employed in good standing until their release date, which will be established by management in its sole discretion.
- Employees must sign and not revoke a Waiver and Release of All Claims in order to receive any benefits under this Program.
- Employees who separate under this Program will not be eligible for rehire or for staff-augmentation contingent worker (contractor) assignments for 12 months after their release date.

The Company shall designate who will be eligible for the severance program, in its sole discretion.



April 13, 2012

Mr. James Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Overtime Provisions

Dear Mr. Anderson:

During 2012 contract negotiations, the parties discussed providing employees' flexibility in certain situations to work overtime assignments at a time mutually agreeable to the individual employee and his or her management, when consistent with business needs.

Per our discussion regarding overtime scheduling, the parties have agreed to the following in order to provide flexibility to employees. If an employee volunteers or is required to work overtime and the employee requests to work the overtime on their second scheduled off-day in lieu of working the overtime on a different scheduled off-day, management may approve the employee's request if it meets business needs as determined by the Company. When such employee requests are granted by the Company, the overtime worked will be paid at the rate of time and one-half, instead of double time.

Similarly, if an employee requests to work overtime at a date and/or time of his or her choice and the supervisor approves the request as consistent with business needs as determined by the Company, the Company will pay the overtime at the time and one-half rate.

This in no manner restricts the right of the Company to schedule overtime based on business and operational needs. Such assignments may be mandatory and employees are expected to work such mandatory assignments, and the applicable overtime and meal provisions would apply as stated in the Agreement.

It is believed that this letter accurately describes the parties' agreement.

Very truly yours,

A handwritten signature in black ink that reads 'Jay R. Alvaro'.

Jay R. Alvaro  
Vice President, Labor Relations

**A-71**



April 13, 2012

Mr. James Anderson  
President  
Utility Workers Union of America  
IUU Local 600  
810 Brighton Street  
Newport, Kentucky 41071

Re: Outsourcing Affecting Job Elimination

Dear Mr. Anderson:

During the 2012 negotiations, the parties discussed the issue of outsourcing and its impact on bargaining unit members. The parties agreed that the 2005 Labor Management Executive Committee (LMEC) process was outdated, and should be replaced as set forth herein.

The parties will continue to engage in a collaborative process where Labor Relations professionals, management, and union representatives exchange data, perspectives, and ideas so that outsourcing decisions affecting job elimination can be made in an open and candid environment.

As a first step, once the Company has determined that outsourcing is feasible based on proposals received from a potential vendor(s) and that outsourcing will likely result in job elimination, the Company will notify the Utility Workers Union of America, IUU Local 600 ("Union"). Upon receiving this notice, the Union can request information from the Company and/or propose how it would be more advantageous for unionized employees to retain the work at issue.

If requested by the Union, a meeting will be held to discuss the most competitive bid. During the meeting, the Company will provide the Union the key criteria used to evaluate the bid. The meeting should include the following representatives:

- Management representative of the outsourcing department;
- Union leadership;
- A representative from Labor Relations

The Company is fully aware of any legal responsibilities it may have, including the legal duty to share information and bargain in good faith, and will comply with those responsibilities. The Union understands that information shared between the parties while utilizing the process described in this letter is subject to legal protections, and the information shall remain confidential to this process and to the Company.

**A-72**

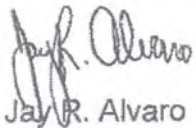


The parties recognize that each outsourcing proposal should be evaluated on a case-by-case basis, with consideration of factors including but not limited to the overall operating costs, relative labor costs (including the applicable loading rates such as benefits, pension, payroll taxes, etc.), any applicable regulatory requirements, equipment, technological developments, job process improvements, special expertise, efficiency, safety, availability of skilled labor and supervision, scalability, and any other factors that may impact the merits of outsourcing.

The parties further recognize and agree that neither party shall cause unreasonable delay during the process. It is the intent of the parties that this process will occur during approximately two months following the notice provided to the Union referred to in Paragraph 3 hereinabove and/or the parties' first meeting on the issue, if later than the notice. No provision of this letter shall be construed to eliminate or otherwise modify any applicable provision of the parties' collective bargaining agreement relating to outsourcing.

It is agreed that this letter accurately reflects the parties' agreement.

