

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

**IN THE MATTER OF THE ADJUSTMENT
OF ELECTRIC RATES OF DUKE ENERGY KENTUCKY, INC.**

CASE NO. 2024-00354

FILING REQUIREMENTS

VOLUME 15

Duke Energy Kentucky, Inc.
Case No. 2024-00354
Forecasted Test Period Filing Requirements
Table of Contents

Vol. #	Tab #	Filing Requirement	Description	Sponsoring Witness
1	1	KRS 278.180	30 days' notice of rates to PSC.	Amy B. Spiller
1	2	807 KAR 5:001 Section 7(1)	The original and 10 copies of application plus copy for anyone named as interested party.	Amy B. Spiller
1	3	807 KAR 5:001 Section 12(2)	<p>(a) Amount and kinds of stock authorized.</p> <p>(b) Amount and kinds of stock issued and outstanding.</p> <p>(c) Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.</p> <p>(d) Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.</p> <p>(e) Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.</p> <p>(f) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.</p> <p>(g) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.</p> <p>(h) Rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.</p> <p>(i) Detailed income statement and balance sheet.</p>	Thomas J. Heath, Jr. Danielle L. Weatherston
1	4	807 KAR 5:001 Section 14(1)	Full name, mailing address, and electronic mail address of applicant and reference to the particular provision of law requiring PSC approval.	Amy B. Spiller
1	5	807 KAR 5:001 Section 14(2)	If a corporation, the applicant shall identify in the application the state in which it is incorporated and the date of its incorporation, attest that it is currently in good standing in the state in which it is incorporated, and, if it is not a Kentucky corporation, state if it is authorized to transact business in Kentucky.	Amy B. Spiller

1	6	807 KAR 5:001 Section 14(3)	If a limited liability company, the applicant shall identify in the application the state in which it is organized and the date on which it was organized, attest that it is in good standing in the state in which it is organized, and, if it is not a Kentucky limited liability company, state if it is authorized to transact business in Kentucky.	Amy B. Spiller
1	7	807 KAR 5:001 Section 14(4)	If the applicant is a limited partnership, a certified copy of its limited partnership agreement and all amendments, if any, shall be annexed to the application, or a written statement attesting that its partnership agreement and all amendments have been filed with the commission in a prior proceeding and referencing the case number of the prior proceeding.	Amy B. Spiller
1	8	807 KAR 5:001 Section 16 (1)(b)(1)	Reason adjustment is required.	Amy B. Spiller Sarah E. Lawler
1	9	807 KAR 5:001 Section 16 (1)(b)(2)	Certified copy of certificate of assumed name required by KRS 365.015 or statement that certificate not necessary.	Amy B. Spiller
1	10	807 KAR 5:001 Section 16 (1)(b)(3)	New or revised tariff sheets, if applicable in a format that complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed	Bruce L. Sailors
1	11	807 KAR 5:001 Section 16 (1)(b)(4)	Proposed tariff changes shown by present and proposed tariffs in comparative form or by indicating additions in italics or by underscoring and striking over deletions in current tariff.	Bruce L. Sailors
1	12	807 KAR 5:001 Section 16 (1)(b)(5)	A statement that notice has been given in compliance with Section 17 of this administrative regulation with a copy of the notice.	Amy B. Spiller
1	13	807 KAR 5:001 Section 16(2)	If gross annual revenues exceed \$5,000,000, written notice of intent filed at least 30 days, but not more than 60 days prior to application. Notice shall state whether application will be supported by historical or fully forecasted test period.	Amy B. Spiller
1	14	807 KAR 5:001 Section 16(3)	Notice given pursuant to Section 17 of this administrative regulation shall satisfy the requirements of 807 KAR 5:051, Section 2.	Amy B. Spiller
1	15	807 KAR 5:001 Section 16(6)(a)	The financial data for the forecasted period shall be presented in the form of pro forma adjustments to the base period.	Grady "Tripp" S. Carpenter
1	16	807 KAR 5:001 Section 16(6)(b)	Forecasted adjustments shall be limited to the twelve (12) months immediately following the suspension period.	Lisa D. Steinkuhl Grady "Tripp" S. Carpenter Sharif S. Mitchell Jacob S. Colley
1	17	807 KAR 5:001 Section 16(6)(c)	Capitalization and net investment rate base shall be based on a thirteen (13) month average for the forecasted period.	Lisa D. Steinkuhl
1	18	807 KAR 5:001 Section 16(6)(d)	After an application based on a forecasted test period is filed, there shall be no revisions to the forecast, except for the correction of mathematical errors, unless the revisions reflect statutory or regulatory enactments that could not, with reasonable diligence, have been included in the forecast on the date it was filed. There shall be no revisions filed within thirty (30) days of a scheduled hearing on the rate application.	Grady "Tripp" S. Carpenter

1	19	807 KAR 5:001 Section 16(6)(e)	The commission may require the utility to prepare an alternative forecast based on a reasonable number of changes in the variables, assumptions, and other factors used as the basis for the utility's forecast.	Grady "Tripp" S. Carpenter
1	20	807 KAR 5:001 Section 16(6)(f)	The utility shall provide a reconciliation of the rate base and capital used to determine its revenue requirements.	Lisa D. Steinkuhl
1	21	807 KAR 5:001 Section 16(7)(a)	Prepared testimony of each witness supporting its application including testimony from chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.	All Witnesses
1	22	807 KAR 5:001 Section 16(7)(b)	Most recent capital construction budget containing at minimum 3 year forecast of construction expenditures.	Grady "Tripp" S. Carpenter William C. Luke Marc W. Arnold
1	23	807 KAR 5:001 Section 16(7)(c)	Complete description, which may be in prefiled testimony form, of all factors used to prepare forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.	Grady "Tripp" S. Carpenter
1	24	807 KAR 5:001 Section 16(7)(d)	Annual and monthly budget for the 12 months preceding filing date, base period and forecasted period.	Grady "Tripp" S. Carpenter
1	25	807 KAR 5:001 Section 16(7)(e)	Attestation signed by utility's chief officer in charge of Kentucky operations providing: 1. That forecast is reasonable, reliable, made in good faith and that all basic assumptions used have been identified and justified; and 2. That forecast contains same assumptions and methodologies used in forecast prepared for use by management, or an identification and explanation for any differences; and 3. That productivity and efficiency gains are included in the forecast.	Amy B. Spiller
1	26	807 KAR 5:001 Section 16(7)(f)	For each major construction project constituting 5% or more of annual construction budget within 3 year forecast, following information shall be filed: 1. Date project began or estimated starting date; 2. Estimated completion date; 3. Total estimated cost of construction by year exclusive and inclusive of Allowance for Funds Used During construction ("AFUDC") or Interest During construction Credit; and 4. Most recent available total costs incurred exclusive and inclusive of AFUDC or Interest During Construction Credit.	Grady "Tripp" S. Carpenter William C. Luke Marc W. Arnold
1	27	807 KAR 5:001 Section 16(7)(g)	For all construction projects constituting less than 5% of annual construction budget within 3 year forecast, file aggregate of information requested in paragraph (f) 3 and 4 of this subsection.	Grady "Tripp" S. Carpenter William C. Luke Marc W. Arnold

1	28	807 KAR 5:001 Section 16(7)(h)	Financial forecast for each of 3 forecasted years included in capital construction budget supported by underlying assumptions made in projecting results of operations and including the following information: 1. Operating income statement (exclusive of dividends per share or earnings per share); 2. Balance sheet; 3. Statement of cash flows; 4. Revenue requirements necessary to support the forecasted rate of return; 5. Load forecast including energy and demand (electric); 6. Access line forecast (telephone); 7. Mix of generation (electric); 8. Mix of gas supply (gas); 9. Employee level; 10. Labor cost changes; 11. Capital structure requirements; 12. Rate base; 13. Gallons of water projected to be sold (water); 14. Customer forecast (gas, water); 15. MCF sales forecasts (gas); 16. Toll and access forecast of number of calls and number of minutes (telephone); and 17. A detailed explanation of any other information provided.	Grady "Tripp" S. Carpenter John D. Swez Ibrar A. Khera
1	29	807 KAR 5:001 Section 16(7)(i)	Most recent FERC or FCC audit reports.	Danielle L. Weatherston
1	30	807 KAR 5:001 Section 16(7)(j)	Prospectuses of most recent stock or bond offerings.	Thomas J. Heath, Jr.
1	31	807 KAR 5:001 Section 16(7)(k)	Most recent FERC Form 1 (electric), FERC Form 2 (gas), or PSC Form T (telephone).	Danielle L. Weatherston
2	32	807 KAR 5:001 Section 16(7)(l)	Annual report to shareholders or members and statistical supplements for the most recent 2 years prior to application filing date.	Thomas J. Heath, Jr.
3	33	807 KAR 5:001 Section 16(7)(m)	Current chart of accounts if more detailed than Uniform System of Accounts charts.	Danielle L. Weatherston
3	34	807 KAR 5:001 Section 16(7)(n)	Latest 12 months of the monthly managerial reports providing financial results of operations in comparison to forecast.	Danielle L. Weatherston
3	35	807 KAR 5:001 Section 16(7)(o)	Complete monthly budget variance reports, with narrative explanations, for the 12 months prior to base period, each month of base period, and subsequent months, as available.	Danielle L. Weatherston Grady "Tripp" S. Carpenter
3-9	36	807 KAR 5:001 Section 16(7)(p)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued during prior 2 years and any Form 10-Qs issued during past 6 quarters.	Danielle L. Weatherston
9	37	807 KAR 5:001 Section 16(7)(q)	Independent auditor's annual opinion report, with any written communication which indicates the existence of a material weakness in internal controls.	Danielle L. Weatherston
9	38	807 KAR 5:001 Section 16(7)(r)	Quarterly reports to the stockholders for the most recent 5 quarters.	Thomas J. Heath, Jr.

9	39	807 KAR 5:001 Section 16(7)(s)	Summary of latest depreciation study with schedules itemized by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall identify current and base period depreciation rates used by major plant accounts. If information has been filed in another PSC case, refer to that case's number and style.	John J. Spanos
9	40	807 KAR 5:001 Section 16(7)(t)	List all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with application. Include each software, program, or model; its use; identify the supplier of each; briefly describe software, program, or model; specifications for computer hardware and operating system required to run program	Lisa D. Steinkuhl
9	41	807 KAR 5:001 Section 16(7)(u)	If utility had any amounts charged or allocated to it by affiliate or general or home office or paid any monies to affiliate or general or home office during the base period or during previous 3 calendar years, file: 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each allocation or payment; 2. method and amounts allocated during base period and method and estimated amounts to be allocated during forecasted test period; 3. Explain how allocator for both base and forecasted test period was determined; and 4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during base period is reasonable.	Rebekah E. Buck
10	42	807 KAR 5:001 Section 16(7)(v)	If gas, electric or water utility with annual gross revenues greater than \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from single time period.	James E. Ziolkowski
10	43	807 KAR 5:001 Section 16(7)(w)	Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file: 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies supporting pricing of services generating annual revenue greater than \$1,000,000 except local exchange access: a. Based on current and reliable data from single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles.	N/A
10	44	807 KAR 5:001 Section 16(8)(a)	Jurisdictional financial summary for both base and forecasted periods detailing how utility derived amount of requested revenue increase.	Lisa D. Steinkuhl

10	45	807 KAR 5:001 Section 16(8)(b)	Jurisdictional rate base summary for both base and forecasted periods with supporting schedules which include detailed analyses of each component of the rate base.	Lisa D. Steinkuhl Sharif S. Mitchell Grady "Tripp" S. Carpenter John R. Panizza James E. Ziolkowski Danielle L. Weatherston
10	46	807 KAR 5:001 Section 16(8)(c)	Jurisdictional operating income summary for both base and forecasted periods with supporting schedules which provide breakdowns by major account group and by individual account.	Lisa D. Steinkuhl
10	47	807 KAR 5:001 Section 16(8)(d)	Summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.	Lisa D. Steinkuhl Sharif S. Mitchell Grady "Tripp" S. Carpenter Jacob S. Colley James E. Ziolkowski
10	48	807 KAR 5:001 Section 16(8)(e)	Jurisdictional federal and state income tax summary for both base and forecasted periods with all supporting schedules of the various components of jurisdictional income taxes.	John R. Panizza
10	49	807 KAR 5:001 Section 16(8)(f)	Summary schedules for both base and forecasted periods (utility may also provide summary segregating items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures for country club; charitable contributions; marketing, sales, and advertising; professional services; civic and political activities; employee parties and outings; employee gifts; and rate cases.	Lisa D. Steinkuhl
10	50	807 KAR 5:001 Section 16(8)(g)	Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.	Lisa D. Steinkuhl Shannon A. Caldwell
10	51	807 KAR 5:001 Section 16(8)(h)	Computation of gross revenue conversion factor for forecasted period.	Lisa D. Steinkuhl
10	52	807 KAR 5:001 Section 16(8)(i)	Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for 5 calendar years prior to application filing date, base period, forecasted period, and 2 calendar years beyond forecast period.	Danielle L. Weatherston Grady "Tripp" S. Carpenter
10	53	807 KAR 5:001 Section 16(8)(j)	Cost of capital summary for both base and forecasted periods with supporting schedules providing details on each component of the capital structure.	Thomas J. Heath, Jr.
10	54	807 KAR 5:001 Section 16(8)(k)	Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period.	Sharif S. Mitchell Grady "Tripp" S. Carpenter Thomas J. Heath, Jr. Danielle L. Weatherston
10	55	807 KAR 5:001 Section 16(8)(l)	Narrative description and explanation of all proposed tariff changes.	Bruce L. Sailors
10	56	807 KAR 5:001 Section 16(8)(m)	Revenue summary for both base and forecasted periods with supporting schedules which provide detailed billing analyses for all customer classes.	Bruce L. Sailors
10	57	807 KAR 5:001 Section 16(8)(n)	Typical bill comparison under present and proposed rates for all customer classes.	Bruce L. Sailors
10	58	807 KAR 5:001 Section 16(9)	The commission shall notify the applicant of any deficiencies in the application within thirty (30) days of the application's submission. An application shall not be accepted for filing until the utility has cured all noted deficiencies.	Sarah E. Lawler

10	59	807 KAR 5:001 Section 16(10)	Request for waivers from the requirements of this section shall include the specific reasons for the request. The commission shall grant the request upon good cause shown by the utility.	Legal
10	60	807 KAR 5:001 Section (17)(1)	<p>(1) Public postings.</p> <p>(a) A utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the commission.</p> <p>(b) A utility that maintains a Web site shall, within five (5) business days of the date the application is submitted to the commission, post on its Web sites:</p> <ol style="list-style-type: none"> 1. A copy of the public notice; and 2. A hyperlink to the location on the commission's Web site where the case documents are available. <p>(c) The information required in paragraphs (a) and (b) of this subsection shall not be removed until the commission issues a final decision on the application.</p>	Amy B. Spiller
10	61	807 KAR 5:001 Section 17(2)	<p>(2) Customer Notice.</p> <p>(a) If a utility has twenty (20) or fewer customers, the utility shall mail a written notice to each customer no later than the date on which the application is submitted to the commission.</p> <p>(b) If a utility has more than twenty (20) customers, it shall provide notice by:</p> <ol style="list-style-type: none"> 1. Including notice with customer bills mailed no later than the date the application is submitted to the commission; 2. Mailing a written notice to each customer no later than the date the application is submitted to the commission; 3. Publishing notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or 4. Publishing notice in a trade publication or newsletter delivered to all customers no later than the date the application is submitted to the commission. <p>(c) A utility that provides service in more than one (1) county may use a combination of the notice methods listed in paragraph (b) of this subsection.</p>	Amy B. Spiller

10	62	807 KAR 5:001 Section 17(3)	<p>(3) Proof of Notice. A utility shall file with the commission no later than forty-five (45) days from the date the application was initially submitted to the commission:</p> <p>(a) If notice is mailed to its customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, that notice was mailed to all customers, and the date of the mailing;</p> <p>(b) If notice is published in a newspaper of general circulation in the utility's service area, an affidavit from the publisher verifying the contents of the notice, that the notice was published, and the dates of the notice's publication; or</p> <p>(c) If notice is published in a trade publication or newsletter delivered to all customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, the mailing of the trade publication or newsletter, that notice was included in the publication or newsletter, and the date of mailing.</p>	Amy B. Spiller
----	----	--------------------------------	--	----------------

10	63	807 KAR 5:001 Section 17(4)	<p>(4) Notice Content. Each notice issued in accordance with this section shall contain:</p> <p>(a) The proposed effective date and the date the proposed rates are expected to be filed with the commission;</p> <p>(b) The present rates and proposed rates for each customer classification to which the proposed rates will apply;</p> <p>(c) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply;</p> <p>(d) The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply, except for local exchange companies, which shall include the effect upon the average bill for each customer classification for the proposed rate change in basic local service;</p> <p>(e) A statement that a person may examine this application at the offices of (utility name) located at (utility address);</p> <p>(f) A statement that a person may examine this application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at http://psc.ky.gov;</p> <p>(g) A statement that comments regarding the application may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602;</p> <p>(h) A statement that the rates contained in this notice are the rates proposed by (utility name) but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice;</p> <p>(i) A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party; and</p> <p>(j) A statement that if the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.</p>	Bruce L. Sailers
10	64	807 KAR 5:001 Section 17(5)	<p>(5) Abbreviated form of notice. Upon written request, the commission may grant a utility permission to use an abbreviated form of published notice of the proposed rates, provided the notice includes a coupon that may be used to obtain all the required information.</p>	N/A

11	-	807 KAR 5:001 Section 16(8)(a) through (k)	Schedule Book (Schedules A-K)	Various
12	-	807 KAR 5:001 Section 16(8)(l) through (n)	Schedule Book (Schedules L-N)	Bruce L. Sailors
13	-	-	Work Papers	Various
14	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 1 of 4)	Various
15	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 2 of 4)	Various
16	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 3 of 4)	Various
17	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 4 of 4)	Various
18-19	-	KRS 278.2205(6)	Cost Allocation Manual	Legal

TESTIMONY

VOLUME 2 OF 4

**REBEKAH E. BUCK
SHANNON A. CALDWELL**

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF DUKE)	
ENERGY KENTUCKY, INC., FOR: 1) AN)	
ADJUSTMENT OF THE ELECTRIC RATES; 2))	CASE NO.
APPROVAL OF NEW TARIFFS; 3) APPROVAL)	2024-00354
OF ACCOUNTING PRACTICES TO ESTABLISH)	
REGULATORY ASSETS AND LIABILITIES;)	
AND 4) ALL OTHER REQUIRED APPROVALS)	
AND RELIEF.	

DIRECT TESTIMONY OF

REBEKAH E. BUCK

ON BEHALF OF

DUKE ENERGY KENTUCKY, INC.

December 2, 2024

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTION AND PURPOSE	1
II. THE SERVICE AGREEMENTS.....	3
A. Overview of the Major Service Agreements.....	3
III. COST ALLOCATIONS	15
A. Overview of Cost Allocations.....	15
B. Cost Allocations Under the Service Agreements.....	17
C. Cost Allocations for Common Costs Shared by Duke Energy Kentucky and Duke Energy Ohio	22
D. Cost Allocations for Common Costs Shared by Duke Energy Kentucky and Duke Energy's Carolina Utilities.....	23
E. A&G Cost Allocations Between Duke Energy Kentucky's Natural Gas and Electric Operations.....	24
IV. SCHEDULES AND FILING REQUIREMENTS SPONSORED BY WITNESS	26
V. CONCLUSION	30

ATTACHMENTS:

Attachment REB-1	Service Company Utility Service Agreement
Attachment REB-2	Operating Companies Service Agreement
Attachment REB-3	Amended Restated Operating Company/Non-Utility Companies Service Agreement
Attachment REB-4	Asymmetrically-Priced Duke Energy Kentucky, Inc./Non-Utility Companies Service Agreement
Attachment REB-5	Intercompany Asset Transfer Agreement

I. INTRODUCTION AND PURPOSE

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Rebekah E. Buck, and my business address is 525 South Tryon Street,
3 Charlotte, North Carolina 28202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed by Duke Energy Business Services LLC (DEBS), as Director of
6 Allocations and Reporting. DEBS provides various administrative and other services
7 to Duke Energy Kentucky, Inc., (Duke Energy Kentucky or Company) and other
8 affiliated companies of Duke Energy Corporation (Duke Energy).

9 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATION AND**
10 **PROFESSIONAL EXPERIENCE.**

11 A. I graduated with a Bachelor of Arts Degree in Communication Studies from the
12 University of North Carolina at Chapel Hill and have a Master's Degree in
13 Accounting from the University of North Carolina at Charlotte. I am a Certified
14 Public Accountant in North Carolina. I joined Duke Energy in 2010 in the
15 Corporate Controller's Department as a Finance Associate. I progressed from an
16 Associate to a Lead Accounting Analyst across the six years I supported the
17 Commercial Renewables segment. In 2018, I moved to a Lead Wholesale
18 Renewables Analyst position on the Distributed Energy Technology team where I
19 provided financial modeling support for various regulated renewables projects
20 across the Duke Energy utilities. In 2019, I returned to the Corporate Controller's
21 Department and Commercial Renewables Accounting team as an Accounting

1 Manager. In July of 2023 I was promoted to my current role, Director of Allocations
2 and Reporting.

3 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AS DIRECTOR OF**
4 **ALLOCATIONS AND REPORTING.**

5 A. I am responsible for various accounting activities, including the cost allocation
6 processes for service company costs utilized for Duke Energy and its affiliates,
7 including allocations to Duke Energy Kentucky.

8 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE KENTUCKY**
9 **PUBLIC SERVICE COMMISSION?**

10 A. No.

11 **Q WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
12 **PROCEEDING?**

13 A. My testimony in this proceeding addresses the various cost assignment processes
14 utilized by Duke Energy Kentucky and its affiliates, including its service company,
15 DEBS, which as an ordinary course of business provide services among each other.
16 I discuss the primary service agreements used by Duke Energy Kentucky to enable
17 the sharing of expertise and personnel between and among the Duke Energy family
18 of companies and to assign costs for such services. These service agreements
19 include the following: (1) the Service Company Utility Service Agreement (DEBS
20 Service Agreement); (2) the Operating Companies Service Agreement (Operating
21 Company Service Agreement); (3) the Amended and Restated Operating
22 Company/Non-Utility Companies Service Agreement (Cost-Based Non-Utility
23 Service Agreement); (4) the Asymmetrically-Priced Duke Energy Kentucky, Inc.,

1 Non-Utility Companies Service Agreement (Asymmetric Non-Utility Service
2 Agreement); and (5) the Intercompany Asset Transfer Agreement (Asset Transfer
3 Agreement). In my testimony, I briefly describe the history of these agreements as
4 well as the Commission's approval thereof. I also describe the processes to be used
5 to assign costs to the various parties under those agreements as well as the nature
6 and types of cost assignment that Duke Energy Kentucky experiences as a
7 combination gas and electric utility and wholly owned subsidiary of Duke Energy
8 Ohio, Inc. (Duke Energy Ohio). I sponsor certain information that I supplied to
9 Duke Energy Kentucky witness, Mr. Grady "Tripp" S. Carpenter for his use in
10 developing the forecasted financial data. Finally, I also sponsor the information
11 contained in Filing Requirement (FR) 16(7)(u).

II. THE SERVICE AGREEMENTS

A. Overview of the Major Service Agreements

12 **Q. DO ALL CHARGES FOR DUKE ENERGY KENTUCKY ORIGINATE ON**
13 **DUKE ENERGY KENTUCKY'S BOOKS?**

14 A. No. Charges can originate either on Duke Energy Kentucky's books for its own
15 operations or can originate from its parent company, Duke Energy Ohio, and/or
16 other affiliated companies pursuant to several Commission-approved affiliate
17 service agreements. These services enable Duke Energy Kentucky to provide safe
18 and reliable utility service to its Kentucky customers at a reasonable price.

1 **Q. PLEASE BRIEFLY DESCRIBE THE VARIOUS SERVICE AGREEMENTS**
2 **THAT ENABLE DUKE ENERGY KENTUCKY TO PROVIDE SAFE,**
3 **RELIABLE, AND REASONABLE SERVICE TO ITS KENTUCKY**
4 **CUSTOMERS.**

5 A. Duke Energy Kentucky has several service agreements in place that allow the
6 Company to provide services to or receive services from the Duke Energy family
7 of companies that are incidental or necessary to the provision of utility service.
8 These agreements provide for the standard procedures and defined accounting
9 processes for cost assignment that allow these services to occur on an equitably
10 priced basis among all parties.

11 I have attached the five major service agreements to my testimony, all of
12 which were effective when the Company commenced these proceedings and
13 submitted its pre-filing notice. Attachment REB-1 is the DEBS Service Agreement
14 that governs the provision of various services and the associated cost allocations to
15 Duke Energy Kentucky for the services DEBS provides. DEBS is a Federal Energy
16 Regulatory Commission (FERC) authorized service company that provides various
17 administrative and other services to Duke Energy Kentucky and other affiliated
18 companies of Duke Energy.

19 Attachment REB-2 is the Operating Company Service Agreement that
20 governs services performed between or among Duke Energy's regulated utility
21 operating companies and the cost allocations or assignments for providing and
22 receiving those services.

1 Attachment REB-3 and REB-4 are the two Utility/Non-Utility Companies
2 Service Agreements, which govern the services performed and cost allocations
3 between Duke Energy Kentucky and its non-utility affiliates.

4 Finally, Attachment REB-5 is the Asset Transfer Agreement that allows for
5 the “at cost” transfer of assets by and between Duke Energy Kentucky and its
6 regulated utility affiliates.

7 **Q. HAS DUKE ENERGY KENTUCKY HISTORICALLY RELIED UPON**
8 **SERVICE AGREEMENTS TO SERVE ITS KENTUCKY CUSTOMERS?**

9 A. Yes. These service agreements allow Duke Energy Kentucky, and in turn, its
10 customers to have access to equipment and personnel that are common to utility
11 operations and share in those costs between multiple businesses as opposed to
12 having to maintain separate pools of personnel. The use of service agreements has
13 helped Duke Energy Kentucky, and its regulated utility affiliates, manage staffing
14 levels and costs through the sharing of common business functions and to have
15 ready access to experienced and expertly trained personnel to manage its business
16 and various utility functions. Absent the ability to share these resources, Duke
17 Energy Kentucky would have to maintain its own independent organizations and
18 systems, as well as cost responsibility, for various operations including, but not
19 limited to engineering, construction, operations and maintenance, installation
20 services, equipment testing, generation technical support, environmental health and
21 safety and procurement services, not to mention, accounting, human resources,
22 legal, and other necessary business functions.

1 **Q. WHY IS THAT?**

2 A. Duke Energy Kentucky itself is relatively small in size. It has approximately
3 155,000 electric and approximately 105,000 natural gas customers. Because of its
4 size, the relationship between Duke Energy Kentucky and its parent, Duke Energy
5 Ohio, as well as its affiliated regulated and service companies have been
6 instrumental in allowing Duke Energy Kentucky to provide service to its Kentucky
7 customers at a reasonable price. The Company has benefitted from the economies
8 of scale that occur with being part of a larger corporate family that are not present
9 as a stand-alone entity. By sharing resources and personnel, Duke Energy Kentucky
10 is able to function as a lean utility without having to invest in its own full-time
11 corporate personnel and resources that are otherwise able to be shared among a
12 family of companies.

13 Throughout its history, Duke Energy Kentucky has benefitted from the
14 relationships with the families of companies of which it has been a member. Since
15 1945, Duke Energy Kentucky (f/k/a The Union Light Heat & Power Company) has
16 been a wholly owned subsidiary of Duke Energy Ohio (f/k/a/ The Cincinnati Gas
17 & Electric Company [CG&E]). The respective service territories of the two utilities
18 are contiguous and interconnected. The two companies have operated in symmetry
19 in terms of personnel and facilities and have shared in costs, equipment, and
20 personnel, for more than seventy years.

21 With the creation of Cinergy Corp (Cinergy) in the mid 1990's, by way of
22 the merger of the CG&E with Public Service Indiana, to the merger between
23 Cinergy and Duke Power in 2006, followed by the merger of Duke Energy and

1 Progress Energy (Progress) in 2012, to the most recent merger between Duke
2 Energy and Piedmont Natural Gas Company (Piedmont) in 2016, Duke Energy
3 Kentucky has benefitted from the pool of expert personnel resources and access to
4 equipment and expertise from its sister companies. Duke Energy Kentucky has
5 been able to share in common business functions rather than maintain its own
6 dedicated and thus duplicative functions. These shared functions include but are
7 not limited to, executive and management personnel, human resources, accounting,
8 tax, legal services, and engineering. Through the Operating Company Service
9 Agreement, Duke Energy Kentucky has also been able to take advantage of the key
10 personnel employed by its sister utilities, allowing the Company to take advantage
11 of the economies of scale and best practices that exist with an organization the size
12 of Duke Energy through shared expertise and resources.

13 **Q. HAVE THERE BEEN ANY CHANGES TO THESE AGREEMENTS SINCE**
14 **THE TIME OF THE COMPANY'S LAST ELECTRIC DISTRIBUTION**
15 **RATE CASE IN 2022?**

16 A. There are regular and normal updates to these agreements that occur to reflect
17 changes in the Duke Energy corporate structure. Companies are routinely dissolved
18 and are eliminated from some of the agreements. Duke Energy Kentucky routinely
19 files updates to these agreements when there are material changes and also as part
20 of its annual reporting. These agreements are included in the Appendix to the
21 Company's Cost Allocation Manual that is routinely submitted to the Commission
22 annually in March.

1 Since the time of the Company's last electric base rate case in 2022, there
2 have been ministerial changes to some of these agreements primarily to reflect the
3 addition or removal of the parties (affiliated companies) to these agreements. As a
4 result of these and other additions and deletions to the service agreement
5 participants, allocations (direct and indirect) between and among the parties have
6 also changed over the years. There have not been any substantial changes to these
7 agreements since the Company's recently concluded electric base rate case, Case
8 No. 2022-00372.

9 **Q. PLEASE BRIEFLY DESCRIBE THE DEBS AGREEMENT.**

10 A. This agreement permits DEBS to provide services that are corporate or general
11 utility in nature and are used by various business units, including Duke Energy
12 Kentucky. In general, the services provided by the service companies include, but
13 are not limited to the following:

- | | |
|---------------------------------|-------------------------------------|
| • Information Systems; | • Power and Gas Planning |
| • Meters; | and Operations; |
| • Transportation; | • Public Affairs; |
| • System Maintenance; | • Legal; |
| • Marketing and Customer | • Rates; |
| Relations; | • Finance; |
| • Transmission and Distribution | • Rights of Way; |
| Engineering and Construction; | • Internal Auditing; |
| • Power and Gas Engineering and | • Environmental, Health and Safety; |
| Construction; | • Fuels; |
| • Human Resources; | • Investor Relations; |
| • Supply Chain; | • Planning; and |
| • Facilities; | • Executive. |
| • Accounting; | |

14 By the terms of the DEBS Service Agreement, compensation for any service
15 rendered by DEBS to its utility affiliates is the fully embedded cost thereof (*i.e.*,
16 the sum of: (i) direct costs; (ii) indirect costs; and (iii) costs of capital), except to

1 the extent otherwise required by Section 482 of the Internal Revenue Code. Each
2 client company is required to reasonably cooperate with each respective service
3 provider to record billings and payments in their common accounting systems. The
4 affiliate companies receiving services from DEBS are referred to as “Client
5 Companies.”

6 **Q. PLEASE BRIEFLY DESCRIBE THE OPERATING COMPANY SERVICE**
7 **AGREEMENT AND ITS HISTORY.**

8 A. Like the DEBS Service Agreement, the Operating Company Service Agreement
9 has been in place in some form for decades. Under this agreement, Duke Energy
10 Kentucky and its utility affiliates, Duke Energy Carolinas LLC., (Duke Energy
11 Carolinas), Duke Energy Ohio, Duke Energy Indiana, LLC., (Duke Energy
12 Indiana), Duke Energy Progress, LLC., Duke Energy Florida, LLC., and Piedmont,
13 are permitted to provide and receive services to and from each other in the normal
14 course of conducting business at the providing company’s fully embedded cost.
15 This agreement was most recently approved by the Commission on June 1, 2017,
16 in Case No 2016-00312 reflecting the addition of Piedmont. Prior to that, the
17 agreement was reviewed and approved by the Commission on August 2, 2011, in
18 Case No 2011-00124, as part of the merger of Duke Energy Corporation and
19 Progress. A copy of this agreement included as Attachment REB-2. The services
20 which may be provided between affiliate operating companies may include, but are
21 not limited to the following:

- Engineering and Construction;
- Operations and Maintenance;
- Installation Services;
- Equipment Testing;
- Generation Technical Support;
- Environmental, Health and Safety;
- Customer Operations; and
- Procurement Services.

1 By the terms of the Operating Company Service Agreement, compensation
2 for any service rendered between utility affiliates is the fully embedded cost thereof
3 (*i.e.*, the sum of: (i) direct costs; (ii) indirect costs; and (iii) costs of capital), except
4 to the extent otherwise required by Section 482 of the Internal Revenue Code. Each
5 client company is required to reasonably cooperate with each respective service
6 provider to record billings and payments in their common accounting systems.

7 **Q. PLEASE DESCRIBE THE TWO NON-UTILITY SERVICE**
8 **AGREEMENTS.**

9 A. Duke Energy Kentucky is a party to two service agreements that identify services
10 and cost allocations between the Company and its non-utility affiliates. The
11 distinction between these two agreements is due to timing in relation to FERC
12 orders and the types of pricing for the provision of services allowed therein.

13 Under the Cost-Based Non-Utility Service Agreement, Duke Energy
14 Kentucky and certain of its non-utility affiliates are authorized to provide certain
15 services to one another, priced at the providing company's fully embedded cost. A
16 copy of this agreement is included in Attachment REB-3. This agreement was last
17 approved by the Commission on November 27, 2005, in Case No 2005-00228, as
18 part of the merger of Duke Energy Corporation and Cinergy Corp. The permitted
19 services provided by Duke Energy Kentucky to certain of its non-utility affiliates
20 may include, but are not limited to the following:

- Engineering and Construction;
- Operations and Maintenance;
- Installation Services;
- Equipment testing;
- Generation Technical Support;
- Environmental, Health and Safety; and
- Procurement Services.

1 The types of services that may be provided by certain non-utility affiliates to Duke
2 Energy Kentucky, include, but are not limited to, the following:

- | | |
|-------------------------------------|--------------------------|
| • Information Technology Services; | • Meter Reading; |
| • Monitoring; | • Materials Management; |
| • Surveying; | • Vegetation Management; |
| • Inspecting; | and |
| • Constructing; | • Marketing and Customer |
| • Locating and Marking of Overhead | Relations. |
| and Underground Utility Facilities; | |

3 By the terms of the Cost-Based Non-Utility Service Agreement, requests for
4 services will be made in writing, in substantially the same form as set forth in
5 “Exhibit A” of the Agreement. Compensation for any service rendered between
6 Duke Energy Kentucky and its non-utility affiliates are the fully embedded cost
7 thereof (*i.e.*, the sum of: (i) direct costs; (ii) indirect costs; and (iii) costs of capital),
8 except to the extent otherwise required by Section 482 of the Internal Revenue
9 Code. The non-utility affiliates that are parties to this agreement are limited to those
10 that existed prior to FERC’s February 2008 Order 707 (Order 707) that expanded
11 FERC’s asymmetrical pricing rules to include transfers of non-power goods and
12 services between a franchised utility and its non-utility affiliates.

13 Non-utility companies that became affiliates of Duke Energy Kentucky
14 after Order 707 are subject to a different service agreement, the Asymmetric Non-
15 Utility Service Agreement, included as Attachment REB-4. The Asymmetric Non-

1 Utility Service Agreement was created in response to Order 707. The non-utility
2 affiliates who are parties to this agreement are subject to the asymmetric pricing
3 requirements of FERC, which is also consistent with Kentucky's own default
4 affiliate pricing requirements. Duke Energy Kentucky provides (non-tariffed)
5 goods or services to a Party to this agreement at the greater of cost or market but
6 pays the lesser of cost or market for any goods or services received under this
7 agreement.

8 **Q. CAN YOU PLEASE EXPLAIN WHAT CHANGED WITH THE FERC 707**
9 **ORDER?**

10 A. It is my understanding that prior to Order 707, FERC's asymmetrical pricing rules
11 only applied to transfers of non-power goods and services between franchised
12 utilities and nonregulated utility affiliates. However, following the Order 707
13 ruling, FERC's asymmetric pricing requirements were extended to all transactions
14 between utilities and their non-utility affiliates. This asymmetric pricing
15 requirement excluded services provided by service companies or services between
16 and among regulated utility affiliates. The Order 707 ruling also provided a
17 grandfathering exception to the asymmetric pricing for pre-existing service
18 agreements between regulated utilities and their non-regulated non-utility affiliates,
19 as well as state affiliate pricing rules that are stricter than FERC's pricing
20 restrictions.

21 In short, the Asymmetric Non-Utility Service Agreement was entered into
22 in response to FERC Order 707 and includes new affiliates that were created after
23 the effective date of Order 707 and that are not grandfathered as parties under the

1 Cost-Based Non-Utility Service Agreement. The Cost-Based Non-Utility Service
2 Agreement remains unchanged since the issuance of Order 707, except to reflect
3 the dissolution of non-utility companies that were at one time a party. No new
4 companies have been added to that Cost-Based Non-Utility Agreement since the
5 Order 707.

6 **Q. PLEASE EXPLAIN HOW SERVICES BETWEEN DUKE ENERGY**
7 **KENTUCKY AND ITS AFFILIATES THAT ARE NOT COVERED BY THE**
8 **AFOREMENTIONED SERVICE AGREEMENTS ARE PRICED?**

9 A. Non-covered services, as well as non-utility affiliates that are not a party to the
10 Cost-based Non-Utility Service Agreement, must follow Kentucky's stricter
11 asymmetric pricing for any transaction with Duke Energy Kentucky unless
12 Commission approval and a waiver is first obtained.

13 **Q. PLEASE EXPLAIN AND DESCRIBE THE ASSET TRANSFER**
14 **AGREEMENT.**

15 A. This agreement permits the transfer of assets between and among Duke Energy
16 Kentucky and its regulated utility affiliates, excluding commodities, at the
17 transferring company's fully-allocated cost, subject to certain limitations. This
18 agreement was most recently approved by the Commission on June 1, 2017, in Case
19 No. 2016-00312, to reflect the addition of Piedmont. Prior to that, the Commission
20 approved the agreement on August 2, 2011, in Case No. 2011-00124, as part of the
21 merger of Duke Energy and Progress Energy. A copy of this agreement is included
22 as Attachment REB-5.

1 **Q. ARE THERE ANY LIMITATIONS APPLICABLE TO TRANSACTIONS**
2 **INVOLVING DUKE ENERGY KENTUCKY UNDER THE ASSET**
3 **TRANSFER AGREEMENT?**

4 A. Yes. The Commission approved this agreement under several conditions, including
5 that:

- 6 • Duke Energy Kentucky agrees that it would continue to seek
7 Commission approval under KRS 278.218 over all transactions
8 involving Duke Energy Kentucky assets that have an original book
9 value of over \$1,000,000 and that are to be transferred for reasons other
10 than obsolescence or if the parts are to be used to continue to provide
11 service to the utility customers;
- 12 • Duke Energy Kentucky agrees to abide by the KRS 278.218 approval
13 threshold for transfers involving its natural gas assets; and
- 14 • Duke Energy Kentucky maintains a list of all transactions under the
15 Intercompany Asset Transfer Agreement in its Cost Allocation Manual
16 (CAM).

17 **Q. DOES DUKE ENERGY KENTUCKY MAINTAIN THE LIST OF**
18 **TRANSACTIONS IN ITS CAM?**

19 A. Yes. The Company submits those transactions to the Commission annually each
20 March as part of an annual CAM update.

III. COST ALLOCATIONS

A. Overview of Cost Allocations

1 **Q. PLEASE DESCRIBE WHAT IS MEANT BY THE TERM “COST.”**

2 A. “Cost,” as used in the service agreements, excluding the Asset Transfer Agreement,
3 means fully embedded cost, which is the sum of: (1) direct costs; (2) indirect costs;
4 and (3) cost of capital. Direct costs include labor, material and other expenses
5 incurred specifically for a particular service and any associated loadings. Indirect
6 costs include labor, material and other expenses, and any associated loadings that
7 cannot be directly identified with any particular service. Indirect costs include, but
8 are not limited to, overhead costs, administrative support costs, and taxes. Cost of
9 capital represents financing costs, including, but not limited to, interest on debt and
10 a fair return on equity to shareholders.

11 The Asset Transfer Agreement includes a different definition of “Cost”
12 applicable to inventory items, defined as: (i) for items of inventory accounted for
13 in the FERC Uniform System of Accounts account 154 (“Inventory Items”), the
14 average unit price of such Inventory Items as recorded on the books of the
15 Transferor, plus stores, freight, handling, and other applicable costs, and (ii) for
16 assets other than Inventory Items, net book value. Additionally, this agreement
17 provides an alternative that allows for the replacement in kind of any asset
18 transferred under the agreement.

1 **Q. PLEASE DESCRIBE THE COST ALLOCATIONS THAT AFFECT DUKE**
2 **ENERGY KENTUCKY AND ITS AFFILIATES?**

3 A. In general, there are four primary categories of cost allocations that affect Duke
4 Energy Kentucky and its affiliates: (1) cost allocations from DEBS; (2) cost
5 allocations between Duke Energy Kentucky and Duke Energy Ohio for common
6 costs shared by Duke Energy Ohio and Duke Energy Kentucky; (3) cost allocations
7 for goods and services provided between and among Duke Energy Kentucky and
8 its sister regulated utilities; and (4) administrative and general (A&G) cost
9 allocations between its natural gas and electric operations for both capital and
10 expense accounts.

11 Duke Energy Kentucky also provides various services and goods to and
12 receives various services and goods from its regulated and non-regulated affiliates
13 as set forth in various service agreements I previously described.

14 **Q. WHAT ARE “LOADINGS”?**

15 A. “Loadings” represent costs that are incurred and aggregated in “cost pools,” which
16 are then subsequently “loaded” out to specific entities and projects by attaching an
17 additional charge (loading rate) to the associated direct cost. Duke Energy’s
18 loadings include fringe benefits (*e.g.*, medical, dental, pension, postretirement),
19 indirect labor (*e.g.*, vacation, holiday, sick-time), stores, freight and handling (*e.g.*,
20 material management labor, freight), transportation (*e.g.*, vehicle leases, fuel, oil),
21 and payroll taxes (*e.g.*, Federal Insurance Contributions Act (FICA) taxes, and state
22 and federal unemployment taxes). Loading rates are determined through annual
23 studies of both actual and budgeted information and are calculated by dividing the

1 anticipated component costs by anticipated labor cost, material issues, or vehicle
2 utilization, as applicable.

B. Cost Allocations Under the Service Agreements

3 **Q. PLEASE DESCRIBE HOW COSTS INCURRED BY DEBS ARE**
4 **ACCOUNTED FOR UNDER THE SERVICE AGREEMENTS.**

5 A. DEBS maintains an accounting system in which all of its costs are accumulated.
6 These costs are charged to the appropriate Client Companies (as defined in the
7 agreement) monthly, using one of the three approved methods of assignment.

8 **Q. WHAT ARE THE APPROVED METHODS OF ASSIGNMENT?**

9 A. The approved methods of assignment are: (1) directly assignable; (2) distributable;
10 and (3) allocable.

11 **Q. PLEASE DESCRIBE EACH METHOD OF ASSIGNMENT.**

12 A. The directly assignable basis of cost assignment is utilized to directly charge costs
13 for services specifically performed for a single Client Company. Costs are direct
14 charged to the extent possible. The distributable cost assignment method is used to
15 assign costs for services rendered specifically for two or more Client Companies.
16 This method means that the cost is either directly charged or allocated to two or
17 more, but not all, of the Client Companies. For example, costs incurred on behalf
18 of Duke Energy Kentucky, Duke Energy Ohio and Duke Energy Indiana would be
19 directly charged or allocated, as appropriate, and distributed across all three
20 applicable entities in which these costs related. The allocable method of assignment
21 is used to allocate costs for services of a general nature, which are applicable to all
22 Client Companies or to a class or classes of Client Companies.

1 **Q. WHAT TYPES OF EXPENDITURES ARE DIRECTLY ASSIGNED FROM**
2 **DEBS TO DUKE ENERGY KENTUCKY?**

3 A. DEBS employees who work on a project specifically for Duke Energy Kentucky
4 charge their labor and expenses directly to Duke Energy Kentucky. For example,
5 the legal services function will charge Duke Energy Kentucky directly for work
6 performed specifically for Duke Energy Kentucky. This is determined by the
7 number of hours spent on jurisdictional activities.

8 **Q. PLEASE EXPLAIN THE ALLOCABLE CHARGES FROM DEBS TO**
9 **DUKE ENERGY KENTUCKY.**

10 A. Allocable charges to Duke Energy Kentucky are for a portion of expenditures
11 originating on DEBS' books that are applicable to Duke Energy Kentucky and one
12 or more other Client Companies, but which are not directly assignable to Duke
13 Energy Kentucky. These charges are allocated to Duke Energy Kentucky based on
14 allocation ratios set forth in Appendix A of the DEBS Service Agreement. For
15 example, costs related to Investor Relations activities are applicable to all Duke
16 Energy affiliates but cannot be directly charged to any one affiliate. Those costs are
17 allocated to all affiliates using the allocation factor described for the Investor
18 Relations Function in Appendix A of the DEBS Service Agreement.

19 **Q. WHAT ARE THE ALLOCATION METHODS SPECIFIED IN APPENDIX**
20 **A OF THE DEBS SERVICE AGREEMENT?**

21 A. Twenty (20) allocation ratios are specified in the Debt Service Agreement. These
22 ratios are the: (1) Sales Ratio; (2) Electric Peak Load Ratio; (3) Number of
23 Customers Ratio; (4) Number of Employees Ratio; (5) Construction-Expenditures

Ratio; (6) Miles of Distribution Lines Ratio; (7) Circuit Miles of Electric Transmission Lines Ratio; (8) Millions of Instructions Per Second Ratio; (9) Revenues Ratio; (10) Inventory Ratio; (11) Procurement Spending Ratio; (12) Square Footage Ratio; (13) Gross Margin Ratio; (14) Labor Dollars Ratio; (15) Number of Personal Computer Work Stations Ratio; (16) Number of Information Systems Servers Ratio; (17) Total Property, Plant and Equipment Ratio; (18) Generating Unit MW Capability Ratio; (19) Number of Meters Ratio; and (20) O&M Expenditures Ratio.

Q. WHAT WAS THE RATIONALE BEHIND THE SELECTION OF THESE RATIOS?

A. Consistent with traditional cost causation principles, the ratios represent “cost drivers” for a particular function (*i.e.*, those factors which are the greatest contributors to costs). For example, costs related to human resources are allocated based on the Number of Employees Ratio. Costs related to support of personal computers are allocated based on the Number of Personal Computer Work Stations Ratio. Costs related to meter reading and to customer billing and payment processing in the Marketing and Customer Relations Function are allocated based on the Number of Customers Ratio. For some Functions, costs of a general nature are allocated based on a weighted-average of more than one ratio. The DEBS Service Agreement describes how the weighted-average ratios are calculated.

1 **Q. UNDER WHAT CIRCUMSTANCES ARE THE ALLOCATION RATIOS**
2 **SET FORTH IN APPENDIX A OF THE DEBS SERVICE AGREEMENT**
3 **USED TO DETERMINE CHARGES TO DUKE ENERGY KENTUCKY?**

4 A. The allocation ratios provided in Appendix A of the DEBS Service Agreement are
5 used to assign charges to Client Companies, including Duke Energy Kentucky, for
6 activities that cannot be charged directly. For example, costs associated with the
7 human resources function are allocated to the Client Companies, including Duke
8 Energy Kentucky, using the Number of Employees Ratio as provided in the DEBS
9 Service Agreement.