Very truly yours,



Jay R. Alvaro  
Vice President, Labor Relations



Duke Energy Corporation  
139 East Fourth St.  
Cincinnati, OH 45202

Michael A. Ciccarella  
Labor Relations Consultant  
513.287.5022 (Tel)  
513.287.1760 (Fax)

November 16, 2009

Mr. Jim Anderson  
President, UWUA Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: LIT Support Agent Job Progression

Dear Mr. Anderson:

The Company is establishing a new job progression in order to provide information technology support to various business units. The classifications are as follows;

- LIT Support Agent I
- LIT Support Agent II
- LIT Support Agent III

Initially three positions will be filled with one employee classified as a Support Agent I and two classified as Support Agent II. Based on the skill set required to perform this work, the Company will select the individuals for these positions. In regard to educational requirements, employees initially placed in these positions will be grandfathered and will be considered as meeting the requirements for promotional opportunities within this progression. Going forward, the LIT Support Agent III will be the entry level position for this progression and posted as stated in the Collective Bargaining Agreement.

#### Wage Rates

The wage rates for this classification will be as follows;

Job Classification	Minimum Hourly Rate	Maximum Hourly Wage	Merit Increase
LIT Support Agent I	\$30.71	\$33.71	\$0.25
LIT Support Agent II	\$25.97	\$28.97	\$0.25
LIT Support Agent III	\$21.88	\$24.50	\$0.25

Individuals placed initially in these positions will be placed at their current wage level not to exceed the maximum wage rate established for the classification. Employees making less than the minimum will be placed at the minimum wage rate for that classification.

#### Merit Increases

Merit increases will be given every six months in accordance with the "Patrick P. Gibson" letter dated December 29, 2000. These increases will be \$0.25 per hour.

Sidebar Letter A73

Page 1

Mr. James Anderson  
November 16, 2009  
Page 2

**Out of Town Work Assignments**

It is anticipated that all employees in this progression will be given out of town assignments to support Duke Energy facilities. Based on skill level, the majority of these assignments will fall within the LIT Support Agent I classification. When such assignments are made Sidebar Letter A-15 will prevail.

**Emergency Overtime Callouts**

There may be occasions when employees are called out to respond to information technology issues that require an immediate response to ensure continuity of operations. In such cases, employees will be permitted to respond from locations other than a Duke Energy facility. In such case, the minimum call out of four hours will apply. If a second call out is required within four hours of the first call out it will be considered a continuation of that call out. If an employee does not travel in order to respond then no travel time will be paid.

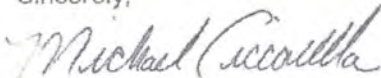
Employees are expected to respond to and work a reasonable number of emergency overtime assignments. Employees who are consistently unavailable for such assignments are subject to disciplinary action, up to and including discharge.

**Progression**

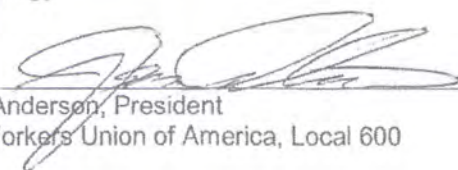
Employees will perform satisfactory will automatically promote from the Support Agent III classification to the Support Agent II classification once all qualifications are met. Employees on a disciplinary track or those that have been denied a merit increase will not be eligible to promote until they have received two consecutive merit increases or have been discipline free for one year. Promotions to the Support Agent I classification will be based on business need only.

This letter describes the establishment of the above mentioned classifications, wage rates, and initial staffing. Except where specifically abridged by this letter, all provisions of the 2008 – 2012 Collective Bargaining Agreement apply. In addition, the rights retained by the Company under Article I, Section 2 (c) of the Agreement remain unchanged. This letter in no manner represents a commitment on behalf of the Company in regard to staffing levels. The Company reserves the right to change or modify these job descriptions in accordance with the Agreement. I believe that this letter adequately describes our discussion regarding this matter. If the Union is in agreement with this proposal please return a signed copy of this letter to me at your earliest convenience.

Sincerely,



Michael A. Ciccarella  
Labor Relations Consultant  
Duke Energy

Signed:  \_\_\_\_\_  
James Anderson, President  
Utility Workers Union of America, Local 600

Date: 12/7/09



DUKE ENERGY CORPORATION  
139 E. Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

Michael A. Ciccarella  
513.287.5022 (Tel)  
513.287.1760 (Fax)

March 31, 2011

Mr. Jim Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: On Call Rotation -- Local IT Support

Dear Mr. Anderson:

Per our recent discussion, the Company is establishing an on call rotation for employees in the Local Information Technology job progression. As we discussed, the employee in the LIT I classification is excluded from this rotation due to business needs at this time. However, it is acknowledged and agreed that the Company has the sole discretion to include employee(s) in the LIT I classification in the rotation if business requirements change in the future.

While on call, employees will be compensated at the rate of \$16.50 per day. In addition, the minimum call out will be two hours. If a second call out is required within two hours of the first call out, it will be considered a continuation of that first call out. As previously agreed to, employees will be permitted to respond from locations other than a Duke Energy facility. If an employee does not travel in order to respond, then no travel time will be paid.

Employees failing to respond to a call out in a timely manner may be subject to disciplinary action, up to and including discharge.

Sincerely,

Michael A. Ciccarella  
Labor Relations Consultant  
Duke Energy

For the Union:

  
James Anderson  
President, UWUA Local 600

Date 4/5/11

A-74



DUKE ENERGY CORPORATION  
139 E. Fourth Street  
P.O. Box 960  
Cincinnati, OH 45201-0960

Michael A. Ciccarella  
513.287.5022 (Tel)  
513.287.1760 (Fax)

January 16, 2012

Mr. Jim Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: G.I.S. Job Progression

Dear Mr. Anderson:

Per discussion between the Union and the Company, a new job progression is being established within the Electric Operations Bidding area. The classifications and wage levels are as follows:

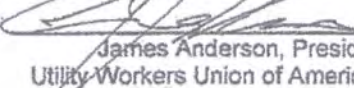
Job Title	Wage Level
GIS Team Lead	T8
GIS Technician I	T7
GIS Technician II	T5
GIS Apprentice	T4

As discussed, at the lower two levels (GIS Apprentice and GIS Technician II) lateral movement within the bidding area can occur if employees are qualified. In addition, existing employees in the T&D Support Technician job classification will promote to Senior T&D Support Technician prior to any promotions to GIS Team Lead. I have attached the revised promotional chart for Electric Operations and the job descriptions. The Company reserves the right to change or modify these job descriptions in accordance with the Collective Bargaining Agreement. I believe that this letter adequately describes the discussions held regarding this matter. If the Union is in agreement with this proposal please return a signed copy of this letter to me at your earliest convenience.

Sincerely,

Michael A. Ciccarella  
Labor Relations Consultant  
Duke Energy

For the Union:

Signed:   
James Anderson, President  
Utility Workers Union of America, Local 600

Date: 2/1/12



Duke Energy Corporation  
139 East Fourth Street  
Cincinnati, OH 45202

December 20, 2012

Mr. Jim Andersen  
President  
Local 600  
Utility Workers Union of America  
810 Brighton Street  
Newport, KY. 41071

Re: Foreign Utility Assistance

Dear Mr. Andersen:

This letter documents our discussions and agreement concerning emergency work performed for other utilities. The following guidelines will apply when employees represented by UWUA Local 600, are called upon to work for a foreign utility in emergency situations.

Compensation Guidelines:

- All hours of travel or work will be paid at the rate of time and one-half.
- After 16 consecutive hours of work, Article XII, Section 2(c) will continue to apply.
- Compensation when traveling begins when the employee begins driving toward their destination and ends when the employee arrives at the final destination of the day.
- When employees reach their destination and are to begin work, compensation will begin when the employee leaves the host Company staging area. If the staging area is away from the place of lodging and crews have to be transported to the staging area, then time begins when the employee leaves the place of lodging.
- Compensation ends for the work day when the employee returns to the host Company's staging area. If the staging area is away from the place of lodging and crews have to be transported, then the time will stop when the employee returns to the place of lodging.



Duke Energy Corporation  
139 East Fourth Street  
Cincinnati, OH 45202

- Employees required to work ten consecutive hours or more, shall be furnished a meal or compensation in lieu thereof (in accordance with the Contract), and an additional meal or compensation in lieu thereof, for each contiguous five hour interval worked thereafter until released from duty.
- Employees are not eligible to receive a daily per diem allowance.

Crew Assignments:

- Management will determine which bidding areas will be eligible to participate in a deployment, and the number of employees and crews from each of the bidding areas.
- During their deployment, employees are expected to comply with the Duke Energy Code of Business Ethics and related policies and procedures.

This letter will be interpreted and applied to comply with all laws. To the extent that this letter conflicts with any applicable law, the law will prevail. The current Contract will remain in effect for issues not addressed herein.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marc W. Arnold', written in a cursive style.