10 **Q. WHAT PROCESSES DO DEBS' EMPLOYEES FOLLOW IN**
11 **ALLOCATING THEIR TIME AND EXPENSES?**

12 A. All source documents (*e.g.*, time records, expense accounts, and journal entries)
13 applicable to DEBS require a special input code, "Operating Unit" (OU), to be used.
14 The initiating department determines the appropriate OU for each transaction. The
15 specific OU indicates whether the cost should be assigned directly, distributed, or
16 allocated, and it also determines the appropriate percentage allocation to be used.
17 Using the OU, the accounting system will process each transaction and assign the
18 appropriate costs to each respective Client Company. For the allocable OUs, the
19 percentage allocated to each Client Company is determined periodically, at a
20 minimum on an annual basis, by way of a cost study.

1 **Q. PLEASE DESCRIBE FURTHER THE COST STUDY USED TO**
2 **DETERMINE THE OU ALLOCATION PERCENTAGES.**

3 A. On a periodic basis, but no less than annually, DEBS conducts a cost study,
4 applying the applicable data to the allocation ratios described in Appendix A to the
5 DEBS Service Agreement. From these cost studies, DEBS updates the allocation
6 percentages of each allocable OU to reflect the current underlying foundation of
7 the allocation ratios. For example, annually, the OU based on the number of
8 employees, which is primarily utilized by the human resources function within
9 DEBS, is updated to reflect the number of employees of each of DEBS' affiliate
10 companies.

11 **Q. WERE ANY AUDITS CONDUCTED OF DEBS?**

12 A. Yes. Duke Energy has conducted an internal audit of DEBS' cost allocations on a
13 regular basis. In addition, Duke Energy Kentucky agreed to a series of bi-annual
14 audits of its affiliate transactions as part of various merger commitments. The final
15 and most recently completed audit was submitted to the Commission on June 20,
16 2017. To date, these audit reports support that Duke Energy has adequate processes
17 in place for allocating costs and have not found any material or significant
18 deficiencies.

**C. Cost Allocations for Common Costs Shared by Duke Energy
Kentucky and Duke Energy Ohio**

1 **Q. PLEASE EXPLAIN THE DIRECT CHARGES FROM DUKE ENERGY**
2 **OHIO TO DUKE ENERGY KENTUCKY?**

3 A. Direct charges from Duke Energy Ohio to Duke Energy Kentucky are for costs
4 such as employee labor, employee expenses, and inventory (material) transactions
5 which are specifically incurred for Duke Energy Kentucky's natural gas and/or
6 electric operations.

7 **Q. WHAT TYPES OF CHARGES ARE ALLOCATED TO DUKE ENERGY**
8 **KENTUCKY FROM DUKE ENERGY OHIO?**

9 A. Charges allocated to Duke Energy Kentucky from Duke Energy Ohio represent a
10 portion of costs originating on Duke Energy Ohio's books that apply to natural gas
11 and/or electric activities which cannot be charged directly and which apply to both
12 Duke Energy Kentucky and Duke Energy Ohio.

13 **Q. WHAT TYPES OF EXPENDITURES ARE CHARGED DIRECTLY**
14 **VERSUS ALLOCATED TO DUKE ENERGY KENTUCKY?**

15 A. The majority of common costs for Duke Energy Kentucky and Duke Energy Ohio
16 are direct charged to the appropriate affiliate. Expenditures incurred directly for a
17 specific project can be charged directly to Duke Energy Kentucky. A small portion
18 of common costs may be allocated to Duke Energy Kentucky from Duke Energy
19 Ohio. These costs include certain metering and customer related costs.

D. Cost Allocations for Common Costs Shared by Duke Energy Kentucky and Duke Energy's Carolina Utilities

1 **Q. PLEASE EXPLAIN THE AFFILIATE CHARGES FROM DUKE ENERGY**
2 **CAROLINAS AND DUKE ENERGY PROGRESS TO DUKE ENERGY**
3 **KENTUCKY?**

4 A. As part of the Duke Energy and Progress Energy merger certain employees who
5 were engaged in core utility functions that primarily supported the Carolina utilities
6 were transferred in 2013 from DEBS into one of the Carolina utilities. While these
7 employees primarily support the Carolinas, they also provide support to other
8 jurisdictions including Duke Energy Kentucky. As a result of the transfer of
9 employees there was an increase in charges from the Carolinas that was previously
10 incurred from DEBS.

11 **Q. WHAT TYPES OF CHARGES ARE ALLOCATED TO DUKE ENERGY**
12 **KENTUCKY FROM DUKE ENERGY'S CAROLINA UTILITIES?**

13 A. Charges allocated to Duke Energy Kentucky from Duke Energy's Carolina utilities
14 represent a portion of costs originating on the Carolina utilities books that apply to
15 electric and/or natural gas activities which cannot be charged directly and apply to
16 multiple Duke Energy jurisdictions including Duke Energy Kentucky.

17 **Q. WHAT TYPES OF EXPENDITURES ARE CHARGED DIRECTLY**
18 **VERSUS ALLOCATED TO DUKE ENERGY KENTUCKY?**

19 A. The majority of common costs for Duke Energy Kentucky and Duke Energy's
20 Carolina utilities are direct charged to the appropriate affiliate. Expenditures
21 incurred directly for a specific project can be charged directly to Duke Energy
22 Kentucky. A small portion of common costs are allocated to Duke Energy's utilities

1 from the Carolina's including Duke Energy Kentucky. These costs are primarily
2 customer operations related, but also include smaller amounts for engineering,
3 construction, operation, maintenance, and fuel purchasing related costs.

E. A&G Cost Allocations Between Duke Energy Kentucky's Natural Gas and Electric Operations

4 **Q. WHAT TYPES OF EXPENDITURES ARE CHARGED DIRECTLY**
5 **VERSUS ALLOCATED TO DUKE ENERGY KENTUCKY NATURAL GAS**
6 **OR ELECTRIC OPERATIONS?**

7 A. Most expenditures incurred directly for a specific project can be charged directly
8 to a gas or an electric account. Certain administrative costs for general support
9 functions, such as Accounts Payable and Accounting, are common to both natural
10 gas and electric operations, and must be allocated. In addition, a portion of those
11 costs is also capitalized.

12 **Q. HOW HAVE THE ALLOCATION BASIS FOR A&G EXPENDITURES**
13 **BEEN DETERMINED?**

14 A. To the extent that costs cannot be directly charged to natural gas and/or electric
15 expense, they are allocated using a subset of the basis specified in the Operating
16 Company Service Agreement. Annually, a cost study is conducted, applying the
17 applicable data to this subset of allocation. From these cost studies, the allocation
18 percentages of each allocable OU are updated to reflect the current underlying
19 foundation of the allocation ratios. For example, annually, the OU based on the
20 labor dollars ratio, which is primarily utilized for employee related costs, is updated
21 to reflect the labor dollars in both the natural gas and electric functions of Duke
22 Energy Kentucky.

1 **Q. HOW IS THIS INFORMATION USED TO DETERMINE ASSIGNMENT**
2 **OF COMMON A&G COSTS?**

3 A. The cost allocation process for common A&G expenditures allocates costs based
4 on statistical data that best relates to the specific activity to be allocated. For
5 example, employee related costs to be allocated are distributed based on the labor
6 dollars ratio.

7 **Q. WERE THE CURRENT ALLOCATION PROCESSES YOU DESCRIBED**
8 **REFLECTED IN THE FORECASTED TEST PERIOD OF THIS CASE?**

9 A. Yes.

10 **Q. DO YOU ANTICIPATE THE COST ALLOCATION PROCESSES TO**
11 **HAVE A MATERIAL IMPACT TO THE AMOUNT OF EXPENDITURES**
12 **ALLOCATED TO DUKE ENERGY KENTUCKY'S ELECTRIC**
13 **OPERATIONS ON AN ONGOING BASIS?**

14 A. No. Many of the allocation factors are the same as the previous allocation factors.
15 All of the allocation factors have been developed with the intent of assigning costs
16 consistent with cost causation. Given that objective, I do not anticipate a material
17 impact to the amount of expenditures allocated to Duke Energy Kentucky's electric
18 operations.

IV. SCHEDULES AND FILING REQUIREMENTS
SPONSORED BY WITNESS

1 **Q. PLEASE DESCRIBE FR 16(7)(u).**

2 A. FR 16(7)(u) contains the affiliate allocations during the base period, forecasted test
3 period and previous three calendar years.

4 **Q. PLEASE DESCRIBE FR 16(7)(u)(1) SECTION A.**

5 A. FR 16(7)(u)(1) Section A outlines the service functions and methods used during
6 the test year according to the Operating Company Service and Cost-based Non-
7 Utility Service Agreements to allocate costs that could not be charged directly by
8 DEBS to the regulated and non-regulated Duke Energy affiliates, including Duke
9 Energy Kentucky. FR 16(7)(u) Attachment A summarizes the total amount of
10 expenditures charged from DEBS to Duke Energy Kentucky for the three years
11 ended December 31, 2021; 2022; and 2023; and for the base period and the
12 forecasted test period which include the twelve-month periods ending February 28,
13 2025, and June 30, 2026, respectively.

14 **Q. ARE THE ALLOCATION METHODS LISTED IN FR 16(7)(u)(1) SECTION**
15 **A; THE SAME COST ALLOCATION METHODS CONTAINED IN THE**
16 **UTILITY SERVICE AGREEMENT APPROVED FOR USE IN 2010?**

17 A. The allocation methods listed in FR 16(7)(u)(1) Section A are the twenty allocation
18 methods contained in the current Utility Service Agreement.

1 **Q. PLEASE BRIEFLY DESCRIBE FR 16(7)(u)(2-4) SECTION A AND FR**
2 **16(7)(u) ATTACHMENT A.**

3 A. FR 16(7)(u)(2-4) Section A and FR 16(7)(u) Attachment A provide the basis used
4 to allocate common charges between DEBS and Duke Energy Kentucky. FR
5 16(7)(u) Attachment A identifies 16 allocation methods used during the test period
6 to allocate to Duke Energy Kentucky Electric which are either specifically
7 identified or a combination of the allocation methods identified on FR 16(7)(u)(1)
8 Section A. FR 16(7)(u)(2-4) Section A and FR 16(7)(u) Attachment A provide the
9 amount of these costs allocated to Duke Energy Kentucky Electric for the three
10 years ended December 31, 2021; 2022; and 2023; for the base period, and for the
11 forecasted test period ending February 28, 2025 and June 30, 2026, respectively.

12 **Q. PLEASE BRIEFLY DESCRIBE FR 16(7)(u)(1) SECTION B, 16(7)(u)(2-4)**
13 **SECTION B, AND FR 16(7)(u) ATTACHMENT B.**

14 A. FR 16(7)(u)(1) Section B describes the process for assigning costs between Duke
15 Energy Ohio and Duke Energy Kentucky which originate on Duke Energy Ohio's
16 books and are directly assigned or allocated to Duke Energy Kentucky. FR
17 16(7)(u)(2-4) Section B and FR 16(7)(u) Attachment B provide the basis used to
18 allocate charges and the amount of these costs allocated to Duke Energy Kentucky
19 for the three years ended December 31, 2021; 2022; and 2023; for the base period,
20 and for the forecasted test period ending February 28, 2025 and June 30, 2026,
21 respectively.

- 1 **Q. PLEASE BRIEFLY DESCRIBE FR 16(7)(u)(1) SECTION C, FR 16(7)(u)(2-**
2 **4) SECTION C, AND FR 16(7)(u) ATTACHMENT C.**
- 3 A. FR 16(7)(u)(1) Section C describes the purpose and process for assigning costs
4 between Duke Energy Carolina, Duke Energy Progress and Duke Energy
5 Kentucky, which originate on Duke Energy’s Carolina utilities books and are
6 directly assigned or allocated to Duke Energy Kentucky. FR 16(7)(u)(2-4) Section
7 C and FR 16(7)(u) Attachment C provide the basis used to allocate charges and the
8 amount of these costs allocated to Duke Energy Kentucky for the three years ended
9 December 31, 2021; 2022; and 2023; for the base period, and for the forecasted test
10 period ending February 28, 2025 and June 30, 2026, respectively.
- 11 **Q. PLEASE BRIEFLY DESCRIBE FR 16(7)(u)(1) SECTION D, FR 16(7)(u)(2-**
12 **4) SECTION D, AND FR 16(7)(u) ATTACHMENT D.**
- 13 A. FR 16(7)(u)(1) Section D provides the basis used to allocate A&G charges between
14 gas and electric operations for those items that cannot be directly charged. FR
15 16(7)(u)(2-4) Section D and FR 16(7)(u) Attachment D summarize the total amount
16 of A&G expenditures allocated between gas and electric A&G expense accounts
17 for the three years ended December 31, 2021; 2022; and 2023; for the base period,
18 and for the forecasted test period ending February 28, 2025 and June 30, 2026,
19 respectively.

1 **Q. ARE THE ALLOCATIONS INDICATED ON FR 16(7)(u)(1) SECTION D**
2 **USED TO DETERMINE ALL CHARGES THAT SHOULD BE RECORDED**
3 **TO GAS AND ELECTRIC OPERATIONS FOR BOTH CAPITAL AND**
4 **EXPENSE ACCOUNTS?**

5 A. No. Expenditures applicable to gas or electric operations are charged directly
6 whenever possible. For example, employees performing work on a specific project
7 will charge directly to the appropriate gas and/or electric expense or capital account.

8 **Q. IN YOUR OPINION, ARE THE ALLOCATION FACTORS AND COSTS**
9 **ASSIGNED TO DUKE ENERGY KENTUCKY REASONABLE?**

10 A. Yes. These costs are reasonable. All costs are assigned and allocated in compliance
11 with these agreements. Duke Energy's and the Company's accounting processes
12 are audited and verified to ensure that costs are properly assigned and allocated.
13 The amount of costs that are being allocated to Duke Energy Kentucky are
14 consistent with what the Company would otherwise experience if it did not have
15 the benefit of being a part of a larger family of utilities. In fact, based upon the
16 Duke Energy market research for determining salaries for shared and utility
17 employees, the costs of common business functions that are allocated to Duke
18 Energy Kentucky and shared among all affiliated companies result in a lower
19 overall cost to the individual companies than if they had to maintain separate and
20 duplicative individual functions.

1 **Q. DID YOU PROVIDE ANY INFORMATION TO OTHER WITNESSES FOR**
2 **THEIR USE IN THIS PROCEEDING?**

3 A. Yes, I supplied Mr. Carpenter with the allocation factors in effect for his use in
4 developing the forecasted financial data.

V. CONCLUSION

5 **Q. WERE ATTACHMENTS REB-1, REB-2, REB-3, REB-4, REB-5, THE**
6 **INFORMATION YOU PREPARED FOR MR. CARPENTER AND FR**
7 **16(7)(u) PREPARED BY YOU OR UNDER YOUR SUPERVISION?**

8 A. Yes.

9 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

10 A. Yes.

VERIFICATION

STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG) SS:

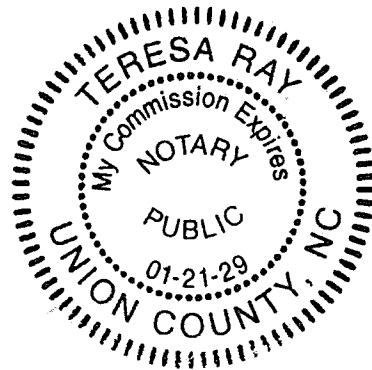
The undersigned, Rebekah E. Buck, Director of Allocations and Reporting, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing testimony and that it is true and correct to the best of her knowledge, information and belief.

Rebekah Buck
Rebekah E. Buck Affiant

Subscribed and sworn to before me by Rebekah E. Buck on this 25th day of November 2024.

Teresa Ray
NOTARY PUBLIC

My Commission Expires: 01/21/29



**SERVICE COMPANY
UTILITY SERVICE AGREEMENT**

This Service Company Utility Service Agreement (this “Agreement”) is by and among Duke Energy Carolinas, LLC (“DEC”), a North Carolina limited liability company, Duke Energy Ohio, Inc., an Ohio corporation (“DEO”), Duke Energy Indiana, LLC an Indiana limited liability company (“DEI”), Duke Energy Kentucky, Inc., a Kentucky corporation (“DEK”), Duke Energy Progress, LLC, a North Carolina limited liability company (“DEP”), Piedmont Natural Gas Company, Inc., a North Carolina corporation (“Piedmont”), Duke Energy Florida, LLC (“DEF”), a Florida limited liability company, and Duke Energy Business Services LLC (“DEBS”), a Delaware limited liability company. DEBS is sometimes hereinafter referred to as a “Service Company.” DEC, DEO, DEI, DEK, DEP, DEF, and Piedmont are sometimes hereinafter referred to individually as a “Client Company” and collectively as the “Client Companies”. The Effective Date as stated herein is the date on which this Agreement is executed or, as may be required, submitted to the appropriate regulatory body for approval, whichever occurs last. This Agreement supersedes and replaces in its entirety all previous Service Company Utility Service Agreements dated before the Effective Date of this Agreement.

WITNESSETH

WHEREAS, each of the Client Companies and the Service Company are direct or indirect subsidiaries of Duke Energy Corporation;

WHEREAS, the Service Company and the Client Companies have entered into this Agreement whereby the Service Company agrees to provide and the Client Companies agree to accept and pay for various services as provided herein at cost, except to the extent otherwise required by Section 482 of the Internal Revenue Code; and

WHEREAS, economies and efficiencies benefiting the Client Companies will result from the performance by the Service Company of services as herein provided;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties to this Agreement covenant and agree as follows:

ARTICLE I – SERVICES

Section 1.1 The Service Company shall furnish to the Client Companies, upon the terms and conditions hereinafter set forth, such of the services described in Appendix A hereto, at such times, for such periods and in such manner as the Client Companies may from time to time request and which the Service Company concludes it is equipped to perform. The Service Company shall also provide Client Companies with such special services, including without limitation cost management services, in addition to those services described in Appendix A hereto, as may be requested by a Client Company and which the Service Company concludes it is equipped to perform. In supplying such services, the Service Company may (i) arrange, where it deems appropriate, for the services of such experts, consultants, advisers and other persons with necessary qualifications as are required for or pertinent to the rendition of such services, and (ii) tender payments to third parties as agent for and on behalf of Client Companies, with such charges being passed through to the appropriate Client Companies.

Section 1.2 Each of the Client Companies shall take from the Service Company such of the services described in Section 1.1 and such additional general or special services, whether or not now contemplated, as are requested from time to time by the Client Companies and which the Service Company concludes it is equipped to perform.

Section 1.3 The services described herein shall be directly assigned, distributed or allocated by activity, process, project, responsibility center, work order or other appropriate basis. A Client Company shall have the right from time to time to amend, alter or rescind any activity, process, project, responsibility center or work order, provided that (i) any such amendment or alteration which results in a material change in the scope of the services to be performed or equipment to be provided is agreed to by the Service Company, (ii) the cost for the services covered by the activity, process, project, responsibility center or work order shall include any expense incurred by the Service Company as a direct result of such amendment, alteration or rescission of the activity, process, project, responsibility center or work order, and (iii) no amendment, alteration or rescission of an activity, process, project, responsibility center or work order shall release a Client Company from liability for all costs already incurred by or contracted for by the Service Company pursuant to the activity, process, project, responsibility center or work order, regardless of whether the services associated with such costs have been completed.

Section 1.4 The Service Company shall maintain a staff trained and experienced in the design, construction, operation, maintenance and management of public utility properties.

ARTICLE II - COMPENSATION

Section 2.1 Except to the extent otherwise required by Section 482 of the Internal Revenue Code, as compensation for the services to be rendered hereunder, each of the Client Companies shall pay to the Service Company all costs which reasonably can be identified and related to particular services performed by the Service Company for or on its behalf. Where more than one Client Company is involved in or has received benefits from a service performed, costs will be directly assigned, distributed or allocated, as set forth in Appendix A hereto, between or among such companies on a basis reasonably related to the service performed to the extent reasonably practicable.

Section 2.2 The method of assignment, distribution or allocation of costs described in Appendix A shall be subject to review annually, or more frequently if appropriate. Such method of assignment, distribution or allocation of costs may be modified or changed by the Service Company without the necessity of an amendment to this Agreement, provided that in each instance, all services rendered hereunder shall be at actual cost thereof, fairly and equitably assigned, distributed or allocated, except to the extent otherwise required by Section 482 of the Internal Revenue Code. The Service Company shall promptly advise the Client Companies of any material changes in such method of assignment, distribution or allocation. As appropriate, the Client Companies shall advise the North Carolina Utilities Commission ("NCUC"), the Public Service Commission of South Carolina, the Florida Public Service Commission; the Indiana Utility Regulatory Commission, the Public Utilities Commission of Ohio, the Kentucky Public Service Commission, and the Tennessee Regulatory Authority ("the "Affected State Commissions") of any such changes. Such notice shall be in compliance with the requirements of applicable state law, regulations and regulatory conditions.

Section 2.3 The Service Company shall render a monthly statement to each Client Company which shall reflect the billing information necessary to identify the costs charged for that month. By the last day of each month, each Client Company shall remit to the Service Company all charges billed to it. For avoidance of doubt, the Service Company and each Client Company may satisfy the foregoing requirement by recording billings and payments required hereunder in their common accounting systems without rendering paper or electronic monthly statements or remitting cash payments.

Section 2.4 Subject to Section 482 of the Internal Revenue Code, it is the intent of this Agreement that the payment for services rendered by the Service Company to the Client Companies shall cover all the costs of its doing business (less the cost of services provided to affiliated companies not a party to

this Agreement and to other non-affiliated companies, and credits for any miscellaneous income items), including, but not limited to, salaries and wages, office supplies and expenses, outside services employed, property insurance, injuries and damages, employee pensions and benefits, miscellaneous general expenses, rents, maintenance of structures and equipment, depreciation and amortization and compensation for use of capital. Without limitation of the foregoing, "cost," as used in this Agreement, means fully embedded cost, namely, the sum of (1) direct costs, (2) indirect costs and (3) costs of capital.

ARTICLE III - TERM

Section 3.1 This Agreement is entered into as of the Effective Date and shall continue in force with respect to a Client Company until terminated by the Service Company and Client Company with respect to such Client Company (provided that no such termination with respect to less than all of the Client Companies shall thereby affect the term of this Agreement or any of the provisions hereof) or until terminated by unanimous agreement of all the parties then signatory to this Agreement.

ARTICLE IV – ACCOUNTS AND RECORDS

Section 4.1 The Service Company shall utilize the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission.

Section 4.2 The Service Company shall permit each Affected State Commission and applicable statutory utility consumer representative(s), together with other interested parties as required under applicable law, access to its accounts and records, including the basis and computation of allocations, necessary for each Affected State Commission to review a Client Company's operating results.

ARTICLE V – MISCELLANEOUS

Section 5.1 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each party and delivered to the other parties.

Section 5.2 Entire Agreement; No Third Party Beneficiaries. This Agreement (including Appendix A and any other appendices or other exhibits or schedules hereto) (i) constitutes the entire agreement, and supersedes any prior agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Agreement; and (ii) is not intended to confer upon any person other than the parties hereto any rights or remedies.

Section 5.3 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, regardless of the laws that might otherwise govern under applicable principles of conflict of laws.

Section 5.4 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of each of the other parties. Any attempted or purported assignment in violation of the preceding sentence shall be null and void and of no effect whatsoever. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 5.5 Amendments. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties. To the extent that applicable state law or regulation or other binding obligation requires that

any such amendment be filed with any Affected State Commission for its review or otherwise, each Client Company shall comply in all respects with any such requirements.

Section 5.6 Interpretation. When a reference is made in this Agreement to an Article, Section or Appendix or other Exhibit, such reference shall be to an Article or Section of, or an Appendix or other Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term. References to a person are also to its permitted successors and assigns.

Section 5.7 DEC, DEP, and Piedmont Conditions. In addition to the terms and conditions set forth herein, with respect to DEC and DEP, the provisions set out in Appendix B are hereby incorporated herein by reference. In addition, DEC’s, DEP’s, and Piedmont’s participation in this Agreement is explicitly subject to the Regulatory Conditions and Code of Conduct approved by the NCUC in its Order Approving Merger Subject to Regulatory Conditions and Code of Conduct issued, in NCUC Docket Nos. E-2, Sub 1095, E-7, Sub 1100, and G-9, Sub 682. In the event of any conflict between the provisions of this Agreement and the approved Regulatory Conditions and Code of Conduct provisions, the Regulatory Conditions and Code of Conduct shall govern.

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be executed as of March 29, 2022.

DUKE ENERGY BUSINESS SERVICES LLC

By: _____
Cassandra M. Springer
Assistant Secretary

DUKE ENERGY CAROLINAS, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

DUKE ENERGY OHIO, INC.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

DUKE ENERGY INDIANA, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

DUKE ENERGY KENTUCKY, INC.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

DUKE ENERGY PROGRESS, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

DUKE ENERGY FLORIDA, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

PIEDMONT NATURAL GAS COMPANY, INC.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

Description of Services and Determination of Charges for Services

I. The Service Company will maintain an accounting system for accumulating all costs on an activity, process, project, responsibility center, work order, or other appropriate basis. To the extent practicable, time records of hours worked by Service Company employees will be kept by activity, process, project, responsibility center or work order. Charges for salaries will be determined from such time records and will be computed on the basis of employees' labor costs, including the cost of fringe benefits, indirect labor costs and payroll taxes. Records of employee-related expenses and other indirect costs will be maintained for each functional group within the Service Company (hereinafter referred to as "Function"). Where identifiable to a particular activity, process, project, responsibility center or work order, such indirect costs will be directly assigned to such activity, process, project, responsibility center or work order. Where not identifiable to a particular activity, process, project, responsibility center or work order, such indirect costs within a Function will be distributed in relationship to the directly assigned costs of the Function. For purposes of this Appendix A, any costs not directly assigned or distributed by the Service Company will be allocated monthly.

II. Service Company costs accumulated for each activity, process, project, responsibility center or work order will be directly assigned, distributed, or allocated to the Client Companies or other Functions within the Service Company as follows:

1. Costs accumulated in an activity, process, project, responsibility center or work order for services specifically performed for a single Client Company or Function will be directly assigned and charged to such Client Company or Function.

2. Costs accumulated in an activity, process, project, responsibility center or work order for services specifically performed for two or more Client Companies or Functions will be distributed among and charged to such Client Companies or Functions. The appropriate method of distribution will be determined by the Service Company on a case-by-case basis consistent with the nature of the work performed and will be based on the application of one or more of the methods described in paragraphs IV and V of this

Appendix A. The distribution method will be provided to each such affected Client Company or Function.

3. Costs accumulated in an activity, process, project, responsibility center or work order for services of a general nature which are applicable to all Client Companies or Functions or to a class or classes of Client Companies or Functions will be allocated among and charged to such Client Companies or Functions by application of one or more of the methods described in paragraphs IV and V of this Appendix A.

III. For purposes of this Appendix A, the following definitions or methodologies shall be utilized:

1. Where applicable, the following will be utilized to convert gas sales to equivalent electric sales: 1 cubic foot of gas sales equals 0.303048 kilowatt-hour of electric sales (based on electricity at 3412 Btu/kWh and natural gas at 1034 Btu/cubic foot).

2. "Domestic utility" refers to a utility which operates in the contiguous United States of America.

3. "Gross margin" refers to revenues as defined by Generally Accepted Accounting Principles, less cost of sales, including but not limited to fuel, purchased power, emission allowances and other cost of sales.

4. "Distribution" means electric distribution and local gas distribution as applicable.

5. "Distribution Lines" mean electric power lines at distribution voltages measured in circuit miles, and gas mains and lines, as applicable.

The weights utilized in the weighted average ratios in paragraph V of this Appendix A shall represent the percentage relationship of the activities associated with the function for which costs are to be allocated. For example, if an expense item is to be allocated on the weighted average of the Gross Margin Ratio, the Labor Dollars Ratio and the Total Property, Plant and Equipment ("PP&E") Ratio, and the activity to be allocated is one-third gross margin related, one-third labor related and one-third PP&E related, 33 percent of the Gross Margin Ratio would be utilized, 33 percent of the Labor Dollars Ratio and 34

percent of the PP&E Ratio would be utilized. To illustrate this application, assuming that the Gross Margin Ratio were 53.75 percent for Company A and 46.25 percent for Company B, the Labor Dollars Ratio were 25 percent for Company A and 75 percent for Company B, and the Total PP&E Ratio were 60 percent for Company A and 40 percent for Company B, the following weighted average ratio would be computed:

Activity	Weight	Company A		Company B	
		Ratio	Weighted	Ratio	Weighted
Gross Margin Ratio	33%	53.75%	17.74%	46.25%	15.26%
Labor Dollars Ratio	33%	25.00%	8.25%	75.00%	24.75%
Total Property, Plant and Equipment Ratio	<u>34%</u>	60.00%	<u>20.40%</u>	40.00%	<u>13.60%</u>
	100%		46.39%		53.61%

IV. The following allocation methods will be applied, as specified in paragraph V of this Appendix A, to assign costs for services applicable to two or more clients and/or to allocate costs for services of a general nature.

1. Sales Ratio

A ratio, based on the applicable domestic firm kilowatt-hour electric sales (and/or the equivalent cubic feet of gas sales, where applicable), excluding intra-system sales, for a preceding twelve consecutive calendar month period, the numerator of which is for a Client Company and the denominator of which is for all utility Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable), This ratio will be determined annually, or at such time as may be required due to a significant change.

2. Electric Peak Load Ratio

A ratio, based on the sum of the applicable monthly domestic firm electric maximum system demands for a preceding twelve consecutive calendar month period, the numerator of which is for a Client Company and the denominator of which is for all utility Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where

applicable). This ratio will be determined annually, or at such time as may be required due to a significant change.

3. Number of Customers Ratio

A ratio, based on the sum of the applicable domestic firm electric customers (and/or gas customers, where applicable) at the end of a recent month in the preceding twelve consecutive calendar month period, the numerator of which is for a Client Company and the denominator of which is for all domestic utility Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). This ratio will be determined annually, or at such time as may be required due to a significant change.

4. Number of Employees Ratio

A ratio, based on the applicable number of employees at the end of a recent month in the preceding twelve consecutive month period, the numerator of which is for a Client Company or Service Company Function and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable) and/or the Service Company. This ratio will be determined annually, or at such time as may be required due to a significant change.

5. Construction-Expenditures Ratio

A ratio, based on the applicable projected construction expenditures for the following twelve consecutive calendar month period, the numerator of which is for a Client Company and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). Separate ratios will be computed for total construction expenditures and appropriate functional plant (i.e., production, transmission, Distribution, and general) classifications. This ratio will be determined annually, or at such time as may be required due to a significant change.

6. Miles of Distribution Lines Ratio

In the case of electric Distribution, a ratio, based on the applicable installed circuit miles of domestic electric Distribution Lines, and in the case of gas Distribution, a ratio, based on the applicable installed miles of domestic gas Distribution Lines, in either case at the end of the preceding calendar year, the numerator of which is for a Client Company and the denominator of which is for all domestic utility Client Companies. This ratio will be determined annually, or at such time as may be required due to a significant change.

7. Circuit Miles of Electric Transmission Lines Ratio

A ratio, based on the applicable installed circuit miles of domestic electric transmission lines at the end of the preceding calendar year, the numerator of which is for a Client Company and the denominator of which is for all domestic utility Client Companies. This ratio will be determined annually, or at such time as may be required due to a significant change.

8. Millions of Instructions Per Second Ratio

A ratio, based on the sum of the applicable number of millions of instructions per second (MIPS) used to execute mainframe computer software applications for a preceding twelve consecutive calendar month period, the numerator of which is for a Client Company or Service Company Function, and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable) and/or the Service Company. This ratio will be determined annually, or at such time as may be required due to a significant change.

9. Revenues Ratio

A ratio, based on the total applicable revenues for a preceding twelve consecutive calendar month period, the numerator of which is for a Client

Company and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). This ratio will be determined annually or at such time as may be required due to a significant change.

10. Inventory Ratio

A ratio, based on the total applicable inventory balance for the preceding year, the numerator of which is for a Client Company and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). Separate ratios will be computed for total inventory and the appropriate functional plant (i.e., production, transmission, Distribution, and general) classifications. This ratio will be determined annually or at such time as may be required due to a significant change.

11. Procurement Spending Ratio

A ratio, based on the total amount of applicable procurement spending for the preceding year, the numerator of which is for a Client Company or Service Company Function and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable) and/or the Service Company. Separate ratios will be computed for total procurement spending and appropriate functional plant (i.e., production, transmission, Distribution, and general) classifications. This ratio will be determined annually or at such time as may be required due to a significant change.

12. Square Footage Ratio

A ratio, based on the total amount of applicable square footage occupied in a recent month in the preceding twelve consecutive month period, the numerator of which is for a Client Company or Service Company Function and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable)

and/or the Service Company. This ratio will be determined annually or at such time as may be required due to a significant change.

13. Gross Margin Ratio

A ratio, based on the total applicable gross margin for a preceding twelve consecutive calendar month period, the numerator of which is for a Client Company and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). This ratio will be determined annually or at such time as may be required due to a significant change.

14. Labor Dollars Ratio

A ratio, based on the total applicable labor dollars for a preceding twelve consecutive calendar month period, the numerator of which is for a Client Company or Service Company Function and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable) and/or the Service Company. This ratio will be determined annually or at such time as may be required due to a significant change.

15. Number of Personal Computer Work Stations Ratio

A ratio, based on the total number of applicable personal computer work stations at the end of a recent month in the preceding twelve consecutive month period, the numerator of which is for a Client Company or Service Company Function and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable) and/or the Service Company. This ratio will be determined annually or at such time as may be required due to a significant change.

16. Number of Information Systems Servers Ratio

A ratio, based on the total number of applicable servers at the end of a recent month in the preceding twelve consecutive month period, the numerator of which is for a Client Company or Service Company Function and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable) and/or the Service Company. This ratio will be determined annually or at such time as may be required due to a significant change.

17. Total Property, Plant and Equipment Ratio

A ratio, based on the total applicable Property, Plant and Equipment balance (net of accumulated depreciation and amortization) for the preceding year, the numerator of which is for a Client Company and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). This ratio will be determined annually or at such time as may be required due to a significant change.

18. Generating Unit MW Capability / Maximum Dependable Capacity (MDC) Ratio A ratio, based on the total applicable installed megawatt capability for the preceding year, the numerator of which is for a Client Company and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). This ratio will be determined annually or at such time as may be required due to a significant change.

19. Number of Meters Ratio

A ratio, based on the number of electric and/or gas meters, as applicable, the numerator of which is for a Client Company and the denominator of which is for all domestic utility Client Companies. Separate ratios will be computed for appropriate meter classifications (e.g., type of metering

technology). This ratio will be determined annually, or at such time as may be required due to a significant change.

20. O&M Expenditures Ratio

A ratio, based on the operation and maintenance (O&M) expenditures for a prior twelve month period, the numerator of which is for a Client Company and the denominator of which is for all Client Companies (and Duke Energy Corporation's non-utility and non-domestic utility affiliates, where applicable). Separate ratios will be computed for total O&M expenditures and appropriate functional plant (i.e., production, transmission, Distribution, and general) classifications. This ratio will be determined annually.

V. A description of each Function's activities, which may be modified from time to time by the Service Company, is set forth below in paragraph "a" under each Function. As described in paragraph II, "1" and "2" of this Appendix A, where identifiable, costs will be directly assigned or distributed to Client Companies or to other Functions of the Service Company. For costs accumulated in activities, processes, projects, responsibility centers, or work orders which are for services of a general nature that cannot be directly assigned or distributed, as described in paragraph II, "3" of this Appendix A, the method or methods of allocation are set forth below in paragraph "b" under each Function. For any of the functions set forth below other than Information Systems, Transportation, Human Resources or Facilities, costs of a general nature to be allocated pursuant to this Agreement shall exclude costs of a general nature which have been allocated to affiliated companies not a party to this Agreement. Substitution or changes may be made in the methods of allocation hereinafter specified, as may be appropriate, and will be provided to state regulatory agencies and to each Client Company. Any such substitution or changes shall be in compliance with the requirements of applicable state law, regulations and regulatory conditions.

1. Information Systems

a. Description of Function

Provides communications and electronic data processing services. The activities of the Function include:

- (1) Development and support of mainframe computer software applications.
- (2) Procurement and support of personal computers and related network and software applications.
- (3) Development and support of distributed computer software applications (e.g., servers).
- (4) Installation and operation of communications systems.
- (5) Information systems management and support services.

b. Method of Allocation

- (1) Development and support of mainframe computer software applications - allocated between the Client Companies and other Functions of the Service Company based on the number of Millions of Instructions per Second Ratio (MIPS).
- (2) Procurement and support of personal computers and related network and software applications - allocated to the Client Companies and to other Functions of the Service Company based on the Number of Personal Computer Work Stations Ratio.
- (3) Development and support of distributed computer software applications - allocated to the Client Companies and to other Functions of the Service Company based on the Number of Information Systems Servers Ratio.
- (4) Installation and operation of communications systems - allocated to the Client Companies and to other Functions of the Service Company based on the Number of Employees Ratio.
- (5) Information systems management and support services – allocated to the Client Companies and to other Functions of the Service Company based on the Number of Personal Computer Work Stations Ratio.

2. Meters

a. Description of Function

Procures, tests and maintains meters.

b. Method of Allocation

Allocated to the Client Companies based on the Number of Customers Ratio.

3. Transportation

a. Description of Function

(1) Procures and maintains vehicles and equipment.

(2) Procures and maintains aircraft and equipment.

b. Method of Allocation

(1) The costs of maintaining vehicles and equipment are allocated to the Client Companies and to other Functions of the Service Company based on the Number of Employees Ratio.

(2) The costs of maintaining aircraft and equipment are allocated to the Client Companies and to other Functions of the Service Company based on a weighted average of the Gross Margin Ratio, the Labor Dollars Ratio and the PP&E Ratio.

4. System Maintenance

a. Description of Function

Coordinates maintenance and support of electric transmission systems and electric and gas Distribution systems.

b. Method of Allocation, note: where applicable, allocations specific to gas will follow similar methodologies.

(1) Services related to electric transmission systems - allocated to the Client Companies based on the Circuit Miles of Electric Transmission Lines Ratio.

(2) Services related to electric Distribution systems - allocated to the Client Companies based on the Miles of Distribution Lines Ratio.

(3) Services related to gas Distribution systems – allocated to the Client Companies based on the Labor Dollars Ratio.

5. Marketing and Customer Relations

a. Description of Function

Advises the Client Companies in relations with domestic utility customers.

The activities of the Function include:

- (1) Design and administration of sales and demand-side management programs.
- (2) Customer meter reading, billing and payment processing.
- (3) Customer services including the operation of call center.

b. Method of Allocation

- (1) Design and administration of sales and demand-side management programs - allocated to the Client Companies based on the Number of Customers Ratio.
- (2) Customer billing and payment processing - allocated to the Client Companies based on the Number of Customers Ratio.
- (3) Customer Services - allocated to the Client Companies based on the Number of Customers Ratio.

6. Transmission and Distribution Engineering and Construction

a. Description of Function

Designs and monitors construction of electric transmission and electric and gas Distribution Lines and associated facilities. Prepares cost and schedule estimates, visits construction sites to ensure that construction activities coincide with plans, and administers construction contracts.

b. Method of Allocation, note: where applicable, allocations specific to gas will follow similar methodologies.

- (1) Transmission engineering and construction allocated to the Client Companies based on the Electric Transmission Plant's Construction-Expenditures Ratio.
- (2) Distribution engineering and construction allocated to the Client Companies based on the Distribution plant's Construction-Expenditures Ratio.

7. Power Engineering and Construction

a. Description of Function

Designs, monitors and supports the construction and retirement of electric generation facilities. Prepares specifications and administers contracts for construction of new electric generating units, improvements to existing electric generating units, and the retirement of existing electric generating equipment, including developing associated operating processes with operations personnel. Prepares cost and schedule estimates and visits construction sites to ensure that construction and retirement activities meet schedules and plans.

b. Method of Allocation

Allocated to the Client Companies based on the Electric Production Plant's Construction-Expenditures Ratio.

8. Human Resources

a. Description of Function

Establishes and administers policies and supervises compliance with legal requirements in the areas of employment, compensation, benefits and employee health and safety. Processes payroll and employee benefit payments. Supervises contract negotiations and relations with labor unions.

b. Method of Allocation

Allocated to the Client Companies and to other Functions of the Service Company based on the Number of Employees Ratio.

9. Supply Chain

a. Description of Function

Provides services in connection with the procurement of materials and contract services, processes payments to vendors, and provides management of material and supplies inventories.

b. Method of Allocation

- (1) Procurement of materials and contract services and vendor payment processing - allocated to the Client Companies and to other Functions of the Service Company based on the Procurement Spending Ratio.
- (2) Management of materials and supplies inventory – allocated to the Client Companies on the Inventory Ratio.

10. Facilities

a. Description of Function

Operates and maintains office and service buildings. Provides security and housekeeping services for such buildings and procures office furniture and equipment.

b. Method of Allocation

Allocated to the Client Companies and to other Functions of the Service Company based on the Square Footage Ratio.

11. Accounting

a. Description of Function

Maintains the books and records of Duke Energy Corporation and its affiliates, prepares financial and statistical reports, prepares tax filings and supervises compliance with the laws and regulations.

b. Method of Allocation

(1) Allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollar Ratio and the PP&E Ratio.

(2) Certain merger related costs are allocated based on Generating Unit MW Capability/ MDC Ratio.

12. Power and Gas Planning and Operations

a. Description of Function

Coordinate the planning, management and operation of Duke Energy Corporation's power generation, transmission and electric and gas Distribution systems. The activities of the Function include:

- (1) System Planning - planning of additions and retirements to the electric generation units and transmission and electric and gas Distribution systems belonging to the regulated utilities owned by Duke Energy Corporation.
 - (2) System Operations - coordination of the dispatch and operation of the electric generating units and transmission and electric and gas Distribution systems belonging to the regulated utilities owned by Duke Energy Corporation.
 - (3) Power Operations – provides management and support services for the electric generation units owned or operated by subsidiaries of Duke Energy Corporation.
 - (4) Wholesale Power Operations – coordination of Duke Energy Corporation's wholesale power operations.
- b. Method of Allocation, note: where applicable, allocations specific to gas will follow similar methodologies.
- (1) System Planning
 - (a) Generation planning - allocated to the Client Companies based on the Electric Peak Load Ratio.
 - (b) Transmission planning – allocated to the Client Companies based on the Electric Peak Load Ratio.
 - (c) Electric Distribution planning - allocated to the Client Companies based on a weighted average of the Miles of Distribution Lines Ratio and the Electric Peak Load Ratio.
 - (d) Gas Distribution planning – allocated to the Client Companies based on the Construction-Expenditures Ratio.
 - (2) System Operations –
 - (a) Generation Dispatch - allocated to the Client Companies based on the Sales Ratio.
 - (b) Transmission Operations - allocated to the Client Companies based on a weighted average of the Circuit Miles of Electric Transmission Lines Ratio and the Electric Peak Load Ratio.

- (c) Electric Distribution Operations - allocated to the Client Companies based on a weighted average of the Miles of Distribution Lines Ratio and the Electric Peak Load Ratio.
 - (d) Gas Distribution Operations – allocated to the Client Companies based on the Construction-Expenditures Ratio.
-
- (3) Power Operations – allocated to the Client Companies based on the Generating Unit MW Capability / Maximum Dependable Capacity (MDC) Ratio.
 - (4) Wholesale Power Operations – allocated to the Client Companies based on the Sales Ratio.

13. Public Affairs

a. Description of Function

Prepares and disseminates information to employees, customers, government officials, communities and the media. Provides graphics, reproduction lithography, photography and video services.

b. Method of Allocation

- (1) Services related to corporate governance, public policy, management and support services - allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollar Ratio and the PP&E Ratio.
- (2) Services related to utility specific activities - allocated to the Client Companies based on a weighted average of the Number of Customers Ratio and the Number of Employees Ratio.

14. Legal

a. Description of Function

Renders services relating to labor and employment law, litigation, contracts, rates and regulatory affairs, environmental matters, financing, financial reporting, real estate and other legal matters.

b. Method of Allocation

Allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollar Ratio and the PP&E Ratio.

15. Rates

a. Description of Function

Services related to rate design and analysis, and rates support. Such as: determines the Client Companies' revenue requirements and rates to electric and gas requirements customers; administers interconnection and joint ownership agreements; researches and forecasts customers' usage.

b. Method of Allocation

Allocated to the Client Companies based on the Sales Ratio.

16. Finance

a. Description of Function

Renders services to Client Companies with respect to investments, financing, cash management, risk management, claims and fire prevention. Prepares budgets, financial forecasts and economic analyses.

b. Method of Allocation

Allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollar Ratio and the PP&E Ratio.

17. Rights of Way

a. Description of Function

Purchases, surveys, records, and sells real estate interests for Client Companies.

b. Method of Allocation, note: where applicable, allocations specific to gas will follow similar methodologies.

(1) Services related to Distribution system - allocated to the Client Companies based on the Miles of Distribution Lines Ratio.

(2) Services related to electric generation system- allocated to the Client Companies based on the Electric Peak Load Ratio.

- (3) Services related to electric transmission system – allocated to the Client Companies based on the Circuit Miles of Electric Transmission Lines Ratio.

18. Internal Auditing

a. Description of Function

Reviews internal controls and procedures to ensure that assets are safeguarded and that transactions are properly authorized and recorded.

b. Method of Allocation

Allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollar Ratio and the PP&E Ratio.

19. Environmental, Health and Safety

a. Description of Function

Establishes policies and procedures and governance framework for compliance with environmental, health and safety (“EHS”) issues, monitors compliance with EHS requirements and provides EHS compliance support to the Client Companies’ personnel.

b. Method of Allocation

(1) Services related to corporate governance, environmental policy, management and support services - allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollar Ratio and the PP&E Ratio.

(2) Services related to utility specific activities – allocated to the Client Companies based on the Sales Ratio.

20. Fuels

a. Description of Function

Procures coal, gas and oil for the Client Companies. Ensures compliance with price and quality provisions of fuel contracts and arranges for transportation of the fuel to the generating stations.

b. Method of Allocation

Allocated to the Client Companies based on the Sales Ratio.

21. Investor Relations

a. Description of Function

Provides communications to investors and the financial community, performs transfer agent and shareholder record keeping functions, administers stock plans and performs stock-related regulatory reporting.

b. Method of Allocation

Allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollars Ratio and the PP&E Ratio.

22. Planning

a. Description of Function

Facilitates preparation of strategic and operating plans, monitors trends and evaluates business opportunities.

b. Method of Allocation

Allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollars Ratio and the PP&E Ratio.

23. Executive

a. Description of Function

Provides general administrative and executive management services.

b. Method of Allocation

Allocated to the Client Companies based on a weighted average of the Gross Margin Ratio, the Labor Dollars Ratio and the PP&E Ratio.

24. Nuclear Development

a. Description of Function

Provides design, engineering, project management and licensing for potentially proposed new operating units.

b. Method of Allocation

Directly assigned/charged to participating jurisdictions.

OPERATING COMPANIES SERVICE AGREEMENT

This Operating Companies Service Agreement (this “Agreement”) by and among Duke Energy Carolinas, LLC (“DEC”), a North Carolina limited liability company, Duke Energy Ohio, Inc. (“DEO”), an Ohio corporation, Duke Energy Indiana, LLC (“DEI”), an Indiana limited liability company, Duke Energy Kentucky, Inc. (“DEK”), a Kentucky corporation, Duke Energy Progress, LLC (“DEP”), a North Carolina limited liability company, and Duke Energy Florida, LLC (“DEF”), a Florida limited liability company and Piedmont Natural Gas Company, Inc., a North Carolina corporation (“Piedmont”), supersedes and replaces in its entirety all previous Operating Company Service Agreements dated before the Effective Date of this Agreement. The Effective date as stated herein is the date on which this agreement is signed or, as may be required, submitted to the appropriate regulatory body for approval, whichever occurs last. DEC, DEO, DEI, DEK, DEP, DEF and Piedmont are referred to collectively as the “Operating Companies” and, individually, an “Operating Company.”

WITNESSETH:

WHEREAS, Duke Energy Corporation (“Duke Energy”) is a Delaware corporation;

WHEREAS, each Operating Company is a subsidiary of Duke Energy and a public utility company;

WHEREAS, in the ordinary course of their businesses, Operating Companies maintain organizations of employees with technical expertise in matters affecting public utility companies and related businesses and own or acquire related equipment, facilities, properties and other resources; and

WHEREAS, subject to the terms and conditions herein set forth, and taking into consideration the parties’ utility responsibilities or primary business operations, as the case may be, the parties hereto are willing, upon request from time to time, to perform such services, and in connection therewith to make available such equipment, facilities, properties and other resources, as they shall request from each other;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree as follows:

ARTICLE 1. PROVISION OF SERVICES; LOANED EMPLOYEES

Section 1.1 Provision of Services.

(a) Except as hereinafter provided with respect to DEC, DEP, and Piedmont providing services for each other, upon receipt by a party hereto (in such capacity, a “Service Provider”) of a written request in substantially the same form attached hereto as Exhibit A (a “Service Request”) from another party hereto (in such capacity, a “Client Company”) for the provision to such Client

Company of such services as are specified therein, including if applicable use of any related equipment, facilities, properties or other resources (collectively, “Services”), the Service Provider, if in its sole discretion it has available the personnel or other resources needed to perform the Service Request without impairment of its utility responsibilities or business operations, as the case may be, shall furnish such Services to the Client Company at such times, for such periods and in such manner as the Client Company shall have so requested and otherwise in accordance with the provisions hereof.

(b) For purposes of this Agreement, “Services” may include, but shall not be limited to, services in such areas as engineering and construction; operations and maintenance; customer operations; installation services; equipment testing; generation technical support; environmental, health and safety; and procurement services (including, but not limited to, fuel procurement).

(c) “Services” may also include the use of assets, equipment and facilities, provided the Client Company compensates the Service Provider for such use in accordance with Article 3.

(d) For the avoidance of doubt, affiliate transactions involving sales or other transfers of assets, goods, energy commodities (including electricity, natural gas, coal and other combustible fuels) or thermal energy products are outside the scope of this Agreement.

Section 1.2 Loaned Employees.

(a) If specifically requested in connection with the provision of Services, Service Provider shall loan one or more of its employees to such Client Company, provided that such loan shall not, in the sole discretion of Service Provider, interfere with or impair Service Provider’s utility responsibilities or business operations, as the case may be. After the commencement thereof, any such loaned employees may be withdrawn by Service Provider from tasks duly assigned by Client Company, prior to completion thereof as contemplated in the associated Service Request, only with the consent of Client Company (which shall not be unreasonably withheld or delayed), except in the event of a demonstrable emergency requiring the use of any such employees in another capacity for Service Provider.

(b) While performing work on behalf of Client Company, any such loaned employees shall be under its supervision and control, and Client Company shall be responsible for their actions to the same extent as though such persons were its employees (it being understood that such persons shall nevertheless remain employees of Service Provider and nothing herein shall be construed as creating an employer-employee relationship between any Client Company and any loaned employees). Accordingly, for the duration of any such loan, Service Provider shall continue to provide its loaned employees with the same payroll, pension, savings, tax withholding, unemployment, bookkeeping and other personnel support services then being provided by Service Provider to its other employees.

ARTICLE 2. SERVICE REQUESTS

Section 2.1 Procedure. All Services (including any loans of employees) (i) shall be performed in accordance with Service Requests issued by or on behalf of Client Company and

accepted by Service Provider and (ii) shall be assigned to applicable activities, processes, projects, responsibility centers or on other appropriate bases to enable specific work to be properly assigned. Service Requests shall be as specific as practicable in defining the Services requested. Client Company shall have the right from time to time to amend or rescind any Service Request, *provided* that (a) Service Provider consents to any amendment that results in a material change in the scope of Services to be provided, (b) the costs associated with an amended or rescinded Service Request shall include the costs incurred by Service Provider as a result of such amendment or rescission, and (c) no amendment or rescission of a Service Request shall release Client Company from any liability for costs already incurred or contracted for by Service Provider pursuant to the original Service Request, regardless of whether any labor or the furnishing of any property or other resources has been commenced or completed.

ARTICLE 3. COMPENSATION FOR SERVICES

Section 3.1 Cost of Services. As compensation for any Services rendered to it pursuant to this Agreement, Client Company shall pay to Service Provider the Cost thereof, except to the extent otherwise required by Section 482 of the Internal Revenue Code. "Costs" means the sum of (i) direct costs, (ii) indirect costs and (iii) costs of capital. As soon as practicable after the close of each month, Service Provider shall render to each Client Company a statement reflecting the billing information necessary to identify the costs charged for that month. By the last day of each month, Client Company shall remit to Service Provider all charges billed to it. For avoidance of doubt, the Service Provider and each Client Company may satisfy the foregoing requirement by recording billings and payments required hereunder in their common accounting systems without rendering paper or electronic monthly statements or remitting cash payments.

Section 3.2 Exception. In the event any Services to be rendered under this Agreement are to be provided to or from DEC, DEP, and Piedmont in accordance with DEC's, DEP's, and Piedmont's North Carolina Code of Conduct at anything other than fully embedded cost as described above, then prior to entering into the transaction, DEI, DEK, DEF or DEO, whichever is applicable, shall provide 30 days written notice to the respective state commission staffs and state consumer representatives explaining the proposed transaction, including the benefits of the transaction. If no objection is received within 30 days, then the transaction may proceed. If one or more third parties object to the transaction in writing within 30 days, then DEI, DEK, DEF or DEO, whichever is applicable, must seek specific state commission approval of the transaction prior to entering into the transaction.

ARTICLE 4. LIMITATION OF LIABILITY; INDEMNIFICATION

Section 4.1 Limitation of Liability/Services. In performing Services pursuant to Section 1.1 hereof, Service Provider will exercise due care to assure that the Services are performed in a workmanlike manner in accordance with the specifications set forth in the applicable Service Request and consistent with any applicable legal standards. The sole and exclusive responsibility of Service Provider for any deficiency therein shall be promptly to correct or repair such deficiency or to re-perform such Services, in either case at no additional cost to Client Company, so that the Services fully conform to the standards described in the first sentence of this Section 4.1. No Service Provider makes any other warranty with respect to the provision of Services, and each Client Company agrees to accept any Services without further warranty of any nature.

Section 4.2 Limitation of Liability/Loaned Employees. In furnishing Services under Section 1.2 hereof (*i.e.*, involving loaned employees), neither the Service Provider, nor any officer, director, employee or agent thereof, shall have any responsibility whatsoever to any Client Company receiving such Services, and Client Company specifically releases Service Provider and such persons, on account of any claims, liabilities, injuries, damages or other consequences arising in connection with the provision of such Services under any theory of liability, whether in contract, tort (including negligence or strict liability) or otherwise, it being understood and agreed that any such loaned employees are made available without warranty as to their suitability or expertise.

Section 4.3 Disclaimer. WITH RESPECT TO ANY SERVICES PROVIDED UNDER THIS AGREEMENT, THE SERVICE PROVIDER THEREOF MAKES NO WARRANTY OR REPRESENTATION OTHER THAN AS SET FORTH IN SECTION 4.1, AND THE PARTIES HERETO HEREBY AGREE THAT NO OTHER WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING BUT NOT LIMITED TO ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE), SHALL BE APPLICABLE TO THE PROVISION OF ANY SUCH SERVICES. THE PARTIES FURTHER AGREE THAT THE REMEDIES STATED HEREIN ARE EXCLUSIVE AND SHALL CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY OF ANY PARTY HERETO FOR A FAILURE BY ANY OTHER PARTY HERETO TO COMPLY WITH ITS WARRANTY OBLIGATIONS.

Section 4.4 Indemnification.

(a) Subject to subparagraph (b) of this Section 4.4, Service Provider shall release, defend, indemnify and hold harmless each Client Company, including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys' fees), whether or not involving a third-party claim, incurred or sustained by or against any such Client Company arising, directly or indirectly, from or in connection with Service Provider's negligence or willful misconduct in the performance of the Services.

(b) Notwithstanding any other provision hereof, Service Provider's total liability hereunder with respect to any specific Services shall be limited to the amount actually paid to Service Provider for its performance of the specific Services for which the liability arises, and under no circumstances shall Service Provider be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise (it being the intent of the parties that the indemnification obligations in this Agreement shall cover only actual damages and accordingly, without limitation of the foregoing, shall be net of any insurance proceeds actually received in respect of any such damages).

Section 4.5 Procedure for Indemnification. Within 15 business days after receipt by any Client Company of notice of any claim or the commencement of any action, suit, litigation or other proceeding against it (a "Proceeding") with respect to which it is eligible for indemnification hereunder, such Client Company shall notify Service Provider thereof in writing (it being understood that failure to so notify Service Provider shall not relieve the latter of its indemnification obligation, unless Service Provider establishes that defense thereof has been prejudiced by such

failure). Thereafter, Service Provider shall be entitled to participate in such Proceeding and, at its election upon notice to such Client Company and at its expense, to assume the defense of such Proceeding. Without the prior written consent of such Client Company, Service Provider shall not enter into any settlement of any third-party claim that would lead to liability or create any financial or other obligation on the part of such Client Company for which such Client Company is not entitled to indemnification hereunder. If such Client Company has given timely notice to Service Provider of the commencement of such Proceeding, but Service Provider has not, within 15 business days after receipt of such notice, given notice to Client Company of its election to assume the defense thereof, Service Provider shall be bound by any determination made in such Proceeding or any compromise or settlement made by Client Company. A claim for indemnification for any matter not involving a third-party claim may be asserted by notice from the applicable Client Company to Service Provider.

ARTICLE 5. MISCELLANEOUS

Section 5.1 Amendments. Any amendments to this Agreement shall be in writing executed by each of the parties hereto. To the extent that applicable state law or regulation or other binding obligation requires that any such amendment be filed with any affected state public utility commission for its review or otherwise, each Operating Company shall comply in all respects with any such requirements.

Section 5.2 Effective Date; Term. This Agreement shall become effective on the Effective Date and shall continue in full force and effect as to each party until terminated by any party, as to itself only, upon not less than 30 days prior written notice to the other parties hereto. Any such termination of parties shall not be deemed an amendment hereto. This Agreement may be terminated and thereafter be of no further force and effect upon the mutual consent of all of the parties hereto.

Section 5.3 Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any prior or contemporaneous contracts, agreements, understandings or arrangements, whether written or oral, with respect thereto. Any oral or written statements, representations, promises, negotiations or agreements, whether prior hereto or concurrently herewith, are superseded by and merged into this Agreement.

Section 5.4 Severability. If any provision of this Agreement or any application thereof shall be determined to be invalid or unenforceable, the remainder of this Agreement and any other application thereof shall not be affected thereby.

Section 5.5 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of each of the other parties. Any attempted or purported assignment in violation of the preceding sentence shall be null and void and of no effect whatsoever. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 5.6 Governing Law. This Agreement shall be construed and enforced under and in accordance with the laws of the State of New York, without regard to conflicts of laws principles.

Section 5.7 Captions, Headings. The captions and headings used in this Agreement are for convenience of reference only and shall not affect the construction to be accorded any of the provisions hereof. As used in this Agreement, “hereof,” “hereunder,” “herein,” “hereto,” and words of like import refer to this Agreement as a whole and not to any particular section or other paragraph or subparagraph thereof.

Section 5.8 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed a duplicate original hereof, but all of which shall be deemed one and the same Agreement.

Section 5.9 DEC, DEP, and Piedmont Conditions. In addition to the terms and conditions set forth herein, with respect to DEC, DEP, and Piedmont, the provisions set out in Appendix B are hereby incorporated herein by reference. In addition, except with respect to the pricing of Services as set forth herein, DEC’s, DEP’s and Piedmont’s participation in this Agreement is explicitly subject to the Regulatory Conditions and Code of Conduct approved by the North Carolina Utilities Commission (“NCUC”) in its *Order Approving Merger Subject to Regulatory Conditions and Code of Conduct* issued, in Docket Nos. E-2, Sub 1095 and E-7, Sub 1100, and G-9, Sub 682, and applicable to South Carolina, as such Regulatory Conditions and Code of Conduct may be amended from time to time. In the event of any conflict between the provisions of this Agreement and the approved Regulatory Conditions and Code of Conduct provisions, the Regulatory Conditions and Code of Conduct shall govern.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on March 29, 2022, on its behalf by an appropriate officer thereunto duly authorized.

Duke Energy Carolinas, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Duke Energy Ohio, Inc.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

Duke Energy Indiana, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Duke Energy Kentucky, Inc.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

Duke Energy Progress, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Duke Energy Florida, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Piedmont Natural Gas Company, Inc.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

Service Request For Affiliates

Page 1 of 2

Id	<input type="text" value="SRAF-145"/>
Status	<input type="text" value="Draft"/>

* Red Asterisk indicates required fields

*Functional Area (for the Service Provider)

Service Provider

*Service Provider

*Legal Approval Representative

Proposed Service

*Proposed Service

* Additional Detail

Please provide basis for appropriate pricing and further details about parties involved.

Estimated Costs
(NA-see accounting records)

\$

*Scheduled Start Date

*Scheduled Completion Date

Client Company

*Client Company

PeopleSoft Accounting Codes for the Services Provided

* * * Process OR Project & Activities OR GL Account for Client Company must be entered

*Client Company Operating Unit

*Service Provider Resp. Center

* Process

Service Request For Affiliates

Page 2 of 2

* Project	* Activity	* GL Account
<input type="text"/>	<input type="text"/>	<input type="text"/>

Confirmation of Service Provider Utility Responsibilities by Service Provider Approver

☐ Check this box to confirm that this Service Request will not result in impairment of Service Provider's utility responsibilities or business operations.

Approver Selection

The approvers should be appropriate according to the Delegation of Authority (DOA) matrix.

Route To	Name	Phone	Status
* Client Company	<input type="text"/> , Joel T	<input type="text"/> (980) 373	<input type="text"/>
* Service Provider	<input type="text"/>	<input type="text"/>	<input type="text"/>
* Legal	<input type="text"/>	<input type="text"/>	<input type="text"/>

Submitter Details

Created By

, Chelsea

Created On

05/17/2018 10:53 PM

*Phone

(980) 373

Last Modified By

Chelsea

Last Modified Date

05/23/2018 4:31 PM

**DUKE ENERGY CAROLINAS, LLC DUKE ENERGY PROGRESS, LLC, AND
PIEDMONT NATURAL GAS COMPANY, INC. CONDITIONS**

1. Access to DEC, DEP or Piedmont Information. Any Operating Company providing Services to DEC or DEP pursuant to this Agreement, including any loaned employees under Section 1.2 of the Agreement, shall be permitted to have access to DEC's, DEP's or Piedmont's Customer Information and Confidential Systems Operation Information, as those terms are defined in the Code of Conduct, to the extent necessary for the performance of such Services; provided that such Operating Company shall take reasonable steps to protect the confidentiality of such Information.
2. Procedures for Services Received By DEC DEP, or Piedmont from each other or the other Operating Companies and for Services Provided by DEC, DEP or Piedmont to each other or the other Operating Companies. DEC, DEP, and Piedmont shall receive from each other and the other Operating Companies, upon the terms and conditions set forth in this agreement, such of the services listed in the Operating Companies Service Agreement List on file with the NCUC, at such times, for such periods and in such manner as DEC DEP, or Piedmont may from time to time request of each other or another Operating Company. DEC, DEP, or Piedmont may provide to each other and the other Operating Companies, upon the terms and conditions set forth in this Agreement, at such times for such periods, and in such a manner as DEC, DEP or Piedmont concludes it is equipped to perform for each other or another Operating Company. DEC, DEP, or Piedmont may perform these services for each other as described in this paragraph without the requirement of a written request in substantially the form attached to this Agreement as Exhibit A.

**AMENDED AND RESTATED OPERATING COMPANY/NONUTILITY COMPANIES
SERVICE AGREEMENT**

This Amended and Restated Operating Company/Nonutility Companies Service Agreement (this "Agreement") dated September 1, 2008 (the "Effective Date") by and among Duke Energy Kentucky, Inc., a Kentucky corporation ("Operating Company"), and the respective associate nonutility companies listed on the signature pages hereto (each, a "Nonutility Company") supersedes and restates in its entirety the Operating Company/Nonutility Service Agreement entered into between the Operating Company and each Nonutility Company dated January 2, 2007.

W I T N E S S E T H:

WHEREAS, Duke Energy Corporation ("Duke Energy") is a Delaware corporation;

WHEREAS, Operating Company is a subsidiary of Duke Energy and a public utility company;

WHEREAS, each Nonutility Company is a subsidiary of Duke Energy that is or was formed to engage in any one or more non-regulated businesses;

WHEREAS, certain non-regulated public utilities were added in error to the Operating Company/Nonutility Companies Service Agreement dated January 2, 2007 and are being removed in this Agreement;

WHEREAS, in the ordinary course of their businesses, Operating Company and each Nonutility Company maintain organizations of employees with technical expertise in matters affecting public utility companies and related businesses and own or acquire related equipment, facilities, properties and other resources; and

WHEREAS, subject to the terms and conditions herein set forth, and taking into consideration the parties' utility responsibilities or primary business operations, as the case may be, the parties hereto are willing, upon request from time to time, to perform such services, and in connection therewith to make available such equipment, facilities, properties and other resources, as they shall request from each other;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree as follows:

ARTICLE 1. PROVISION OF SERVICES; LOANED EMPLOYEES

Section 1.1 Provision of Services.

(a) Upon receipt by a party hereto (in such capacity, a "Service Provider") of a written request in substantially the form attached hereto as Exhibit A (a "Service Request") from another party hereto (in such capacity, a "Client Company") for the provision to such Client Company of such services as are specified therein, including if applicable use of any related equipment, facilities,

properties or other resources (collectively, "Services"), the Service Provider, if in its sole discretion it has available the personnel or other resources needed to perform the Service Request without impairment of its utility responsibilities or business operations, as the case may be, shall furnish such Services to the Client Company at such times, for such periods and in such manner as the Client Company shall have so requested and otherwise in accordance with the provisions hereof.

(b) For purposes of this Agreement, "Services" may include, but shall not be limited to: (i) in the case of Services that may be provided by Operating Company hereunder, services in such areas as engineering and construction; operations and maintenance; installation services; equipment testing; generation technical support; environmental, health and safety; and procurement services;¹ and (ii) in the case of Services that may be provided by Nonutility Companies hereunder, services in such areas as information technology services; monitoring, surveying, inspecting, constructing, locating and marking of overhead and underground utility facilities; meter reading; materials management; vegetation management; and marketing and customer relations.

(c) For the avoidance of doubt, affiliate transactions involving sales or other transfers of assets, goods, energy commodities (including electricity, natural gas, coal and other combustible fuels) or thermal energy products are outside the scope of this Agreement.

Section 1.2 Loaned Employees.

(a) If specifically requested in connection with the provision of Services, Service Provider shall loan one or more of its employees to such Client Company, provided that such loan shall not, in the sole discretion of Service Provider, interfere with or impair Service Provider's utility responsibilities or business operations, as the case may be. After the commencement thereof, any such loaned employees may be withdrawn by Service Provider from tasks duly assigned by Client Company, prior to completion thereof as contemplated in the associated Service Request, only with the consent of Client Company (which shall not be unreasonably withheld or delayed), except in the event of a demonstrable emergency requiring the use of any such employees in another capacity for Service Provider.

(b) While performing work on behalf of Client Company, any such loaned employees shall be under its supervision and control, and Client Company shall be responsible for their actions to the same extent as though such persons were its employees (it being understood that such persons shall nevertheless remain employees of Service Provider and nothing herein shall be construed as creating an employer-employee relationship between any Client Company and any loaned employees). Accordingly, for the duration of any such loan, Service Provider shall continue to provide its loaned employees with the same payroll, pension, savings, tax withholding, unemployment, bookkeeping and other personnel support services then being provided by Service Provider to its other employees.

ARTICLE 2. SERVICE REQUESTS

Section 2.1 Procedure. All Services (including any loans of employees) (i) shall be performed in accordance with Service Requests issued by or on behalf of Client Company and accepted by Service Provider and (ii) shall be assigned to applicable activities, processes, projects, responsibility centers or on other appropriate bases to enable specific work to be properly assigned. Service Requests shall be as specific as practicable in defining the Services requested. Client Company shall have the right from time to time to amend or rescind any Service Request, *provided* that (a) Service Provider consents to any amendment that results in a material change in the scope of Services to be provided, (b) the costs associated with an amended or rescinded Service Request shall include the costs incurred by Service Provider as a result of such amendment or rescission, and (c) no amendment or rescission of a Service Request shall release Client Company from any liability for costs already incurred or contracted for by Service Provider pursuant to the original Service Request, regardless of whether any labor or the furnishing of any property or other resources has been commenced or completed.

ARTICLE 3. COMPENSATION FOR SERVICES

Section 3.1 Cost of Services. As compensation for any Services rendered to it pursuant to this Agreement, Client Company shall pay to Service Provider the fully embedded cost thereof (i.e., the sum of (i) direct costs, (ii) indirect costs and (iii) costs of capital), except to the extent otherwise required by Section 482 of the Internal Revenue Code. As soon as practicable after the close of each month, Service Provider shall render to each Client Company a statement reflecting the billing information necessary to identify the costs charged for that month. By the last day of each month, Client Company shall remit to Service Provider all charged billed to it.

ARTICLE 4. LIMITATION OF LIABILITY; INDEMNIFICATION

Section 4.1 Limitation of Liability/Services. In performing Services pursuant to Section 1.1 hereof, Service Provider will exercise due care to assure that the Services are performed in a workmanlike manner in accordance with the specifications set forth in the applicable Service Request and consistent with any applicable legal standards. The sole and exclusive responsibility of Service Provider for any deficiency therein shall be promptly to correct or repair such deficiency or to re-perform such Services, in either case at no additional cost to Client Company, so that the Services fully conform to the standards described in the first sentence of this Section 4.1. No Service Provider makes any other warranty with respect to the provision of Services, and each Client Company agrees to accept any Services without further warranty of any nature.

Section 4.2 Limitation of Liability/Loaned Employees. In furnishing Services under Section 1.2 hereof (i.e., involving loaned employees), neither the Service Provider, nor any officer, director, employee or agent thereof, shall have any responsibility whatever to any Client Company receiving such Services, and Client Company specifically releases Service Provider and such persons, on account of any claims, liabilities, injuries, damages or other consequences arising in connection with the provision of such Services under any theory of liability, whether in contract, tort (including negligence or strict liability) or otherwise, it being understood and agreed that any such loaned employees are made available without warranty as to their suitability or expertise.

Section 4.3 Disclaimer. WITH RESPECT TO ANY SERVICES PROVIDED UNDER THIS AGREEMENT, THE SERVICE PROVIDER THEREOF MAKES NO WARRANTY OR REPRESENTATION OTHER THAN AS SET FORTH IN SECTION 4.1, AND THE PARTIES HERETO HEREBY AGREE THAT NO OTHER WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING BUT NOT LIMITED TO ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE), SHALL BE APPLICABLE TO THE PROVISION OF ANY SUCH SERVICES. THE PARTIES FURTHER AGREE THAT THE REMEDIES STATED HEREIN ARE EXCLUSIVE AND SHALL CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY OF ANY PARTY HERETO FOR A FAILURE BY ANY OTHER PARTY HERETO TO COMPLY WITH ITS WARRANTY OBLIGATIONS.

Section 4.4 Indemnification.

(a) Indemnification In Respect of Services Provided by Operating Company.

(i) In circumstances where Operating Company is a Service Provider: (x) subject to subparagraph (ii) of this Section 4.4(a), Service Provider shall release, defend, indemnify and hold harmless each Client Company, including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys' fees), whether or not involving a third-party claim (collectively, "Damages"), incurred or sustained by or against Service Provider or any such Client Company arising, directly or indirectly, from or in connection with Service Provider's negligence or willful misconduct in the performance of the Services, and (y) each Nonutility Company that is a Client Company with respect to such Services shall release, defend, indemnify and hold harmless Service Provider, including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any Damages incurred or sustained by or against Service Provider or any such Client Company arising, directly or indirectly, from or in connection with Service Provider's negligence or willful misconduct in the performance of the Services, to the extent such Damages are not covered by Service Provider's indemnification obligation as provided in the preceding clause (x) or exceed the liability limits provided in subparagraph (ii) of this Section 4.4(a).

(ii) Notwithstanding any other provision hereof, in circumstances where Operating Company is a Service Provider: (x) Service Provider's total liability hereunder with respect to any specific Services shall be limited to the amount actually paid to Service Provider for its performance of the specific Services for which the liability arises, and (y) under no circumstances shall Service Provider be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise (it being the intent of the parties that the indemnification obligations in this Agreement shall cover only actual damages and accordingly, without limitation of the foregoing, shall be net of any insurance proceeds actually received in respect of any such damages).

(b) Indemnification In Respect of Services Provided by Any Nonutility Company.

(i) In circumstances where a Nonutility Company is a Service Provider (*i.e.*, where Operating Company is the Client Company): (x) subject to subparagraph (ii) of this Section 4.4(b),

Service Provider shall release, defend, indemnify and hold harmless the Client Company, including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any Damages incurred or sustained by or against Client Company arising, directly or indirectly, from or in connection with Service Provider's negligence or willful misconduct in the performance of the Services.

(ii) Notwithstanding any other provision hereof, in circumstances where a Nonutility Company is a Service Provider (*i.e.*, where Operating Company is the Client Company), under no circumstances shall Service Provider be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise (it being the intent of the parties that the indemnification obligations in this Agreement shall cover only actual damages and accordingly, without limitation of the foregoing, shall be net of any insurance proceeds actually received in respect of any such damages).

Section 4.5 Procedure for Indemnification. Within 15 business days after receipt by any Client Company of notice of any claim or the commencement of any action, suit, litigation or other proceeding against it (a "Proceeding") with respect to which it is eligible for indemnification hereunder, such Client Company shall notify Service Provider thereof in writing (it being understood that failure so to notify Service Provider shall not relieve the latter of its indemnification obligation, unless Service Provider establishes that defense thereof has been prejudiced by such failure). Thereafter, Service Provider shall be entitled to participate in such Proceeding and, at its election upon notice to such Client Company and at its expense, to assume the defense of such Proceeding. Without the prior written consent of such Client Company, Service Provider shall not enter into any settlement of any third-party claim that would lead to liability or create any financial or other obligation on the part of such Client Company for which it such Client Company is not entitled to indemnification hereunder. If such Client Company has given timely notice to Service Provider of the commencement of such Proceeding, but Service Provider has not, within 15 business days after receipt of such notice, given notice to Client Company of its election to assume the defense thereof, Service Provider shall be bound by any determination made in such Proceeding or any compromise or settlement made by Client Company. A claim for indemnification for any matter not involving a third-party claim may be asserted by notice from the applicable Client Company to Service Provider.

ARTICLE 5. MISCELLANEOUS

Section 5.1 Amendments. Any amendments to this Agreement shall be in writing executed by each of the parties hereto. To the extent that applicable state law or regulation or other binding obligation requires that any such amendment be filed with the Kentucky Public Service Commission for its review or otherwise, Operating Company shall comply in all respects with any such requirements.

Section 5.2 Effective Date; Term. This Agreement shall become effective on the Effective Date and shall continue in full force and effect as to each party until terminated by any party, as to itself only, upon not less than 30 days prior written notice to the other parties hereto. Any such

Any such termination of parties shall not be deemed an amendment hereto. This Agreement may be terminated and thereafter be of no further force and effect upon the mutual consent of all of the parties hereto.

Section 5.3 Additional Parties. After the effective date of this Agreement, additional Nonutility Companies may become parties to this Agreement by executing appropriate signature pages, whereupon any such additional signatory shall be deemed a “party” hereto all purposes hereof and shall thereupon become bound by the terms and conditions of this Agreement as if an original party hereto. The addition of any such further signatories, in the absence of any changes to the terms of this Agreement, shall not be deemed an amendment hereto.

Section 5.4 Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any prior or contemporaneous contracts, agreements, understandings or arrangements, whether written or oral, with respect thereto (including that certain Services Agreement between Operating Company and certain nonutility subsidiaries of Duke Energy dated April 3, 2006). Any oral or written statements, representations, promises, negotiations or agreements, whether prior hereto or concurrently herewith, are superseded by and merged into this Agreement.

Section 5.5 Severability. If any provision of this Agreement or any application thereof shall be determined to be invalid or unenforceable, the remainder of this Agreement and any other application thereof shall not be affected thereby.

Section 5.6 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of each of the other parties. Any attempted or purported assignment in violation of the preceding sentence shall be null and void and of no effect whatsoever. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 5.7 Governing Law. This Agreement shall be construed and enforced under and in accordance with the laws of the State of Kentucky, without regard to conflicts of laws principles.

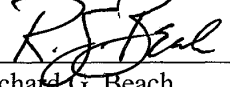
Section 5.8 Captions, etc. The captions and headings used in this Agreement are for convenience of reference only and shall not affect the construction to be accorded any of the provisions hereof. As used in this Agreement, “hereof,” “hereunder,” “herein,” “hereto,” and words of like import refer to this Agreement as a whole and not to any particular section or other paragraph or subparagraph thereof.

Section 5.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed a duplicate original hereof, but all of which shall be deemed one and the same Agreement.


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by an appropriate officer thereunto duly authorized.

DUKE ENERGY KENTUCKY, INC.

By: 
Richard G. Beach
Assistant Secretary


CINERGY CORP.

By: 
Richard G. Beach
Assistant Secretary


CINERGY INVESTMENTS, INC.

By: _____
George Dwight, II
Assistant Secretary


KO TRANSMISSION COMPANY

By: 
Richard G. Beach
Assistant Secretary

TRI-STATE IMPROVEMENT COMPANY

By: 
Richard G. Beach
Assistant Secretary

SOUTH CONSTRUCTION COMPANY, INC.

By: 
Richard G. Beach
Assistant Secretary

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by an appropriate officer thereunto duly authorized.

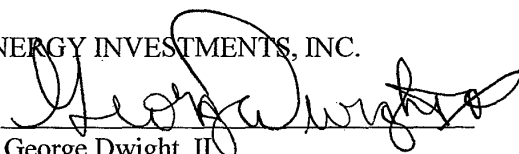
DUKE ENERGY KENTUCKY, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINERGY CORP.

By: _____
Richard G. Beach
Assistant Secretary

CINERGY INVESTMENTS, INC.

By:  _____
George Dwight, II
Assistant Secretary

KO TRANSMISSION COMPANY

By: _____
Richard G. Beach
Assistant Secretary

TRI-STATE IMPROVEMENT COMPANY

By: _____
Richard G. Beach
Assistant Secretary

SOUTH CONSTRUCTION COMPANY, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINPOWER I, LLC

By: 
Richard G. Beach
Assistant Secretary

DUKE ENERGY ENGINEERING, INC.

By: _____
George Dwight, II
Assistant Secretary

DUKE ENERGY GENERATION SERVICES
HOLDING COMPANY, INC.

By: _____
George Dwight, II
Assistant Secretary

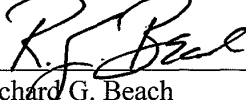
SUEZ-DEGS, LLC

By: _____
David A. Ledonne
Vice President

SUEZ-DEGS OF ORLANDO, LLC

By: _____
George Dwight, II
Assistant Secretary

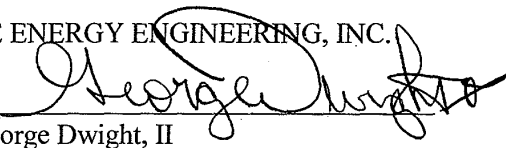
DUKE-RELIANT RESOURCES, INC.

By: 
Richard G. Beach
Assistant Secretary

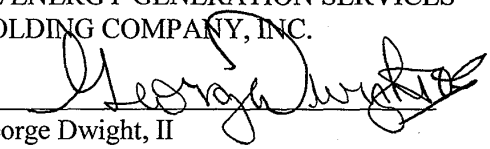
CINPOWER I, LLC

By: _____
Richard G. Beach
Assistant Secretary

DUKE ENERGY ENGINEERING, INC.

By:  _____
George Dwight, II
Assistant Secretary


DUKE ENERGY GENERATION SERVICES
HOLDING COMPANY, INC.

By:  _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS, LLC

By: _____
David A. Ledonne
Vice President

SUEZ-DEGS OF ORLANDO, LLC

By:  _____
George Dwight, II
Assistant Secretary

DUKE-RELIANT RESOURCES, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINPOWER I, LLC

By: _____
Richard G. Beach
Assistant Secretary

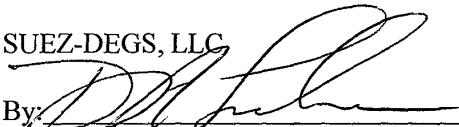
DUKE ENERGY ENGINEERING, INC.

By: _____
George Dwight, II
Assistant Secretary

DUKE ENERGY GENERATION SERVICES
HOLDING COMPANY, INC.

By: _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS, LLC

By:  _____
David A. Ledonne
Vice President

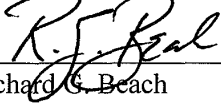
SUEZ-DEGS OF ORLANDO, LLC

By: _____
George Dwight, II
Assistant Secretary


DUKE-RELIANT RESOURCES, INC.

By: _____
Richard G. Beach
Assistant Secretary

RELIANT SERVICES, LLC

By: 
Richard G. Beach
Assistant Secretary

CINERGY TECHNOLOGY, INC.

By: 
Richard G. Beach
Assistant Secretary

DEGS OF TUSCOLA, INC.

By: _____
George Dwight, II
Assistant Secretary

ENERGY EQUIPMENT LEASING LLC

By: _____
George Dwight, II
Assistant Secretary

DEGS OF BOCA RATON, LLC

By: _____
George Dwight, II
Assistant Secretary

DEGS OF CINCINNATI, LLC

By: _____
George Dwight, II
Assistant Secretary


RELIANT SERVICES, LLC

By: _____
Richard G. Beach
Assistant Secretary

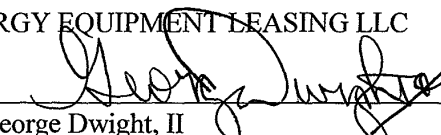
CINERGY TECHNOLOGY, INC.

By: _____
Richard G. Beach
Assistant Secretary

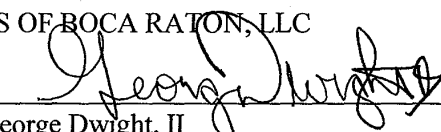
DEGS OF TUSCOLA, INC

By:  _____
George Dwight, II
Assistant Secretary

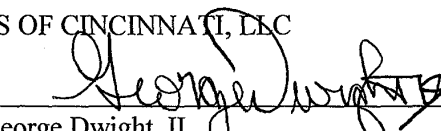
ENERGY EQUIPMENT LEASING LLC

By:  _____
George Dwight, II
Assistant Secretary

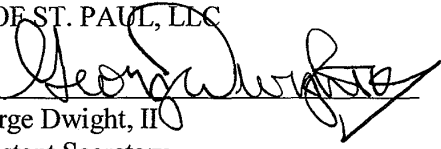
DEGS OF BOCA RATON, LLC

By:  _____
George Dwight, II
Assistant Secretary

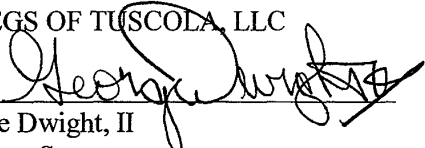
DEGS OF CINCINNATI, LLC

By:  _____
George Dwight, II
Assistant Secretary

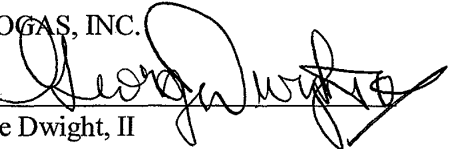
DEGS OF ST. PAUL, LLC

By: 
George Dwight, II
Assistant Secretary

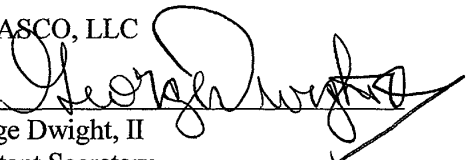
SUEZ-DEGS OF TUSCOLA, LLC

By: 
George Dwight, II
Assistant Secretary

DEGS BIOGAS, INC.

By: 
George Dwight, II
Assistant Secretary

DEGS GASCO, LLC

By: 
George Dwight, II
Assistant Secretary

DUKE ENERGY ONE, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINERGY POWER GENERATION SERVICES, LLC

By: _____
Joseph E. Lentz, Jr.
Vice President

DEGS OF ST. PAUL, LLC

By: _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS OF TUSCOLA, LLC

By: _____
George Dwight, II
Assistant Secretary

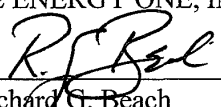
DEGS BIOGAS, INC.

By: _____
George Dwight, II
Assistant Secretary

DEGS GASCO, LLC

By: _____
George Dwight, II
Assistant Secretary

DUKE ENERGY ONE, INC.

By:  _____
Richard G. Beach
Assistant Secretary

CINERGY POWER GENERATION SERVICES, LLC

By: _____
Joseph E. Lentz, Jr.
Vice President

DEGS OF ST. PAUL, LLC

By: _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS OF TUSCOLA, LLC

By: _____
George Dwight, II
Assistant Secretary

DEGS BIOGAS, INC.

By: _____
George Dwight, II
Assistant Secretary

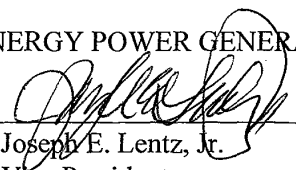
DEGS GASCO, LLC

By: _____
George Dwight, II
Assistant Secretary

DUKE ENERGY ONE, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINERGY POWER GENERATION SERVICES, LLC

By:  _____
Joseph E. Lentz, Jr.
Vice President

DUKE ENERGY GENERATION SERVICES, INC.

By: 

George Dwight, II
Assistant Secretary

DUKE TECHNOLOGIES, INC.

By: _____

Richard G. Beach
Assistant Secretary

DUKE VENTURES II, LLC

By: _____

Richard G. Beach
Assistant Secretary

CINERGY WHOLESALE ENERGY, INC.

By: _____

Joseph E. Lentz, Jr.
Vice President

DUKETEC, LLC

By: _____

Richard G. Beach
Assistant Secretary

DUKETEC I, LLC

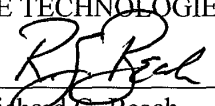
By: _____

Richard G. Beach
Assistant Secretary


DUKE ENERGY GENERATION SERVICES, INC.

By: _____
George Dwight, II
Assistant Secretary

DUKE TECHNOLOGIES, INC.

By:  _____
Richard G. Beach
Assistant Secretary

DUKE VENTURES II, LLC

By:  _____
Richard G. Beach
Assistant Secretary

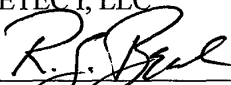
CINERGY WHOLESALE ENERGY, INC.

By: _____
Joseph E. Lentz, Jr.
Vice President

DUKETEC, LLC

By:  _____
Richard G. Beach
Assistant Secretary

DUKETEC I, LLC

By:  _____
Richard G. Beach
Assistant Secretary

DUKE ENERGY GENERATION SERVICES, INC.

By: _____
George Dwight, II
Assistant Secretary

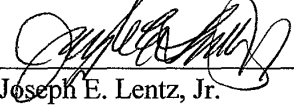
DUKE TECHNOLOGIES, INC.

By: _____
Richard G. Beach
Assistant Secretary

DUKE VENTURES II, LLC

By: _____
Richard G. Beach
Assistant Secretary

CINERGY WHOLESALE ENERGY, INC.

By:  _____
Joseph E. Lentz, Jr.
Vice President


DUKETEC, LLC

By: _____
Richard G. Beach
Assistant Secretary

DUKETEC I, LLC

By: _____
Richard G. Beach
Assistant Secretary

EVENT RESOURCES I LLC

By: 
Richard G. Beach
Assistant Secretary

LANSING GRAND RIVER UTILITIES, LLC

By: _____
George Dwight, II
Assistant Secretary

OKLAHOMA ARCADIAN UTILITIES, LLC

By: _____
George Dwight, II
Assistant Secretary

SHREVEPORT RED RIVER UTILITIES, LLC

By: _____
George Dwight, II
Assistant Secretary

SYNCAP II, LLC

By: _____
George Dwight, II
Assistant Secretary

SUEZ/VWNA/DEGS OF LANSING, LLC

By: _____
George Dwight, II
Assistant Secretary

EVENT RESOURCES I LLC

By: _____
Richard G. Beach
Assistant Secretary

LANSING GRAND RIVER UTILITIES, LLC

By: George Dwight, II
George Dwight, II
Assistant Secretary

OKLAHOMA ARCADIAN UTILITIES, LLC

By: George Dwight, II
George Dwight, II
Assistant Secretary

SHREVEPORT RED RIVER UTILITIES, LLC

By: George Dwight, II
George Dwight, II
Assistant Secretary

SYNCAP II, LLC

By: George Dwight, II
George Dwight, II
Assistant Secretary


SUEZ/VWNA/DEGS OF LANSING, LLC

By: George Dwight, II
George Dwight, II
Assistant Secretary


BSPE, L.P.

By: 
Wouter T. van Kempen
Authorized Representative


BSPE GENERAL, LLC

By: 
Wouter T. van Kempen
Authorized Representative

BSPE HOLDINGS, LLC

By: 
Wouter T. van Kempen
Authorized Representative

BSPE LIMITED, LLC

By: 
Wouter T. van Kempen
Authorized Representative

CSGP OF SOUTHEAST TEXAS, LLC

By: _____
George Dwight, II
Assistant Secretary

OWINGS MILLS ENERGY EQUIPMENT LEASING LLC

By: _____
George Dwight, II
Assistant Secretary

BSPE, L.P.

By: _____
Wouter T. van Kempen
Authorized Representative

BSPE GENERAL, LLC

By: _____
Wouter T. van Kempen
Authorized Representative

BSPE HOLDINGS, LLC

By: _____
Wouter T. van Kempen
Authorized Representative

BSPE LIMITED, LLC

By: _____
Wouter T. van Kempen
Authorized Representative

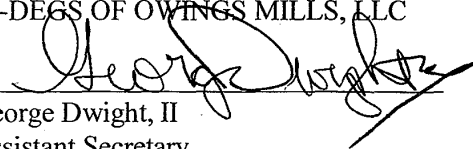
CSGP OF SOUTHEAST TEXAS, LLC

By: _____
George Dwight, II
Assistant Secretary

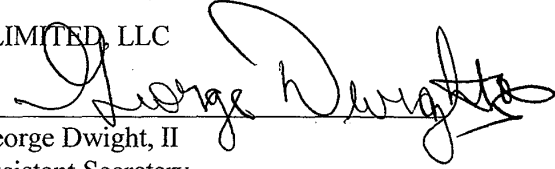
OWINGS MILLS ENERGY EQUIPMENT LEASING LLC

By: _____
George Dwight, II
Assistant Secretary

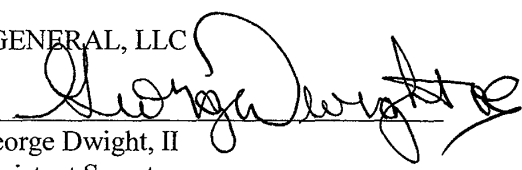
SUEZ-DEGS OF OWINGS MILLS, LLC

By: 
George Dwight, II
Assistant Secretary

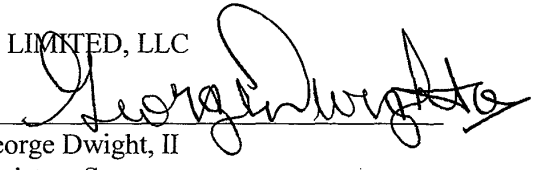
CST LIMITED, LLC

By: 
George Dwight, II
Assistant Secretary

CST GENERAL, LLC

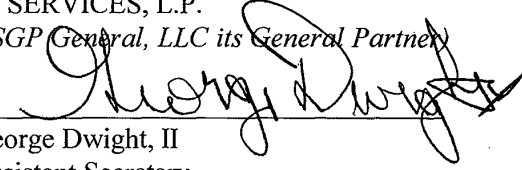
By: 
George Dwight, II
Assistant Secretary

CSGP LIMITED, LLC

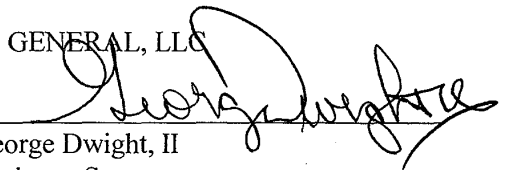
By: 
George Dwight, II
Assistant Secretary

CSGP SERVICES, L.P.

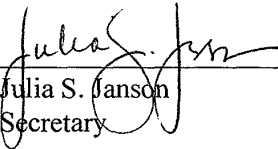
(by CSGP General, LLC its General Partner)

By: 
George Dwight, II
Assistant Secretary

CSGP GENERAL, LLC

By: 
George Dwight, II
Assistant Secretary

CINERGY GLOBAL TRADING LIMITED

By: 
Julia S. Janson
Secretary

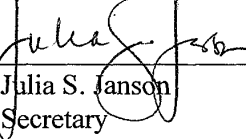
CINERGY ORIGINATION & TRADE, LLC

By: _____
Richard G. Beach
Assistant Secretary

DEGS OF PHILADELPHIA, LLC

By: _____
George Dwight, II
Assistant Secretary

OHIO RIVER VALLEY PROPANE, LLC

By: 
Julia S. Janson
Secretary

CINERGY RETAIL POWER LIMITED, INC.

By: _____
Richard G. Beach
Assistant Secretary


CINERGY RETAIL POWER GENERAL, INC.

By: _____
Joseph E. Lentz, Jr.
Vice President

CINERGY GLOBAL TRADING LIMITED

By: _____
Julia S. Janson
Secretary

CINERGY ORIGATION & TRADE, LLC

By:  _____
Richard G. Beach
Assistant Secretary


DEGS OF PHILADELPHIA, LLC

By: _____
George Dwight, II
Assistant Secretary

OHIO RIVER VALLEY PROPANE, LLC

By: _____
Julia S. Janson
Secretary

CINERGY RETAIL POWER LIMITED, INC.

By:  _____
Richard G. Beach
Assistant Secretary

CINERGY RETAIL POWER GENERAL, INC.

By: _____
Joseph E. Lentz, Jr.
Vice President

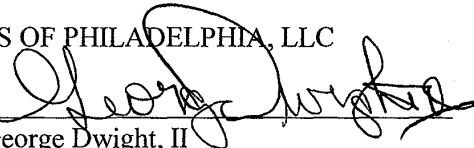
CINERGY GLOBAL TRADING LIMITED

By: _____
Julia S. Janson
Secretary

CINERGY ORIGINATION & TRADE, LLC

By: _____
Richard G. Beach
Assistant Secretary

DEGS OF PHILADELPHIA, LLC

By:  _____
George Dwight, II
Assistant Secretary

OHIO RIVER VALLEY PROPANE, LLC

By: _____
Julia S. Janson
Secretary

CINERGY RETAIL POWER LIMITED, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINERGY RETAIL POWER GENERAL, INC.