Marc W. Arnold  
Director Design Engineering OH/KY

cc: L. Gregory  
R. Atkins  
M. Ciccarella



Duke Energy  
139 East Fourth St  
Cincinnati, OH 45202

May 8, 2014

Mr. Jim Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Senior Work Management Support Specialist

Dear Mr. Anderson:

I am writing in regard to our conversations regarding the establishment of the Senior Work Management Support Specialist within Midwest Delivery Operations. As we have discussed, the minimum hourly rate for this position will be \$31.02 and a maximum rate of \$31.52 per hour. Merit increases will be administered as outlined in the Collective Bargaining Agreement. Furthermore, Sidebar Letter A65 (Competency Based Selection) will be applicable to this position. Also as discussed, the Company will agree that the first three positions will be limited to qualified UWUA represented employees plus any additional positions for two years after entering this agreement. In the event that three positions are not filled within two years, the agreement will be extended until such time as three total positions are offered. This agreement in no manner restricts the Company's right to revise this job description in the future as provided for in the Collective Bargaining Agreement or any applicable sidebar letter.

I believe that this letter accurately describes our conversations regarding this issue. If you are in agreement, please sign and return this letter to me.

Sincerely,

Michael A. Ciccarella  
Senior HR Consultant  
Labor Relations KY/OH/Carolina

For the Union:

Signed:

James Anderson, President  
Utility Workers Union of America, Local 600

Date:

5/8/14

www.duke-energy.com

Sidebar Letter A77





April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Separation of Delivery Operations and Gas Operations

Dear Mr. Anderson:

During the 2015 negotiations, the parties discussed the separation of Midwest Delivery Operations and Gas Operations relating to clerical functions performed by Office Coordinators, Customer Projects Recourse Specialists, and employees assigned to the Order Completion role.

As discussed, the work being performed by the above referenced classifications is being divided between the Midwest Delivery Operations (Electric) and Gas Operations (Gas) business units. As such, two new positions are being established in the Gas Operations Clerical Bid Area, Gas Office Coordinator (Gas QC) and Gas Operations Support Specialist (GOSS). Employees in the Office Coordinator classification currently assigned to Gas Operations will be reclassified as Gas Office Coordinators. The Customer Projects Resource Specialists (CPRS) currently assigned to Gas Operations will be re-classified into the new Gas Operations Support Specialist position. Employees currently performing the Order Completion role will remain in their respective classifications in the Customer Relations Bid Area.

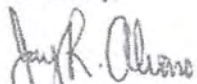
The wage levels for the new positions remains the same as the existing Office Coordinator and CPRS classifications. The Company maintains all rights provided under the Collective Bargaining Agreement and applicable sidebar letters to revise job descriptions and/or discontinue filling these job classifications based on future business needs. Should such material revisions occur to the job descriptions, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

In order to give incumbent employees a final opportunity to move between the electric and gas bidding areas, the next three vacancies in either bidding area for an OC or a Gas QC will be filled by cross bidding (hand raising) as a combined area. The process for each vacancy will continue until the original posting is filled. This same process will also apply for the next CPRS or GOSS vacancy. Once this commitment is fulfilled, vacancies will be filled using the Competency Based Selection process in accordance with Sidebar Letters A21 (CPRS) and A65 and hand raising will apply only within the individual bid area.

Sidebar Letter A79  
Page 1

In the event of a work force reduction, the Office Coordinator and Gas Office Coordinator classifications will be combined for the purpose of determining any rollbacks or layoffs. The same will apply for the CPRS and Gas Operations Support Specialist classifications.

Sincerely,



Jay R. Alvaro  
Director, Labor Relations  
Duke Energy



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Global Positioning Satellite (GPS)

Dear Mr. Anderson:

During the 2015 contract negotiations, the parties discussed the use of Global Positioning Satellite (GPS) system and other types of technology being contemplated for use in Company vehicles.

The primary purpose of the GPS and similar technology is to allow the Company the ability to more efficiently manage and assign work and to enhance safety by allowing us to locate a vehicle in the event we have lost contact with someone or a vehicle has been stolen. As discussed, it is not the Company's intent to constantly monitor employee's whereabouts using the GPS or other technology for the purpose of issuing corrective action.

Although its primary use is for managing work, the Company may review and rely on technology and/or the information obtained through its use to aid in an investigation where there is reason to believe an employee may have violated a Company policy or work rule, and the violation may be substantiated or disproven by such a review. To the extent the Company does rely on such information, the Company will treat similarly-situated employees in the same manner. Any such information, upon which the Company relies for purpose of imposing corrective action, will be provided upon request by the Union in accordance with applicable law.

In accordance with the March 29, 2007 GPS Letter, the Company is providing notice to the Union that the amount of history maintained in these systems may be longer than 30 days.