By: _____
Joseph E. Lentz, Jr.
Vice President

CINERGY GLOBAL TRADING LIMITED

By: _____
Julia S. Janson
Secretary

CINERGY ORIGINATION & TRADE, LLC

By: _____
Richard G. Beach
Assistant Secretary

DEGS OF PHILADELPHIA, LLC

By: _____
George Dwight, II
Assistant Secretary

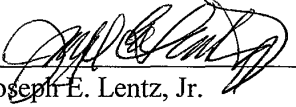
OHIO RIVER VALLEY PROPANE, LLC

By: _____
Julia S. Janson
Secretary

CINERGY RETAIL POWER LIMITED, INC.

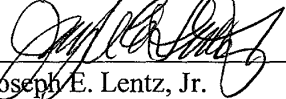
By: _____
Richard G. Beach
Assistant Secretary

CINERGY RETAIL POWER GENERAL, INC.

By:  _____
Joseph E. Lentz, Jr.
Vice President

CINERGY RETAIL POWER, L.P.

(by *Cinergy Retail Power General, Inc. its General Partner*)

By: 
Joseph E. Lentz, Jr.
Vice President

DELTA TOWNSHIP UTILITIES, LLC

By: _____
George Dwight, II
Assistant Secretary

CINERGY LIMITED HOLDINGS, LLC

By: _____
Greer E. Mendelow
Assistant Secretary

CINERGY GENERAL HOLDINGS, LLC

By: _____
Julia S. Janson
Secretary

CINERGY RECEIVABLES COMPANY LLC

By: _____
Richard G. Beach
Secretary

CINFUEL RESOURCES, INC.

By: _____
George Dwight, II
Assistant Secretary

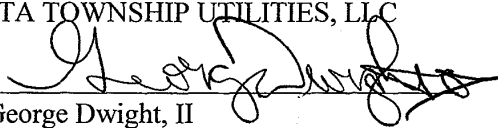
CINERGY RETAIL POWER, L.P.

(by *Cinergy Retail Power General, Inc. its General Partner*)

By: _____

Joseph E. Lentz, Jr.
Vice President

DELTA TOWNSHIP UTILITIES, LLC

By:  _____

George Dwight, II
Assistant Secretary

CINERGY LIMITED HOLDINGS, LLC

By: _____

Greer E. Mendelow
Assistant Secretary

CINERGY GENERAL HOLDINGS, LLC

By: _____

Julia S. Janson
Secretary

CINERGY RECEIVABLES COMPANY LLC

By: _____

Richard G. Beach
Secretary

CINFUEL RESOURCES, INC.

By:  _____

George Dwight, II
Assistant Secretary


CINERGY RETAIL POWER, L.P.
(by *Cinergy Retail Power General, Inc. its General Partner*)

By: _____
Joseph E. Lentz, Jr.
Vice President

DELTA TOWNSHIP UTILITIES, LLC

By: _____
George Dwight, II
Assistant Secretary

CINERGY LIMITED HOLDINGS, LLC

By:  _____
Greer E. Mendelow
Assistant Secretary

CINERGY GENERAL HOLDINGS, LLC

By: _____
Julia S. Janson
Secretary

CINERGY RECEIVABLES COMPANY LLC

By: _____
Richard G. Beach
Secretary

CINFUEL RESOURCES, INC.

By: _____
George Dwight, II
Assistant Secretary

CINERGY RETAIL POWER, L.P.
(by *Cinergy Retail Power General, Inc. its General Partner*)

By: _____
Joseph E. Lentz, Jr.
Vice President

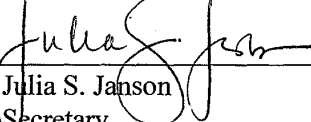
DELTA TOWNSHIP UTILITIES, LLC

By: _____
George Dwight, II
Assistant Secretary

CINERGY LIMITED HOLDINGS, LLC

By: _____
Greer E. Mendelow
Assistant Secretary

CINERGY GENERAL HOLDINGS, LLC

By:  _____
Julia S. Janson
Secretary

CINERGY RECEIVABLES COMPANY LLC

By: _____
Richard G. Beach
Secretary

CINFUEL RESOURCES, INC.

By: _____
George Dwight, II
Assistant Secretary

CINERGY RETAIL POWER, L.P.

(by Cinergy Retail Power General, Inc. its General Partner)

By: _____
Joseph E. Lentz, Jr.
Vice President

DELTA TOWNSHIP UTILITIES, LLC

By: _____
George Dwight, II
Assistant Secretary


CINERGY LIMITED HOLDINGS, LLC

By: _____
Greer E. Mendelow
Assistant Secretary

CINERGY GENERAL HOLDINGS, LLC

By: _____
Julia S. Janson
Secretary

CINERGY RECEIVABLES COMPANY LLC

By:  _____
Richard G. Beach
Secretary

CINFUEL RESOURCES, INC.

By: _____
George Dwight, II
Assistant Secretary

LH1, LLC

By: 

George Dwight, II
Assistant Secretary

OAK MOUNTAIN PRODUCTS, LLC

By: 

George Dwight, II
Assistant Secretary

DEGS OF LANSING, LLC

By: 

George Dwight, II
Assistant Secretary

DEGS OF SHREVEPORT, LLC

By: 

George Dwight, II
Assistant Secretary

DEGS OF OKLAHOMA, LLC

By: 

George Dwight, II
Assistant Secretary

DEGS OF NARROWS, LLC

By: 

George Dwight, II
Assistant Secretary

DEGS OF ROCK HILL, LLC

By: 

George Dwight, II
Assistant Secretary

DEGS OF ST. BERNARD, LLC

By: 

George Dwight, II
Assistant Secretary

CINERGY CLIMATE CHANGE INVESTMENTS, LLC

By: _____

Richard G. Beach
Assistant Secretary

DEGS OF MONACA, LLC

By: 

George Dwight, II
Assistant Secretary

DUKETEC II, LLC

By: _____

Richard G. Beach
Assistant Secretary

DEGS OF SAN DIEGO, INC.

By: 

George Dwight, II
Assistant Secretary

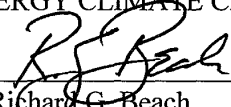
DEGS OF ROCK HILL, LLC

By: _____
George Dwight, II
Assistant Secretary

DEGS OF ST. BERNARD, LLC

By: _____
George Dwight, II
Assistant Secretary

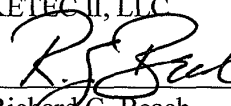
CINERGY CLIMATE CHANGE INVESTMENTS, LLC

By:  _____
Richard G. Beach
Assistant Secretary

DEGS OF MONACA, LLC

By: _____
George Dwight, II
Assistant Secretary

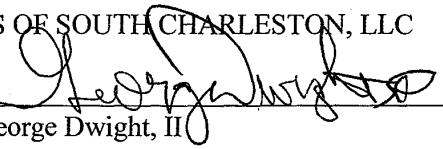
DUKETEC II, LLC

By:  _____
Richard G. Beach
Assistant Secretary

DEGS OF SAN DIEGO, INC.

By: _____
George Dwight, II
Assistant Secretary

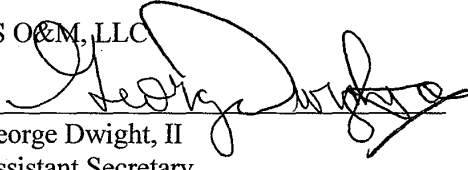
DEGS OF SOUTH CHARLESTON, LLC

By: 
George Dwight, II
Assistant Secretary

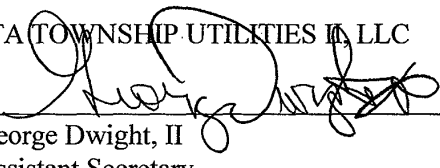
CINERGY SOLUTIONS – UTILITY, INC.

By: _____
Richard G. Beach
Assistant Secretary

DEGS O&M, LLC

By: 
George Dwight, II
Assistant Secretary

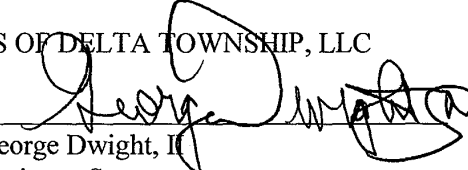
DELTA TOWNSHIP UTILITIES II, LLC

By: 
George Dwight, II
Assistant Secretary

ENVIRONMENTAL WOOD SUPPLY, LLC

By: _____
David A. Ledonne
Vice President

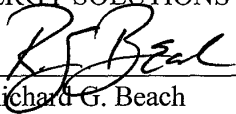
DEGS OF DELTA TOWNSHIP, LLC

By: 
George Dwight, II
Assistant Secretary

DEGS OF SOUTH CHARLESTON, LLC

By: _____
George Dwight, II
Assistant Secretary

CINERGY SOLUTIONS – UTILITY, INC.

By:  _____
Richard G. Beach
Assistant Secretary

DEGS O&M, LLC

By: _____
George Dwight, II
Assistant Secretary

DELTA TOWNSHIP UTILITIES II, LLC

By: _____
George Dwight, II
Assistant Secretary

ENVIRONMENTAL WOOD SUPPLY, LLC

By: _____
David A. Ledonne
Vice President

DEGS OF DELTA TOWNSHIP, LLC

By: _____
George Dwight, II
Assistant Secretary

DEGS OF SOUTH CHARLESTON, LLC

By: _____
George Dwight, II
Assistant Secretary

CINERGY SOLUTIONS – UTILITY, INC.

By: _____
Richard G. Beach
Assistant Secretary

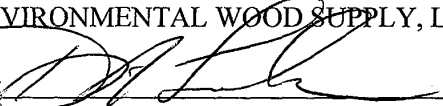
DEGS O&M, LLC

By: _____
George Dwight, II
Assistant Secretary

DELTA TOWNSHIP UTILITIES II, LLC

By: _____
George Dwight, II
Assistant Secretary


ENVIRONMENTAL WOOD SUPPLY, LLC

By:  _____
David A. Ledonne
Vice President


DEGS OF DELTA TOWNSHIP, LLC

By: _____
George Dwight, II
Assistant Secretary


DUKE BROADBAND, LLC

By: 
Richard G. Beach
Assistant Secretary


DUKE-CADENCE, INC.

By: 
Richard G. Beach
Assistant Secretary

CINERGY-CENTRUS, INC.

By: 
Richard G. Beach
Assistant Secretary

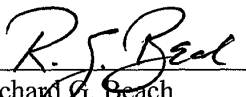
CINERGY-CENTRUS COMMUNICATIONS, INC.

By: 
Richard G. Beach
Assistant Secretary

DEGS EPCOM COLLEGE PARK, LLC

By: _____
George Dwight, II
Assistant Secretary

DUKE SUPPLY NETWORK, LLC

By: 
Richard G. Beach
Assistant Secretary

DUKE BROADBAND, LLC

By: _____
Richard G. Beach
Assistant Secretary

DUKE-CADENCE, INC.

By: _____
Richard G. Beach
Assistant Secretary

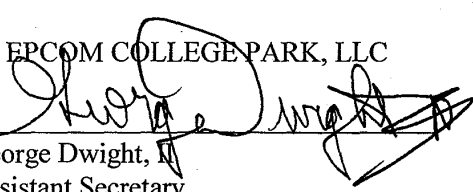
CINERGY-CENTRUS, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINERGY-CENTRUS COMMUNICATIONS, INC.

By: _____
Richard G. Beach
Assistant Secretary

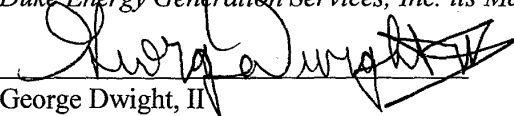
DEGS EPCOM COLLEGE PARK, LLC

By:  _____
George Dwight, M
Assistant Secretary

DUKE SUPPLY NETWORK, LLC

By: _____
Richard G. Beach
Assistant Secretary

CINERGY SOLUTIONS PARTNERS, LLC
(by *Duke Energy Generation Services, Inc. its Managing Member*)

By: 
George Dwight, II
Assistant Secretary

DUKE COMMUNICATIONS HOLDINGS, INC.

By: _____
Richard G. Beach
Assistant Secretary

CINERGY TWO, INC.

By: _____
Richard G. Beach
Assistant Secretary

GREEN POWER G.P., LLC

By: _____
Wouter T. van Kempen
Authorized Representative

GREEN POWER HOLDINGS, LLC

By: _____
Wouter T. van Kempen
Authorized Representative

GREEN POWER LIMITED, LLC

By: _____
Wouter T. van Kempen
Authorized Representative

CINERGY SOLUTIONS PARTNERS, LLC

(by Duke Energy Generation Services, Inc. its Managing Member)

By: _____
George Dwight, II
Assistant Secretary

DUKE COMMUNICATIONS HOLDINGS, INC.

By: R. G. Beach
Richard G. Beach
Assistant Secretary

CINERGY TWO, INC.

By: R. G. Beach
Richard G. Beach
Assistant Secretary

GREEN POWER G.P., LLC

By: _____
Wouter T. van Kempen
Authorized Representative

GREEN POWER HOLDINGS, LLC

By: _____
Wouter T. van Kempen
Authorized Representative

GREEN POWER LIMITED, LLC

By: _____
Wouter T. van Kempen
Authorized Representative

CINERGY SOLUTIONS PARTNERS, LLC

(by *Duke Energy Generation Services, Inc. its Managing Member*)

By: _____

George Dwight, II
Assistant Secretary

DUKE COMMUNICATIONS HOLDINGS, INC.

By: _____

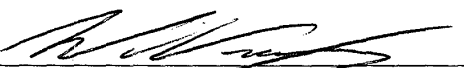
Richard G. Beach
Assistant Secretary

CINERGY TWO, INC.

By: _____

Richard G. Beach
Assistant Secretary

GREEN POWER G.P., LLC

By:  _____

Wouter T. van Kempen
Authorized Representative

GREEN POWER HOLDINGS, LLC

By:  _____

Wouter T. van Kempen
Authorized Representative

GREEN POWER LIMITED, LLC

By:  _____

Wouter T. van Kempen
Authorized Representative

SUEZ-DEGS OF ASHTABULA, LLC

By: _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS OF LANSING, LLC

By: _____
George Dwight, II
Assistant Secretary

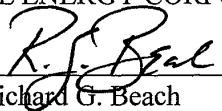
SUEZ-DEGS OF ROCHESTER, LLC

By: _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS OF SILVER GROVE, LLC

By: _____
George Dwight, II
Assistant Secretary

DUKE ENERGY CORPORATION

By:  _____
Richard G. Beach
Assistant Corporate Secretary

BISON INSURANCE COMPANY LIMITED

By: _____
Edwin Keith Bone
Senior Vice President

SUEZ-DEGS OF ASHTABULA, LLC

By: _____

George Dwight, II
Assistant Secretary

SUEZ-DEGS OF LANSING, LLC

By: _____

George Dwight, II
Assistant Secretary

SUEZ-DEGS OF ROCHESTER, LLC

By: _____

George Dwight, II
Assistant Secretary

SUEZ-DEGS OF SILVER GROVE, LLC

By: _____

George Dwight, II
Assistant Secretary

DUKE ENERGY CORPORATION

By: _____

Richard G. Beach
Assistant Corporate Secretary

BISON INSURANCE COMPANY LIMITED

By: _____

George V. Brown
President and Chief Executive Officer

SUEZ-DEGS OF ASHTABULA, LLC

By: _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS OF LANSING, LLC

By: _____
George Dwight, II
Assistant Secretary

SUEZ-DEGS OF ROCHESTER, LLC

By: _____
George Dwight, II
Assistant Secretary

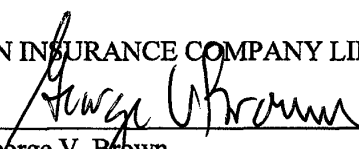
SUEZ-DEGS OF SILVER GROVE, LLC

By: _____
George Dwight, II
Assistant Secretary

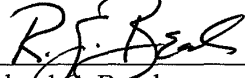
DUKE ENERGY CORPORATION

By: _____
Richard G. Beach
Assistant Corporate Secretary


BISON INSURANCE COMPANY LIMITED

By:  _____
George V. Brown
President and Chief Executive Officer


DUKE ENERGY AMERICAS, LLC

By: 
Richard G. Beach
Assistant Secretary

DUKE ENERGY GLOBAL MARKETS, INC.

By: 
Richard G. Beach
Assistant Secretary


DUKE ENERGY ROYAL, LLC

By: 
Richard G. Beach
Assistant Secretary


DUKE ENERGY INTERNATIONAL, LLC

By: _____
Javier Gonzalez
Assistant Secretary

DUKE ENERGY NORTH AMERICA, LLC

By: 
Richard G. Beach
Assistant Secretary

DUKE PROJECT SERVICES, INC.

By: 
Richard G. Beach
Assistant Secretary

DUKE ENERGY AMERICAS, LLC

By: _____
Richard G. Beach
Assistant Secretary


DUKE ENERGY GLOBAL MARKETS, INC.

By: _____
Richard G. Beach
Assistant Secretary

DUKE ENERGY ROYAL, LLC

By: _____
Richard G. Beach
Assistant Secretary

DUKE ENERGY INTERNATIONAL, LLC

By: 
Javier Gonzalez
Assistant Secretary

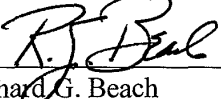
DUKE ENERGY NORTH AMERICA, LLC

By: _____
Richard G. Beach
Assistant Secretary

DUKE PROJECT SERVICES, INC.

By: _____
Richard G. Beach
Assistant Secretary


DUKE VENTURES, LLC

By: 
Richard G. Beach
Assistant Secretary

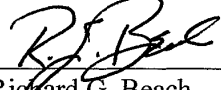
CRESCENT RESOURCES, LLC

By: _____
Kay H. Arnette
Assistant Secretary

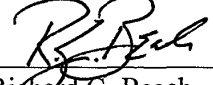
DUKENET COMMUNICATIONS, LLC

By: 
Richard G. Beach
Assistant Secretary


PANENERGY CORP

By: 
Richard G. Beach
Assistant Secretary


DUKE ENERGY SERVICES, INC.

By: 
Richard G. Beach
Assistant Secretary


DETMi MANAGEMENT, INC.

By: 
Richard G. Beach
Assistant Secretary


DUKE ENERGY BUSINESS SERVICES LLC

By: 
Richard G. Beach
Assistant Secretary

DUKE ENERGY MERCHANTS, LLC

By: 
Richard G. Beach
Assistant Secretary

DUKE ENERGY RECEIVABLES FINANCE COMPANY, LLC

By: 
Richard G. Beach
Assistant Secretary

DUKENET COMMUNICATION SERVICES, LLC

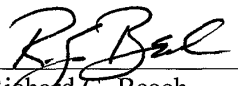
By: 
Richard G. Beach
Assistant Secretary

EXHIBIT A**Page 1 of 2****Service Request Form**

Please use this form for all service requests. All data fields are required.

**Facilitator/Contact
Information:**

First Name:
Last Name:
Phone:
Email:

Service Provider:

- Pull Down List to Select -

Or Other:

- Pull Down List to Select -

**Service Provider
Contact Information:**

First
Name:
Last
Name:
Phone:

**email Address of
Service Provider
Approver:**

The approver should be appropriate
according to the Expenditures,
Divestitures & Terminations Category of
the Delegation of Authority (DOA) matrix.

**Description of
Proposed Service and
Please Provide Basis
for Estimated Costs:****Client Company:**

- Pull Down List to Select -

Or Other:

- Pull Down List to Select -

**Client Company
Contact Information:**

First
Name:
Last
Name:
Phone:

*(this e-mail address must be filled in properly for form to send
automatically to the Client Approver)*

**email Address of
Client Company**

The approver should be appropriate

EXHIBIT A
Page 2 of 2

Approver: according to the Expenditures,
Divestitures & Terminations Category of
the Delegation of Authority (DOA) matrix.

Estimated Costs: \$
Format Numbers Only - do not include commas or periods

Scheduled Start Date:
MM/DD/YYYY

Scheduled
Completion Date:
MM/DD/YYYY

**Legal Approval
Representative:**

**Accounting codes (FMIS / BDMS) of Duke Energy
Company receiving the services:**

Process / Work Code(s):

n/a / Corp. Number:

RCTo / Line of Business:

RCFrom / Center:

Project:

Activity:

**ASYMMETRICALLY-PRICED DUKE ENERGY KENTUCKY, INC. /NONUTILITY
COMPANIES SERVICE AGREEMENT**

This Operating Company/Nonutility Companies Service Agreement (this “Agreement”) is made and entered into as of November 8, 2024 (the “Effective Date”), by and among Duke Energy Kentucky, Inc., a Kentucky corporation (“Operating Company”), and the respective associate nonutility companies listed on the signature pages hereto (each, a “Nonutility Company”).

The changes from the prior agreement entered into October 25, 2023, to this agreement were the addition of affiliate entity(s) that may engage in services with the Operating Company.

W I T N E S S E T H:

WHEREAS, Duke Energy Corporation (“Duke Energy”) is a Delaware corporation;

WHEREAS, Operating Company is a subsidiary of Duke Energy and a public utility company;

WHEREAS, each Nonutility Company is a subsidiary of Duke Energy that is or was formed to engage in any one or more non-regulated businesses;

WHEREAS, in the ordinary course of their businesses, Operating Company and each Nonutility Company maintain organizations of employees with technical expertise in matters affecting public utility companies and related businesses and own or acquire related equipment, facilities, properties and other resources; and

WHEREAS, subject to the terms and conditions herein set forth, and taking into consideration the parties’ utility responsibilities or primary business operations, as the case may be, the parties hereto are willing, upon request from time to time, to perform such services, and in connection therewith to make available such equipment, facilities, properties and other resources, as they shall request from each other,

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree as follows:

ARTICLE 1. PROVISION OF SERVICES; LOANED EMPLOYEES

Section 1.1 Provision of Services.

(a) Upon receipt by a party hereto (in such capacity, a “Service Provider”) of a written request in substantially the form attached hereto as Exhibit A (a “Service Request”) from another party hereto (in such capacity, a “Client Company”) for the provision to such Client Company of such services as are specified therein, including if applicable use of any related equipment, facilities, properties or other resources (collectively, “Services”), the Service Provider, if in its sole discretion it has available the personnel or other resources needed to

perform the Service Request without impairment of its utility responsibilities or business operations, as the case may be, shall furnish such Services to the Client Company at such times, for such periods and in such manner as the Client Company shall have so requested and otherwise in accordance with the provisions hereof.

(b) For purposes of this Agreement, “Services” may include, but shall not be limited to: (i) in the case of Services that may be provided by Operating Company hereunder, services in such areas as engineering and construction; operations and maintenance; installation services; equipment testing; generation technical support; environmental, health and safety; and procurement services; and (ii) in the case of Services that may be provided by Nonutility Companies hereunder, services in such areas as information technology services; monitoring, surveying, inspecting, constructing, locating and marking of overhead and underground utility facilities; meter reading; materials management; vegetation management; and marketing and customer relations.

(c) For the avoidance of doubt, affiliate transactions involving sales or other transfers of assets, goods, energy commodities (including electricity, natural gas, coal and other combustible fuels) or thermal energy products are outside the scope of this Agreement.

Section 1.2 Loaned Employees.

(a) If specifically requested in connection with the provision of Services, Service Provider shall loan one or more of its employees to such Client Company, provided that such loan shall not, in the sole discretion of Service Provider, interfere with or impair Service Provider’s utility responsibilities or business operations, as the case may be. After the commencement thereof, any such loaned employees may be withdrawn by Service Provider from tasks duly assigned by Client Company, prior to completion thereof as contemplated in the associated Service Request, only with the consent of Client Company (which shall not be unreasonably withheld or delayed), except in the event of a demonstrable emergency requiring the use of any such employees in another capacity for Service Provider.

(b) While performing work on behalf of Client Company, any such loaned employees shall be under its supervision and control, and Client Company shall be responsible for their actions to the same extent as though such persons were its employees (it being understood that such persons shall nevertheless remain employees of Service Provider and nothing herein shall be construed as creating an employer-employee relationship between any Client Company and any loaned employees). Accordingly, for the duration of any such loan, Service Provider shall continue to provide its loaned employees with the same payroll, pension, savings, tax withholding, unemployment, bookkeeping and other personnel support services then being provided by Service Provider to its other employees.

ARTICLE 2. SERVICE REQUESTS

Section 2.1 Procedure. All Services (including any loans of employees) (i) shall be performed in accordance with Service Requests issued by or on behalf of Client Company and accepted by Service Provider and (ii) shall be assigned to applicable activities, processes,

projects, responsibility centers or on other appropriate bases to enable specific work to be properly assigned. Service Requests shall be as specific as practicable in defining the Services requested. Client Company shall have the right from time to time to amend or rescind any Service Request, *provided* that (a) Service Provider consents to any amendment that results in a material change in the scope of Services to be provided, (b) the costs associated with an amended or rescinded Service Request shall include the costs incurred by Service Provider as a result of such amendment or rescission, and (c) no amendment or rescission of a Service Request shall release Client Company from any liability for costs already incurred or contracted for by Service Provider pursuant to the original Service Request, regardless of whether any labor or the furnishing of any property or other resources has been commenced or completed.

ARTICLE 3. COMPENSATION FOR SERVICES

Section 3.1 Cost of Services. Except to the extent otherwise required by Section 482 of the Internal Revenue Code or analogous state tax law, as compensation for any Services rendered to it pursuant to this Agreement, Client Company shall pay to Service Provider an amount consistent with the Commonwealth of Kentucky's affiliate transaction pricing requirements, KRS 278.2207. Accordingly (i) Services provided by the Operating Company to a Nonutility Company shall be priced at the greater of Cost or market, and (ii) Services provided by a Nonutility Company to the Operating Company shall be priced at the lesser of Cost or market. "Cost" means the sum of (i) direct costs, (ii) indirect costs and (iii) costs of capital. As soon as practicable after the close of each month, Service Provider shall render to each Client Company a statement reflecting the billing information necessary to identify the costs charged for that month. By the last day of each month, Client Company shall remit to Service Provider all charges billed to it. For avoidance of doubt, the Service Provider and each Client Company may satisfy the foregoing requirement by recording billings and payments required hereunder in their common accounting systems without rendering paper or electronic monthly statements or remitting cash payments.

ARTICLE 4. LIMITATION OF LIABILITY; INDEMNIFICATION

Section 4.1 Limitation of Liability/Services. In performing Services pursuant to Section hereof, Service Provider will exercise due care to assure that the Services are performed in a workmanlike manner in accordance with the specifications set forth in the applicable Service Request and consistent with any applicable legal standards. The sole and exclusive responsibility of Service Provider for any deficiency therein shall be promptly to correct or repair such deficiency or to re-perform such Services, in either case at no additional cost to Client Company, so that the Services fully conform to the standards described in the first sentence of this Section 4.1. No Service Provider makes any other warranty with respect to the provision of Services, and each Client Company agrees to accept any Services without further warranty of any nature.

Section 4.2 Limitation of Liability/Loaned Employees. In furnishing Services under Section 1.2 hereof (i.e., involving loaned employees), neither the Service Provider, nor any officer, director, employee or agent thereof, shall have any responsibility whatever to any Client Company receiving such Services, and Client Company specifically releases Service Provider

and such persons, on account of any claims, liabilities, injuries, damages or other consequences arising in connection with the provision of such Services under any theory of liability, whether in contract, tort (including negligence or strict liability) or otherwise, it being understood and agreed that any such loaned employees are made available without warranty as to their suitability or expertise.

Section 4.3 Disclaimer. WITH RESPECT TO ANY SERVICES PROVIDED UNDER THIS AGREEMENT, THE SERVICE PROVIDER THEREOF MAKES NO WARRANTY OR REPRESENTATION OTHER THAN AS SET FORTH IN SECTION 4.1, AND THE PARTIES HERETO HEREBY AGREE THAT NO OTHER WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING BUT NOT LIMITED TO ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE), SHALL BE APPLICABLE TO THE PROVISION OF ANY SUCH SERVICES. THE PARTIES FURTHER AGREE THAT THE REMEDIES STATED HEREIN ARE EXCLUSIVE AND SHALL CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY OF ANY PARTY HERETO FOR A FAILURE BY ANY OTHER PARTY HERETO TO COMPLY WITH ITS WARRANTY OBLIGATIONS.

Section 4.4 Indemnification.

(a) Indemnification In Respect of Services Provided by Operating Company.

(i) In circumstances where Operating Company is a Service Provider: (x) subject to subparagraph (ii) of this Section 4.4(a), Service Provider shall release, defend, indemnify and hold harmless each Client Company, including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys' fees), whether or not involving a third-party claim (collectively, "Damages"), incurred or sustained by or against Service Provider or any such Client Company arising, directly or indirectly, from or in connection with Service Provider's negligence or willful misconduct in the performance of the Services, and (y) each Nonutility Company that is a Client Company with respect to such Services shall release, defend, indemnify and hold harmless Service Provider, including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any Damages incurred or sustained by or against Service Provider or any such Client Company arising, directly or indirectly, from or in connection with Service Provider's negligence or willful misconduct in the performance of the Services, to the extent such Damages are not covered by Service Provider's indemnification obligation as provided in the preceding clause (x) or exceed the liability limits provided in subparagraph (ii) of this Section 4.4(a).

(ii) Notwithstanding any other provision hereof, in circumstances where Operating Company is a Service Provider: (x) Service Provider's total liability hereunder with respect to any specific Services shall be limited to the amount actually paid to Service Provider for its performance of the specific Services for which the liability arises, and (y) under no circumstances shall Service Provider be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise (it being the intent of the parties that the

indemnification obligations in this Agreement shall cover only actual damages and accordingly, without limitation of the foregoing, shall be net of any insurance proceeds actually received in respect of any such damages).

(b) Indemnification In Respect of Services Provided by Any Nonutility Company.

(i) In circumstances where a Nonutility Company is a Service Provider (*i.e.*, where Operating Company is the Client Company): (x) subject to subparagraph (ii) of this Section 4.4(b), Service Provider shall release, defend, indemnify and hold harmless the Client Company, including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any Damages incurred or sustained by or against Client Company arising, directly or indirectly, from or in connection with Service Provider's negligence or willful misconduct in the performance of the Services.

(ii) Notwithstanding any other provision hereof, in circumstances where a Nonutility Company is a Service Provider (*i.e.*, where Operating Company is the Client Company), under no circumstances shall Service Provider be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise (it being the intent of the parties that the indemnification obligations in this Agreement shall cover only actual damages and accordingly, without limitation of the foregoing, shall be net of any insurance proceeds actually received in respect of any such damages).

Section 4.5 Procedure for Indemnification. Within 15 business days after receipt by any Client Company of notice of any claim or the commencement of any action, suit, litigation or other proceeding against it (a "Proceeding") with respect to which it is eligible for indemnification hereunder, such Client Company shall notify Service Provider thereof in writing (it being understood that failure so to notify Service Provider shall not relieve the latter of its indemnification obligation, unless Service Provider establishes that defense thereof has been prejudiced by such failure). Thereafter, Service Provider shall be entitled to participate in such Proceeding and, at its election upon notice to such Client Company and at its expense, to assume the defense of such Proceeding. Without the prior written consent of such Client Company, Service Provider shall not enter into any settlement of any third-party claim that would lead to liability or create any financial or other obligation on the part of such Client Company for which it such Client Company is not entitled to indemnification hereunder. If such Client Company has given timely notice to Service Provider of the commencement of such Proceeding, but Service Provider has not, within 15 business days after receipt of such notice, given notice to Client Company of its election to assume the defense thereof, Service Provider shall be bound by any determination made in such Proceeding or any compromise or settlement made by Client Company. A claim for indemnification for any matter not involving a third-party claim may be asserted by notice from the applicable Client Company to Service Provider.

ARTICLE 5. MISCELLANEOUS

Section 5.1 Amendments. Any amendments to this Agreement shall be in writing executed by each of the parties hereto. To the extent that applicable state law or regulation or other binding obligation requires that any such amendment be filed with the

Kentucky Public Service Commission for its review or otherwise, Operating Company shall comply in all respects with any such requirements.

Section 5.2 Effective Date; Term. This Agreement shall become effective on the Effective Date and shall continue in full force and effect as to each party until terminated by any party, as to itself only, upon not less than 30 days prior written notice to the other parties hereto. Any such termination of parties shall not be deemed an amendment hereto. This Agreement may be terminated and thereafter be of no further force and effect upon the mutual consent of all of the parties hereto.

Section 5.3 Additional Parties. After the Effective Date of this Agreement, additional Nonutility Companies may become parties to this Agreement by executing appropriate signature pages, whereupon any such additional signatory shall be deemed a “party” hereto all purposes hereof and shall thereupon become bound by the terms and conditions of this Agreement as if an original party hereto. The addition of any such further signatories, in the absence of any changes to the terms of this Agreement, shall not be deemed an amendment hereto.

Section 5.4 Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any prior or contemporaneous contracts, agreements, understandings or arrangements, whether written or oral, with respect thereto. Any oral or written statements, representations, promises, negotiations or agreements, whether prior hereto or concurrently herewith, are superseded by and merged into this Agreement.

Section 5.5 Severability. If any provision of this Agreement or any application thereof shall be determined to be invalid or unenforceable, the remainder of this Agreement and any other application thereof shall not be affected thereby.

Section 5.6 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of each of the other parties. Any attempted or purported assignment in violation of the preceding sentence shall be null and void and of no effect whatsoever. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 5.7 Governing Law. This Agreement shall be construed and enforced under and in accordance with the laws of the State of Kentucky, without regard to conflicts of laws principles.

Section 5.8 Captions, etc. The captions and headings used in this Agreement are for convenience of reference only and shall not affect the construction to be accorded any of the provisions hereof. As used in this Agreement, “hereof,” “hereunder,” “herein,” “hereto,” and words of like import refer to this Agreement as a whole and not to any particular section or other paragraph or subparagraph thereof.


Section 5.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed a duplicate original hereof, but all of which shall be deemed one and the same Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by an appropriate officer thereunto duly authorized.

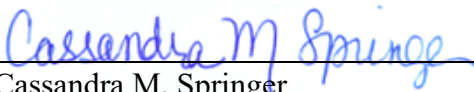
CINCAP V, LLC

(by Duke Energy Commercial Enterprises, Inc. its Managing Member)

By: 

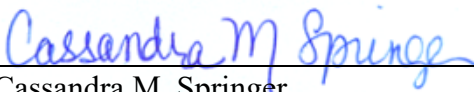
David S. Maltz
Secretary

DEGS WIND SUPPLY, LLC

By: 


Cassandra M. Springer
Assistant Secretary

DEGS WIND SUPPLY II, LLC

By: 

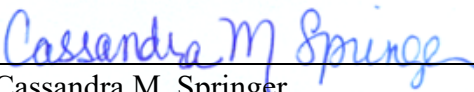
Cassandra M. Springer
Assistant Secretary

DUKE ENERGY COMMERCIAL ENTERPRISES, INC.

By: 

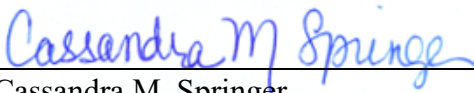
David S. Maltz
Secretary

DUKE ENERGY INDUSTRIAL SALES, LLC

By: 


Cassandra M. Springer
Assistant Secretary

DUKE ENERGY KENTUCKY, INC.

By: 

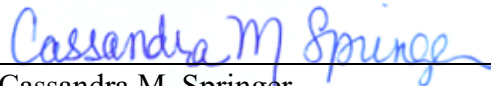
Cassandra M. Springer
Assistant Corporate Secretary

DUKE ENERGY ONE, INC.

By: 


David S. Maltz
Secretary

DUKE VENTURES REAL ESTATE, LLC

By: 

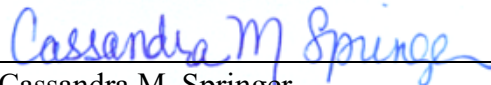
Cassandra M. Springer
Assistant Secretary

ETRANSENERGY, LLC

By: 

Cassandra M. Springer
Assistant Secretary

PEAKNET, LLC

By: 

Cassandra M. Springer
Assistant Secretary

EXHIBIT A

Service Request For Affiliates

Page 1 of 2

Id

SRAF-145

Status

Draft

* Red Asterisk indicates required fields

*Functional Area (for the Service Provider)

Service Provider

*Service Provider

*Legal Approval Representative

Proposed Service

*Proposed Service

* Additional Detail

Please provide basis for appropriate pricing and further details about parties involved.

Estimated Costs
(NA-see accounting records)

\$

*Scheduled Start Date

*Scheduled Completion Date

Client Company

*Client Company

PeopleSoft Accounting Codes for the Services Provided

* * * Process OR Project & Activities OR GL Account for Client Company must be entered

*Client Company Operating Unit

*Service Provider Resp. Center

* Process

EXHIBIT A

Service Request For Affiliates

Page 2 of 2

* Project	* Activity	* GL Account
<input type="text"/>	<input type="text"/>	<input type="text"/>

Confirmation of Service Provider Utility Responsibilities by Service Provider Approver

☐ Check this box to confirm that this Service Request will not result in impairment of Service Provider's utility responsibilities or business operations.

Approver Selection

The approvers should be appropriate according to the Delegation of Authority (DOA) matrix.

Route To	Name	Phone	Status
* Client Company	<input type="text"/> , Joel T	<input type="text"/> (980) 373	<input type="text"/>
* Service Provider	<input type="text"/>	<input type="text"/>	<input type="text"/>
* Legal	<input type="text"/>	<input type="text"/>	<input type="text"/>

Submitter Details

Created By
 , Chelsea

Created On
05/17/2018 10:53 PM

*Phone

(980) 373

Last Modified By
 Chelsea

Last Modified Date
 05/23/2018 4:31 PM

INTERCOMPANY ASSET TRANSFER AGREEMENT

This **Intercompany Asset Transfer Agreement** (this “Agreement”) is made and entered into by and among Duke Energy Carolinas, LLC (“DEC”), a North Carolina limited liability company, Duke Energy Ohio, Inc. (“DEO”), an Ohio corporation, Duke Energy Indiana, LLC (“DEI”), an Indiana limited liability company, Duke Energy Progress, LLC (“DEP”), a North Carolina limited liability company, Duke Energy Florida, LLC (“DEF”), a Florida limited liability company, Duke Energy Kentucky, Inc. (“DEK”), a Kentucky corporation, and Piedmont Natural Gas Company, Inc., a North Carolina corporation (collectively the “Operating Companies” and, individually, an “Operating Company”). The Effective Date as stated herein is the date on which this Agreement is executed or, as may be required, submitted to the appropriate regulatory body for approval, whichever occurs last. This Agreement supersedes and replaces in its entirety all previous Intercompany Asset Transfer Agreements dated before the Effective Date of this Agreement.

WITNESSETH:

WHEREAS, Duke Energy Corporation (“Duke Energy”) is a Delaware corporation;

WHEREAS, each Operating Company is a subsidiary of Duke Energy and a public utility company;

WHEREAS, in the ordinary course of their businesses, the Operating Companies maintain inventory and other assets for the operation and maintenance of their respective electric utility, and with respect to DEO DEK, and Piedmont, gas utility, businesses; and

WHEREAS, subject to the terms and conditions herein set forth, and taking into consideration the Operating Companies’ utility responsibilities, each Operating Company is willing, upon request from time to time, to transfer Assets, as defined herein, to each other Operating Company, as each shall request from each other.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree as follows:

ARTICLE 1. TRANSFER OF ASSETS

Section 1.1 Transfer. Upon request from one party (“Recipient”), the other party (“Transferor”) shall transfer to the Recipient those Assets requested by Recipient, provided that (i) Transferor believes, in its reasonable judgment, that such transfer will not jeopardize Transferor’s ability to render electric utility service or natural gas utility service to its customers consistent with Good Utility Practice; (ii) the Cost of any shipment of transmission- or generation-related item(s) does not exceed \$10,000,000; (iii) DEC and DEP shall not transfer any Asset hereunder in contravention of S.C. Code Ann. § 58-27-1300; (iii) DEK shall not transfer any Asset hereunder in contravention of KRS 278.218. and (iv) DEC and DEP may transfer or take receipt of any transmission transformers or other transmission-related equipment under this Agreement to or from DEC, DEP or DEF. DEC and DEP shall not, however, transfer

or take receipt of any transmission transformers or transmission-related equipment to or from DEO, DEI, and DEK, other than transmission-related equipment that may be used on/with transformers within a range of voltages or regardless of voltage. “Assets” means parts inventory, capital spares, equipment and other goods except for the following: coal; natural gas; fuel oil used for electric power generation; emission allowances; electric power; and environmental control reagents. “Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in the United States during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, methods, or acts generally accepted in the region.

Section 1.2 Compensation. Except to the extent otherwise required by Section 482 of the Internal Revenue Code or analogous state tax law, Recipient shall compensate Transferor for any Assets transferred hereunder at Cost. “Cost” means (i) for items of inventory accounted for in the FERC Uniform System of Accounts account 154 (“Inventory Items”), the average unit price of such Inventory Items as recorded on the books of the Transferor, plus stores, freight, handling, and other applicable costs, and (ii) for assets other than Inventory Items, net book value.

Alternatively, to the extent that an Asset may be transferred under this Agreement, the Transferor and Recipient may agree that the Asset transferred to the Recipient be replaced in kind. In this event, Transferor and Recipient shall agree to the timing of such replacement, and other necessary terms and conditions, and such in-kind replacement shall be deemed a transferred Asset for all purposes hereunder.

Section 1.3 Payment. Each Operating Company shall reasonably cooperate with each other Operating Company to record billings and payments required hereunder in their common accounting systems.

Section 1.4 Delivery; Title and Risk of Loss. The parties shall cooperate in providing transportation equipment necessary to deliver the Assets to the Recipient. Assets will be delivered FOB transportation equipment at the Transferor’s location where such Assets reside (“Shipping Point”). All costs of transportation, including the cost of transporting in-kind replacement Assets to Transferor, shall be borne by the Recipient. Title to and risk of loss of the transferred Assets shall pass from the Transferor to the Recipient at the Shipping Point.

ARTICLE 2. WARRANTIES

Section 2.1 Warranties. Each Operating Company, as Transferor, warrants that it will have good and marketable title to the Assets transferred hereunder. Further, each Operating Company, as Transferor, warrants that it shall obtain release of any liens or other encumbrances on the transferred Assets within a reasonable time. ALL ASSETS TRANSFERRED HEREUNDER ARE BEING SOLD “AS IS, WHERE IS” AND WITHOUT ANY WARRANTY

AS TO ITS CONDITION, INCLUDING WITHOUT ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Section 2.2 Disclaimer. WITH RESPECT TO ANY ASSETS TRANSFERRED HEREUNDER, EACH OPERATING COMPANY AS TRANSFEROR MAKES NO WARRANTY OR REPRESENTATION OTHER THAN AS SET FORTH IN SECTION 2.1, AND THE PARTIES HERETO HEREBY AGREE THAT NO OTHER WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING BUT NOT LIMITED TO ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE), SHALL BE APPLICABLE TO SUCH ASSETS. THE PARTIES FURTHER AGREE THAT THE REMEDIES STATED HEREIN ARE EXCLUSIVE AND SHALL CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY OF ANY PARTY HERETO FOR A FAILURE BY ANY OTHER PARTY HERETO TO COMPLY WITH ITS WARRANTY OBLIGATIONS.

ARTICLE 3. INDEMNIFICATION

Section 3.1 Indemnification; Limitation of Liability.

(a) Subject to subparagraph (b) of this Section 3.1, each party (the “Indemnifying Party”) shall release, defend, indemnify and hold harmless the other party (the “Indemnified Party”), including any officer, director, employee or agent thereof, from and against, and shall pay the full amount of, any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys’ fees), whether or not involving a third-party claim, incurred or sustained by or against any such Indemnified Party arising, directly or indirectly, from or in connection with Indemnifying Party’s negligence or willful misconduct in the performance of its obligations hereunder.

(b) Notwithstanding any other provision hereof, each party’s total liability hereunder with respect to any Assets shall be limited to the amount actually paid to Transferor for such Assets for which the liability arises, and under no circumstances shall Transferor be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise (it being the intent of the parties that the indemnification obligations in this Agreement shall cover only actual damages and accordingly, without limitation of the foregoing, shall be net of any insurance proceeds actually received in respect of any such damages).

Section 3.2 Procedure for Indemnification. Within 15 business days after receipt by an Indemnified Party of notice of any claim or the commencement of any action, suit, litigation or other proceeding against it (a “Proceeding”) with respect to which it is eligible for indemnification hereunder, the Indemnified Party shall notify the Indemnifying Party thereof in writing (it being understood that failure so to notify the Indemnifying Party shall not relieve the latter of its indemnification obligation, unless the Indemnifying Party establishes that defense thereof has been prejudiced by such failure). Thereafter, the Indemnifying Party shall be entitled to participate in such Proceeding and, at its election upon notice to such Indemnified Party and at its expense, to assume the defense of such Proceeding. Without the prior written consent of such

Indemnified Party, Indemnifying Party shall not enter into any settlement of any third-party claim that would lead to liability or create any financial or other obligation on the part of such Indemnified Party for which such Indemnified Party is not entitled to indemnification hereunder. If such Indemnified Party has given timely notice to Indemnifying Party of the commencement of such Proceeding, but Indemnifying Party has not, within 15 business days after receipt of such notice, given notice to Indemnified Party of its election to assume the defense thereof, Indemnifying Party shall be bound by any determination made in such Proceeding or any compromise or settlement made by Indemnified Party. A claim for indemnification for any matter not involving a third-party claim may be asserted by notice from the applicable Indemnified Party to Indemnifying Party.

ARTICLE 4. MISCELLANEOUS

Section 4.1 Amendments. Any amendments to this Agreement shall be in writing executed by each of the parties hereto. To the extent that applicable state law or regulation or other binding obligation requires that any such amendment be filed with any affected state public utility commission for its review or otherwise, each Operating Company shall comply in all respects with any such requirements.

Section 4.2 Effective Date; Term. This Agreement shall become effective on the Effective Date and shall continue in full force and effect until terminated by either party upon not less than 30 days prior written notice to the other party. This Agreement may be terminated and thereafter be of no further force and effect upon the mutual consent of the parties hereto.

Section 4.3 Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any prior or contemporaneous contracts, agreements, understandings or arrangements, whether written or oral, with respect thereto. Any oral or written statements, representations, promises, negotiations or agreements, whether prior hereto or concurrently herewith, are superseded by and merged into this Agreement.

Section 4.4 Severability. If any provision of this Agreement or any application thereof shall be determined to be invalid or unenforceable, the remainder of this Agreement and any other application thereof shall not be affected thereby.

Section 4.5 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise by any party hereto without the prior written consent of the other party. Any attempted or purported assignment in violation of the preceding sentence shall be null and void and of no effect whatsoever. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 4.6 Governing Law. This Agreement shall be construed and enforced under and in accordance with the laws of the State of New York, without regard to conflicts of laws principles.

Section 4.7 Captions, etc. The captions and headings used in this Agreement are for convenience of reference only and shall not affect the construction to be accorded any of the provisions hereof. As used in this Agreement, “hereof,” “hereunder,” “herein,” “hereto,” and words of like import refer to this Agreement as a whole and not to any particular section or other paragraph or subparagraph thereof.

Section 4.8 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed a duplicate original hereof, but all of which shall be deemed one and the same Agreement.

Section 4.9 DEC, DEP, and Piedmont Conditions. In addition to the terms and conditions set forth herein, except with respect to the pricing of Asset transfers as set forth herein, DEC’s, DEP’s and Piedmont’s participation in this Agreement is explicitly subject to the Regulatory Conditions and Code of Conduct approved by the NCUC in its Order Approving Merger Subject to Regulatory Conditions and Code of Conduct issued in Docket No. E-2, Sub 1095, Docket No. E-7, Sub 1100, and Docket No. G-9, Sub 682 (“Merger Order”), as such Regulatory Conditions and Code of Conduct may be amended from time to time. In accordance with Regulatory Condition 3.9.b. as approved in the Merger Order, nothing in this Agreement shall be construed or interpreted so as to commit DEC or DEP, or to involve DEC or DEP in, joint planning, coordination, or operation of generation, transmission, or distribution facilities with one or more affiliates nor shall it be interpreted as otherwise altering DEC’s or DEP’s obligations with respect to the Regulatory Conditions approved in the Merger Order. In the event of a conflict between the provisions of this Agreement and the Regulatory Conditions and Code, the Regulatory Conditions and Code shall govern, except as altered by the Commission by Order for this Agreement.

Section 4.10 DEI Conditions. DEI agrees and acknowledges that in accordance with its Affiliate Standards, Section II O (i) it will make Assets available to non-affiliated wholesale power marketers under the same terms, conditions and prices, and at the same time, as it makes Assets available to a DEO’s wholesale power marketing function, and (ii) it will process all requests for Assets from DEO’s wholesale power marketing function and non-affiliated wholesale power marketers on a non-discriminatory basis.

Section 4.11 Regulatory Approvals. This Agreement is expressly contingent on the receipt of all regulatory approvals or waivers deemed necessary by the parties.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on March 29, 2022, on its behalf by an appropriate officer thereunto duly authorized.

Duke Energy Carolinas, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Duke Energy Indiana, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Duke Energy Ohio, Inc.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

Duke Energy Kentucky, Inc.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

Duke Energy Progress, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Duke Energy Florida, LLC

By: _____
Cassandra M. Springer
Assistant Secretary

Piedmont Natural Gas Company, Inc.

By: _____
Cassandra M. Springer
Assistant Corporate Secretary

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF DUKE)	
ENERGY KENTUCKY, INC. FOR: 1) AN)	
ADJUSTMENT OF THE ELECTRIC RATES; 2))	CASE NO.
APPROVAL OF NEW TARIFFS; 3) APPROVAL)	2024-00354
OF ACCOUNTING PRACTICES TO ESTABLISH)	
REGULATORY ASSETS AND LIABILITIES;)	
AND 4) ALL OTHER REQUIRED APPROVALS)	
AND RELIEF.	

DIRECT TESTIMONY OF

SHANNON A. CALDWELL

ON BEHALF OF

DUKE ENERGY KENTUCKY, INC.

December 2, 2024

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTION AND PURPOSE	1
II. WORKFORCE OVERVIEW	4
III. COMPENSATION OVERVIEW: PHILOSOPHY, COMPONENTS, AND CUSTOMER BENEFIT	7
IV. DETAILED REVIEW OF COMPENSATION COMPONENTS.....	14
V. COST RECOVERY OF INCENTIVE PAY EXPENSE	26
VI. BENEFIT PLAN DESIGN AND COST RECOVERY	30
VII. SCHEDULES AND FILING REQUIREMENTS SPONSORED BY WITNESS	37
VIII. CONCLUSION	37

ATTACHMENTS:

Attachment SAC-1	Duke Energy 2024 Compensation Survey E-Library
Attachment SAC-2	Union Contracts
	(a) Agreement and Sidebar Letters Between Utility Workers Union of America Local 600 and Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc.
	(b) Agreement and Sidebar Letters between International Brotherhood of Electrical Workers Local 1347 and Duke Energy Ohio, Inc. Duke Energy Kentucky, Inc.
Attachment SAC-3	Duke Energy Incentive Plans
	(a) CONFIDENTIAL Duke Energy 2024 Short-Term Incentive Plan and Union Employee Incentive Plan
	(b) CONFIDENTIAL Duke Energy 2024 Short-Term Incentive Scorecard
	(c) CONFIDENTIAL Duke Energy 2024 Executive Long-Term Incentive Plan Brochure
	(d) Duke Energy 2024 Restricted Stock Award Summary

I. INTRODUCTION AND PURPOSE

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Shannon A. Caldwell, and my business address is 525 South Tryon
3 Street, Charlotte North Carolina 28202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed by Duke Energy Business Services LLC (DEBS), as Director,
6 Compensation. DEBS provides various administrative and other services to Duke
7 Energy Kentucky, Inc., (Duke Energy Kentucky or Company) and other affiliated
8 companies of Duke Energy Corporation (Duke Energy).

9 **Q. PLEASE SUMMARIZE YOUR EDUCATION AND PROFESSIONAL**
10 **EXPERIENCE.**

11 A. I graduated from the University of North Carolina with a Bachelor of Science
12 degree in Business Administration and the University of South Carolina with a
13 Master's Degree in Human Resources. I also hold various certifications including
14 a Certified Compensation Professional designation.

15 I have 11 years of human resource experience, primarily working with
16 compensation programs. I joined Duke Energy in 2013 and have held various
17 positions in human resources. In addition, I have served in key roles on several
18 projects, including the integration of Progress Energy and Piedmont Natural Gas
19 employees into Duke Energy compensation programs.

20 **Q. PLEASE DESCRIBE YOUR DUTIES AS DIRECTOR, COMPENSATION.**

21 A. I am responsible for all broad-based compensation, including compensation
22 design and strategy, management of key vendor relationships, and compensation

1 administration for Duke Energy, including all of Duke Energy's affiliated
2 regulated and non-regulated companies, including Duke Energy Kentucky
3 (collectively the Companies).

4 **Q. HAVE YOU EVER TESTIFIED BEFORE THE KENTUCKY PUBLIC**
5 **SERVICE COMMISSION?**

6 A. No.

7 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
8 **PROCEEDING?**

9 A. The purpose of my testimony is to demonstrate that the compensation and benefits
10 programs provided to Duke Energy employees are necessary to attract, engage
11 and retain the skilled and experienced workforce the Company needs to
12 efficiently and effectively provide reliable electric service to its customers. I
13 explain how these programs are market-competitive and comparable to programs
14 offered by other utilities, as well as other companies outside of the utility
15 industry. As I explain in my testimony, being market-competitive is critical
16 because Duke Energy competes with these other utilities and companies in the
17 labor market for talent.

18 I also outline the design and function of our compensation programs and
19 explain how they are in line with the industry, are market-competitive, and how
20 the performance metrics included in the incentive plans directly benefit Duke
21 Energy Kentucky customers through safe and reliable service, customer service
22 quality, and low energy costs. As described in greater detail in my testimony,
23 incentive pay is a key component of Duke Energy's compensation program. In the

1 competitive market for talent, employees consider the total rewards package,
2 including base pay, incentive pay and benefits, as a key determinant in deciding
3 whether to work for a particular employer. Accordingly, whether it is through
4 base pay or a combination of base pay and incentives, Duke Energy must keep its
5 overall compensation package competitive to attract and retain a competent
6 workforce. Incentive pay is therefore similar to other costs necessary to provide
7 customers safe and reliable service. As such, the program expenditures by the
8 Company in connection with these programs are reasonable and prudently
9 incurred costs of service to our customers.

10 The factors that underpin the importance of full cost recovery have not
11 diminished since our last electric rate case in 2022. Employees are the backbone
12 of the Company's work in providing utility service, and employee turnover is
13 expensive, particularly in industries – such as ours – that utilize a highly skilled
14 labor force that requires lengthy and intensive periods of apprenticeship and
15 training. Accordingly, as my testimony demonstrates, the Company's allocated
16 compensation expense, including incentive compensation, is reasonable and
17 prudent, and Duke Energy Kentucky should be allowed to recover all of these
18 costs.

19 I also sponsor Schedules G-2 and G-3 in satisfaction of Filing
20 Requirement (FR) 16(8)(g).

II. WORKFORCE OVERVIEW

1 **Q. PLEASE DESCRIBE THE GENERAL COMPOSITION OF THE**
2 **EMPLOYEE POPULATIONS.**

3 A. As of August 31, 2024, Duke Energy has a total of 26,213 employees. Duke
4 Energy Kentucky has 141 employees, comprised of 10 exempt employees and
5 131 non-exempt employees, all of whom are union employees. DEBS has 6,737
6 employees, comprised of 5,152 exempt employees and 1,585 non-exempt
7 employees, of whom 793 are union employees.

8 **Q. WHERE DO THESE EMPLOYEES WORK WHEN PERFORMING**
9 **SERVICES FOR DUKE ENERGY KENTUCKY CUSTOMERS?**

10 A. Duke Energy Kentucky's customers receive services from employees of Duke
11 Energy Kentucky and affiliated companies. The electric employees work at the
12 East Bend Generating Station (East Bend), the Woodsdale Generating Station
13 (Woodsdale) (collectively, the Plants); the Erlanger, Kentucky Operations Center;
14 the Little Miami Operations Center; and the Queensgate Operations Center. They
15 also work in our Cincinnati, Ohio, headquarters and in the Duke Energy
16 headquarters in Charlotte, North Carolina.

17 **Q. WHAT TYPES OF SPECIAL SKILLS OR KNOWLEDGE ARE**
18 **REQUIRED TO OPERATE AN ELECTRIC UTILITY SUCH AS DUKE**
19 **ENERGY KENTUCKY?**

20 A. Generation, transmission, and distribution of electric power are complex
21 undertakings requiring a highly skilled workforce. A few examples serve to
22 illustrate this point:

- 1 • Engineering professionals help to design, build, operate, and maintain our
2 generation plants and the transmission and distribution systems that
3 provide power to our customers.
- 4 • Plant operators are responsible for generating the electricity that powers
5 our customers' homes and businesses.
- 6 • Line workers must work quickly and efficiently, especially under adverse
7 weather conditions, to maintain, improve, and if necessary, restore our
8 transmission and delivery infrastructure to keep electricity flowing to our
9 customers.
- 10 • Field service and call center employees must understand the services
11 provided by the Company, including the metering, billing, and collection
12 processes plus various other customer service matters.
- 13 • At the corporate level, highly skilled managers, engineers, accountants,
14 cyber security analysts, and other professionals are needed to support the
15 employees who are directly responsible for generating, procuring, and
16 delivering electricity to the Company's customers.

17 **Q. HOW IMPORTANT IS THE RECRUITMENT AND RETENTION OF**
18 **SUCH EMPLOYEES TO DUKE ENERGY KENTUCKY'S SUCCESS ON**
19 **BEHALF OF ITS CUSTOMERS?**

20 A. The ability to attract and retain employees with the required technical skills is
21 critical to the success of the Company, and very important to our ability to
22 provide safe, reliable, and high-quality electric utility service to our customers. A
23 fundamental factor with respect to the ability of any employer to attract and

1 recruit skilled and qualified employees is the employer's compensation and
2 benefits programs – potential employees will simply look elsewhere if the
3 employer's total rewards package fails to achieve market competitiveness.

4 As such, compensation and benefits are highly important to the
5 Company's ability to attract, engage, and retain a diverse, qualified workforce.
6 One of the keys to providing a desirable workplace where employees want to
7 continue working is to ensure that employees have the opportunity to earn
8 competitive pay and participate in comprehensive benefits programs.

9 **Q. IN RECENT YEARS HAS THE COMPANY EXPERIENCED**
10 **CHALLENGES ATTRACTING AND RETAINING A HIGHLY TRAINED**
11 **AND SKILLED WORKFORCE?**

12 A. Yes, Duke Energy has experienced challenges in retaining a highly trained and
13 technical workforce across its enterprise. We face competition from local and
14 national electric companies and contractors that target their recruiting efforts at
15 employees trained by Duke Energy. It is both prudent and necessary for Duke
16 Energy to take measures to prevent potential losses of employees in all of its
17 service territories. Providing a market-competitive compensation and benefits
18 package as well as a robust training program is a must to attract and retain the
19 employees required to provide safe and reliable electric service.

1 **Q. WHAT ARE THE IMPLICATIONS OF THE CHALLENGES THAT**
2 **DUKE ENERGY HAS EXPERIENCED IN ATTRACTING AND**
3 **RETAINING EMPLOYEES?**

4 A. Our employees deliver critical services to our customers every day and the energy
5 industry is a knowledge and experience-intensive industry where the tenure of
6 employees matters. Maintaining a competitive compensation and benefits package
7 is instrumental in meeting Duke Energy's and Duke Energy Kentucky's shared
8 goals of providing safe, adequate, reliable, and reasonably priced utility service to
9 customers.

III. COMPENSATION OVERVIEW: PHILOSOPHY, COMPONENTS, AND
 CUSTOMER BENEFIT

10 **Q. WHAT IS DUKE ENERGY'S COMPENSATION PHILOSOPHY?**

11 A. Duke Energy's overall compensation philosophy is to target total compensation of
12 base pay and incentives, including both short- and long-term, at the median of the
13 market when compared to peer companies, with the opportunity to earn more or
14 less relative to the market median based on actual performance. We have an
15 obligation to be responsive to the market for talent and assure the competitiveness
16 of the total compensation package, consisting of base salary, cash-based
17 incentives, and, for some employees, long-term incentive compensation. Duke
18 Energy's compensation philosophy has three major parts:

19 First, Duke Energy's compensation is market-based, meaning we are
20 competitive with the external labor market, allowing us to attract and retain
21 qualified and diverse employees. Duke Energy employs a compensation strategy
22 that combines base pay and variable incentive opportunities for all levels of

1 positions. This approach fosters efficiency, safety, and a focus on the customer by
2 aligning our employees' pay to quality service for customers.

3 Second, Duke Energy is performance oriented. Linking compensation to
4 performance is one way to engage employees, set high expectations for
5 employees, and reward results that benefit customers. Duke Energy's
6 compensation program is designed to provide total compensation that is consistent
7 with performance.

8 Finally, Duke Energy is fair and flexible. Its well-managed policies and
9 pay administration guidelines ensure that employees are compensated consistently
10 and fairly across departments. Duke Energy must also be flexible to align its
11 policies with business needs as they grow and change.

12 **Q. IS DUKE ENERGY'S COMPENSATION PHILOSOPHY FOR**
13 **EXECUTIVES SIMILAR TO THE PHILOSOPHY APPLICABLE TO**
14 **NON-EXECUTIVE EMPLOYEES?**

15 A. Yes. The compensation philosophy is similar for both executive and non-
16 executive employees. The compensation package for executives consists of a
17 combination of fixed and variable pay using base salary, short-term incentives, and
18 long-term incentives. These components, in the aggregate, are targeted to deliver
19 total compensation that is competitive with Duke Energy's peers and consistent
20 with performance. Duke Energy adopted this executive compensation strategy in
21 order to attract and retain the executive talent required to deliver superior
22 performance. The strategy emphasizes performance-based compensation that
23 balances rewards for both short-term and long-term results and that aligns the

1 executives' interests with the long-term success of Duke Energy, including Duke
2 Energy Kentucky and its customers.

3 **Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPENSATION**
4 **PROGRAMS PROVIDED BY DUKE ENERGY.**

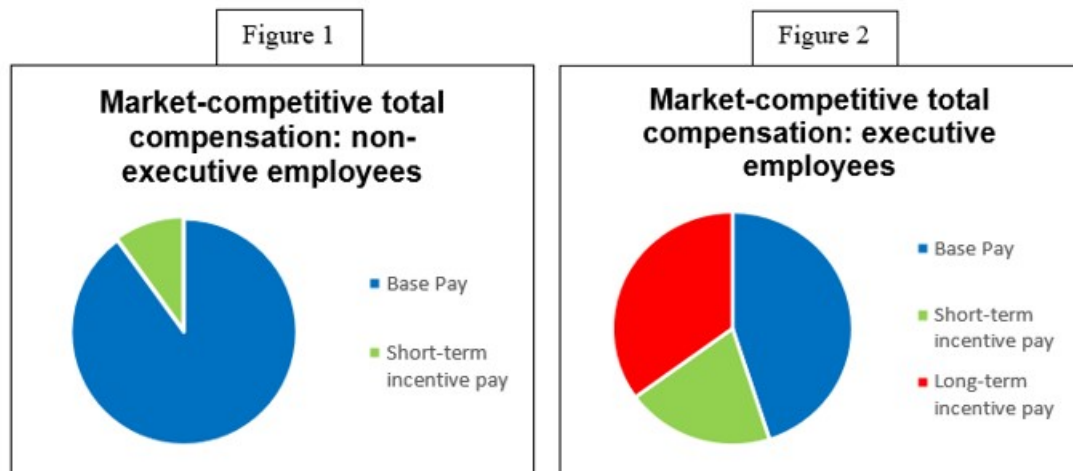
5 A. Duke Energy's compensation programs consist of a base pay component and
6 incentive pay components that together provide a market-competitive, total
7 compensation package for all employees. The base pay component is a set
8 amount, reviewed by management at least annually, and established at a level
9 that: (1) provides compensation based on the nature and responsibilities of the
10 employee's position; (2) is fair relative to the pay for other similarly situated
11 positions in the organization; and (3) when combined with the incentive pay
12 opportunities, is market-competitive.

13 The short-term incentive (STI) pay component is variable based on
14 performance and is "at risk" pay. All employees are eligible for the STI as a
15 component of their total pay – that is, employees are "at risk" of not receiving this
16 component of their compensation package. Carving out a portion of employees'
17 total compensation and delivering it through variable incentive pay serves
18 multiple purposes: (1) to encourage employees to accomplish specific objectives
19 intended to ensure safe, reliable, and economical utility service for our customers;
20 (2) to foster their business unit's and Duke Energy's overall success; and (3)
21 aligns with competitors' pay structures.

22 The long-term incentive (LTI) plans round out a competitive total
23 compensation package for certain employees in leadership positions. Including

LTI programs as a portion of total compensation for leadership is market-competitive and necessary to attract and retain the high-caliber leaders needed to serve our customers and communities, and lead the way to a safe, secure, and responsible energy future, while providing reasonably priced utility service for our customers. Simply put, competent management is beneficial to customers.

For illustrative purposes, the total compensation concept is depicted below in Figures 1 and 2.



As Figures 1 and 2 make clear, base pay alone does *not* equate to market-competitive total compensation – rather, base pay *in combination with* incentive pay equates to market-competitive total compensation.

Q. HOW DOES DUKE ENERGY KNOW ITS COMPENSATION IS MARKET-COMPETITIVE?

A. Duke Energy refers to numerous published surveys to assess whether its compensation is market-competitive. As compared with these surveys, the Company's pay levels are competitive with the market median for base salary and total compensation (base pay plus incentives). Further, we routinely benchmark

1 total compensation (base pay plus incentives) against other similarly sized
2 companies, both within and outside of the utility industry, and participate in a
3 variety of third-party salary surveys on an annual basis. These surveys contain
4 aggregated compensation data, including base pay and incentive targets, from
5 multiple employers for various job functions and career levels. This data is
6 analyzed to determine overall competitiveness of pay for jobs throughout Duke
7 Energy. A complete list of the salary surveys Duke Energy is currently
8 participating in is reflected in Attachment SAC-1.

9 **Q. WHY IS IT IMPORTANT TO PROVIDE INCENTIVE OPPORTUNITIES**
10 **AS PART OF EMPLOYEES' TOTAL COMPENSATION?**

11 A. Incentive compensation rewards employee contributions to the company's success
12 and is critical to ensuring overall competitive compensation for Duke Energy
13 employees. In particular, short-term incentive opportunities are components of
14 market-competitive total compensation that are necessary to attract and retain
15 qualified employees. It is important to stress that if Duke Energy did not provide
16 incentive opportunities to employees, the same target value of incentive
17 compensation would need to be added to base pay – which is paid regardless of
18 Duke Energy's performance – to maintain market-competitive compensation.

19 Similarly, Duke Energy's LTI programs are necessary components of
20 Duke Energy's compensation package for leaders. The LTI programs are market-
21 competitive and allow Duke Energy to attract and retain the high-performing
22 leaders who can lead the way to cleaner, smarter energy solutions that are valued
23 by customers. Offering less than competitive levels of compensation would put

1 Duke Energy at risk of losing these valuable leaders to other companies and
2 potentially having to pay more to attract the same level of leadership talent
3 externally. In addition, the inclusion of long-term incentive pay ensures that our
4 leadership is focused on the long term, and not overly focused on the short term.
5 If the Companies did not incorporate LTI as a part of the total compensation for
6 these leadership positions, it would require higher base salaries in order to provide
7 the same level of market-based total compensation. If an increase to base pay was
8 not made in place of the LTI component and the overall level of total
9 compensation was reduced, the Companies would not be able to effectively attract
10 or retain the experienced leaders necessary to direct the efforts of its employees
11 and make the best strategic decisions on behalf of the Duke Energy and to provide
12 reliable service to customers.

13 Put another way, whether it is through base pay or a combination of base
14 pay and incentives, Duke Energy must keep its overall compensation package
15 competitive to attract and retain a competent workforce. Incentive pay is similar
16 to the other costs related to providing electric service – it is a necessary cost to
17 provide customers safe and reliable service. In the competitive market for talent,
18 employees consider the total rewards package, including base pay, incentive pay,
19 and benefits, as a key determinant in deciding whether to work for a particular
20 employer.

1 **Q. DOES A COMPETITIVE TOTAL COMPENSATION PACKAGE FOR**
2 **EMPLOYEES BENEFIT THE COMPANY'S RETAIL CUSTOMERS?**

3 A. Yes. Our employees deliver critical services to our customers every day. We need
4 to attract, develop, and retain—over the long term—the employees that design,
5 build, and operate our plants and the employees that maintain and improve the
6 infrastructure necessary to keep the lights on. Many craft positions require lengthy
7 apprenticeships to learn the skills needed to perform work independently and
8 safely. The competencies needed for employees in highly skilled positions – such
9 as Line Technicians – take many years to develop. If we were to lose such
10 employees, we would incur additional costs to train replacements for these
11 positions, while experiencing additional risk with regard to reliability issues. The
12 expense incurred to hire and train new employees, and the loss of productivity
13 realized through high turnover rates would negatively affect the ability of the
14 Company to provide safe and reliable service at a reasonable cost.

15 This is also true for leadership positions. Duke Energy invests in
16 developing highly effective leaders who develop and carry out the organization's
17 strategy and inspire employees to work together to achieve results the right way.
18 Many of our leaders possess extensive industry experience, advanced degrees, and
19 demonstrated examples of excellent leadership, making recruitment and retention
20 of such leaders critical to the success of the Company, particularly in this
21 changing energy landscape.

IV. DETAILED REVIEW OF COMPENSATION COMPONENTS

1 **Q. PLEASE DESCRIBE DUKE ENERGY'S BASE PAY PROGRAMS.**

2 A. For most non-union positions, Duke Energy utilizes base salary ranges consisting
3 of a minimum and maximum base salary for each job grade. We perform an
4 annual review of market data for both general industry positions and energy
5 services positions and compare that data to our total compensation package (base
6 pay plus incentives). Using this market data, salary ranges are reviewed annually
7 to remain competitive. Market data is also reviewed and used to determine annual
8 wage increase recommendations.

9 To determine the compensation for executive officers on an annual basis,
10 the Compensation and People Development Committee of the Board of Directors
11 of Duke Energy (the Committee) reviews data from nationally recognized,
12 independent executive compensation consulting firms (Frederick W. Cook and
13 WTW). The peer group of companies used for these analyses consists of
14 companies that represent the talent markets from which Duke Energy competes to
15 attract and retain executive employees.

16 Hourly represented employees, such as line technicians and meter readers,
17 are provided general wage increases negotiated with the labor unions that
18 represent the employees. Wage increases are just one component of union
19 negotiations and must be negotiated in the larger context of work-related topics,
20 such as benefits, work rules and overtime. These general increases are expressed
21 as percentages of current base pay rates and are consistent with market trends.
22 Duke Energy bases its positions in these negotiations on survey projections for

1 market increases and also utilizes survey market data to ensure pay is competitive
2 to the market. The current contracts in place with employees of Duke Energy
3 Kentucky can be found in Attachments SAC-2(a) and SAC-2(b).

4 **Q. PLEASE DESCRIBE THE STI COMPONENT OF INCENTIVE PAY.**

5 A. All employees are eligible for the STI component of incentive pay, however,
6 some represented employees, including those in Duke Energy Kentucky,
7 participate in the Union Employee Incentive Plan (UEIP) sub-plan per their union
8 agreement. As I testified previously, the STI component is the “at risk” portion of
9 each employee’s compensation. The STI program is designed to promote a
10 workforce culture that responds to pre-determined performance goals set both at
11 the corporate level and at a “team” (for non-leadership employees) or individual
12 (for leadership employees) level. How much of the STI component is actually
13 paid out to an individual employee depends on the degree to which the
14 performance goals are met. The STI and UEIP plan descriptions can be found in
15 Confidential Attachment SAC-3(a).

16 The process begins with the setting of goals at the commencement of each
17 year. The Committee approves the corporate level performance goals for the
18 upcoming year, as well as individual goals for leadership employees. Executive
19 leadership for each business unit sets the team goals for non-leadership
20 employees.

21 The corporate goals are reflected in a “scorecard.” The 2024 generic
22 scorecard for non-leadership employees is reproduced as Confidential Attachment
23 SAC-3(b). As can be readily seen in the Scorecard, each goal reflects the specific

metrics required to meet the goal at three different levels – the Minimum, Target, and Maximum level. The payout associated with achievement of the goal is based upon where performance falls along the Minimum to Maximum continuum. A thorough review is performed at the end of the year to determine the achievement level for each performance goal.

The Scorecard also details the weight given to achievement of each goal. A recap of the STI metrics, weights, and payout opportunities is set forth in the table below:

TABLE 1: SUMMARY 2024 STI PLAN

	Senior Management Committee (SMC) Weight	Leadership (Other than SMC) Weight	Non-Leadership Weight	Payout range
EPS	50%	50%	50%	0-200%
O&M Expense	5%	10%	5%	0-175%
Operational Excellence	5%	10%	10%	0-175%
CSAT	10%	10%	10%	0-175%
Clean Energy	10%	N/A	N/A	0-175%
Team	N/A	N/A	25%	0-175%
Individual	15%	20%	N/A	0-175%

Members of the Senior Management Committee (SMC), comprised of Chair and CEO Lynn Good and her direct reports, and President Harry Sideris and his direct reports, are also subject to an Individual Performance Modifier pursuant to which the Committee may exercise discretion to increase or decrease the aggregate incentive payment of each SMC member calculated based on the goals and weightings set forth above by up to 25 percent, based on the SMC member's achievement of their performance objectives during the year.

1 **Q. PLEASE PROVIDE ADDITIONAL DETAIL REGARDING THE**
2 **CORPORATE METRICS INCLUDED IN THE STI PROGRAM FOR 2024,**
3 **AND, IN PARTICULAR, DESCRIBE HOW THESE METRICS BENEFIT**
4 **CUSTOMERS.**

5 A. As the Scorecard in Confidential Attachment SAC-3(b) reflects, corporate STI
6 metrics are grouped into the categories of Financial Performance & Growth,
7 Operational Excellence, and Customer Satisfaction. A detailed description of
8 these categories follows:

9 Financial Performance & Growth: The Financial Performance &
10 Growth measure consists of Earnings per Share (EPS) and Operations and
11 Maintenance (O&M) expense control measures, each of which motivates
12 employees to focus on financial discipline, efficient operations, and
13 prudent use of resources, all of which are vital to the health and stability of
14 the organization.

15 EPS: EPS is an important metric to evaluate the success of our
16 performance, and it is a very common practice, both within and outside of
17 the utility industry, to use EPS as a primary goal in incentive programs. A
18 consistently growing EPS benefits customers by allowing the company to
19 access the capital markets on reasonable terms which ultimately lowers the
20 company's financing costs as Duke Energy Kentucky continues to invest
21 in the critical infrastructure needed to ensure the continued reliability and
22 resiliency of the electric grid.

1 O&M Expense Control: O&M expenses include those costs
2 necessary to support daily operations, as well as operate and maintain the
3 operating efficiency and productive life of assets. Cost control is an
4 integral part of any company's success. The intent of this goal is for
5 employees to focus on cost control on a day-to-day basis, the savings from
6 which are ultimately passed on to customers when new rates reflecting
7 those savings are implemented.

8 Operational Excellence: This metric is broken into two equally
9 weighted measures, Reliability and Safety/Environmental. This objective
10 emphasizes service reliability and the mitigation of environmental risks
11 associated with our operations. This goal motivates employees to ensure
12 the safety and reliability of the generation, transmission and distribution
13 systems as well as to provide reliable and safe products and services to
14 customers.

15 Reliability: The intent of this metric is to ensure that cost focus
16 does not sacrifice Duke Energy Kentucky's ability to provide reliable
17 service, which is expected by all customers. By including reliability in its
18 annual incentive metrics, employees are provided extra motivation to
19 ensure that the Company provides reliable service to its customers.

20 Safety/Environmental: This metric incorporates safety and
21 environmental stewardship into day-to-day activities, thus making the
22 safety of employees, customers, and communities a priority. The safety
23 and environmental goal payout will be determined by averaging the year-

1 end accomplishment of two goals: (i) Total Incident Case Rate (TICR),
2 which measures the number of occupational injuries and illnesses per 100
3 employees, including staff-augmented contractors; and (ii) Reportable
4 Environmental Events, which are environmental events resulting from
5 operations that have an impact on the environment, require notification
6 (verbal/written/electronic) to a regulatory agency, or result in a regulatory
7 citation or other enforcement action by a regulatory agency.

8 Customer Satisfaction: The incentive program also includes a
9 Customer Satisfaction goal, or CSAT, which measures the degree to which
10 customers have a favorable perception of an interaction, product, service,
11 or of Duke Energy overall. Achievement is based on Duke Energy's Net
12 Promoter Score (NPS), which is captured through its proprietary survey.
13 Duke Energy fosters a customer-centric culture, and the customer
14 satisfaction goal is intended to keep customers central to all that Duke
15 Energy does across the company, regardless of where its employees work.

16 Clean Energy: The SMC and the Controller also have a clean
17 energy metric. This quantitative goal focuses on the growth of our non-
18 emitting generation and storage capacity measured over a one-year period
19 in comparison to pre-established objective performance criteria. This goal
20 is not dependent on any retirements of existing coal plants.

21 Team/Individual: In addition to these corporate metrics, the
22 performance of non-leadership employees is assessed against pre-
23 determined "team" goals set by their business units. The team goals

1 directly benefit customers by tying employee compensation to reliability,
2 outage frequency, time required to restore service, lost-time accidents,
3 customer satisfaction scores, O&M expense levels, and capital
4 expenditures. These goals are typically tactical and operational goals that
5 align the work of each team to Duke Energy's overall priorities. Team
6 goal results establish a pool of dollars allocated at the discretion of
7 managers among employees based on their individual performance and
8 contributions to the team.

9 Finally, executive and leadership-level employees are assigned individual
10 goals. The individual goals are intended to motivate the executive leadership
11 members to advance strategic and operational objectives and are generally aligned
12 to the business in which they operate. Superior performance relating to these team
13 and individual goals directly benefits Duke Energy Kentucky customers through
14 safe and reliable service, customer service quality, and low energy costs.

15 **Q. PLEASE DESCRIBE THE UEIP.**

16 A. The UEIP is available to union employees of Duke Energy Kentucky and its
17 affiliated companies. Employees participating in the UEIP may not also
18 participate in the STI program offered to the general employee population
19 described previously. The purpose of the UEIP is to attract, retain, and motivate
20 employees, enhance teamwork and high levels of achievement, and to facilitate
21 the accomplishment of specific corporate and business unit goals. These goals
22 benefit the customer similarly to the annual STI – by motivating employees to
23 excel at such goals as customer satisfaction, safety, reliability, and financial

1 stewardship, high performance becomes part of the culture and employees are
2 motivated to exhibit the behaviors required to meet the goals and deliver the
3 highest value to customers at a reasonable cost. In addition, the UEIP is a
4 necessary component of the total compensation package for union employees that
5 attracts and retains the critical skills necessary to provide safe, efficient, and
6 reliable service to customers. Union employees include many of the back-office
7 personnel, including administrative and clerical employees, as well as customer
8 care associates, meter readers, and employees who construct and maintain the
9 Company's electric distribution system. All are functions that are critical to
10 reliable customer service.

11 The UEIP is a short-term incentive opportunity that allows union
12 employees to receive cash payments if the Duke Energy attains certain corporate
13 performance goals and/or if their group attains certain operational performance
14 goals during a calendar year. The UEIP award levels consist of a percentage of
15 the employee's base and overtime earnings and is based upon the achievement of
16 corporate and business unit goals, such as financial results, safety, and customer
17 satisfaction. The award levels for employees participating in the UEIP may also
18 vary based upon the employee's participation in the various retirement programs.
19 All union employees who participate in a cash balance feature under a Duke
20 Energy sponsored pension plan or who do not participate in a Duke Energy
21 sponsored pension plan are eligible for up to a five (5) percent maximum annual
22 incentive payment. Employees who participate in a final average pay feature
23 under a Duke Energy sponsored pension plan are eligible for up to a two (2)

1 percent maximum annual incentive payment. Additionally, regardless of which
2 retirement program they participate in, represented employees are eligible for a
3 safety adder equal to five (5) percent of their incentive payouts if there is no
4 significant operational event.

5 **Q. DO YOU CURRENTLY ANTICIPATE THE FINAL 2025 AND 2026 STI**
6 **PLAN DESIGNS TO BE MATERIALLY DIFFERENT?**

7 A. No. Understanding that some changes could materialize before plan finalization, I
8 anticipate the 2025 and 2026 STI plans to be similar to the current design.

9 **Q. PLEASE DESCRIBE THE LTI COMPONENT OF INCENTIVE PAY.**

10 A. At a high level, Duke Energy's LTI programs provide equity-based compensation
11 (*i.e.*, stock awards) to executive and leadership-level employees. Stock awards are
12 an important component of a compensation package that is reviewed annually to
13 ensure ongoing competitiveness. Compensation including stock awards aligns
14 these employees' interests with the long-term interests of Duke Energy, including
15 its customers. The goal of the LTI programs is to attract and retain high-caliber
16 leaders by providing a competitive compensation package and to encourage
17 leaders to make sound business decisions from a long-term perspective. Duke
18 Energy's LTI opportunities generally vest over a period of three years, focusing
19 executives on long-term performance and enhancing retention.

20 **Q. WHAT SPECIFIC LTI PROGRAMS ARE OFFERED BY DUKE**
21 **ENERGY?**

22 A. Duke Energy has two LTI programs. The Executive LTI program, called the
23 Executive LTI Plan, is reserved for the most senior executives, including the

SMC, and members of the Enterprise Leadership Team (ELT), which includes approximately 100 of the top leaders within Duke Energy below the level of the SMC. The second LTI program, the Restricted Stock Unit (RSU) Program, is available to other strategic leaders below the ELT level who are responsible for the most critical roles/responsibilities in each business group (population generally ranges between 2-3 percent of the total Duke Energy employee population). The Executive LTI Plan brochure and the Restricted Stock Award Summary are included as Confidential Attachment SAC-3(c) and Attachment SAC-3(d), respectively.

Q. PLEASE DESCRIBE THE EXECUTIVE LTI PLAN.

A. The Executive LTI Plan is designed to drive an ownership mindset for participants and ensure accountability for making short- and long-term strategic decisions. For 2024, participants in this program have 70 percent of their target LTI opportunity awarded as performance shares and 30 percent of their target LTI opportunity awarded as RSUs.

Performance Shares: The performance shares granted in 2024 incorporate three performance goals: (1) cumulative adjusted EPS, (2) Total Shareholder Return (TSR) compared to companies in the Philadelphia Utility Index, and (3) Total Incident Case Rate (TICR), which (as indicated above in my discussion of STI metrics) is a measure of operational safety – a factor of great importance to Duke Energy and its customers. Similar to the payout associated with meeting STI goals, payout of performance shares occurs only if pre-defined performance metrics related to the goals are met, but in the case of the performance share

1 awards the goals must be met over a three-year vesting period. The multi-year
2 vesting period ties the number of performance shares participants ultimately earn
3 to Duke Energy's long-term performance, and this correlates to long-term value.
4 Executive LTI Plan participants must generally continue their employment with
5 Duke Energy for a three-year period to earn a payout.

6 RSUs: The other 30 percent of Executive LTI Plan participants' target LTI
7 opportunity is awarded as RSUs. Vesting of RSUs is solely tied to the
8 participants' continued employment through vesting dates over a three-year
9 vesting period and is not dependent upon Duke Energy's financial performance.
10 Participants who remain employed with Duke Energy through a vesting date
11 receive a share of Duke Energy common stock for each vesting RSU.

12 **Q. PLEASE DESCRIBE THE LTI PROGRAM AVAILABLE TO LEADERS**
13 **BELOW THE ELT LEVEL.**

14 A. Leaders below the ELT level participate in the RSU program and receive their
15 LTI value in the form of RSUs that vest equally over three years, thereby
16 encouraging retention of high-quality employees. The reward of these RSUs is
17 purely aimed at continued employment and is in no way tied to actual company
18 financial performance. Participation in the RSU plan is reserved for positions that
19 meet at least one of the following criteria:

- 20 • Position has significant responsibility for a broad area or function or
21 geographic region;
- 22 • The employee leads major projects or groups with substantial
23 enterprise or business unit strategic or financial impact;

- The employee is in a role that has decision-making authority that impacts Company performance; and
- Position requires specialized expertise that is critical to business operations or strategy development.

The RSU plan is an equally important component within the total compensation package for eligible leadership positions (below executive level) and is critical to maintaining market competitiveness and retaining key leadership talent. These employees' base salary is set at such a level that, when factoring in the retention-driven RSUs, the total package results in market-competitive compensation.

Q. DO YOU CURRENTLY ANTICIPATE THE 2025 AND 2026 LTI PLAN DESIGNS TO REMAIN SIMILAR?

A. Yes. Understanding that some changes can materialize during the budgeting process, I anticipate the 2025 and 2026 LTI plans to be similar to the current design.

Q. HOW DO GOALS BASED ON MEETING EPS OR TSR BENEFIT CUSTOMERS?

A. In order to achieve EPS goals, Duke Energy must have strong cost management, prudent investments, and operational excellence, all of which benefit customers. Achieving EPS growth and consistent TSR benefits customers by allowing the company to access capital markets on reasonable terms which ultimately lowers the company's financing costs as Duke Energy continues to conduct necessary maintenance of the system, invest in modernization of the electric grid, and

1 transforms the customer experience by providing customers with more billing
2 options, additional energy usage information, and new tools to help manage and
3 reduce energy costs.

V. COST RECOVERY OF INCENTIVE PAY EXPENSE

**4 Q. WHAT INCENTIVE PAY EXPENSE DOES DUKE ENERGY KENTUCKY
5 PROPOSE TO RECOVER IN THIS PROCEEDING?**

6 A. Duke Energy Kentucky proposes to share its incentive plan expense between
7 shareholders and customers in a manner similar to what the Commission
8 previously approved in the Company's most recent electric base rate case, Case
9 No. 2022-00372, and in prior electric and natural gas base rate cases, Case No.
10 2017-00321 and Case No. 2018-00261. In those cases, the Commission approved
11 recovery of incentive pay expense that was not earnings-related or stock-based,
12 but rather tied to reliability, customer satisfaction, and individual performance
13 objectives. Even though the Company disagrees with the disallowance from rates
14 of incentive pay expense that is earnings-related or stock-based, due to the
15 Commission orders in these cases, the Company has removed these expenses
16 from its proposed test period in this proceeding, as Company witness Lisa
17 Steinkuhl explains in her direct testimony.

18 In Case No. 2019-00271 and Case No. 2021-00190, the Commission also
19 disallowed the portion of short-term incentive (STI) payments that "would only
20 be paid out in the event that a predetermined 'circuit breaker' Earnings Per Share
21 (EPS) value is met in the fiscal year."¹ However, as in Case No. 2022-00372, we

¹ *In the Matter of the Electronic Application of Duke Energy Kentucky, Inc. for 1) An Adjustment of the Electric Rates; 2) Approval of New Tariffs; 3) Approval of Accounting Practices to Establish Regulatory*

1 seek recovery of all STI measures except those that are earnings related and stock
2 based. Even though we believe all incentive expenses are prudent, benefit
3 customers, and are a component of market-competitive pay, because of consistent
4 Commission precedent to exclude financial related and stock-based compensation
5 from base rates, we have not included these costs in this proceeding. We will
6 describe further why we believe that excluding additional costs subject to the
7 “circuit breaker” is not appropriate.

8 **Q. DOES THE CIRCUIT BREAKER RESULT IN ALL STI PAYMENTS**
9 **BEING CONTINGENT UPON DUKE ENERGY CORPORATION**
10 **MEETING FINANCIAL METRICS?**

11 A. No. If actual EPS is greater than the EPS circuit breaker, all measures will be paid
12 out based on the scorecard. The circuit breaker, which is set between minimum
13 and target EPS, is designed to keep payouts affordable during years of extreme
14 financial hardship. Only if actual EPS is less than the EPS circuit breaker will
15 payouts for all measures, including the team component, be reduced and capped at
16 the EPS achievement. But again, this ensures the short-term incentive payout is
17 appropriate and affordable in the rare circumstances of extreme financial hardship
18 of the Company when the obligation to fund incentives is imprudent.

19 **Q. WHY IS THIS REASONABLE AND IN CUSTOMERS’ BEST INTEREST?**

20 A. The circuit breaker is designed to keep payouts affordable during years of extreme
21 financial hardship. Based on our analysis and lessons learned from 2020, the
22 circuit breaker strikes a balance between rewarding strong operational

Assets and Liabilities; and 4) All Other Required Approvals and Relief, Case No. 2019-00271, Order, p. 19 (April 27, 2020).

1 performance with providing a mechanism to keep incentive payouts affordable
2 during challenging years. It provides assurance that the Company will not make
3 incentive payouts when it is not financially prudent to do so. Importantly,
4 consistent EPS results allows the company to access the capital markets on
5 reasonable terms and ultimately lowers the company's financing costs, which
6 benefits our customers.

7 **Q. PLEASE FURTHER EXPLAIN DUKE ENERGY KENTUCKY'S**
8 **PROPOSAL FOR RECOVERY OF INCENTIVE PLAN EXPENSE.**

9 A. As shown above in Table 1: Summary 2024 STI plan, the STI continues to
10 include a weighting factor for achieving corporate EPS. In 2009, Duke Energy
11 added a weighting for achieving other goals such as O&M savings and reliability
12 targets that continue today. Adding reliability targets provides a balance between
13 the need to prudently manage costs and providing cost-effective, reliable and safe
14 service to our customers. In 2015, Duke Energy added customer satisfaction,
15 safety and environmental targets. Safety and environmental targets were added to
16 encourage positive behavior of employees in our day-to-day operations, and
17 customer satisfaction targets were added to keep customers central in all that we
18 do. In 2022, Duke Energy added the clean energy goal for the SMC and
19 Controller to focus on the growth of our non-emitting generation and storage
20 capacity that is not dependent on the retirement of existing coal plants. As
21 previously explained, these various performance measures included in the
22 Companies' incentive plans are designed to benefit customers. Accordingly, Duke
23 Energy Kentucky proposes to recover the following amount of incentive

- 1 compensation costs, based upon achieving target goal levels, in its revenue
- 2 requirement calculation.

TABLE 2: SUMMARY OF INCENTIVE PLAN COMPONENTS

Incentive Plan	Incentive Plan Components	Weighting	Proposed Percentage Recoverable
STI – Non-Leadership	EPS O&M Reliability Safety/Environmental Customer Satisfaction Team	50% 5% 5% 5% 10% 25%	0% 5% 5% 5% 10% 25%
STI – Leadership (other than SMC)	EPS O&M Reliability Safety/Environmental Customer Satisfaction Individual Goals	50% 10% 5% 5% 10% 20%	0% 10% 5% 5% 10% 20%
STI – Senior Management Committee (SMC) and Controller	EPS O&M Reliability Safety/Environmental Customer Satisfaction Clean Energy Individual	50% 5% 5% 5% 10% 10% 15%	0% 5% 5% 5% 10% 10% 15%
Non-Executive LTI	Restricted stock units	100%	0%
Executive LTI	Restricted stock units (30%) Performance shares (70%) <ul style="list-style-type: none"> Total Shareholder Return (TSR) relative to that of the companies in the Philadelphia Utility Index (40%) Cumulative adjusted Earnings Per Share (EPS) (40%) Total Incident Case Rate (TICR) (20%) 	30% 40% 40% 20%	0% 0% 0% 20%
UEIP	Various by union - based on EPS, safety, customer satisfaction, etc.	100%	100%

1 **Q. WHY DOES THE COMPANY’S PROPOSAL FOR INCENTIVE**
2 **COMPENSATION ASSUME REACHING 100 PERCENT OF TARGET**
3 **ACHIEVEMENT LEVELS?**

4 A. These are the accrued and budgeted achievement levels for the performance goals
5 for the STI, UEIP and the LTI. The 100 percent target achievement level is used
6 for the accruals and budget because this is what the Company expects to achieve
7 on average over time.

VI. BENEFIT PLAN DESIGN AND COST RECOVERY

8 **Q. WHAT IS DUKE ENERGY’S BENEFITS PHILOSOPHY AND HOW**
9 **DOES IT TIE INTO THE OVERALL TOTAL REWARDS PHILOSOPHY?**

10 A. At Duke Energy, we place a priority on attracting and retaining a diverse, high-
11 performing workforce. An important way we do this is by providing a
12 comprehensive, competitive total rewards package of pay and benefits that
13 includes base pay, incentive pay opportunities, and benefits. Benefits are the non-
14 pay portion of an employee’s total rewards. Our benefit programs are designed so
15 that Duke Energy is able to maintain a highly trained, experienced workforce that
16 is capable of rendering excellent utility service. Retaining employees is important
17 for Duke Energy because the business involves complex processes such that
18 employees must receive long-term training to perform their jobs safely and
19 effectively.

1 **Q. PLEASE DESCRIBE DUKE ENERGY'S EMPLOYEE BENEFIT**
2 **PROGRAMS.**

3 A. Generally, benefits are provided through one of two vehicles: health and welfare
4 benefit plans and retirement plans.

5 Health and welfare benefit plans include medical, health savings account,
6 flexible spending accounts, dental, vision, wellness, sick pay, short-term
7 disability, long-term disability (LTD), life insurance, employee assistance
8 program, accidental death and dismemberment, and business travel accident
9 insurance.

10 Retirement plans include pension (limited to a grandfathered population)
11 and 401(k) plans. Retirement benefits include company contributions and
12 company matching contributions to employees' 401(k) plans. Duke Energy's
13 retirement plans are designed to enable employees, through shared responsibility,
14 to accumulate sufficient resources to be able to transition into retirement at the
15 appropriate time. Employees' ability to retire at the right time increases
16 opportunities for the workforce as a whole, and also helps the utility manage
17 costs.

18 **Q. PLEASE DESCRIBE DUKE ENERGY'S POST EMPLOYMENT**
19 **HEALTHCARE BENEFITS.**

20 A. Duke Energy is the result of a series of several acquisitions and mergers and has
21 worked hard at integration to minimize differences among legacy company
22 employee groups. This includes the post-employment benefits available to
23 employees when they retire. Newly hired employees will be eligible to enroll in

1 company sponsored pre-65 retiree medical, dental and vision benefits at
2 retirement on an unsubsidized basis by paying the full cost of coverage.
3 Additionally, Duke Energy provides retirees access to a retiree exchange program
4 for assistance with exploring options for coverage available on the individual
5 market as an alternative to Duke Energy-sponsored retiree coverage. They will
6 also have the option to convert or port their active life insurance to an individual
7 policy at retirement by paying the required premiums. Active employees who
8 were part of a closed group and eligible for a retiree healthcare subsidy towards
9 the cost of Duke Energy-sponsored retiree health care coverage were generally
10 transitioned to a common approach in the form of a pre-65 Health Reimbursement
11 Account (HRA) benefit.

12 As Duke Energy periodically reviews healthcare trends, we see that only
13 43 percent of employers provide access to pre-65 coverage to current employees
14 who will retire in the future and only 28 percent provide their new hires a
15 potential future retiree benefit. The figures are even lower for companies that
16 provide financial support for post-65 coverage for future retirees. As Duke
17 Energy's financial support of retiree healthcare has lessened over the years, we
18 have recognized that this is an area of concern for many employees. To address
19 this, we encourage employees who are enrolled in a High Deductible Health Plan
20 (HDHP) to contribute to a Health Savings Account (HSA) and receive company
21 matching contributions to save for their future retiree healthcare costs.