Sincerely,

Jay R. Alvaro  
Director, Labor Relations  
Duke Energy

Sidebar Letter A-80



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Engineering Specialist Progression

Dear Mr. Anderson:

During the 2015 negotiations, the parties discussed the Company's decision to establish an Engineering Specialist Job Progression in the Customer Projects Bidding Area and the Transmission & Distribution Bidding Area. This progression will consist of the Engineering Specialist I, II, and III classifications. The wage levels for these newly created positions will be as follows:

Job Classification	Wage Level	Maximum Hourly Rate as of 3/31/15
Engineering Specialist III	T9	\$35.18
Engineering Specialist II	T8	\$34.20
Engineering Specialist I	T4	\$28.22

Wage progression will be as outlined in Article VIII of the Agreement and Sidebar Letter A40, with selections determined by the Company in accordance with Sidebar Letter A65. Employees are required to successfully complete all training programs required by the Company and to promote to the Engineering Specialist II position in a timely manner. Employees successfully completing the requirements for the Engineering Specialist III position will automatically promote to that position. In addition, the Company maintains all rights provided under the Collective Bargaining Agreement and applicable sidebar letters, including but not limited to the right to revise the Engineering Specialist job descriptions based on future business needs. Should such material revisions occur, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

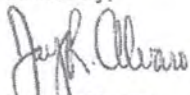
Employees in the Engineering Specialist I classification may be assigned to a specific headquarters for training purposes as determined by the Company.

Due to a restructuring of how work is performed by the Company, the Company does not anticipate any future postings for Customer Project Apprentice positions. Incumbent employees will be grandfathered under their existing job description, and will be eligible to continue to receive the negotiated wage increase applicable to employees in the Technical Unit. Existing employees in the progression not at the maximum rate of pay will be eligible to continue receive merit increases as outlined in the December 28, 2012 letter regarding this subject. Also, incumbent employees in the Customer Project Associate and Customer Project Apprentice classifications must continue to meet all Company expectations as previously required, including but not limited to the requirement to progress.

As agreed, when the Company fills a position in the "Engineering Specialist II" classification, the senior qualified Technician in good standing will be promoted to T&D Design Technician. Furthermore, when the Company fills a position in the "Engineering Specialist III" classification, the senior qualified T&D Design Technician in good standing will be promoted to Senior T&D Design Technician. In all cases, employees must be in qualified and in good standing to be eligible for a promotion. This process will continue until all incumbents in the following classifications: Technical Apprentice, Design Technician, Technician, and, T&D Design Technician as of the date the Collective Bargaining Agreement is ratified until all eligible employees have had the opportunity to progress to the Sr. T&D Design Technician position. The T&D progression will be closed to Technical Apprentices and Technicians hired after April 15, 2015. It is the intent of the Distribution Design organization to utilize the Engineering Specialist progression for all such future hires.

For the purposes of "hand-raising" (bidding on headquarters or location) within the Customer Projects Bid Area, the Customer Projects Coordinator and the Engineering Specialist III classifications will be combined. In the event of a work force reduction, the Engineering Specialist progressions in the Customer Projects Bid Area and the Transmission & Distribution Bidding Area will be combined.

Sincerely,



Jay R. Alvaro  
Director, Labor Relations  
Duke Energy



April 15, 2015

Mr. James Anderson  
President  
Utility Workers Union of America  
Local 600  
810 Brighton Street  
Newport, Kentucky 41071

RE: Customer Relations Representative/Clerk C Positions

Dear Mr. Anderson:

During the 2015 negotiations, the parties discussed the filling of future vacancies in the Customer Relations Representative C and the Customer Relations Clerk C classifications.

Based on these discussions, the parties have agreed that future openings in the Customer Relations Representative C and Customer Relations Clerk C classifications will be filled by the Company using the Competency Based Selection process.

The first three (3) positions will be filled using the Competency Based Selection process among the incumbent Order Processing Representatives in good standing. Should there only be one Order Processing Representative apply for each of the first three positions and he or she meets the minimum qualifications and is in good standing they will be the successful candidate. Order Processing Representatives selected by the Company for the first 3 opportunities will have their rate of pay reduced to the maximum wage rate of the Customer Relations Representative/Clerk C classification. In the event that no Order Processing Representative in good standing applies for one or more of the first three positions, the Company may fill the vacancy by a Union wide posting using the Competency Based Selection process.

Sincerely,

A handwritten signature in black ink that reads 'Jay R. Alvaro'.

Jay R. Alvaro  
Director, Labor Relations  
Duke Energy