1 **Q. HOW DOES DUKE ENERGY DETERMINE THAT THE EMPLOYEE**
2 **BENEFIT PROGRAMS THAT IT OFFERS ARE REASONABLE AND**
3 **NECESSARY?**

4 A. Duke Energy routinely examines its benefits to confirm how we compare with
5 national trends among comparable employers, and we consider the most effective
6 ways to serve our diverse workforce who reside in over 25 states. Because Duke
7 Energy is a company with a history of mergers and acquisitions, it tries to ensure
8 consistency and fairness among legacy company employee groups as well as
9 overall cost-effectiveness. Duke Energy benchmarks its programs against other
10 large employers from both the utility industry and general industry so that it is
11 positioned to attract and retain qualified employees needed to support customers.
12 Duke Energy leverages its consultants, vendor partners, and nationally recognized
13 surveys to evaluate the competitiveness of its benefits and costs. Examples of
14 surveys include Willis Towers Watson's Financial Benchmarks Survey, Best
15 Practices in Health Care Survey, Emerging Trends in Healthcare Survey, and
16 Benefits Data Source. These surveys indicate that Duke Energy's benefit plans
17 and employee contributions are in line with its utility industry and general
18 industry peers, making them reasonable and necessary in order to compete with
19 other employers for qualified talent. Based on Duke Energy's reviews of the
20 competitiveness and reasonableness of its benefit programs and employee costs, it
21 routinely determines if any changes should be made.

22

1 **Q. WHAT PORTION OF THE HEALTH AND INSURANCE COSTS OF**
2 **BENEFITS DO EMPLOYEES PAY?**

3 A. For company-sponsored Vision, Supplemental and Dependent Life, Supplemental
4 and Dependent Accidental Death & Dismemberment (AD&D), and Optional LTD
5 insurance, the employee is required to pay 100 percent of the cost of group
6 coverage. The company pays 100 percent of the cost of Basic Life/AD&D, Basic
7 LTD and Business Travel Accident Insurance.

8 When designing medical plan options and determining employee cost
9 share, Duke Energy focuses on the total cost of coverage – not just the premium
10 (or contributions since medical and dental coverage is self-insured) that is
11 deducted from employees' paychecks. Total cost of coverage includes the
12 additional out-of-pocket costs such as copays, deductibles, and co-insurance.
13 Looking at only the premium does not provide the total picture of employees' cost
14 share.

15 Duke Energy's plans and cost sharing are designed to encourage good
16 consumer health care choices by providing opportunities for lower employee
17 premiums and higher out-of-pocket costs at the point of service so that the utilizers
18 of health care services are paying for it. For example, premiums for the HDHP
19 options have higher costs at the point of service, but lower premiums.
20 Alternatively, the preferred provider organization (PPO) option has lower costs at
21 the point of service and higher premiums. 87.6 percent of our covered employee
22 population is enrolled in our HDHP options. For those enrolling in a HDHP
23 option, employees can make payroll contributions to an HSA and Duke Energy

1 provides a “seed” contribution of \$850 per year for individual coverage and \$1,700
2 per year for family coverage for most employees.

3 Duke Energy employees’ total cost of medical coverage (premiums and
4 out-of-pocket costs) for 2024 is projected to be 28.9 percent, which falls below that
5 of employers in general industry (32 percent) but in line with utility industry (29
6 percent). For PPO dental coverage, the employee pays on average 37.5 percent of
7 the premium and 57.9 percent of the total cost of coverage (premium plus out-of-
8 pocket costs). When an employee enrolls in medical and dental coverage, he/she
9 may also cover his/her eligible dependents. Duke Energy subsidizes more for the
10 cost of employee coverage than for dependent coverage.

11 **Q. HAS DUKE ENERGY TAKEN STEPS TO CONTROL THE COST OF**
12 **EMPLOYEE BENEFITS?**

13 A. Yes. On an ongoing basis, Duke Energy reviews its employee benefits and costs in
14 an effort to keep costs reasonable, while continuing to provide benefits that are
15 sufficient to attract and retain employees. Employees pay a portion or all of the
16 cost for many of their benefits, so we strive to manage costs not just for the
17 Companies, but for employees as well. Periodically, benefit plan changes are
18 made, and other steps are taken to control costs.

19 **Q. WHAT IS DUKE ENERGY KENTUCKY’S PRIMARY RETIREMENT**
20 **PLAN?**

21 A. The 401(k) plan is now our standard retirement plan that applies to all union and
22 non-union new hires. Duke Energy has taken significant steps to both control costs
23 and reduce the risk associated with its retirement plans by eliminating the pension

1 benefit for all new hires, including union new hires, and moving all non-union
2 pension eligible employees and the majority of union pension eligible employees
3 to a cash balance design.

4 **Q. WHAT IS DUKE ENERGY KENTUCKY'S PROPOSAL WITH RESPECT**
5 **TO RECOVERY OF EMPLOYEE BENEFIT COSTS?**

6 A. Duke Energy provides reasonable and appropriate benefits to its employees, as
7 previously described. Accordingly, the Company requests recovery of its
8 employee benefit expenses, except for a portion of its pension expense and all
9 supplemental executive retirement plan expenses as I describe below.

10 **Q. WHAT RETIREMENT PLAN EXPENSE DOES DUKE ENERGY**
11 **KENTUCKY PROPOSE TO RECOVER IN THIS PROCEEDING?**

12 A. We believe all retirement plan costs should be recoverable since our retirement
13 benefits are in line with industry benchmarks and are essential for the retention of
14 the critical job skills that are needed to provide safe, reliable and high-quality
15 service to our customers. However, to address the Commission's previous orders
16 around the expense for employees receiving both a pension benefit and a 401(k)-
17 retirement benefit, we are making a proforma adjustment to remove the pension
18 cost for employees who also receive 401(k) match. In addition, we are making a
19 proforma adjustment to remove supplemental executive retirement plan (SERP)
20 cost. We will not seek to recover these costs as part of the rate case. Company
21 witness Lisa Steinkuhl discusses these adjustments further in her testimony.

**VII. SCHEDULES AND FILING REQUIREMENTS SPONSORED
BY WITNESS**

1 **Q. PLEASE DESCRIBE SCHEDULES G-2 ANG G-3.**

2 A. Schedule G-2 reflects actual straight time and overtime hours for September 2023
3 through August 2024 while Schedule G-3 reflects executive compensation (base
4 salary and incentive pay at target) as required as part of FR 16(8)(g).

5 **Q. HOW DID THE COMPANY ESTIMATE LABOR AND BENEFIT COST**
6 **CHANGES FOR THE FORECASTED PERIOD?**

7 A. I made reasonable estimates based on recent trends, current conditions, and the
8 market studies by independent consultants that I discussed previously in my
9 testimony in order to provide non-union labor increase estimates for use in budget
10 guidance, as reflected in Mr. Carpenter's testimony. Negotiated union collective
11 bargaining agreements also contribute to the union labor increase estimates used
12 in budget guidelines. Human Resources also works closely with Finance on the
13 employee benefits budget which contributes to the benefit loading rates.

VIII. CONCLUSION

14 **Q. WERE SCHEDULES G-2 AND G-3 AND ATTACHMENTS SAC-1**
15 **THROUGH SAC-3 PREPARED BY YOU OR AT YOUR DIRECTION?**

16 A. Yes.

17 **Q. ARE SCHEDULES G-2 AND G-3 AND ATTACHMENTS SAC-1**
18 **THROUGH SAC-3 TRUE AND ACCURATE COPIES OF THE**
19 **DOCUMENTS THEY PURPORT TO REPRESENT?**

20 A. Yes.

1 **Q. IS THE INFORMATION PROVIDED FOR LABOR AND BENEFIT**
2 **BUDEGETING PURPOSES ACCURATE TO THE BEST OF YOUR**
3 **KNOWLEDGE AND BELIEF?**

4 **A. Yes.**

5 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

6 **A. Yes.**

VERIFICATION

STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG) SS:

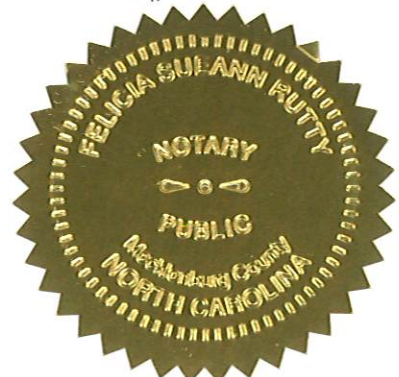
The undersigned, Shannon A. Caldwell, Director Compensation, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing testimony and that it is true and correct to the best of her knowledge, information and belief.

Shannon A. Caldwell
Shannon A. Caldwell Affiant

Subscribed and sworn to before me by Shannon A. Caldwell on this 17th day of October, 2024.

Felicia Sueann Rutty
NOTARY PUBLIC

My Commission Expires: 10-1-2028



Duke Energy 2024 Survey Library

SURVEY CODE	SURVEY NAME
EMPS-WORKS24	Empsight The Works
FOU-ENV24	Foushee Environmental, Health & Safety
FOU-SEC24	Foushee Security & Compliance
GBS-AVI24	Gallagher Aviation
MER-HRM24	Mercer Benchmark Corporate Services and Human Resources
MER-ENG24	Mercer Benchmark Engineering & Design
MER-EXE24	Mercer Benchmark Executive
MER-FAL24	Mercer Benchmark Finance, Accounting & Legal
MER-ITS24	Mercer Benchmark Information Technology
MER-LSC24	Mercer Benchmark Logistics & Supply Chain
MER-SMC24	Mercer Benchmark Sales, Mktg & Comm
MER-CON24	Mercer Contact Center & Customer Service
PM-CYB24	Pearl Meyer Cyber Security, AI, Data Science
RAD-RMCD	Radford Global Compensation Database - September 2024
TW-EMT24	WTW Energy Marketing and Trading
TW-EXE-ES-DUKE24	WTW Energy Services Executive (Duke Energy)
TW-MMPS-ES-DUKE24	WTW Energy Services Mid-Mgmt & Prof (Duke Energy)
TW-EXE-DUKE24	WTW General Industry Executive (Duke Energy)
TW-MMPS-DUKE24	WTW General Industry Mid-Mgmt, Prof & Support (Duke Energy)
TW-AGA24	WTW American Gas Association

AGREEMENT

Between the

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

and

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

Table of Contents

Article	Title	Page
Article I	Recognition	2
Article II	Meetings	5
Article III	Duration	5
Article IV	Working Conditions	6
Article V	Seniority	7
	Job Openings	8
	Layoffs/Rollbacks	9
	Temporary Transfers	12
	Probationary Employees	12
	Temporary Employees	12
	Part-Time Employees	12
Article VI	Safety	13
Article VII	Grievance	13
	Arbitration	14
Article VIII	Wage Rates	16
	Shift Differential	18
	Sunday Premium	19
	Job Evaluation Committee	19
	Rewards and Recognition	20
	Pyramiding of Benefits	20
Article IX	Absence Due to Sickness	20
	Vacation	21
	Vacation Carryover	22
Article X	Military Leave	23
Article XI	Holiday Pay	23
	Personal/Diversity Days	24
Article XII	Work Week	25
	Overtime Provisions	25
	Meal Compensation	26
	Temporary Upgrade	26
Article XIII	Illness	27
	Retrogression	27
	Industrial Accident	28
	Death In Family	28
Article XIV	Bulletin Boards	29
Article XV	Union Duties	29
Article XVI	Contracting of Work	29
	Temporary Assignments	29
	Mileage	29
Article XVII	Witness Fees	30
	Jury Duty	30
Article XVIII	Retirement Income Plan	30
Article XIX	Health and Welfare Plans	31
Article XX	Hospital and Medical Plans	31
Article XXI	Benefit Coverage	31
Article XXII	Retirement Savings Plan	31
	Appendix A – Sidebar Letters	35

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

The Company agrees that consistent with the parties long-standing practice, it will not discharge or discipline any regular employees unless it determines there is just cause for doing so, and that it shall make all reasonable efforts to issue discipline in a timely manner.

(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 (31st) 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. Each calendar month, the Company shall prepare and provide to the Union an "activity report" that includes a list of employees who during the previous month were hired into the bargaining unit, were discharged, have taken or returned from leave, been promoted or demoted, have moved to non-union positions or have resigned or retired. For new hires, the report will include each employee's name, job classification, rate of pay and work location.

(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.

(j) 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.

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. In such an event, the only matter that may be grieved is whether or not the employee actually engaged in the prohibited conduct. No arbitrator shall have the authority to reduce the disciplinary action imposed on an employee for a violation of this Article and Section if the arbitrator determines that the employee engaged in the prohibited conduct.

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.

A-32

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

ARTICLE III

Section 1. (a) This Agreement and the provisions thereof, shall become effective April 1, 2023 and shall continue in full force and effect until April 1, 2027, 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, 2027, or any subsequent anniversary date. During this 60-day period, conferences shall be held by and between the parties hereto, with a view to arriving at a further Agreement, and in all events this Agreement shall remain in full force and effect during the period of negotiations.

A-32

(c) In the event agreement is reached on or before April 1, the 2023 – 2027 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.

A-83

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 three 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.
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.

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

A-65
A-82

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.

(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.

A-20
A-21
A-44
A-65

(d) 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.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

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

(j) 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.

(k) The Company and the Union agree that the job posting procedure provided for by this Agreement will not apply to job offers that the Company makes to co-op students and student interns for full-time positions within the bargaining unit. After the Company fills a vacant, full-time bargaining unit position(s) with a co-op student(s) or student intern(s), the Company will utilize the job posting procedure for the next round of vacancies for that position.

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

A-49
A-55

months. At the end of 18 months, their wage rates will be reduced to the maximum wage rate of the job classification to which they were reclassified. Displaced employees who are assigned to perform work in lower level job classifications, if qualified, will be reassigned to higher job classifications as they become available within the bidding area, until the displaced employees return to assignments within their former job classification; obtain a job within the bidding area at the same or higher wage level as their former job classification; or, obtain a job in another bidding area. Displaced employees will not be assigned to or be required to perform the duties of job classifications at levels higher than their former job classification. Any employees unable to be assigned to vacant positions and/or replace full-time employees in the bidding area will be subject to layoff.

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

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

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.

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(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

A-2

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 start of the second pay period 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.

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.

A-48

A-61

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

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

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.

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.

A-83

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:

A-18

A-32

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				
	As Of	Effective	Effective	Effective	Effective
	April 1,	April 1,	April 1,	April 1,	April 1,
	2022	2023	2024	2025	2026
Base Increase	NA	3.00%	3.00%	3.00%	3.00%
1	\$ 16.40	\$16.89	\$17.40	\$17.92	\$18.46
2	\$ 18.14	\$18.68	\$19.24	\$19.82	\$20.41
3	\$ 20.28	\$20.89	\$21.52	\$22.17	\$22.84
4	\$ 20.28	\$20.89	\$21.52	\$22.17	\$22.84
5	\$ 21.76	\$22.41	\$23.08	\$23.77	\$24.48
6	\$ 23.75	\$24.46	\$25.19	\$25.95	\$26.73
7	\$ 23.75	\$24.46	\$25.19	\$25.95	\$26.73
8	\$ 26.36	\$27.15	\$27.96	\$28.80	\$29.66
9	\$ 28.18	\$29.03	\$29.90	\$30.80	\$31.72
10	\$ 30.30	\$31.21	\$32.15	\$33.11	\$34.10
11	\$ 30.30	\$31.21	\$32.15	\$33.11	\$34.10
12	\$ 31.58	\$32.53	\$33.51	\$34.52	\$35.56
13	\$ 32.98	\$33.97	\$34.99	\$36.04	\$37.12
14	\$ 34.19	\$35.22	\$36.28	\$37.37	\$38.49
15*	\$ 34.95	\$36.00	\$37.08	\$38.19	\$39.34
16*	\$ 35.69	\$36.76	\$37.86	\$39.00	\$40.17
17*	\$ 37.49	\$38.61	\$39.77	\$40.96	\$42.19
A05	\$ 35.69	\$36.76	\$37.86	\$39.00	\$40.17
* Specially negotiated rates not subject to the Wage Evaluation Committee.					

		Meter Reading				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 1,	April 1,	April 1,	April 1,
		2022	2023	2024	2025	2026
	Base Increase	NA	3.00%	3.00%	3.00%	3.00%
Wage level	MR1	\$ 20.22	\$20.83	\$21.45	\$22.09	\$22.75
	MR3	\$ 24.01	\$25.75*	\$26.52	\$27.32	\$28.14
	MR4	\$ 28.47	\$29.32	\$30.20	\$31.11	\$32.04
	MR5	\$ 30.60	\$31.52	\$32.47	\$33.44	\$34.44
	*Specially negotiated rate for the first year of the contract.					

		Call Center and Revenue Services				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 1,	April 1,	April 1,	April 1,
		2022	2023	2024	2025	2026
	Base Increase	NA	3.00%	3.00%	3.00%	3.00%
Level	C2*	\$ 17.23	\$21.00	\$21.00	\$21.00	\$21.00
	C3**	\$ 15.08	\$15.08	\$15.08	\$15.08	\$15.08
	C4**	\$ 13.00	\$13.00	\$13.00	\$13.00	\$13.00
	C5**	\$ 19.00	\$23.00	\$23.00	\$23.00	\$23.00
	C7*	\$ 19.75	\$23.00	\$23.00	\$23.00	\$23.00

*Eligible for the annual wage increase.

** Not eligible for the annual wage increase.

Employees at the maximum rate of pay will receive the annual wage increase applicable to Clerical employees in the form of a lump sum.

		Manual				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 1,	April 1,	April 1,	April 1,
		2022	2023	2024	2025	2026
	Base Increase	NA	3.00%	3.00%	3.00%	3.00%
Wage Level	7	\$ 32.40	\$33.37	\$34.37	\$35.40	\$36.46
	10	\$ 30.69	\$31.61	\$32.56	\$33.54	\$34.55
	12	\$ 34.98	\$36.03	\$37.11	\$38.22	\$39.37
	16	\$ 34.98	\$36.03	\$37.11	\$38.22	\$39.37

		Technical				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 1,	April 1,	April 1,	April 1,
		2022	2023	2024	2025	2026
	Base Increase	NA	3.00%	3.00%	3.00%	3.00%
Wage Level	1	\$ 25.85	\$26.63	\$27.43	\$28.25	\$29.10
	2	\$ 28.24	\$29.09	\$29.96	\$30.86	\$31.79
	3	\$ 31.33	\$32.27	\$33.24	\$34.24	\$35.27
	4	\$ 33.55	\$34.56	\$35.60	\$36.67	\$37.77
	5	\$ 36.05	\$37.13	\$38.24	\$39.39	\$40.57
	6	\$ 37.63	\$38.76	\$39.92	\$41.12	\$42.35
	7	\$ 39.19	\$40.37	\$41.58	\$42.83	\$44.11
	8	\$ 40.65	\$41.87	\$43.13	\$44.42	\$45.75
	9	\$ 41.83	\$43.08	\$44.37	\$45.70	\$47.07
	10*	\$ 43.80	\$45.11	\$46.46	\$47.85	\$49.29
	11*	\$ 44.98	\$46.33	\$47.72	\$49.15	\$50.62
	12*	\$ 46.15	\$47.53	\$48.96	\$50.43	\$51.94
		* Specially negotiated rates not subject to the Wage Evaluation Committee.				

		CPC				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 1,	April 1,	April 1,	April 1,
		2022	2023	2024	2025	2026
	Base Increase	NA	3.00%	3.00%	3.00%	3.00%
Level	CP1	\$ 32.11	\$33.07	\$34.07	\$35.09	\$36.14
	CP2	\$ 37.86	\$39.00	\$40.17	\$41.37	\$42.61
	CP3	\$ 46.15	\$47.53	\$48.96	\$50.43	\$51.94

		IT				
		As Of	Effective	Effective	Effective	Effective
		April 1,	April 1,	April 1,	April 1,	April 1,
		2022	2023	2024	2025	2026
	Base Increase	NA	3.00%	3.00%	3.00%	3.00%
Level	IT1	\$ 43.80	\$45.11	\$46.46	\$47.85	\$49.29
	IT2	\$ 37.66	\$38.79	\$39.95	\$41.15	\$42.38
	IT3	\$ 31.85	\$32.81	\$33.79	\$34.80	\$35.84

(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.

(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.

A-40

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

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

Name of Shift	Definition of Shift	Shift Differential Cents Per Hour
		April 1, 2023 – March 31, 2027
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	\$1.80
Night Shift	Where the majority of the scheduled hours worked are between 12:00 Midnight and 8:00 a.m.	\$1.85

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

Sunday Premium	\$2.05
----------------	--------

(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.

A-40

(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.

A-21

A-38

A-40

A-41

(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.

(m) Management reserves the right to recognize and reward individuals, crews or teams for achievement of safety or performance goals or for superior safety or performance. In addition, employees will be eligible for consideration and reward in accordance with various Duke Energy recognition programs. All such reward programs will be administered in a fair and consistent manner.

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.

Section 3. 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.

ARTICLE IX

Section 1. ABSENCE DUE TO SICKNESS, FAMILY CARE AND PARENTAL LEAVE. (a) Employees will be eligible for paid time off due to qualifying sick or family care reasons and paid parental leave, on the same basis as the Company's general, non-represented employee population.

(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, on the same basis as the Company's general, non-represented employee population, 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
Less than 1 year	0	26
1 up to 5 years	10	16
5 up to 10 years	15	11
10 up to 15 years	20	6
15 or more	26	0

(c) After an employee has been continuously disabled, subject to medical determination, and is unable to return to work for more than 26 consecutive weeks, and has exhausted Short-Term Disability benefits, the employee may receive Long-Term Disability benefits as described in and subject to the eligibility rules and other applicable provisions of 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.

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

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

A-5

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 as well as any unused carryover vacation time. 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 as well as any unused carryover vacation time.

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

A-1

A-8

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.

(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, if required to work by the Company, payment of one week's wages (forty hours at straight time) in lieu thereof for the fourth week. 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, if required to work by the Company, payment of one week's wages (forty hours at straight time) in lieu thereof for the fifth week. 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.

(j) An employee may carryover no more than eighty (80) unused vacation hours from one calendar year to the next (carryover vacation). The total maximum balance of carryover vacation may not exceed 80 hours.

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.

HOLIDAY	DATE RECOGNIZED
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 all hours worked on the holiday in addition to their straight time holiday pay.

(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.

(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 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 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.

(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.

A-12
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.

A-13

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

A-74
A-78

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.

(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 June 12, 2023 – March 31, 2027
\$12.00

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.

A-46

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/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	5	3
Any relative who resides in the employee's household.	7	5
Aunt/Uncle	5	3
Nephew/Niece	5	3

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. 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/outsource any work which is ordinarily done by its regular employees if as a result thereof, it would become necessary to lay off any such employees.

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

(b) When it is necessary to temporarily assign employees to a headquarters other A-15 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 continue to participate, in the Duke Energy Retirement Cash Balance Plan (the "Pension Plan") under the same benefit formulas as are in effect on the date of this Agreement, and, as 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 Pension Plan.

(b) It is agreed that the Company will not reduce the benefits and the Union will not request any change in the Pension Plan until the expiration of the Agreement on April 1, 2027.

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.” A-42
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 Duke Energy Retirement Cash Balance Plan (RCBP), 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 RSP contributions up to 3% of the participant's eligible pay, 50% match on the pre-tax and Roth RSP contributions 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 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 RSP 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 RCBP 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 A-58
A-58a

pension plan (i.e.4% of total pay) as of the date of this Agreement.

(b) The RSP is contained in the existing Duke Energy Retirement Savings Plan as restated effective January 1, 2014 and as subsequently amended.

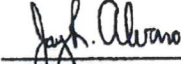
(c) The Company hopes and expects to continue the RSP indefinitely but must reserve the right to alter it or discontinue Company contributions to it for a time. However, under no circumstances shall any part of the corpus or income held by the Trustee of the RSP be recoverable by the Company or be used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

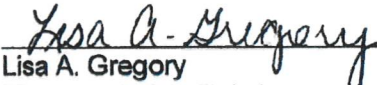
WITNESS WHEREOF, the Utility Workers Union of America, AFL-CIO, Local 600, formerly the Independent Utilities Union, Cincinnati, Ohio and Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., do hereby, by their duly authorized agents, execute and sign this Agreement in duplicate on this 9th day of October, 2023.


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

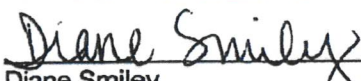

Amy Spiller

State President-Ohio/Kentucky


Jay R. Alvaro
Vice President, Employee and Labor Relations


Lisa A. Gregory
Manager, Labor Relations

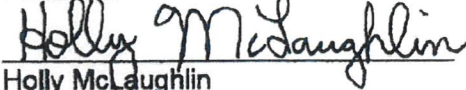

Terri Barnes
Sr. Human Resources Consultant



Diane Smiley
Sr. Human Resources Consultant

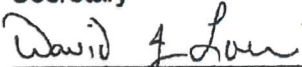
UTILITY WORKERS UNION OF AMERICA,
AFL-CIO, LOCAL 600

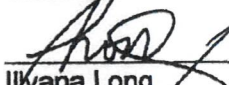

Steve Kowolonek

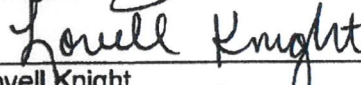
President



Holly McLaughlin
Vice President


D.L. Wallace
Secretary


David Loerich
Treasurer


Ilyana Long
Delegate


Lovell Knight
Delegate


Greg Adams
National Representative,
UWUA Region III



HISTORICAL SIDEBAR LETTERS 2023 – 2027

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.

Document Number	Document Date	Article	Subject
A-1	12/22/71	IX, 5(c)	Vacation Selection
A-2	07/16/74	V, 4(b)	Inter-Department Transfers
A-3	03/28/77	V, 2(c)	Multiple Posting System in Property Department
A-4	03/28/77	V, 3(d)	Testing Procedures When Employees Promote
A-5	04/13/12	IX, 4	Leaves of Absence
A-6	04/18/89	V, 6	Hiring Co-ops – Union Notification
A-8	04/13/12	IX, 5(c)	Partial Day Vacation Administration
A-9	04/18/89	I, 2(c)	Falsification and Tampering with Company Records
A-11	04/16/92	XI, 1(d)	Holiday Call-Out
A-12	04/16/92	XII, 2(a)	Flextime
A-13	04/16/92	XII, 3(b)	24 Hour Notice – Change of Shift
A-14	04/16/92	I, 1(a)	Reorganization of Distribution Operations Division
A-15	04/16/92	XVI, 2(b)	Out-of-Town Work or Training
A-17	04/13/12	XII, 2(a)	Four 10-Hour Day Guidelines
A-18	04/16/92	VII, 1(a)	Personal Attorneys
A-32	04/14/15	II, 1 III, 1(b) VII, 1(a)	Time Off for Union Duties/Business
A-38	09/02/98	VIII, 1(i)	BOGAR Job Evaluation System
A-40	12/29/00	VIII, 1(e) VIII, 1(h) VIII, 1(i)	Manual, Clerical and Technical Job Classifications
A-41	05/14/03	VIII, 1(i)	Disconnect Non-Pay, Succession and Special Reads
A-42	06/10/04	XX, 1	Post-Retirement Medical
A-42a	04/13/12	XX, 1	Amendment to Sidebar Letter A-42 Post- Retirement Medical Benefits
A42-b	04/01/19	XX, 1	Amendment to Sidebar Letter A-42 and A42a Post-Retirement Medical Benefits
A-46	04/01/19	XII, 6	Temporary Upgrading in Clerical and Technical Jobs
A-48	04/01/19	V, 7(a) VIII, 1(a)	East Meter Reading
A-49	04/21/05	V, 3(a)	Interplant Seniority Rights
A-51	04/21/05	XI, 2(a)	Personal/Diversity Day Requests
A-55	04/21/05	V, 3(a)	Job Elimination Situations
A-58	06/02/08	XXII, 1	Retirement Plan Agreement
A-58a	04/14/15	XXII, 1	Amendment to Retirement Plan Agreement
A-59	06/02/08	Misc.	Sabbatical Vacation Bank and Vacation Credit Programs
A-60	06/02/08	Misc.	Union Employee Annual Incentive Program (UEIP)
A-60a	04/14/15	Misc.	Amendment to Union Employee Annual Incentive Plan (UEIP)
A-60b	04/01/19	Misc.	Amendment to Union Employee Annual Incentive Plan (UEIP)

A-61	04/01/23	V, 7(a) VIII, 1(a)	Cincinnati Call Center
A-62	06/02/08	Misc.	Part-Time Employee Benefits
A-64	04/01/23	VIII, 1(a)	Revenue Services Representatives
A-65	04/01/23	V, 2	Competency Based Selection
A-70	04/01/19	V, 3(a)	UWUA Severance Program
A-71	04/13/12	XII, 2(b)	Overtime Provisions
A-72	04/13/12		Outsourcing Affecting Job Elimination
A-73	11/16/09	Misc.	LIT Job Progression
A-74	03/31/11	XII, 4(a)	On Call Rotation – Local IT Support
A-76	04/01/23	XII, 2(b)	Emergency Work
A-77	05/08/14	Misc.	Senior Work Management Support Specialist
A-79	04/14/15	Misc.	Separation of Delivery Operations and Gas Operations
A-80	04/14/15	Misc.	Global Positioning Systems (GPS)
A-81	04/01/23	Misc.	Engineering Specialist Progression
A-82	04/14/15	V, 2	Customer Relations Representative/Clerk C Positions
A-83	04/01/19	VI	Inclement Weather
A-84	04/01/19	XII, 2(a)	Alternate Work Schedule
A-85	04/01/19	Misc.	Gas Marketing Progression
A-86	04/01/19	Misc.	Lighting Specialist
A-87	03/16/2021	Misc.	GIS Progression Letter
A-88	04/01/23	Misc.	Special Union-Wide Lump Sum Bonus Opportunity
A-89	06/23/2021	Misc.	Remote Work
A-90	2/24/2020	Misc.	Establish Network Engineering Specialist Classification
A-91	6/16/2021	Misc.	Generating Station Clerk
A-92	6/25/2022	Misc.	ES Admin. Office Clerk
A-93	7/26/2022	Misc.	Transmission Office Coordinator

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.

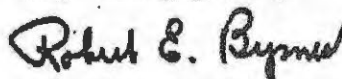
In accordance with our conversation, the Company will adopt the following vacation selection procedures effective January 1, 1972:

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 Divine
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

A-4



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.

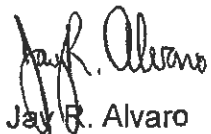
It is difficult to enumerate the variable circumstances under which employees may be granted personal leaves of absence. The Company evaluates each request on an individual basis in light of the surrounding circumstances specific to such request. For

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,

A handwritten signature in black ink, appearing to read "Jay R. Alvaro".

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

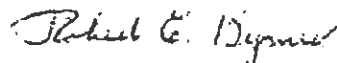
Dear Mr. Bradford:

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, appearing to read 'Jay R. Alvaro'.

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 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

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:

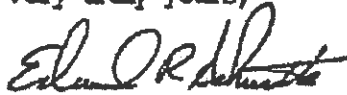
During the 1992 negotiation meetings, representatives of the Company and the Union discussed the negotiated intent and the current administration of holiday call out provisions contained in Article XI, Section 1 (d) of the Agreement.

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. Schuette

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. Schuetta

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

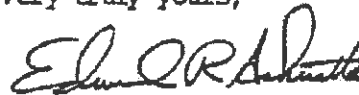
Dear Mr. Bradford:

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. Schuetz



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.

A-17

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 stylized with a large initial "J" and "A".

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



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 #5541-06. 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.

A-38

- 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:

The Cincinnati Gas & Electric Company

PSI Energy, Inc.

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 Lineperson 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:

The Cincinnati Gas & Electric Company

PSI Energy, Inc.

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.

The Cincinnati Gas & Electric Company

PSI Energy, Inc.

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.

May 14, 2003

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

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

CINERGY.
CG&E

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

A-41

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

For the Union:

Mary Hathun 5-15-03
Mary Hathun 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.

A-42

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

Page 3

- 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
Page 5

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

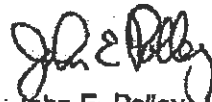
June 10, 2004

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:

Service at Retirement	(Pre-65 only)
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,

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

Jay R. Alvaro
Vice President, Labor Relations



April 1, 2019

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

RE: Post-Retirement Healthcare

Dear Mr. Kowolonek:

During the 2019 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 1, 2019

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

RE: Temporary Upgrading

Dear Mr. Kowolonek:

During the 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 2019 – 2023 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 \$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.

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,

Michael A. Ciccarella
Senior HR Consultant
Labor Relations



April 1, 2019

Mr. Steve Kowolonek
President
Utility Workers Union of America
Local 600
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,

Michael A. Ciccarella
Senior HR Consultant
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 black ink 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: 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, appearing to read "John E. Polley".

John E. Polley
General Manager
Labor Relations

A-51

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:

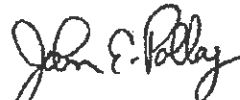
During the 2005 contract negotiations, representatives of the Company and the Union discussed the possibility of employees bumping other employees with less system service seniority at the same wage level in other job classifications in the event of a job elimination situation.

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 UWUA, 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%
	1.75%	3.0%	5.0%

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,

A handwritten signature in black ink, appearing to read "Jay P. Alvaro".

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,

Jay R. Alvaro
Vice President

Attachment

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 6th 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 6th week of vacation time off during their 32nd 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 6th 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%
	1.75%	3.0%	5.0%

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%
	1.0%	1.5%	2.0%

Very truly yours,



Jay R. Alvaro
Vice President

DUKE
ENERGY

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 1, 2019

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

RE: Union Employee Annual Incentive Program (UEIP)

Dear Mr. Kowolonek:

During the 2019 negotiations, the parties discussed the UWUA Union Employee Annual Incentive Program (UEIP). This letter amends the UEIP Sidebar Letter A-60 dated June 2, 2008 and confirms these discussions and the resulting agreement.

As discussed during negotiations, beginning with the 2020 incentive year UWUA represented employees are eligible for an incentive lump sum bonus up to a maximum of 2% or 5% of straight time and overtime wages per year in accordance with Sidebar Letter A60 Union Employee Incentive Plan (UEIP), based on the achievement of goals during the previous year, as determined by the Company.

In all other respects, Sidebar Letters A60 shall continue in accordance with the terms as outlined.

Sincerely,

A handwritten signature in blue ink that reads 'Michael Ciccarella'.

Michael A. Ciccarella
Senior HR Consultant
Labor Relations

April 1, 2023

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

RE: Cincinnati Customer Care Center

Dear Mr. Kowolonek:

During the 2023 negotiations, representatives of the Company and the UWUA, Local 600 (the "Union") discussed the Duke Energy Cincinnati Customer Care Center. This letter supersedes any and all previous letters and agreements between the parties with respect to the subject matter in this letter, including but not limited to the Cincinnati Customer Care Temporary Upgrades and Shift Selection letter dated September 30, 2021, and the Call Center Energy Protection Premium letter dated November 16, 2009.

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 Service Rep-Part Time job classifications. The Service Installation group will consist of employees in the Order Processing and Customer Service Representative – Service Installation job classifications.

The Cincinnati Customer Care Center wages and merit increases will be administered as follows and per the attached (Attachment A). Effective the first day of the pay period after contract ratification, the minimum wage rate for the Cust Svc Rep-FT Regular and Cust Svc Rep-Full Time New job classifications will be \$17.00 per hour and the maximum hourly rate will be \$21.00 per hour. The General Wage Increase ("GWI") will not increase the minimum or maximum rate of pay for this job classification. In addition, the rate of pay for any current employees in the Cust Svc Rep FT or FTN job classifications, effective the first day of the pay period after contract ratification, will increase as follows:

CSR-FTN and CSR-FT Current Rate	New Rate After Market Adjustment
\$16.65 - \$16.99	\$18.25
\$17.00 - \$17.23	\$19.25

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 bargaining unit Cincinnati Customer Care Center 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 the Company and the Union. There will be a quarterly review by the Company and the Union 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 Cincinnati Call Center employees working evening, night, holiday or weekend shifts will provide at least three hours' advance 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 shift 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, employees must work the last regularly scheduled workday prior to the holiday and the first regularly scheduled workday after the holiday.

The Union also agrees to 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 \$2.25 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. A \$2.25 per hour premium will be paid to Call Center employees when management assigns them to perform energy protection type work. It is anticipated that the number of employees performing this work will vary based on workload and the needs of service. When considering assignments, management will take the following factors into consideration:

1. Employees must have achieved the minimum performance standards for

Call Center Representatives.

2. Any employee who has received a verbal warning in the past six months, or a disciplinary letter or higher level discipline in the past 12 months will not be eligible for consideration. Those employees will be 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 12 months.
3. Employees experiencing performance-related issues may be reassigned duties other than energy protection-related work prior to discipline being issued, at the sole discretion of the Company.
4. Only full-time employees are eligible to be assigned to energy protection-related work.

If all of the above criteria are met, then management will consider seniority as a tiebreaker to determine which equally qualified employees will be assigned to perform this work. Management chooses to reassign employees, at its discretion, based on business needs. No premium will be paid to employees while training or on paid time off. This letter shall not be construed as limiting management's right to assess whether such assignments are necessary, how many employees to provide such an assignment to, or the duration of the assignment.

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 will apply to all Cincinnati Customer Care employees. Response rate is defined as reporting to work a callout 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 those slots.

Applicable to Base Customer Care Operations

Employees may be hired as full-time or part-time based on business needs. 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 during 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 days 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 \$18.50 and a maximum wage rate of \$23.00 per hour. Only full-time employees will be considered for this job classification. The GWI will not increase the minimum or maximum rate of pay for this job classification. In addition, the rate of pay for any current employees in the CSR-SI job classifications, effective the first day of the pay period after contract ratification, will increase as follows:

CSR-SI	New Rate
--------	----------

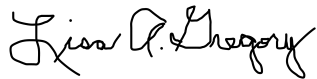
Current Rate	After Market Adjustment
\$17.00 - \$17.99	\$18.50
\$18.00 - \$18.99	\$19.50
\$19.00 – \$20.50	\$22.00

For the first twelve 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 for more serious offenses, such as including, 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 job classification 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 per hour merit increase every six months in accordance with the December 29, 2000, Patrick P. Gibson Letter. The GWI will not increase the minimum or maximum rates of pay for this position. Once an employee reaches the maximum rate of pay, they will receive an annual lump sum equal to the negotiated GWI for clerical employees.

This letter will be in effect during the term of the 2023 – 2027 Agreement.

Sincerely,



Lisa Gregory
Manager Labor Relations
Labor Relations

Attachments

Title	Wage Range	Negotiated Base Wage Increases	Merit Increases	UEIP	Call Center Incentive Bonus
CSR-PTN	\$15.00-\$17.00 ¹	Same as Clerical ²	\$0.50	Yes	Minimum of \$375 per Quarter for highest performance
CSR-FTN	\$17.00 - \$21.00 ¹	Same as Clerical ²	\$0.50	Yes	Minimum of \$500 per Quarter for highest performance
CSR- FT Regular	\$17.00 - \$21.00 ¹	Same as Clerical ²	\$0.50	Yes	Minimum of \$500 per Quarter for highest performance
CSR-SI	\$18.50-\$23.00 ¹	Same as Clerical ²	\$0.50	Yes	See #3
Order Processing Rep	N9	Same as Clerical ²	\$0.50	Yes	See #3

1. The minimum and maximum wage rates for the CSR-PTN, CSR - FTN, and CSR - FT Reg and CSR -SI will not increase with annual base wage increases.
2. Any CSR-PTN, CSR - FT, CSR – FTN, or CSR-SI 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. 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.
4. Employees are eligible to participate in the UEIP.



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
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

April 1, 2023

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

RE: Revenue Services Representatives

Dear Mr. Kowolonek:

During the 2023 negotiations the parties have agreed to the following items related to the Revenue Services Representative (RSR) position:

Wage Rate: Effective the first day of the pay period following ratification of the 2023 Labor Agreement (the "Agreement"), the minimum rate of pay for the RSR position will be \$18.50 per hour and the maximum will be \$23.00 per hour. The GWI will not increase the minimum or maximum rate of pay for this job classification. In addition, the rate of pay for any current employees in the RSR job classifications, effective the first day of the pay period after contract ratification, will increase as follows:

RSR Current Rate	New Rate After Market Adjustment
\$17.00 - \$17.99	\$18.50
\$18.00 - \$18.99	\$19.50
\$19.00 - \$20.50	\$22.00

Merit Increases: Employees in the RSR position may progress to the maximum wage rate through merit increases of \$0.50 per hour at six-month intervals. Employees will be eligible for \$0.50 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.

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 qualifications, knowledge and experience are equal.

Incumbent Employees: Incumbent employees will perform all functions of the newly created job description but will be considered grandfathered in their existing job classifications. Incumbent employees will continue to receive the negotiated general wage increases applicable to their current job classifications in accordance with the Agreement. In addition, these employees will retain all bid and rollback rights in the Customer Relations Bidding Area.

Tamper Theft and Switched Meter Work: The Company and the Union agree to establish a \$2.25 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 this 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 eligible for those assignments. 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

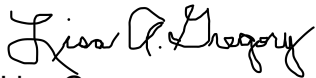
employees performing this work will vary based on workload and the Company's needs of service. Should additional specialty type work become necessary, as determined by the Company in its sole discretion, the Company will meet with the Union, at its request, to discuss whether the premium is applicable 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 Agreement in any way.

In addition, probationary RSR's will not be eligible to apply for other positions for a period of twelve months from the date of hire. However, employees meeting the educational requirements for technical positions represented by the Union will be eligible to apply during the twelve-month period.

This letter will be in effect during the term of the 2023 – 2027 Agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory". The signature is fluid and cursive, with the first name "Lisa" being more prominent.

Lisa Gregory
Manager Labor Relations
Labor Relations

April 1, 2023

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

RE: Competency Based Selection

Dear Mr. Kowolonek:

During the 2023 negotiations, the Company and Union discussed the ongoing implementation of the Competency Based Selection (CBS) Process for certain job classifications. Specifically, this process will be utilized when filling certain clerical jobs designated as Level C8 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, or which was issued more than twelve (12) months earlier, 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 out 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 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.

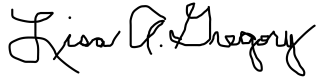
- Seniority will be the deciding factor if there are two full-time, internal candidates who are equally qualified as determined by the Company.
- Unsuccessful candidates under this process will be provided with additional interview training and/or assistance with resume preparation upon their written 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
Transmission Office Coordinator	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
Administrative Office Clerk – ES	Sr T&D Design Technician
Gen Station Office Coordinator	Distribution Technician
Trans Supply/Material Clerk	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
	Network Engineering Specialist
	NG GIS Technologist I
	NG GIS Technologist II
	NG GIS Technologist III

Additionally, the Company would use this process to fill any newly created job classifications that are at or above the NB 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,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory". The signature is fluid and cursive, with the first name "Lisa" being the most prominent.

Lisa Gregory
Manager Labor Relations
Labor Relations



April 1, 2019

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

RE: Severance Program

Dear Mr. Kowolonek:

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 who are designated as eligible by management 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.

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.

Sincerely,

A handwritten signature in blue ink that reads "Michael Ciccarella". The signature is fluid and cursive, with the first name "Michael" and last name "Ciccarella" clearly distinguishable.

Michael A. Ciccarella
Senior HR Consultant
Labor Relations



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, appearing to read '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.

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.

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

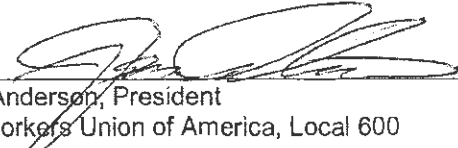
Employees will perform satisfactory will automatically promote from the Support Agent III classification to the Support Agent II classification once all qualifications are met. Employees on a disciplinary track or those that have been denied a merit increase will not be eligible to promote until they 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,

A handwritten signature in cursive script, appearing to read 'Michael A. Ciccarella'.

Michael A. Ciccarella
Labor Relations Consultant
Duke Energy

For the Union:

A handwritten signature in cursive script, appearing to read 'James Anderson'.

James Anderson
President, UWWA Local 600

4/5/11
Date

A-74



April 1, 2023

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

Re: Emergency Work

Dear Mr. Kowolonek:

This letter documents our discussions and agreement concerning emergency work performed for other utilities and outside of the Duke Energy Ohio and Kentucky Region. The following guidelines will apply when employees represented by UWUA Local 600, are called upon to work outside of the Duke Energy Ohio and Kentucky Region in emergency situations.

Compensation Guidelines:

- All hours of travel or work will be paid at the rate of time and one-half for all emergency time worked for other utilities at their respective operating locations.
- Emergency work performed outside of the Duke Energy Ohio and Kentucky Region at a location or facility owned or operated by the Company, or its parent and related subsidiaries/affiliates, that requires a lodging stay from home, on the first day of the assignment the straight time rate will be paid during regular working hours and the time and one-half rate will be paid for hours of continuous work over the regularly scheduled hours. Beginning with the second day and for the remaining days of such an assignment, the rate of time and one-half will be paid for hours worked.
- 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 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 workday when the employee returns to the 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.



- 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 blue ink that reads "Lisa A. Gregory".

Lisa Gregory
Manager Labor Relations
Labor Relations



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,

A handwritten signature in black ink, appearing to read "Jay R. Alvaro".

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 1, 2023

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 2023 negotiations, the parties discussed the Engineering Specialist Job Progression in the Customer Projects Bidding Area and the Transmission & Distribution Bidding Area. This progression consists of the Engineering Specialist I, II, and III classifications.

Effective the first day of the pay period following ratification, all current employees in the Engineering Specialist III job classification will be slotted into the T10 wage level commensurate with their time in the job classification. The wage levels for these positions will be as follows:

Job Classification	Wage Level	Maximum Hourly Rate as of 4/1/23
Engineering Specialist III	T10	\$45.11
Engineering Specialist II	T8	\$41.87
Engineering Specialist I	T4	\$34.56

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 successfully promote to the Engineering Specialist III job classification within the timeframes outlined in the job descriptions. 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 material revisions occur, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

Promotion will consist of the following requirements:

- Supervisor's review and recommendation
- Field Test

If an employee fails to satisfy these requirements on their first attempt, they will be given three (3) months to prepare to retake the field test. The three (3) months will begin once leadership has reviewed the results of the original test with the employee. Should an employee not successfully complete the requirements to move from Engineering Specialist I to Engineering Specialist II, the employee will be terminated from the Company. Employees hired after the effective date of this Agreement who do not successfully complete the requirements to move from Engineering Specialist II to Engineering Specialist III will be terminated from the Company.

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 the requirements to promote to the Engineering Specialist III position.

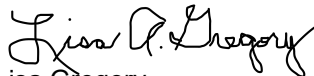
Due to a restructuring of how work is performed by the Company, the Company does not anticipate any future postings for Customer Project Apprentice positions. Incumbent employees will be grandfathered under their existing job description and will be eligible to continue to receive the negotiated wage 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, current employees in the T&D Design Technician progression will be given a one-time opportunity to move to the Engineering Specialist progression following contract ratification. Employees in the T&D Design Technician job classification will be given the opportunity to transition to the Engineering Specialist II job classification and will be required to assume all job responsibilities and complete all applicable training. Employees will have the option to promote to an Engineering Specialist III upon successful completion of the necessary assessments. Employees in the Sr. T&D Design Technician job classification will be given the opportunity to transition to the Engineering Specialist III job classification and will be required to assume all job responsibilities and complete all applicable training.

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.

Additionally, the Company will use this process to fill any newly created job classifications that are at or above the C8 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,



Lisa Gregory
Manager Labor Relations
Labor Relations



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, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Director, Labor Relations
Duke Energy

Sidebar Letter A82



April 1, 2019

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

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,

A handwritten signature in blue ink that reads "Michael A. Ciccarella". The signature is fluid and cursive, with the first name "Michael" being more prominent.

Michael A. Ciccarella
Senior HR Consultant
Labor Relations



Duke Energy

139 East Fourth Street
Cincinnati, OH 45202

March 12, 2018

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

RE: Alternate Schedule


Dear Mr. Anderson:

I am writing in regard to our conversations regarding an alternate work schedule consisting of 4 nine hour days and one 4 hour day. As discussed, this schedule will be administered as follows;

- The four hour day will be determined by business needs and may not necessarily be a Monday or Friday.
- Meal compensation will remain at ten hours as outlined in the Collective Bargaining Agreement including the four hour day.
- Where possible, seniority will be used in the selection of schedules absent business needs as determined by the Company. Should it be necessary to deviate from seniority, the Company will notify the Union the reason for the deviation and afford the Union an opportunity to offer alternatives.
- The double-time day will be Sunday.
- Personal/diversity days must be taken in full days regardless of the employee's schedule and cannot be taken in smaller increments.
- Employees working this schedule will revert to an eight hour schedule during all workweeks that contain a holiday recognized by the Company in an effort to maintain consistency throughout the bargaining unit.

The availability of this schedule to various workgroups and employees within those groups will be based on business needs. The Company retains all rights under the Agreement and applicable sidebar letters including the right to discontinue this schedule. 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

For the Union:

Signed: 
James Anderson, President

Date: 3/12/18

September 13, 2016

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

RE: Gas Marketing Progression

Dear Mr. Anderson:

The Gas Marketing progression, consisting of the Gas Marketing Specialist and Senior Gas Marketing Specialist classifications, was established in 2015 in order to assist in the expansion of Duke Energy's commercial gas operations. Since that time, the roles have evolved to the extent that the Company has determined that combining the classifications will provide the maximum flexibility in meeting customer needs.

Per our conversation, the existing classifications will be combined into one classification. Current educational requirements for the Gas Marketing Specialist call for a minimum of 45 credit hours with an Associate's Degree obtained within three years. The requirement for the revised job description will be a minimum of 45 credit hours with an Associate's Degree in engineering, technology, construction management, or business obtained within eighteen months of entry into the classification. Absent extenuating circumstances as solely determined by the Company, employees who fail to obtain the required degree within the eighteen month time frame are subject to discharge. The Company retains all rights under the Collective Bargaining Agreement to modify the duties and qualifications including acceptable degree requirements. Should the Company contemplate such revisions, notice will be given to the Union prior to any changes being made.

The wage rate for employees entering the classification will be the T7 minimum hourly rate. As outlined in the Patrick P. Gibson letter (Sidebar Letter A40) employees will be granted a merit increase in accordance with the Collective Bargaining Agreement if progress, measured by demonstrated ability and performance, has been satisfactory after six months. After one year, and again based on satisfactory performance, the employee's wage rate will be adjusted to the T8 minimum hourly rate provided that all educational requirements are met. For those employees not meeting the educational requirement at the twelve month mark, the wage adjustment will be made when the employee completes the requirement. As stated above, this must occur within eighteen months of entering the classification.

Incumbent Gas Marketing Specialists with more than one year of classified seniority and meeting all qualifications of the revised job description will have their wage rate adjusted to the T8 minimum hourly rate. Any current Gas Marketing Specialist not meeting the educational requirement of the revised job description will continue to have three years from entry into the classification to meet the requirement. Upon meeting the education requirement and all other qualifications, the employee will have their wage rate adjusted to the T8 minimum hourly rate. Employees in this category will maintain their seniority.

As stated previously, the Company maintains all rights provided under the Collective Bargaining Agreement and applicable sidebar letters to revise or discontinue job descriptions, including this one, based on future business needs. Should such material revisions occur to the job description, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

In addition, UWUA Local 600 agrees to withdraw Grievance #399 pertaining to the establishment of the Gas Marketing progression.

I believe that this accurately describes our conversation regarding this matter. If you are in agreement, please sign and return a copy of this letter to me.

Sincerely,



Michael A. Ciccarella
Senior HR Consultant
Labor Relations

For the Union:

Signed: 

James Anderson, President
Utility Workers Union of America, Local 600

Date: 9/14/16



Duke Energy
139 East Fourth St
Cincinnati, OH 45201
Labor Relations

September 26, 2017

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

RE: Lighting Specialist Progression

Dear Mr. Anderson:

I am writing in regard to our conversations regarding the establishment of the Lighting Specialist progression. As discussed, this will be a separate bid area consisting of the Lighting Specialist I (Wage Level T5) and Lighting Specialist II (Wage Level T8) job classifications. All applicable provisions of the Collective Bargaining Agreement, including Sidebar Letter A65 - Competency Based Selection, will apply to these positions.

The initial posting will be for two Lighting Specialists IIs and be restricted to qualified employees in the Distribution Design OH/KY and the Distribution Design (Subdivision) departments. Should the successful candidate be in a classification with a wage level higher than T8, then they will be grandfathered in their current classification and be eligible for contractual wage increases applicable to that classification. For all other purposes under the Collective Bargaining Agreement these grandfathered employees will be considered as Lighting Specialists IIs. As such, they will have no rollback rights within their former work groups. Conversely, these employees would not be included in any surplus/rollback scenario within their prior work group. The ability of employees with more than fifteen years of service to displace employees outside of their bidding area is not impacted. Employees in the Technician or T&D Design Technician classifications accepting a Lighting Specialist position will not be eligible to promote as outlined in Sidebar Letter A81.

The Company maintains all rights provided under the Collective Bargaining Agreement and applicable sidebar letters to revise or discontinue job descriptions, including these, based on future business needs. Should such material revisions occur to the job description, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

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,

A handwritten signature in black ink, reading 'Michael Ciccarella'.

Michael A. Ciccarella
Senior HR Consultant
Labor Relations KY/OH/Carolina

For the Union:

Signed: A handwritten signature in black ink, reading 'James Anderson'.

James Anderson, President
Utility Workers Union of America, Local 600

Date: 10/2/17



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

March 16, 2021

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

RE: GIS Progression

Dear Mr. Kowolonek:

The parties have recently discussed revising the GIS Technologist job descriptions and progression. As was discussed, the changes to the GIS Technologist I (68141), GIS Technologist II (68140), and GIS Technologist III (68139) job descriptions are not material enough to warrant a reevaluation for wage purposes. Employees will be required to successfully complete all training programs required by the Company and to promote to the GIS Technologist II position in a timely manner. Employees successfully completing the requirements for the GIS Technologist III position will automatically promote to that position.

The Company maintains all rights under the Collective Bargaining Agreement and applicable sidebar letters to create and revise job descriptions, including the above referenced GIS job descriptions, based on future business needs as determined by the Company. Should such material revisions occur, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

I believe that this letter adequately describes our conversations regarding this issue. If you are in agreement, please sign and return a copy of this letter to me.

Sincerely,

Michael A. Ciccarella
Senior HR Consultant
Labor Relations

For the Union:

Signed: Date: 3/16/2021
Steve Kowolonek
Utility Workers Union of America, Local 600

A-87



April 1, 2023

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

Re: Special Union-Wide Lump Sum Bonus Opportunity

Dear Mr. Kowolonek:

During the 2023 negotiations, the parties agreed to a special union-wide lump sum bonus opportunity. For the 2023 and 2024 calendar years of the 2023 – 2027 Labor Agreement, all employees represented by UWUA, Local 600 will be eligible to earn a special lump sum annual bonus (the "Special Bonus") equal to 0.5% of their Eligible Earnings, as defined below, during the applicable year. The Special Bonus will be earned only if Duke Energy achieves at least the target performance level with respect to the adjusted diluted Earnings Per Share (EPS) goal that applies to UWUA, Local 600 employees under the Union Employees Incentive Plan (the "UEIP"), with the Company reserving sole discretion to determine the achievement level for the EPS goal based on such adjustments as it determines to be equitable and appropriate, provided the EPS achievement level for the Special Bonus will be the same as the achievement level for the EPS goal generally applicable to the enterprise under Duke Energy's short-term incentive plan for the calendar year.

To receive a payment, employees must be employed in good standing on December 31 of the applicable calendar year. Employees who have worked at least 6 months during the calendar year and retire from the Company during the year, will be eligible to receive a Special Bonus for the year, based on the Eligible Earnings received during the applicable calendar year. Any earned Special Bonus for 2023 and 2024 will be paid in March 2024 and March 2025, respectively, in a single lump sum payment, less applicable taxes and other withholdings. For purposes of the Special Bonus, "Eligible Earnings" will mean all straight time and overtime earnings for the applicable calendar year. Any Special Bonus earned will also be eligible to be taken into account when determining an employee's benefits under Duke Energy's retirement plans (i.e. pension and 401(k)).

Sincerely,

A handwritten signature in blue ink that reads 'Lisa A. Gregory'.

Lisa Gregory
Manager Labor Relations
Labor Relations



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 23, 2021

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

RE: Remote Work

Dear Mr. Kowolonek:

Recently the parties have engaged in discussions regarding remote work and the applicability for employees represented by the Utility Workers Union of America, Local 600. As discussed, each employee excluding those assigned to the Customer Care Center will be assigned to one of four Mobility Classifications described below.

- A. Field Employees – These roles involve highly mobile day-to-day work. Employees in field roles may be based out of a facility (e.g., operations center), but do not require an assigned workspace and infrequently use shared seating or collaboration space at a Company facility.
- B. On-Site Employees – In these roles, the vast majority of work must be performed at a Company facility. Employees in these roles normally require an assigned workspace, routinely use collaboration space, require access to Company assets and tools that are only available on-site, and/or require a high degree of in-person, face-to-face team interaction and collaboration.
- C. Hybrid Employees – Roles involving work that can be effectively performed by working either remotely or at an on-site location, normally 2-3 days per workweek being spent on-site. Employees in hybrid roles require and benefit from regular in-person, face-to-face team interaction or collaboration, but do not require an assigned workspace. Instead, they utilize unassigned or shared workspaces and the Company's standard desktop applications.
- D. Virtual Employees – Employees in these roles can perform almost all work from a remote location due to the nature of the job, do not require an assigned workspace and only occasionally need shared seating or collaboration space in a Company facility. Virtual employees should live within a reasonable commute to the Duke Energy facility where their team (i.e., manager and/or teammates) is located and/or to which they are assigned as they may be required to report to a Company facility.

Employee Mobility Classifications will be made by the Company in its sole discretion and may be changed by the Company at any time. Assignments will be based on business needs as determined by individual work groups. For example, Gas Work Management Support may determine that the business needs are better met by having employees classified On-Site while Customer Delivery Work Management Support may determine their needs can be met with Hybrid employees. Hybrid or Virtual employees experiencing performance or technology issues may be reclassified as On-Site employees. The Union may request a review of such a decision. The classification or reclassification of any employee shall not be subject to the grievance procedure.

Employees in a Hybrid/Virtual Employee Mobility Classifications are expected to report to a Duke Energy facility as required and directed by their manager/supervisor. This may change based on business need. To the extent possible, the Company will attempt to give a 24 hour notice for a change in reporting location. Employees should also report to their assigned Duke Energy facility in the event of technical difficulties, training, in-person meetings, or based upon business needs as determined by the Company.

Mr. Steve Kowolonek

June 23, 2021

Page 2

Employees must immediately report all internet or power outages via phone to their supervisor. If the outage is expected to last longer than 30 minutes or the duration is not known, the employee should make arrangements to report to a Duke Energy facility designated by their supervisor. Commuting time is not compensable. Connectivity issues not related to an outage lasting more than 15 minutes must also be reported to the employee's supervisor. For those connectivity or system issues requiring the assistance of the Enterprise Help Desk that cannot be resolved within 60 minutes, the employee should report to a Duke Energy facility as outlined above. As an alternative to reporting to a Duke Energy facility, the employee may utilize make up time in lieu of reporting to the office at supervisor discretion. Other options include, at supervisor discretion, vacation time or excused unpaid absence provided critical business needs are met.

Hybrid employees who qualify for the Commuter Benefits Program remain eligible for the Company provided subsidy for parking or public transit costs incurred when required to report to their assigned, metropolitan area Duke Energy facility on the same basis as the non-represented workforce. Hybrid employees will not be eligible for mileage reimbursement for commuting to their assigned Duke Energy work location. Virtual employees are not eligible to participate in the Commuter Benefits Program as their assigned work location is not in an approved metropolitan Duke Energy facility. Virtual employees may submit for reimbursement of reasonable and necessary parking expenses incurred when required to report to a Duke Energy facility through the expense management system.

Employees assigned a Hybrid or Virtual Employee Mobility Classification are expected to provide the following in their remote (i.e. home) workspace:

- A. High-speed internet service.
- B. Ergonomic office furniture and lighting.
- C. A safe, quiet workspace that accommodates confidential conversations as appropriate.

As stated above, the initial classification or reclassification of any employee or workgroup shall not be subject to the grievance procedure. In addition, the Company reserves the right to discontinue remote work for UWUA represented employees in its sole discretion. Such decision shall not be subject to the grievance procedure. Should the Company contemplate discontinuing remote work in its entirety, a notice of not less than 30 days will be provided to the Union.

I believe 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

For the Union:



Steve Kowolonek
President, UWUA Local 600

6-23-21
Date



February 24, 2020

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

RE: Establish Network Engineering Specialist Classification

Dear Mr. Kowolonek:

Per discussion between the Union and the Company, a new job classification is being established within the Customer Projects Bidding area. The classification and wage level are as follows:

Job Title	Wage Level
Network Engineering Specialist	T11

The Company reserves the right to change or modify this job description in accordance with the Collective Bargaining Agreement. Prior to modifying the job description, the Company will review proposed changes with the Union to discuss if the modifications are significant to the extent that an increase in the wage rate would be warranted. Per Sidebar Letter A65, the Competency Based Selection process will be used to fill openings in this newly created classification. 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,

Terri Barnes
Senior HR Consultant
Labor Relations

For the Union:

Signed:

Steve Kowolonek
President
Utility Workers Union of America, Local 600

Date:

2-24-2020



Duke Energy
139 East Fourth St
Cincinnati, OH 45201
Labor Relations

July 25, 2022

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

RE: ES Admin. Office Clerk

Dear Mr. Kolowonek:

I am writing in regard to our conversations regarding establishment of the Environmental Services Administrative Office Clerk job classification. As discussed, the Environmental Services Administrative Office Clerk job classification will be established in the newly created Environmental Services Bid Area as a stand-alone position. The wage level will be C9 with a maximum rate of pay of \$28.18 per hour. All applicable provisions of the Collective Bargaining Agreement, including Sidebar Letter A65 - Competency Based Selection, will apply to this position.

The Company maintains all rights provided under the Collective Bargaining Agreement and applicable sidebar letters to revise or discontinue job descriptions, including this one, based on future business needs. Should such material revisions occur to the job description, UWWA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

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,

A handwritten signature in blue ink that reads 'Michael Ciccarella'.

Michael A. Ciccarella
Senior HR Consultant
Labor Relations

For the Union:

Signed:

A handwritten signature in blue ink that reads 'Steve Kolowonek'.

Steve Kolowonek, President
Utility Workers Union of America, Local 600

Date:

7-26-2022



Duke Energy
139 East Fourth St
Cincinnati, OH 45201

June 16, 2021

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

RE: Generating Station Clerk

Dear Mr. Kolowonek:

I am writing in regard to our conversation regarding the Generating Station Clerk classification at the East Bend and Woodsdale Generating Stations. As we have discussed, the wage level for this position is currently Wage Level 8 with a maximum rate of \$25.72 per hour. The parties have agreed to increase the wage level to Wage Level 9 with a maximum rate of \$27.49 per hour. This increase will be effective the beginning of the first pay period after the execution of this agreement. The two incumbent employees in this classification will receive an increase to \$27.49 per hour.

The Company maintains all rights under the Collective Bargaining Agreement and applicable sidebar letters to create and revise job descriptions, including the above referenced Generating Station Clerk job description, based on future business needs as determined by the Company. Should such material revisions occur, UWUA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

I believe that this letter accurately describes our conversation regarding this issue. If you are in agreement, please sign and return this letter to me.

Sincerely,

A handwritten signature in cursive script that reads 'Michael Ciccarella'.

Michael A. Ciccarella
Senior HR Consultant
Labor Relations

For the Union:

Signed: Date: 6-16-21
Steve Kolowonek, President
Utility Workers Union of America, Local 600



Duke Energy
139 East Fourth St
Cincinnati, OH 45201
Labor Relations

July 26, 2022

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

RE: Transmission Office Coordinator

Dear Mr. Kolowonek:

I am writing in regard to our conversations regarding the revised Electric Operations Clerk (EOC – 60764) job description. As discussed, the EOC will be retitled Transmission Office Coordinator and the wage level increased from C9 to C11 which has a maximum wage rate of \$30.30 per hour. The one incumbent employee in the EOC job title will have their pay adjusted to the maximum rate of pay for the C11 wage level. All applicable provisions of the Collective Bargaining Agreement, including Sidebar Letter A65 - Competency Based Selection, will apply to this position.

The Company maintains all rights provided under the Collective Bargaining Agreement and applicable sidebar letters to revise or discontinue job descriptions, including this one, based on future business needs. Should such material revisions occur to the job description, UWWA Local 600 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

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,

A handwritten signature in cursive script that reads 'Michael Ciccarella'.

Michael A. Ciccarella
Senior HR Consultant
Labor Relations

For the Union:

Signed: Steve Kolowonek Date: 7-26-2022
Steve Kolowonek, President
Utility Workers Union of America, Local 600

Agreement
between
Duke Energy Ohio, Inc.
and
Duke Energy Kentucky, Inc.

and

Local Union 1347
International Brotherhood
of Electrical Workers

Affiliated with
AFL-CIO

April 1, 2022 – April 1, 2026

GENERAL INDEX

	Page		Page
A			
Absence		Planned Overtime.....	21
Death in Family.....	24	Union Security Clause, Automatic ...	3
Illness	15-16	Changes in Agreement.....	1-2
Industrial Accidents	17	Change of Schedule - Temporary	20
Jury Duty.....	1, 25	Check Off of Union Dues and	
Leave of Absence.....	9, 13, 14	Service Charges	3-4
Military Service	9, 14, 27	Christmas Day - Work on	20, 23, 37
System Service and		Classification	
Seniority	8-10	Committees	31
Union Officers	9	Of Employees.....	11-12
Testifying for Company.....	25	Classified Seniority.....	8-12
Accidents - Investigation of.....	27	Coercion - By Company	4-5
Advancements - Temporary.....	11, 26	Coercion - By Union.....	4-5
Advance Notice Layoff.....	5, 10	Compensation For	
Agreement - Term of	1-2	Death in Family.....	24-25
Amendments to Agreement	2	Grievance Meeting.....	6
Arbitration Procedure.....	7	Holidays	20-21
Assignments, Temporary -		Holidays within Vacations.....	14
To Higher Pay	26	Inclement Weather	23
Automatic Cancellation of		Industrial Accidents	17
Union Security Clause	3	Jury Duty.....	1, 25
B			
Bargaining Unit		Meals.....	21-23
Description and Recognition of.....	1	Scheduled Off Days	18
Basic Health Care	32	Sick Leave.....	15-16
Bidding, Cross - Between Divisions... 1,		Temporary Assignments	26
.....	10	Temporary Demotions	26
Bulletin Boards		Temporary Promotions	25-26
Overtime Lists.....	20	Testifying For Company	25
Posting Job Vacancies.....	11-12	Travel	20-23
Posting of Union Notices	26	Union's Job Evaluation Advisory	
Business Manager, Premise Rights. 25		Committee.....	31-32
C			
Call-Out Pay.....	21-22	Vacations.....	13-15
Cancellation of		Condition of Continued	
Call-Out Overtime	21	Employment.....	3-4
		Consecutive Off-Days.....	19
		Continuity of Work.....	1-2
		Contracting Work.....	26
		Cross Bidding Between	
		Divisions.....	1, 10
		Crossing of Picket Lines	4-5

GENERAL INDEX

	Page		Page
D		E	
Day, Basic Work.....	18-19	Elections - Voting	24
Day Workers	18-19	Employees	
Scheduled Work Day	18-19	Covered by Agreement	1, 3
Basic Work Week	18-19	Probationary	1, 10, 12-13
Death in Family.....	24-25	Regular	3, 4, 12-13
Deceased Employees Vacation	14	Surplus	17
Decision of Arbitrator	7	Transfer, Starting Jobs	11
Deduction of Union Dues or		Employment	
Service Charges	3-4	Condition of Continued.....	3-4
Demotions		Guaranteed	25
On basis Classified Seniority .5, 10-11		Probationary	1, 10, 12-13
Reduction in Forces	5, 10	Temporary	12
Rights of Management.....	5	Equal Seniority - Determination of....	10
Dental Insurance	32	Equipment Furnished - Safety	25
Department Stewards.....	5-6, 28	Examinations	
Departmental and Divisional		Medical	13-14, 27
Working Rules	36-43	For New Positions.....	25
Description of Bargaining Unit.....	1, 3	Extension of Agreement	1-2
Determination of Equal Seniority	10		
Differential - Shift.....	30-31	F	
Discharge or Dismissal		Fixed Shift Worker	18-19
Of Employees.....	2, 4	Schedule Work Day	18
Rights of Management.....	5	Scheduled Work Week	18-20
Discipline of Employees	2, 4	Foremen or Supervisory Employees -	
Discrimination - By Company	3-4	Representation of	2
Discrimination - By Union.....	3-4	Foremen's Duties - Restriction on	3
Diversity Day.....	15		
Division		G	
Of Overtime	19	Grievance Committee	6
Of the Company	8	Grievance Procedure	6-7
Seniority	8-9	Group Life Insurance	9, 27, 32
Double Time		Military Service	27
Emergency Work.....	19-20	Guaranteed	
Excess of 16 Consecutive Hours.....	19	Employment.....	26
Holidays - Excess of 8 Hours.....	21	Work Week	26
Second Scheduled Off-Day. 19, 21, 33			
Dues or Service Charges, Collection	3-4		
Duration of Agreement	1-2		

GENERAL INDEX

	Page		Page
H		L	
Headquarters		Labor Day - Work on.....	20, 23, 36
Changing of.....	23	Laid Off Employees - Rehiring of	10
Healthcare	32	Layoffs - Advance Notice of	
Post-Retirement.....	32	Or Demotions in Classified	
Holidays	20-21	Seniority.....	10-11
Pay.....	20-21	Promotions, Demotions	
Within Vacations	14	and Transfers.....	5, 10
Hospital Insurance	32	Leave of Absence	
Hours of Work	18-19	Military Duty	9, 14, 27
		System Service and Seniority	8-10, 26
I		Union Duties	9, 27, 32
Illness	15-17	Life Insurance - Group.....	32
Inclement Weather	23	Light Duty - Return from Illness ..	16-17
Income - Retirement	32	Limitations on Sick Leave	15-17
Increasing Forces	10	Lists - Seniority.....	8
Industrial Accident Compensation -		Lockout	1-2, 8
Supplemental.....	17	Long Term Disability.....	16
Injuries - Employees Returning to		Loss of Seniority	8-10
Work - Light Duty	16-17		
Insurance		M	
Dental	32	Maintenance of Membership	3-4
Group Life.....	32	Management of Membership	
Hospital/Medical.....	32	and Rights	5
Interruption or Pyramiding Benefits ..	33	Meal Compensation	21-23
Investigation of Accidents	27	Medical Examinations	13, 14, 27
		Medical Insurance Rate.....	32
J		Membership - Union Status	3-4
Job Classification and Evaluation ..	30-31	Military Service	
Job Description -		Group Life Insurance	27
Equivalent Qualification	12	Seniority	8-10
Jobs Open Notices - Posting of	11-12	Vacations.....	14-15
Jobs Outside the Bargaining Unit -		Modified Shift Worker.....	18-19
Promotions to	10	Scheduled Work Day	18-19
Job Site Reporting.....	23-24	Scheduled Work Week	18-19
Jurisdiction Over Work.....	3	Multiple Posting.....	12, 42
Jury Duty.....	1, 25		

Ratification by Membership	1-2
Recognition	
of Union	1
Shift Work and Weekend Work.....	20
Red-Circle	17
Reduction in Forces	5, 10
Regular (Present) Employees -	
Maintenance of Membership	3
Regular Work Week	18-19
Rehiring of Laid Off Employees.....	10
Reinstatement of Union Security	
Clause.....	4
Representation of Foreman or	
Supervisory Employees	2
Restrictions on Foremen's Duties.....	3
Resultant Promotions	11-12
Retirement Income Plan.....	32
Retirement Savings Plan	33
Retiring Employees' Vacation	14
Retrogression	17
Return from Sick Leave	15-17
Returning Military Service	
Classified Seniority.....	9
Employee's Vacation	14
Return to Bargaining Unit.....	9
Rights & Responsibilities,	
Management.....	5
Rotating Shift Worker.....	18-19
Scheduled Work Day	18
Scheduled Work Week	18-19

GENERAL INDEX

	Page		Page
S			
Safety		Supervisors and Foremen	
Advisory Committee.....	27	Representation of	2
Devices.....	27	Surgical and In-Hospital	
Scheduled Work Day		Medical Insurance.....	32
Day Workers	18-19	Surplus Employees.....	17
Shift Workers	18-19	System Service.....	8-9
Training.....	20		
Scheduled Work Week		T	
Day Workers	18-19	Temporary Advancements -	
Shift Workers	18-19	Higher Classifications.....	26
Second Scheduled Off-Day		Planned Overtime.....	20, 21
Premium Pay.....	18-20	Temporary Change of Schedule...	19, 20
Security - Union.....	3-4	Temporary Employee.....	12
Seniority		Testifying for Company	25
Classified.....	8-12	Thanksgiving Day - Work on	23, 37
Division.....	8	Time	
Lists.....	9	Agreement Effective	1
Loss of.....	9-10	Off for Voting	24
Military Leave of		Off in Lieu of Overtime	19
Absence.....	9, 14, 27	Tools, 1" & above - Fleet Services	43
Transfer Between Stations	9	Training Schedules.....	20
Service Charges or Dues –		Transfers	5, 10, 11
Collection of.....	4	Transportation, Meals and	
Service - System	8-9	Lodging	23
Loss of.....	9	Travel Pay	21-23
Shift Differential	30-31		
Shift Worker.....	18-19	U	
Shift Worker's Scheduled Work		Union Discrimination.....	4-5
Day	18-19	Union Duties - Leave of Absence	9
Shift Worker's Scheduled Work		Union Membership Status.....	3-4
Week	18-19	Union Security Clause	4-5
Short Term Disability	15-16		
Stewards - Union.....	27	V	
Straight Shift Worker.....	18-19	Vacation	
Scheduled Work Day	18-19	Dates	13-15
Scheduled Work Week	18-19	Deceased Employee	14
Strikes	2, 4	Employees Leaving Company	14
During Arbitration	1-2		
Successorship.....	33		
Sunday Premium.....	31		

GENERAL INDEX

	Page
Illness or Injury During.....	15
Including Holiday	14
Normal Vacation Period	13
One Day at a Time	14
Pay.....	13-15
Qualify for.....	13
Retiring Employees.....	14
Returning Military Service Employees.....	14
Voluntary Arbitration.....	1-2
Voting - Elections	24

W

Wage Rates	28, 29
Waiting Period - Sick Leave	15, 16
Weather Conditions	24
Willingness and Intention to Join Union - Voluntary	3-4
Withdrawal of Membership – Provisions.....	4
Work	
Continuity of	2, 23, 24
Contracting of	26
In Classification	3
Jurisdiction of.....	3
On Labor Day, Thanksgiving Day and Christmas Day.....	23
Stoppage.....	1, 2
Stoppage - During Arbitration	1, 2
Upon Return from Sick Leave ...	16-17
Work Methods and Procedures - New or Revised.....	5
Work Week	
For Payroll Purposes	18
Regular	18, 19
Scheduled	18, 19
Work Vacations	14
Workers - Day and Shift	18, 19
Working Foreman	2, 36

EXHIBIT A

Working Rules	36-43
Regulated Generation.....	36-37
Mid West Field Operations.....	37-42
Operators.....	37
Substation.....	37-38
Test & Relay/Field Services	38-39
Midwest Field Operations	
General Work Rules.....	39-42
Electric Trouble	40
Electric Meter.....	40-41
Overhead Transmission & Distribution Construction.....	41
Underground Cable & Equipment.....	42
Service Division.....	42
Power Delivery Warehouses.....	42
Generation Supply Chain.....	43
Fleet Services	43
Gas Operations Supply Chain.....	43

APPENDIX

Historical Sidebar Letters 1973 - 2022	
--	--

MEMORANDUM OF AGREEMENT

This Agreement is made and entered into by and between Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc., hereinafter referred to as the "Company," and Local Union 1347 of The International Brotherhood of Electrical Workers, AFL-CIO, referred to hereinafter as the "Union."

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

ARTICLE I

Section 1. (a) The Company recognizes the Union, during the term of this Agreement, as the sole and exclusive representative of the employees in the bargaining unit defined as "The Electrical Workers Unit" by the National Labor Relations Board in its Decision and Direction of Election dated August 12, 1944, for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment. A-22

(b) All new employees shall be classified as probationary employees for a period of one (1) year. Employees with six months or more of continuous service are eligible to receive supplemental industrial accident compensation, supplemental jury duty pay and will be entitled to bidding rights to other job classifications. Further, probationary employees shall have no recourse to the grievance procedure as set forth in Article II, Section 1 for the first six (6) months of the probationary period. However, after serving six (6) months of the probationary period, probationary employees will have recourse to the grievance procedure for any non-discipline related grievances.

Section 2. (a) This Agreement and the provisions thereof shall take effect on April 1, 2022 and shall be binding on the respective parties hereto until April 1, 2026 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 that intention at least sixty (60) days prior to April 1, 2026 or any subsequent anniversary date. If neither party gives such notice the Agreement shall continue from year to year. If such notice is given by either party the Agreement shall be open for consideration of the change or changes desired. Within fifteen (15) days from the date the first notice of intention to change is given by either party to the other, but not later than thirty (30) days prior to April 1, 2026 conferences shall commence for the purpose of considering the proposed changes. At the first such conference, each party will submit its proposed changes, in writing, to the other party.

(c) In case of failure to reach an agreement on the changes desired by either or both parties, within a period of thirty (30) days following commencement of conferences, but in no event later than the renewal date of this Agreement, the changes shall be referred to arbitration as provided for in Article II, Section 2 hereof. Either party desiring to avail itself of arbitration in this case shall notify the other party in writing of its desire to arbitrate and at the same time name its arbitrator. The parties mutually agree that there shall be no strikes, work stoppages, slowdowns or lockouts pending the

decision of the arbitrators. The provisions of this paragraph shall not apply in the event either party gives written notice to the other party at least sixty (60) days prior to April 1, 2026, of its desire to terminate the Agreement on April 1, 2026, if there remains at that time issues which the parties are unable to resolve.

(d) In the event agreement is reached on or before March 31, the 2022-2026 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 31st day of March.

(e) It is agreed that this Agreement may be amended or added to at any time by written consent of both parties hereto.

Section 3. The Union agrees not to admit to membership or permit to retain membership for collective bargaining purposes any foreman or supervisory employee of the Company who is not employed in a classification within the unit now represented by the Union.

Section 4. (a) It is expressly understood and agreed that the services to be performed by the employees covered by this Agreement pertain to and are essential to the operation of a public utility and to the welfare of the public dependent thereon and in consideration thereof, as long as this Agreement and conditions herein be kept and performed by the Company, the Union agrees that under no conditions and in no event, whatsoever, will the employees covered by this Agreement, or any of them, be called upon or permitted to cease or abstain from the continuous performance of the duties pertaining to the positions held by them under this Agreement. The Company agrees on its part to do nothing to provoke interruptions of or prevent such continuity of performance of said employees, insofar as such performance is required in the normal and usual operation of the Company's property and that any difference that may arise between the above-mentioned parties shall be settled in the manner herein provided.

(b) The Company agrees that it will not attempt to hold Local Union 1347 of the International Brotherhood of Electrical Workers, 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 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.

Section 5. (a) This Agreement covers all work done for the Company, including work performed by Duke Energy Shared Services, Inc., by the employees of the occupational classifications in the unit defined as "The Electrical Workers Unit" by the National Labor Relations Board Order dated August 12, 1944, which is covered by this Agreement. The unit so defined shall retain jurisdiction over such work as was normally performed by it prior to March 31, 1945, but such jurisdiction shall not be expanded except by mutual agreement of the parties hereto or through due process under the National Labor Relations Act.

Employees other than those covered by this Agreement shall continue to perform work normally performed by them prior to March 31, 1945, except where mutually agreed upon in specific instances as itemized in Departmental Rules of this Agreement.

(b) Except in case of emergency, work regularly done by employees in a classification shall be restricted to such work as is normally assigned to that classification, or work of a basically similar nature.

(c) Foremen's duties shall be restricted to direct supervision except in cases of emergency, for such incidental work as may occasionally be required or as may be otherwise outlined in the Departmental Work Rules.

Section 6. The Company and the Union agree to meet and deal with each other through their duly accredited representatives on matters relating to hours, wages and other conditions of employment of the employees of the Company covered by this Agreement.

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

(a) To the extent permitted by State law, all regular employees of the Company as of the ratification of this Agreement, who are not members of the Union shall not be required as a condition of their continued employment to join the Union. However, after April 1, 2017, all regular employees of the Company within the bargaining unit represented by the Union who are members of the Union, and who are not more than six months in the arrears with dues, or who may become members of the Union, shall be required as a condition of their continued employment to maintain their membership in the Union in good standing, unless prohibited by State law, and subject to the annual ten day escape period hereinafter described.

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

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

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

(e) The Company agrees to dismiss any employee at the written request of the Union for non-payment of union dues or service charges or to discipline employees represented by the Union in the manner herein provided for violation of this Agreement, if requested to do so in writing by the

Union. Nothing in this clause, however, shall be construed so as to require the Company to dismiss or discipline any employee in violation of any state or federal law.

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

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

(h) The Company shall make collection of contributions to the International Brotherhood of Electrical Workers, AFL-CIO, Political Action Committee (hereinafter "IBEW PAC"), by any employee who is a member of the Union, through payroll deductions, upon proper authorization in writing signed by such employee. The Company will pay bi-weekly to the IBEW PAC, 900 Seventh Street N.W., Washington, D.C. 20001, the total amount deducted from all employees for whom authorizations are in effect. Deductions shall be made only from bi-weekly wages paid to each such employee during the period such employee's authorization is in effect. The Company and the Union agree that the Company's administrative costs to comply with this provision of Section 7 are estimated to be \$300.00 per year and that this estimated amount has been incorporated into the wage and benefit package agreed upon through collective bargaining between the Company and the Union.

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

(j) 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 a group of employees in the bargaining unit represented by the Union this section of the contract is then and there and by reason thereof automatically canceled and of no further force and effect; provided, however, that the Company may, upon the presentation of proof satisfactory to the Company, within 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 contract, which section, if reinstated will, from and after the date of reinstatement, be of the same validity, force and effect as if it had not been canceled. In this connection, it is the expressed intention of the parties that for the purpose of making this cancellation provision effective without affecting the other sections of the contract, this contract is to be considered a severable contract. Should the automatic cancellation of this section occur, it is the intention and agreement of the parties that all other sections and provisions of the contract remain in full force and effect as therein provided. 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.

(k) The Company agrees that all persons, before they are employed as regular employees in any classification within the unit represented by the Union, shall be required to signify in writing

their voluntary willingness and intention to join the Union not later than thirty-one (31) days after their employment by the Company.

Section 8. There shall be no discrimination, interference, restraint or coercion by the Company or the Union or their agents against any employee because of membership or non-membership in the Union, because of lawful activities on behalf of the Union, or because of race, color, religion, sex or national origin or ancestry or for any other reason. References to the masculine gender are intended to be construed to also include the female gender wherever they appear throughout the Agreement.

Section 9. (a) Except where expressly abridged by a specific provision of this Agreement, the Union recognizes that the management of the Company, the direction of the working forces, the determination of the number of men it will employ or retain in each classification, and the right to suspend, discharge, or discipline for just cause, or hire, promote, demote or transfer, and to release employees because of lack of work or for other proper and legitimate reasons are vested in and reserved to the Company.

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

(c) The Company may adopt or revise any work methods and procedures which are not in direct conflict with the provisions of this Agreement. The Company will notify the Union, in writing, of any new or revised Company work methods and procedures. Such new or revised Company work methods and procedures shall not be effective until such notice is given.

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

(e) In order to avoid possible grievances, the Company will discuss in advance with the representatives of the Union, promotions, demotions, layoffs, transfers and rehiring of employees in all classifications governed by this Agreement, except in instances where the employee with the greatest length of classified seniority is selected for promotion, or the employee with the least classified seniority is selected for demotion or layoff. The Company agrees that the Department Management will notify in writing in advance or as promptly as possible the Master Steward or Business Manager of the Union of promotions, demotions or transfers of employees covered by this Agreement.

(f) Except as herein provided, promotions, demotions, transfers or layoffs of employees covered by this Agreement made by the Company without discussion in advance with the Union representatives will not be considered permanent, until so discussed.

Section 10. A copy of any letter constituting disciplinary action by the Company against any employee covered by this Agreement shall be furnished to the employee and the Union. In case of a grievance resulting from such a warning letter see Article II, Section 1.

Section 11. Employees shall not be required to cross a picket line except to perform work which is necessary to provide the normal services of the Company. A supervisor shall make the necessary arrangements with the picketing Union involved for the employee to cross the picket line.

Whenever possible, the supervisor will attempt to have the employee enter the property through a non-picketed entrance.

ARTICLE II

Section 1. GRIEVANCE PROCEDURE. (a) Any dispute or disagreement arising between an employee and the Company, or the Union and the Company may become the subject of a grievance. However, with respect to any claim or dispute involving the application or interpretation of an employee health, welfare or pension (including defined benefit, defined contribution and 401(k) plans) plan, initially the Employee and the Union will make a good faith effort to resolve those disputes in accordance with the terms and procedures set forth in the relevant plan document and applicable laws. 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. The time limit for filing a grievance will be suspended as long as the Employee and the Union are pursuing the appeal processes in the benefit plans. A-17

Realizing the importance of avoiding delays in rendering decisions regarding grievances, the following procedure shall be followed. If after consultation between an employee covered by this Agreement and his or her immediate supervisor, the employee still feels that there is a grievance arising out of this Agreement, the avenue of adjustment for grievances shall be as follows:

First Step

An employee or the Union must file any grievance, involving wages, hours of work, conditions of employment, or of any nature arising out of this Agreement with the employee's supervisor. The grievance shall first be taken up with the supervisor involved, within 30 days of its occurrence or 30 days from the time the employee or the Union became aware of the occurrence. The initial meeting shall be held between the supervisor and other management, the employee involved and the officially designated steward. 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.

Second Step

If the parties are unable to resolve the grievance following the first step, within 10 work days 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. The department management will render a written decision within 30 workdays after the date of the meeting.

Third Step

If the parties are unable to resolve the grievance following the second step, within 30 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 30 workdays of the date of the third step meeting.

The procedure outlined in this section may be altered at the request of the Union in a discharge case by filing the grievance in writing initially at the second step of the grievance procedure.

Employees engaged in the above grievance procedure during their working hours shall not suffer a loss of straight-time pay for that time.

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

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

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

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

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

(f) Any grievance that is not taken to the next step within the time limits specified will be deemed to have been withdrawn and shall not set a binding precedent for any pending or future grievances. 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 III

Section 1. System Service shall date from the time an employee first earns compensation in the employ of the Company, except as such continuous service record may be lost in accordance with Item (h), Section 5 of Article III of this Agreement.

Section 2. Division Seniority shall be the total seniority accumulated in a specific division.

Section 3. Classified Seniority shall date from the time an employee is employed in a specific classification.

Section 4. For the purpose of this Agreement the Divisions of the Company shall be considered as follows:

- | | | |
|------|--|--------------------------------|
| (1) | East Bend Station | - Regulated Coal Fleet |
| (5) | Woodsdale Station | - Regulated Coal Fleet |
| (6) | Operators | - Midwest Field Operations |
| (7) | Substation | - Midwest Field Operations |
| (8) | Test & Relay/Field Services | - Midwest Field Operations |
| (9) | Electric Trouble | - Midwest Field Operations |
| (10) | Electric Meter | - Midwest Field Operations |
| (11) | Overhead Transmission and Distribution, Construction | - Midwest Field Operations |
| (12) | Underground Cable and Equipment | - Midwest Field Operations |
| (13) | Service Division | - Midwest Field Operations |
| (14) | Power Delivery Warehouses | - Midwest Operations |
| (15) | Generation Supply Chain | - Midwest Warehouse Operations |
| (16) | Fleet Services | - Enterprise Fleet |
| (17) | Gas Operations Supply Chain | - Gas Operations |

Section 5. (a) Company System Service shall be used to determine the amount of vacation an employee is eligible to receive.

(b) There shall be no transfer of classified seniority rights for Power Operations' employees between the East Bend Station and the Woodsdale Station.

(c) The Company shall maintain an up-to-date seniority list of all employees in each Division. Such list shall show System Service and Classified Seniority of each employee and shall be posted in a place or places accessible to all employees in such Divisions. If exception is not taken to the list as posted within thirty (30) days from the date of posting the list shall be considered as correct and no change will be made thereafter except by mutual agreement between the Company and the Union. Copies of these lists shall be forwarded to the Union.

(d) An employee entering military service shall continue to accumulate full system service and full seniority for the time specified by applicable laws provided that he returns with a certificate of satisfactory completion of his active service and applies for work within the time specified by said laws after his release from active duty.

When a regular employee returns from military service, as defined in the previous paragraph of this section, he shall be given an opportunity and reasonable assistance to qualify for any job to which he would have progressed in the promotional sequence in which he was employed at the time of his entry into military service; and he will be promoted to that classification at the time he becomes qualified and provided he bids every opening in his promotional sequence at the time he becomes qualified after he returns from military service. His classified seniority shall then be adjusted.

(e) Leave of absence may be granted, if requested in writing, to an employee with the written consent of the Company. Employees on leave of absence for Military Service, illness, injury, or Union business shall accumulate system service and seniority. Employees on leave of absence granted for any other reason shall not accumulate system service or seniority but system service and seniority already accumulated shall not be forfeited. Where a leave of absence is granted to any employee covered by this Agreement, the Company shall notify the Union in writing without delay.

(f) Any member or members not to exceed three (3) members elected or employed by Local 1347 of the Union whose duties for the Local require their full time shall be granted a leave of absence by the Company for six (6) months and additional six (6) months' periods thereafter providing that each member is from a different promotional sequence or that the Company has granted permission for two (2) 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.

Employees on leave of absence who are employed full time by the Local Union shall be eligible to participate, at no cost to the Company, in the Medical Insurance programs and the Group Life Insurance program.

(g) An employee losing time due to illness or injury shall be entitled, upon recovery, if physically and mentally qualified, to the position held prior to such accident or illness.

(h) Employees will lose their system service and seniority who:

- (1) Quit of their own accord. If such employees should return to work with the Company on a full-time basis, those employees will recoup their system service seniority previously held before leaving the Company.
- (2) Is discharged for cause.
- (3) Fails to report their availability for work within three (3) scheduled working days, fails to report for work within seven (7) days after being recalled from layoff or fails to make other arrangements satisfactory to the Company within the first three (3) scheduled working days after notification.

Section 6. (a) In making promotions within the bargaining unit classified seniority, ability and qualifications shall be taken into consideration. Ability and qualifications being sufficient seniority shall prevail. Any employee promoted to a supervisory job outside the bargaining unit shall retain, for a period of nine months, all classified seniority accumulated up to the date of the promotion. Such seniority may be exercised, through the established bidding procedures, within the bargaining unit, should such job be jeopardized because of lack of work or any other reason except for dismissal for cause. If an employee, who was a supervisor for more than nine months, returns to the bargaining unit, he will receive a classified seniority date behind all incumbent employees in the job classification from which he originally promoted. No supervisor may return to a bargaining unit job classification, if it would result in the layoff or prevent the recall from layoff, of an employee represented by the Union.

(b) In the event of a layoff or work force reduction, layoffs, demotions, and transfers shall be made on the basis of classified seniority within a promotional sequence in a department. An employee shall have the right to be returned to any starting level job classification previously held by him in the course of his employment with the Company if his seniority is sufficient to qualify him for such job and an opening or job vacancy exists. An employee does not recoup any classified seniority in those job classifications higher than the one to which he is assigned, despite the fact he may have previously worked in the higher job classifications, until he is permanently promoted to the higher job classification through the established posting procedure. For purposes of this paragraph, if an employee has not worked in a lower classification in his promotional sequence, he will be credited with classified seniority in each such lower job classification for all time worked in a job classification at the same or higher wage level within his promotional sequence. An employee, however, shall not have the right to be demoted or transferred to any classification in another promotional sequence which he has not previously held, except as provided in Article III, Section 7(f). Under no circumstances will an employee be permitted to arbitrarily select a job where no vacancy or job opening exists.

(c) Except for temporary or probationary employees, the Company shall give not less than a 28 calendar day advance notice to the Union of any general reduction in forces.

(d) When increasing forces the Company agrees to recall employees previously laid off for lack of work. When recalling occurs it shall be done on the basis of classified seniority and no new employee shall be hired in that promotional sequence until all regular employees in that promotional sequence who have been laid off within three (3) years have been recalled or rehired, provided that such former regular employees are available for work and are qualified to perform the job. Such former employees shall make satisfactory arrangements for reporting to work in accordance with Article III, Section 5(h) (3) after notification through the United States Mail, or by telegraph, addressed to the address last given to the Company by the employee. A copy of such notice shall be given to the Business Manager at the time the notice is sent to the employee. Failure of the employee so notified to report to work or to supply a reason satisfactory to the Company for not doing so, within the time limit herein, shall be considered a waiver of re-employment rights by the employee. Employees who are on a layoff status from the Company shall be considered for hire, before other applicants, on the basis of all of their Division Seniority, into bargaining unit job classifications for which they do not have a recall right for a period of three (3) years.

(e) Should time constituting seniority of any two or more employees be equal, the respective seniority of such employees shall be determined by lot by the Union and the Company notified in writing by the Union.

Section 7. (a) When an opening in a job classification covered by this Agreement is to be filled, a notice shall be posted by the Company on all bulletin boards in the appropriate Division(s). A copy of such notice shall be mailed to the Business Manager of the Union. This notice shall be posted two weeks before the opening is permanently filled. This period of posting may be reduced to seven (7) days provided that any employees with greater seniority who may be off duty during the entire seven (7) day posting period are notified of the posting by a copy of the posting notice mailed, by registered or certified mail, to their home address on record with the Company. Where a notice is posted as provided above and the opening has not been filled sixty (60) days after the closing date of the posting, it shall be invalid and a new posting made before the opening is permanently filled. This shall not preclude the management from filling the opening by assignment if no qualified bids are received on the first posting of the opening. This procedure may be modified in departmental rules where mutually agreed upon.

(b) Subject to the approval of the Company and the Union any employee may waive his right to promotion or temporary advancement either within or outside the bargaining unit if such waiver does not prevent other employees from acquiring experience in the job held by him. Such waiver must be submitted to the Company and the Union in writing at least seven (7) days in advance. A request for withdrawal of such a waiver must be submitted in writing.

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

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

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

(f) Any Union employee who may make application to the Company for transfer to a starting job represented by the Union for which the employee may be equally suitable to other candidates as determined by the Company, will be given preference before an employee transferring from outside the Union or a new employee is hired for the job. Anyone transferring as provided herein shall not receive a reduction in rate unless the employee's rate of pay exceeds the maximum rate of the job to which the employee is transferred. In such case the employee's rate shall be reduced to the maximum rate of that job. For the first six (6) months after an employee transfers from outside the Union, the employee may be discharged without recourse to the grievance procedure of this Agreement.

(g) When an opening occurs in a job classification, employees already in that job classification within the Division may exercise their seniority rights to cross bid for the particular opening. The employee already in the job classification within the Division who cross bids and who can qualify will be selected; however, only one cross bid will be allowed. When an opening has been filled in accordance with the procedure outlined above, the resultant openings will be filled by promotion of employees from the next lower job classification in the particular promotional sequence in accordance with the provisions of this Agreement. An employee shall not have the right to bid on a demotion but may request in writing consideration for a demotion.

The procedure outlined above is not applicable to those Divisions where the multiple posting system is in use. In the Divisions where multiple posting is used, the employees are permitted to submit their applications for promotion or cross bid in advance of an opening. An employee shall not have the right to bid on a demotion but may request in writing consideration for a demotion. When openings occur, they will be posted on the bulletin boards at the various headquarters within the appropriate Division(s). In the Divisions where multiple posting is used and job openings exist cross bids will be permitted at each job classification level before promotions are made and until the posting is completed.

This Section of the Agreement shall not be interpreted in such a way as to enable employees to utilize seniority in the selection of a particular shift, working crew or job assignment, but supervisors may make such assignments on the basis of an employee's request with consideration to the requirements of the job to be filled and the seniority of the employee.

(h) All new employees and all employees transferring from other bargaining units into a job classification represented by the Union shall be classified as probationary employees for a period of one (1) year and shall have no system service and seniority rights during that period. After one (1) year continuous service as a probationary employee, such employees shall be classified as regular employees and their system service and seniority record shall include their previous employment as probationary employees and any other previous employment to which they are entitled. The Company shall have the right to lay off or discharge probationary employees for cause and there shall be no responsibility for re-employment of such employees after they are discharged or laid off during the probationary period.

(i) Employees hired for a specific temporary project of limited duration shall be classed as temporary employees and shall not acquire system service or seniority rights. The Union shall be notified in writing of the hiring of such employees and of the project and probable duration for which they are employed. The Union shall be notified in writing of any change in the employment status of such employees.

Section 8. An employee, when permanently assigned to a job classification and qualifying in all respects with the exception of time spent in the preceding classification as required in the qualification section of the job description, shall be considered as having the equivalent of such required time.

ARTICLE IV

Section 1. VACATIONS. (a) Vacations for hourly rated employees will be granted with pay during the calendar year in which they complete the specified number of years of service on the following basis: A-41

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

(2) Employees with one (1) year of service with the Company shall be entitled to a vacation of two (2) weeks.

(3) Employees with seven (7) or more years of service with the Company shall be entitled to a vacation of three (3) weeks.

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

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

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

(b) The normal vacation period shall be from Memorial Day to September 30, inclusive. An employee who is eligible for more than a two (2) week vacation may be required to take the vacation in excess of two (2) weeks outside the normal vacation period.

(c) An employee accrues entitlement to 1/12 of their current year's vacation for each 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, except that the maximum vacation payout for unused vacation, including vacation bank, cannot exceed 22 weeks of straight-time pay. Active employees may use current year vacation at any time during the year as approved by supervision.

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

(e) Every effort will be made to grant vacation at a time suitable to the employee, but should the number leaving on vacation in any one period handicap the operations of the Company, the Company reserves the right to limit the number receiving vacations. Preference for vacations shall be granted within a classification at a headquarters on a system service basis within the bargaining unit. A-32 A-66

Vacations must be selected for full weeks. However, an employee entitled to two or more weeks of vacation in a calendar year may arrange to take five days of that vacation in one-day increments. Requests for these days must be made at least five calendar days prior to the date requested and must be approved by supervision. However, because of extenuating circumstances, a day off with less than a five calendar day notification may be approved by an employee's supervisor. An employee entitled to five or more weeks of vacation in a calendar year may arrange to take ten days of that vacation in one-day increments. However, because of extenuating circumstances a day off may be taken with less than the five calendar day notification with approval by supervision. Requests for at least five of these ten days must be made five or more calendar days prior to the date requested and must be approved by supervision. The Company reserves the right to limit the number of employees who can be off on a specific day and may, but cannot be required to, grant a one day increment on a work day preceding or following a holiday or other vacation. Such one-day increments must be utilized before an employee's scheduled vacation in a particular year is exhausted.

(f) The estate of an employee who dies shall receive all current year vacation pay earned in accordance with Article IV, Section 1(a).

(g) Time lost because of a leave of absence due to injury or illness shall not be considered as a break in continuous service, providing the employee is available whenever necessary for the Company medical examinations and reports during the leave of absence. Vacation will be granted in accordance with Article IV, Section 1(d).

(h) Employees returning from military service in a subsequent calendar year will receive all vacation pay they have earned in accordance with Article IV, Section 1(a).

(i) When a holiday falls within an employee's vacation such employee shall receive either eight (8) hours additional pay to compensate for the loss of such holiday or one additional vacation day shall be allowed immediately before or immediately after the vacation period at the discretion of the Company.

An employee leaving the Company, except due to retirement, will not receive holiday pay for a holiday which occurs after the employee's last day worked.

An employee leaving the Company due to retirement and drawing vacation pay will receive eight (8) hours straight time holiday pay in addition to regular vacation pay when a holiday falls within the vacation pay period.

(j) An employee required by the Company to work during his normal vacation period shall be paid at his regular rate for all such time worked as provided in this Agreement and in addition shall receive such pay as he would normally have received for the vacation period.

The Company will not require an employee to work during his scheduled vacation period unless the absence of such employee would jeopardize the maintenance of continuous service by the Company. The Company agrees to notify the Union in writing of each instance where an employee is required to work during his scheduled vacation, outlining the nature of the emergency requiring such action.

(k) Any employee who becomes legitimately ill immediately before his scheduled vacation shall not be required to take his vacation during such an illness. If, however, an employee becomes

A-6
A-42
A-66

ill after his vacation period has begun he shall not be entitled to sick pay during his vacation period. All vacations will be taken within the calendar year that they become due, except for vacation the employee or the Company deposits in the employee's retirement vacation bank or unused vacation time that an employee carries over. An employee may carryover unused vacation hours from one calendar year to the next not to exceed eighty (80) hours. Vacation bank time and unused vacation carry-over time will be paid to the employee upon termination of employment.

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

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

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

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

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

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

negotiations between the parties, (ii) for changes which the Company determines to be necessary for legal compliance and (iii) for administrative changes.

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

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

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

The definition of "pay" used to calculate an employee's STD benefits is the employee's basic rate of pay immediately prior to disability, as verified by the Company. Overtime, bonuses, incentive pay and non-cash compensation are not included in the definition of "pay" used to calculate STD benefits.

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

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

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

(f) The Company agrees that on an employee's return from illness, or disability of any kind, an effort will be made to find a less strenuous type of work for such employee until such time as the Company's and the employee's physician agree that he is capable of taking up his former duties. During this temporary period the employee shall be paid his regular classified rate of pay.

(g) If employees with twenty-five (25) or more years of service become physically unable to satisfactorily and safely perform the regular duties of their classification, an effort will be made by the Company to find work of a less strenuous nature for which they are qualified and to which the

employees will be retrogressed. At the time of their assignment to a job of a lower classification their hourly wage rate will be reduced by ten cents (10¢) per hour and at six month periods will be reduced by ten cent (10¢) steps until their hourly wage rate conforms to the maximum hourly wage rate of the job classification to which they are assigned.

(h) If employees with twenty (20) to twenty-four (24) years of service become physically unable to satisfactorily and safely perform the regular duties of their job classification, they may request a demotion to a lower classification requiring work of a less strenuous nature for which they are qualified to perform. If such a demotion is granted by the Company, these employees will be assigned to a lower classification and will have their hourly wage rate red-circled until it is equal to the maximum hourly wage rate of the job classification to which they have been demoted. Employees whose wages have been red-circled and who subsequently achieve twenty-five (25) years of service will become retrogressed in accordance with paragraph (g) above.

If employees with less than twenty (20) years of service become physically unable to satisfactorily and safely perform the regular duties of their job classification, they may request a demotion to a lower classification requiring work of a less strenuous nature for which they are qualified to perform. If such a demotion is granted by the Company, these employees will be assigned to a lower classification and will have their hourly wage rate red-circled at 50% of the differential between the maximum wage rate of the job classification to which they are demoted and their former job classification. Two years after being assigned to the lower paying job, the employee's wage rate will be reduced to the maximum wage rate of the employee's current job classification.

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

(b) An injured employee who has been continuously disabled due to an industrial accident, subject to medical determination, and is unable to return to work for more than twenty-six (26) consecutive weeks, and has exhausted Short Term Disability benefits, will receive Long Term Disability benefits as described in the Company's Long Term Disability Plan Description.

Section 5. SURPLUS EMPLOYEES. Should an employee be declared a surplus employee, an effort will be made by the Company to find another job classification for which the employee is qualified. An employee assigned to a job of a lower classification as a result of his being a surplus employee will maintain his present hourly rate until the maximum hourly wage rate for the job classification to which he has been assigned is equal to the employee's present hourly wage rate or until the employee is promoted into a job opening for which he is qualified.

ARTICLE V

Section 1. (a) Definitions of Workers:

Day Worker - An employee whose Regular Scheduled Work Period falls between the hours of 6:00 a.m. and 6:30 p.m. and whose Regular Scheduled Work Week does not vary.

Straight Shift Worker - An employee whose Regular Scheduled Work Period does not vary, but whose Regular Scheduled Work Week varies according to a prearranged schedule.

Fixed Shift Worker - An employee whose Regular Scheduled Work Period and whose Regular Scheduled Work Week do not vary but who may work any of three shifts.

Modified Shift Worker - An employee whose Regular Scheduled Work Period varies but whose Regular Scheduled Work Week remains constant.

Rotating Shift Worker - An employee whose Regular Scheduled Work Period and Regular Scheduled Work Week both vary according to a prearranged schedule.

(b) These definitions attempt to define the types of schedules of the employees, however, it is not meant to limit the hours that an employee may be scheduled by existing practices or future schedules that may be developed by mutual agreement of the parties.

(c) The Regular Scheduled Work Period for Day Workers, Straight Shift Workers, Fixed Shift Workers, and Modified Shift Workers will consist of eight (8) or ten (10) consecutive hours exclusive of the lunch period. A-43

(d) The Regular Scheduled Work Period for Rotating Shift Workers shall be eight (8) or ten (10) consecutive hours comprising his regularly scheduled shift, except where modified by the Work Rules.

(e) For payroll purposes, the regular Work Week for all workers shall begin at midnight Sunday, and employees working on a shift beginning two (2) hours or less before midnight will be considered as having worked their hours following midnight.*

*For exceptional shifts varying more than two (2) hours from a midnight origin or termination and where the shift overlaps from one day into another day the time shall be reported and paid for on the basis of the calendar day in which the shift begins, except on a holiday. Where a shift overlaps by more than two (2) hours from one day into another on a holiday, the time shall be paid for on a calendar day basis which will begin and end at the respective midnight periods.

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

(f) The Regular Scheduled Work Week for Day Workers, Fixed Shift Workers and for Modified Shift Workers shall begin on Monday and shall consist of five (5) consecutive days from Monday to Friday, inclusive, except as otherwise mutually agreed to by the parties.

(g) The Regular Scheduled Work Week for both Straight Shift Workers and Rotating Shift Workers shall begin on Monday and end on Sunday.

(h) Off-days for both Rotating Shift Workers and Straight Shift Workers shall be consecutive but not necessarily in the same work week.

(i) Time and one-half shall be paid for overtime; for all time worked outside of the Regular Scheduled Work Day; for all time worked on a scheduled off-day, except the second (2nd) off-day.

Time and one-half shall be paid for the first eight (8) hours worked on a holiday in addition to Holiday Pay.

(j) Double time shall be paid for the time worked on an employee's second scheduled off-day. Day workers and employees who work four (4) day ten (10) hour schedules between the hours of 6:00 a.m. and 6:30 p.m. only, will have Sunday as their double time day.

Double time shall be paid for all time worked in excess of eight (8) hours on a holiday.

Emergency Work

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

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

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

(k) 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.

(l) In no case will an employee be forced to take time off in lieu of overtime. Should an employee elect not to work during his Regular Scheduled Work Day he shall not receive pay for such time. A Day Worker's Regular Scheduled Work Day may be changed, at the applicable premium rate of pay, for projects or operations that exceed one (1) day's duration.

(m) 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. Overtime shall be divided as equally and impartially as possible among all employees within a job classification of a headquarters or as may be contained in the work rules unless an employee designates, in writing, that he does not wish to be called for overtime. Such waiver does not excuse an employee from overtime work when requested to do so. Overtime lists showing overtime hours paid for and overtime hours waived shall be posted weekly on the Company bulletin boards in each headquarters.

A-1
A-4

(n) Employees temporarily upgraded to a job classification shall not be scheduled to work planned overtime when a qualified employee established in the job classification in that headquarters is available for work.

(o) When an employee changes headquarters or job classifications, the total of his overtime hours, including overtime hours worked or waived, will be canceled. The employee will then be charged with the same number of hours as the average of combined overtime hours worked and waived by all employees within that classification at the headquarters. When averaging overtime, omit the hours of any ill or injured employee whose hours have dropped below the lowest man for the group. Upon his return to work, his hours will not be included in the average until they are equal to those of the lowest man in the classification. However, an employee who is off work due to an injury or illness for 90 consecutive calendar days or more will have the option, upon returning to unrestricted duty, of being averaged in as described above on the current overtime list.

(p) The Union recognizes the need for shift work and weekend work in order to provide for continuous operation. Premium rates will apply as set forth in Article V, Section 1, (i), (j) and (k).

(q) The Company reserves the right to temporarily change the schedule of any employee upon notice to the employee of not less than forty-eight (48) hours, subject to the exceptions outlined in the Departmental and Divisional Working Rules in Exhibit A of this Agreement. A-23

(r) The hours of any employee assigned to a training program may be adjusted to a uniform day schedule so that all employees involved in a particular program will be working on a consistent schedule.

Section 2. It is agreed that the Scheduled Work Week shall consist of five (5) eight-hour or four (4) ten-hour days and forty (40) hours per week.

Section 3. (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. A-64

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

(b) If the recognized date of a holiday occurs on a Saturday or Sunday the Company will have the option of observing that holiday on another date which the Company determines to be consistent with the community practice or paying eight (8) hours of regular straight time pay in lieu thereof for the holiday.

(c) Regular employees whose duties do not require them to work on holidays will be paid straight time; regular employees who are required to work on a recognized holiday for a period of four (4) hours or less not contiguous with hours worked into or out of the holiday will be paid for four (4) hours at time and one-half in addition to their straight time holiday pay. Employees who are required to work on a recognized holiday for more than four (4) hours not contiguous with hours worked into or out of the holiday but less than eight (8) hours will be paid for eight (8) hours at time and one-half in addition to their regular straight time holiday pay. Employees required to work on a holiday which is also their second off day will be paid at the rate of double time for the first eight (8) hours worked on the holiday. Employees who are either required to work beyond their regularly scheduled work day, or on a scheduled off day when their overtime rate is paid at time and one-half, on a recognized holiday or on the actual calendar date of the New Year's Day, Independence Day, Christmas Eve or Christmas Day holidays will be paid at the rate of double time for all such work in excess of their regularly scheduled work hours. Employees must work either their full scheduled day before, or their full scheduled day after a holiday to be entitled to receive holiday pay.

(d) An employee will not be compensated for travel time on a call-out which occurs on a regular holiday.

(e) Employees who are on a four (4) day-ten (10) hour schedule will receive ten (10) hours of straight time pay if a holiday falls within their regular scheduled work week but they are not required to work the holiday. Employees whose regular scheduled work week does not include the paid holiday will receive eight (8) hours of straight time holiday pay.

Section 4. (a) An employee called out for overtime work shall receive a minimum of four (4) hours' pay at time and one-half, and double time if on an employee's second scheduled off-day. A-70
A-87

(b) Employees called out, ahead of their regularly scheduled starting time, for other than planned overtime, shall be paid a minimum of four (4) hours at the appropriate overtime rate. A call-out shall be defined as notice to report for unscheduled work given to an employee by telephone or messenger after he has left his headquarters or place of reporting. Travel time of one-half hour each way, at the appropriate overtime rate of pay, will be allowed on a call-out when such call-out exceeds four (4) hours of continuous work that is not contiguous with a regularly scheduled shift. Employees will not be compensated for any travel time on a call-out 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.

An employee shall be compensated for two (2) hours, at the straight time rate, if before reporting to work, a call-out overtime assignment is canceled later than one (1) hour after the original notification.

(c) 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 (4) 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.

(d) When planned overtime is canceled, notice shall be given before an employee leaves his headquarters or place of reporting, or by telephone during or before what would have been his scheduled hours on the day preceding the planned overtime.

(e) An employee, who is scheduled for planned overtime and who is not notified of the cancellation of the planned overtime, within the prescribed period of time, but is notified by telephone before he reports for work, or cannot be notified by telephone and reports for work, shall receive two (2) hours pay at straight time. If planned overtime is rescheduled to begin more than eight (8) hours after the original starting time, the employee shall receive two (2) hours pay at straight time.

Section 5. (a) Except as otherwise provided, when performing work within the southwest Ohio and northern Kentucky (DEO/DEK) service territories, employees, required to work ten consecutive hours (excluding time taken out for meals), shall be furnished a meal compensation allowance and an additional meal compensation allowance for each contiguous five hour interval worked thereafter until released from duty. Employees who work a four day-ten hour schedule shall be furnished a meal compensation allowance whenever they work one hour or more in excess of their normal work day, and an additional meal compensation allowance for each contiguous five hour interval worked thereafter until released from duty. A-5

Except as otherwise provided, when performing work outside the southwest Ohio and northern Kentucky (DEO/DEK) service territories, employees required to work ten consecutive hours (excluding time taken out for meals), shall be furnished a meal, or compensation in lieu thereof, and an additional meal, or compensation in lieu thereof, for each contiguous five hour interval worked thereafter until released from duty. Employees who work a four day-ten hour schedule shall be furnished a meal or compensation in lieu thereof whenever they work one hour or more in excess of their normal work day, and an additional meal, or compensation in lieu thereof, for each contiguous five hour interval worked thereafter until released from duty.

(b) When employees are called out to perform work within the southwest Ohio and northern Kentucky (DEO/DEK) service territories, on either their scheduled off day, or four or more hours before their regularly scheduled starting time, they shall be furnished a meal compensation allowance for each contiguous five hour interval worked even though they work into their regularly scheduled work day.

When employees are called out to perform work outside the southwest Ohio and northern Kentucky (DEO/DEK) service territories, on either their scheduled off day, or four or more hours before their regularly scheduled starting time, they shall be furnished a meal, or compensation in lieu thereof, for each contiguous five hour interval worked even though they work into their regularly scheduled work day.

(c) Employees scheduled to work a double shift within the southwest Ohio and northern Kentucky (DEO/DEK) service territories (two consecutive eight hour shifts on different work days) shall be entitled to meal compensation allowances during this 16 hour period.

Employees scheduled to work a double shift outside the southwest Ohio and northern Kentucky (DEO/DEK) service territories (two consecutive eight hour shifts on different work days) shall be entitled to meals, or compensation in lieu thereof, during this 16 hour period.

(d) The meal compensation allowance referred to throughout this Agreement shall be \$11.50.

Section 6. Excluding planned projects and appointments prompted by customer requests, no field construction, field maintenance or routine customer service work shall be performed by employees included in this Agreement on actual calendar holidays for Labor Day, Thanksgiving Day and Christmas Day, except that which is necessary to protect life, property or continuity of service or as outlined in the Department and Division Working Rules in Exhibit A of this Agreement.

Section 7. Pay-day for employees covered by this Agreement shall be on Friday of every other week. Paychecks will be mailed to the employee's home address. All employees will be required to use direct deposit effective January 1, 2018. Checks will be directly deposited into one or more bank accounts employees shall designate and authorize. Direct Deposit advices will be mailed to the employee's home address if he/she has elected to receive a printed copy.

Section 8. (a) When conditions require that an employee shall work at such a distance from his regular headquarters that returning to his headquarters each day would be impracticable, the Company at its option shall either provide transportation, meals and lodging or reimburse the employee a reasonable amount for expenses incurred. If such an employee is not required to work on his regular off-days, the Company shall provide transportation to his regular headquarters or shall pay him straight time for eight (8) hours in each twenty-four (24) hours in each such off-day and shall furnish meals and lodging for each such off-day. A-49

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

Section 9. (a) Each employee shall have a specific headquarters for reporting for work. However, the right of the Company to temporarily assign employees to other locations to properly run its business is recognized. A-71

(b) When it is necessary to temporarily assign employees to a headquarters other than their own or to a job site reporting location that is farther from their home than their regular headquarters, such employees will be paid mileage at the amount per mile approved by the Internal Revenue Service, 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.

(c) 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.

(d) 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. During a job site reporting assignment, depending on Company vehicle availability, employees at their option, may pick up and return such Company vehicle to their regular headquarters, provided such travel is on their own time.

(e) Employees in the Power Delivery Warehouses, Generation Supply Chain, Transportation, and Power Generation Departments will not be subject to job site reporting.

However, if employees from these departments are temporarily assigned to a headquarters other than their own, the provisions of this section will apply.

Section 10. (a) The Company will not require employees to do construction or maintenance work in exposed locations out of doors during heavy or continuous storms or excessively cold weather, unless such work is necessary to protect life, property or continuity of service. A-8

(b) Employees covered by this Agreement shall not be required to lose time due to such weather conditions, but the Company may provide work indoors at their regular rate of pay.

(c) Employees will be permitted to waive overtime when planned outages have been prearranged with the customer wherein the outage may not be deferred due to inclement weather, however, if the desired number of employees, from each of the required job classifications, are not acquired on a voluntary basis the qualified employees with the lowest accumulated overtime will be assigned. This work, when possible, will be performed "dead" and the employees will be furnished with the appropriate weather gear when necessary.

Section 11. Any employee covered by this Agreement who is eligible to vote in any City, County, State or National election shall be allowed a reasonable time off with pay, if necessary, to vote if he so desires.

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

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

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

working days. If, however, he has not worked four (4) hours, the day will be charged as one of the consecutive working days for which he is entitled to receive regular pay.

Section 13. (a) Employees required to serve on a jury shall be compensated on the basis of their regular wage. Employees will be required to report to their headquarters following their daily release from jury service if there are at least four hours of work time remaining.

(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 (7) 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.

Section 14. Regular pay and reasonable or required expenses will be allowed employees who may be summoned to testify for the Company in lawsuits.

Section 15. The person elected by the Union to represent them as Business Manager shall be permitted, after proper arrangements have been made with the appropriate department manager of the Company, or his authorized representative, to enter all buildings and areas where men covered by this Agreement are working when such visits are necessary to carry out the terms of this Agreement in connection with questions arising out of this Agreement.

Section 16. (a) The Company shall have the right to require examinations, either oral, written, or practical, to determine the fitness of employees for promotional opportunities. Such examinations shall be uniformly administered and shall be required of all successful employee-applicants for new positions. The equipment and facilities necessary for such examinations will be provided by the Company. The Company shall compensate the employees engaged in examinations for the time spent in such examinations at their regular rate of pay. An employee can indicate, within five days after receiving the results of an examination, that he feels the examination was not fairly administered. If the employee submits a valid reason, the Company will administer a second examination with a Union designated witness present. If this second examination is administered, it will not be subject to the grievance procedure.

(b) An employee who has successfully completed an examination for a new position shall be reclassified and paid the proper rate for the new classification as soon as he begins work in the new classification, in accordance with the terms of this Agreement. Any employee failing to pass such examination shall be eligible to retake that examination after a period of three (3) months, provided an opening exists in the classifications for which the examination has been taken. Any employee failing the examination a second time will not be eligible for reexamination for a twelve (12) month period and for subsequent two (2) year intervals thereafter except that departmental tests may be retaken after subsequent twelve (12) month intervals.

Section 17. The Company agrees to furnish bulletin boards at all division headquarters for the use of the Union. The use of these boards is restricted to the following: notices of union meetings, notices of union elections, notice of changes within the union affecting its membership, or any other official notices issued on the stationery of the Union and signed by the Business Manager or other duly elected or appointed officer. There shall be no other general distribution or posting by members of the Union of pamphlets or literature of any kind except as provided for herein.

Section 18. The Company agrees to guarantee employment of not less than forty (40) hours per week for fifty-two (52) weeks of each year to employees covered by this Agreement who are ready and available and able to work, and who are regular full-time employees of the Company, provided nothing in this section shall be construed to prevent the Company from releasing employees because of lack of work or for other proper and legitimate reasons, as provided for in Article I, Section 9.

Section 19. (a) The Company agrees to notify the Business Manager of the Union, on a quarterly basis, of the hiring of any outside contractors to do planned work normally done by the regular employees covered by this Agreement that may exceed 500 hours of time. It is the Company's intention that any contractors performing work on behalf of the Company do so safely and competently.

(b) In instances where it is necessary to contract for equipment, during periods of emergency, such equipment will be manned by regular Company employees if and when they are available and qualified to operate such equipment.

(c) It is the sense of this provision that the Company will not contract 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 20. (a) The Company agrees that any employee covered by this Agreement who is temporarily advanced to a higher classification for one hour or more shall receive either the minimum rate of pay applicable to that classification or twenty-five cents (25¢) per hour, whichever is greater, but no more than the maximum wage rate of the job to which the employee is upgraded. If such work is for more than four (4) hours the employee shall receive this upgrade pay for the remainder of the normal day worked. When an employee covered by this Agreement is temporarily advanced to a non-supervisory position outside his bargaining unit, he shall be paid the established hourly wage rate for such position if such work is for one (1) hour or more. When an employee is temporarily required to perform work in a lower-paid classification, he is to suffer no reduction in pay.

(b) 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 ninety (90) days.

(c) When an employee in this bargaining unit is temporarily advanced to a supervisory position outside the bargaining unit, the employee shall be paid the same rate of their classified assignment at the time of the temporary assignment. The temporary advancement of any individual is intended to be of a limited duration and not to exceed a maximum of six months total within a rolling twelve month period. Employees temporarily advanced to a supervisory position will not be assigned to supervise contractors completing work normally performed by IBEW 1347 represented employees.

A-51
A-52
A-85
A-88

Section 21. (a) Company Group Life Insurance carried by employees entering military service will be canceled ninety (90) days after employee enters such service. Advance premium paid by employee beyond date of cancellation will be refunded to employee. Insurance of employees re-entering Company service within ninety (90) days after their release from active duty will be reinstated without physical examination or waiting period.

(b) Employees on layoff will be entitled to continue to participate in the Company Group Life Insurance coverage at no cost to the Company. Employees on layoff must pay the total monthly premium for their coverage by the first of each month. Such insurance coverage will be terminated when employees do not pay the total premium as stated above; when they accept full time employment elsewhere; or when they lose their system service in accordance with Article III, Section 5(h). Employees will have their prior Group Life Insurance coverage reinstated without physical examination or waiting period upon returning to Company service from a layoff.

Section 22. (a) The Company shall furnish the employees with the proper safety devices as required by the Company for protection of life and property in the performance of their duties. The employees shall at all times use every means for the preservation of such safety appliances and shall use them when necessary.

A-73

A-76

A-89

(b) The Company will notify promptly the Union Business Manager or the Union Business Office of any accident resulting in serious injury or death to an employee.

(c) The Union may investigate any serious accident with its Union Committee and at its own expense and the management representative on the site will cooperate with the Union Committee. This shall not be construed to mean a joint investigating committee.

It is further agreed that the Company will not provide the Union Committee with the report made by the Company. It is further agreed that the Union investigation will not interfere with or interrupt the normal operation of the job.

(d) The Company and the Union agree to the establishment of a Joint Safety Advisory Committee which shall meet quarterly or more frequently upon the call of the Chairman of the Committee.

It is further agreed that employees engaged in such meetings during their working hours shall suffer no loss in pay for such time.

(e) The purpose of the Joint Safety Advisory Committee is to give consideration to those general accident prevention programs and policies that affect the safety of the employees in the bargaining unit represented by Local Union 1347 of the International Brotherhood of Electrical Workers. The Joint Safety Advisory Committee shall not deal with individual or group grievances. The administration of the accident prevention policies, programs and procedures are vested in and reserved to the management of the Company.

Section 23. The Company reserves the right to arrange at its own expense for medical examinations of any employee at any time. When practical, the examinations will occur while employees are on duty.

Section 24. (a) The Union shall furnish the Company with a list of Department Stewards and this list shall be kept current. It is further agreed that only regular employees of the Company who are covered by this Agreement shall be designated as stewards.

(b) When in the judgment of the Company the absence of a Steward from his regular duties will not interfere with the operations of the Company, he may be available for handling grievances, witnessing an examination or an investigation of an employee within this unit.

Section 25. (a) The wage schedules described in the Agreement in effect immediately prior to the date of this Agreement shall be amended as follows:

Maximum Hourly Wage Rates

	Market Adjustments				March 31, 2021	3.5% April 1, 2022*	3.5% April 1, 2023**	3.0% April 1, 2024***	3.0% April 1, 2025****
Level	2022	2023	2024	2025	Max	Max Rate	Max Rate	Max Rate	Max Rate
S02					\$ 20.17	\$ 20.88	\$ 21.61	\$ 22.26	\$ 22.93
S01					\$ 20.78	\$ 21.51	\$ 22.26	\$ 22.93	\$ 23.62
5H					\$ 27.37	\$ 28.33	\$ 29.32	\$ 30.20	\$ 31.11
6I					\$ 28.68	\$ 29.68	\$ 30.72	\$ 31.64	\$ 32.59
6J					\$ 28.68	\$ 29.68	\$ 30.72	\$ 31.64	\$ 32.59
6K					\$ 28.68	\$ 29.68	\$ 30.72	\$ 31.64	\$ 32.59
6L					\$ 28.68	\$ 29.68	\$ 30.72	\$ 31.64	\$ 32.59
7					\$ 30.47	\$ 31.54	\$ 32.64	\$ 33.62	\$ 34.63
8					\$ 31.38	\$ 32.48	\$ 33.62	\$ 34.63	\$ 35.67
9					\$ 31.80	\$ 32.91	\$ 34.06	\$ 35.09	\$ 36.14
10					\$ 32.61	\$ 33.75	\$ 34.93	\$ 35.98	\$ 37.06
13					\$ 32.61	\$ 33.75	\$ 34.93	\$ 35.98	\$ 37.06
10B	\$ 0.50	\$ 0.25	\$ 0.25	\$ 0.25	\$ 32.61	\$ 34.25	\$ 35.70	\$ 37.02	\$ 38.38
11					\$ 34.20	\$ 35.40	\$ 36.64	\$ 37.74	\$ 38.87
11B	\$ 1.00	\$ 1.00	\$ 0.75	\$ 0.75	\$ 34.20	\$ 36.40	\$ 38.67	\$ 40.58	\$ 42.55
12					\$ 34.53	\$ 35.74	\$ 36.99	\$ 38.10	\$ 39.24
10					\$ 35.13	\$ 36.36	\$ 37.63	\$ 38.76	\$ 39.92
13					\$ 35.13	\$ 36.36	\$ 37.63	\$ 38.76	\$ 39.92
13B	\$ 0.50	\$ 0.25	\$ 0.25	\$ 0.25	\$ 35.13	\$ 36.86	\$ 38.40	\$ 39.80	\$ 41.24
14					\$ 35.83	\$ 37.08	\$ 38.38	\$ 39.53	\$ 40.72
15					\$ 36.79	\$ 38.08	\$ 39.41	\$ 40.59	\$ 41.81
35					\$ 36.79	\$ 38.08	\$ 39.41	\$ 40.59	\$ 41.81
15B	\$ 0.25	\$ 0.25	\$ 0.25		\$ 36.79	\$ 38.33	\$ 39.92	\$ 41.37	\$ 42.61
16					\$ 38.33	\$ 39.67	\$ 41.06	\$ 42.29	\$ 43.56
16B	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 38.33	\$ 40.67	\$ 43.09	\$ 45.38	\$ 47.74
17					\$ 38.50	\$ 39.85	\$ 41.24	\$ 42.48	\$ 43.75
18					\$ 39.35	\$ 40.73	\$ 42.16	\$ 43.42	\$ 44.72
19					\$ 40.41	\$ 41.82	\$ 43.28	\$ 44.58	\$ 45.92
20					\$ 42.53	\$ 44.02	\$ 45.56	\$ 46.93	\$ 48.34
20H					\$ 42.53	\$ 44.02	\$ 45.56	\$ 46.93	\$ 48.34
21					\$ 43.18	\$ 44.69	\$ 46.25	\$ 47.64	\$ 49.07
21B	\$ 0.25	\$ 0.25	\$ 0.25		\$ 43.18	\$ 44.94	\$ 46.76	\$ 48.41	\$ 49.86
32B	\$ 0.25	\$ 0.25	\$ 0.25		\$ 43.18	\$ 44.94	\$ 46.76	\$ 48.41	\$ 49.86
33B	\$ 0.25	\$ 0.25	\$ 0.25		\$ 43.18	\$ 44.94	\$ 46.76	\$ 48.41	\$ 49.86
45C	\$ 0.25	\$ 0.25			\$ 43.18	\$ 44.94	\$ 46.76	\$ 48.16	\$ 49.60
45B	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 43.18	\$ 45.19	\$ 47.27	\$ 49.19	\$ 51.17
22					\$ 43.60	\$ 45.13	\$ 46.71	\$ 48.11	\$ 49.55
22B	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.75	\$ 43.60	\$ 45.63	\$ 47.73	\$ 49.66	\$ 51.90
23					\$ 44.01	\$ 45.55	\$ 47.14	\$ 48.55	\$ 50.01
36					\$ 44.01	\$ 45.55	\$ 47.14	\$ 48.55	\$ 50.01
23B	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 44.01	\$ 45.80	\$ 47.65	\$ 49.33	\$ 51.06
23C	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.25	\$ 44.01	\$ 46.05	\$ 48.16	\$ 50.10	\$ 51.85
25					\$ 44.88	\$ 46.45	\$ 48.08	\$ 49.52	\$ 51.01
34B					\$ 44.88	\$ 46.45	\$ 48.08	\$ 49.52	\$ 51.01
31B	\$ 0.25	\$ 0.25	\$ 0.25		\$ 44.88	\$ 46.70	\$ 48.58	\$ 50.29	\$ 51.80

37B	\$ 0.25	\$ 0.25	\$ 0.25		\$ 44.88	\$ 46.70	\$ 48.58	\$ 50.29	\$ 51.80
25B	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.75	\$ 44.88	\$ 46.95	\$ 49.09	\$ 51.06	\$ 53.34
25C	\$ 0.75	\$ 0.50	\$ 0.50	\$ 0.50	\$ 44.88	\$ 47.20	\$ 49.35	\$ 51.33	\$ 53.37
26B	\$ 0.50	\$ 0.50	\$ 0.25	\$ 0.50	\$ 45.44	\$ 47.53	\$ 49.69	\$ 51.43	\$ 53.47
26C	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 45.44	\$ 48.03	\$ 50.71	\$ 53.23	\$ 55.83

* The wages listed in this column will be increased (decreased) by 1 cents for each full 0.2% increase (decrease) of more than 4.0% in the U.S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2021 Index as the zero base and percentage increases calculated from that base after each quarter. The increase, if any, will be reflected in the payroll period beginning on October 1, 2022, January 1, 2023, based on the indexes of July 2022 and October 2022, respectively.

** The wages listed in this column will be increased (decreased) by 1 cents for each full 0.2% increase (decrease) of more than 4.0% in the U.S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2022 Index as the zero base and percentage increases calculated from that base after each quarter. The increase, if any, will be reflected in the payroll period beginning on April 1, 2023, July 1, 2023, October 1, 2023, January 1, 2024, based on the indexes of January 2023, April 2023, July 2023, and October 2023, respectively.

*** The wages listed in this column will be increased (decreased) by 1 cents for each full 0.2% increase (decrease) of more than 4.0% in the U.S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2023 Index as the zero base and percentage increases calculated from that base after each quarter. The increase, if any, will be reflected in the payroll period beginning on April 1, 2024, July 1, 2024, October 1, 2024, January 1, 2025, based on the indexes of January 2024, April 2024, July 2024, and October 2024, respectively.

**** The wages listed in this column will be increased (decreased) by 1 cents for each full 0.2% increase (decrease) of more than 4.0% in the U.S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2024 Index as the zero base and percentage increases calculated from that base after each quarter. The increase, if any, will be reflected in the payroll period beginning on April 1, 2025, July 1, 2025, October 1, 2025, January 1, 2026, based on the indexes of January 2025, April 2025, July 2025, and October 2025, respectively.

No adjustments, retroactive or otherwise, shall be made due to any revisions which may later be made in the published figures in the Consumer Price Index for the months indicated above.

Employees are eligible for an incentive lump sum bonus up to a maximum of 2% or 5% of straight time and overtime wages per year in accordance with the 2009 negotiations letter of agreement entitled, "Union Employee Incentive Plan (UEIP), based on the achievement of goals during the previous year, as determined by the Company. A-67 A-84 A-86

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

(b) Effective April 1, 2022, any employee who was on or below the maximum hourly wage rate of his job classification on April 1, 2022, shall receive the hourly wage rate increase in accordance with the increase applicable to the maximum wage rate of their job classification.

The hourly wage rate increases shall not apply to the minimum hourly wage rates of starting job classifications.

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

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

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

(f) Employees who are on physical retrogressions shall receive the increase applicable to their present individual hourly wage rates.

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

<u>Name of Shift</u>	<u>Definition of Shift</u>	<u>Current</u>
Day Shift	Where the majority of the scheduled hours worked are between 8:00 a.m. and 4:00 p.m.	0
Afternoon Shift	Where the majority of the scheduled hours worked are between 4:00 p.m. and 12:00 Midnight.	\$1.80
Night Shift	Where the majority of the scheduled hours worked are between 12:00 Midnight and 8:00 a.m.	\$1.85

(h) When the majority of the hours in a shift are on Sunday, a Sunday premium in the amount of \$2.05 per hour will be paid to an employee for all scheduled straight time hours worked on that shift.

(i) In conjunction with the letter of Patrick P. Gibson of 2000, which is the preamble to the Company's job classification and evaluation system, the Company shall prepare occupational classifications and job descriptions which will define, as nearly as possible, the nature of the work involved under each payroll classification. The Company will initiate all new and revised job classifications or promotional sequences.

(j) When the management of a department has written or revised a job description, a representation of union employees within that department will be given an opportunity to suggest changes to the job description. The union representative will also be requested to complete a job questionnaire. The completed job questionnaire must be signed by the union representative and approved by the management of the department. After the management of the department has reviewed the suggested changes to the job description and approved the job questionnaire, this job documentation will be submitted to the Company's Evaluation Committee. The union representative will be invited to the Company's evaluation Committee meeting to present information about the job classification. 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.

(k) The Company's Evaluation Committee will be responsible for evaluating all new and revised job classifications. The Union will appoint two (2) members to the Company's Evaluation Committee. The evaluation that is established by this Committee is used to determine the maximum wage rate for each new or revised job classification. Results of the evaluation will be communicated to the Union two weeks before the new or revised job classification becomes effective. A-27

(l) The Union shall maintain a Job Evaluation Advisory Committee consisting of not more than five members who may review the evaluation and wage rate of any job classification which undergoes a substantial change in qualifications or duties. The Union's Committee may, by request, meet with the Company's Committee, at a mutually convenient time within thirty (30) days after the effective date of the new or revised job classification, to present any information relevant to the evaluation of the job classification which has been included in the previous written comments of the Union representative. The Union will be notified after the Company's Committee has reviewed the additional 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. The Company will not be required to maintain, establish or discontinue any job classification covered by this Agreement.

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

(n) Where the Union deems an employee, or employees, to be improperly classified, it will be considered as a grievance and shall be handled under the grievance procedure of this Agreement.

Section 26. (a) Eligible employees represented by the Union hired or rehired before January 1, 2015 will participate, or continue to participate, in the existing Cinergy Corp. Union Employees' Retirement Income Plan (the "Retirement Income Plan") as amended and restated effective January 1, 2014, and subsequently amended to make legally-required changes or technical changes that do not reduce the benefits formula, under the terms set forth in the April 2, 2014 Letter Agreement titled "Amendment to A-61 'Retirement Plan Agreement' Letter". Employees hired or rehired on or after January 1, 2015 will be not be eligible to participate in the Retirement Income Plan.

A-61

A-61 Amend

(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, 2026.

A-36

A-36 Amend

(c) For the term of this Agreement, post-retirement health care under the health care plans sponsored by Duke Energy Corporation will be made available to eligible Union employees hired prior to January 1, 2010 in accordance with the correspondence from the Company to the Union dated July 22, 2004, as amended by the parties' April 2, 2014 Letter Agreement (Collectively, the "Post-Retirement Health Benefits Letters"), and the applicable plan documents. As discussed in the Post-Retirement Health Benefits Letters, Union employees who are hired on or after January 1, 2010 will not be eligible for either the Traditional Option or the HRA Option (as defined in the Post-Retirement Health Benefits Letters), but such employees shall be eligible for access (at unsubsidized rates) to post-retirement healthcare under the Duke Energy Corporation Medical Plan if they have attained age 50 and completed 5 years of vesting service as of the date of their retirement to the extent such coverage is available for Union employees in the Traditional Option and/or HRA Option.

Section 27. Any insurance benefit plans under the Duke Energy Health & Welfare Benefit Plans not specifically referenced elsewhere in this Contract (i.e. basic and supplemental life insurance, accidental death & dismemberment and dependent life insurance) that the Company maintains and/or implements for the general non-represented 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-represented 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 of the plans, consistent with any changes it makes for the general non-represented employee population.

Section 28. (a) Any health care options (medical, dental, or vision) that the Company unilaterally implements under the Duke Energy Active Medical Plan, the Duke Energy Active Dental Plan and/or the Duke Energy Active Vision Plan at its sole discretion for the general non-represented employee population shall also be offered to the bargaining unit employees during the term of the 2022-2026 Agreement at the same costs and with the same plan design structure as applies to the general non-represented employee population. It is expressly understood that the right to add, eliminate, alter and/or to make any other changes to these health care options or to the employee costs for these options, consistent with any changes it makes for the general non-represented employee population, is reserved to the Company, in its sole discretion.

(b) Employees on layoff will be entitled to continue to participate in the medical plan and dental plan coverages that they had at the time of layoff, at no cost to the Company. Employees on layoff must pay, in advance, the total monthly premium for their coverage by the fifteenth of each month for the following month's coverage. Such medical and dental coverage will be terminated when employees do not pay the total premium as stated above; when they accept full time employment elsewhere; or when they lose their system service in accordance with Article III, Section 5(h).

A-72

A-60

A-61a

Section 29. (a) The Company agrees to maintain an employee savings plan, subject to the provisions of the appropriate federal legislation and regulation governing such plans. Eligible Union employees will participate or continue to participate in the existing Duke Energy Retirement Savings Plan, successor plan to the Duke Energy Retirement Savings Plan for Legacy Cinergy Union Employees (Midwest), hereinafter called the "Retirement Savings Plan."

(b) The Retirement Savings Plan is memorialized in the plan document entitled the "Duke Energy Retirement Savings," which, as amended includes the complete text of the Retirement Savings Plan.

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

(d) The Company and the Union previously entered into Letter Agreement A-61 dated June 15, 2009 titled "Retirement Plan Agreement" which references certain enhancements to the Retirement Savings Plan related to the mandatory and voluntary opportunities to convert to the "New Duke Retirement Program". The Company and the Union further have agreed to certain retirement Savings Plan changes in a Letter Agreement dated April 2, 2014 titled "Retirement Savings Plan Changes for Traditional Pension Plan Participants."

ARTICLE VI

Section 1. (a) With the exception of shift differential premium, and a holiday occurring during an employee's vacation or second off day, 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 the employee may receive payment for another benefit. For example, no employee may 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. In the event that any vacation days are unused as a result of a death in the family situation, the use of these unused vacation days must be approved in advance by supervision and shall not apply to the administration of vacation in one-day increments as provided under Article IV, Section 1(e) of the Agreement.

Section 2. This Agreement shall remain binding upon successors, assigns or transferees of the Company in the event of a merger, acquisition, divestiture, asset swap or sale, or other similar transaction announced or begun during the Agreement. The Company will require the Buyer, or any transferee, to recognize the Union as the collective-bargaining agent for bargaining-unit employees the Buyer employs and assume provisions identical to provisions of the Agreement applicable to those bargaining-unit employees.

The Union will support and it will not oppose, or in any way support or encourage opposition to the Company's position regarding any mergers, acquisitions, divestitures or similar transactions or any regulatory matters (including rate cases or stranded cost determinations) or environmental matters announced or begun during the term of the Agreement.

IN WITNESS WHEREOF, Local Union 1347 of the International Brotherhood of Electrical Workers and Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc. ("Company"), do hereby, by their duly authorized agents, in the premises, execute and sign this 2022 - 2026 Agreement between Duke Energy Ohio, Inc., and Duke Energy Kentucky, Inc. and Local Union 1347, in duplicate, this 29th day of November 2022.

FOR THE UNION

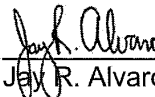
Local Union No. 1347 of the
International Brotherhood
of Electrical Workers



Andrew Kirk
Business Manager

FOR THE COMPANY

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



Jay R. Alvaro
Director, Labor Relations

EXHIBIT "A"

DEPARTMENTAL AND DIVISIONAL WORKING RULES

REGULATED GENERATION
GENERAL WORK RULESAPPLICABLE TO:
EAST BEND STATION
WOODSDALE STATIONA-23
A-43
A-58
A-78
A-83

1. Shift Schedules shall be established in accordance with the negotiated letter dated October 11, 1996 discussing flexibility in work scheduling. Day shifts will be any hours between 6:00 a.m. and 6:30 p.m. Afternoon shifts will be any hours between 2:00 p.m. and 2:00 a.m. Evening shifts will be any hours between 10:00 p.m. and 10:00 a.m.
2. A list of the employees in each Production Team and Support Team of each Division shall be posted by the Company each week showing the overtime worked by each employee during the previous week.
3. The meal period for employees, whose schedule provides a non-compensated one-half hour's meal period, will be defined in each Section. If the meal period is not granted between the time period designated in each Section, the employee will be allowed a shorter lunch period and will be permitted to eat on the job and will receive one-half hour's pay at the overtime rate.
4. There shall be no Working Foreman or supervisors in any Section except when designated for the fifteen (15) minute relief periods.
5. On Shift Work Schedules, subject to the approval of the Company, employees will be permitted to trade shifts on the same job and jobs on the same shift, if both are qualified and agreeable.
6. On Shift Work Schedules, a list of employees in these Sections shall be posted by the Company showing the current job assignment and the progressive scheduled off-days where applicable.
7. No employee working on a Shift Work Schedule may be relieved and leave his job more than 30 minutes before his scheduled quitting time, unless he has received prior approval from his supervisor.
8. The Company will not require employees to furnish tools.
9. All thirty (30) minute unpaid meal periods may begin a half-hour before or after the normal meal period, at the discretion of supervision.
10. When employees are assigned to training classes they may be required to work eight (8) hours exclusive of an unpaid lunch period.
11. Those Production Team employees who are assigned to work for one or more days on other Teams will work the same designated hours as the Team to which they are assigned.

12. Personnel may be required to work ten (10) and twelve (12) hour shifts at the appropriate straight time and overtime rates for outages and/or as needs dictate:

Division	1	East Bend Station
Division	5	Woodsdale Station

- (a) Production Teams will work on a Rotating Shift Schedule or as described in General Work Rule 1.
- (b) Support Teams will work schedules as required to support the Production Teams, as described in General Work Rule 1.

MIDWEST FIELD OPERATIONS

Division 6: OPERATORS

(a) MOBILE OPERATORS SECTION

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

Relief Operators work on all shifts.

For the purpose of determining shift differential wages, all employees in this group including Relief Operators shall be designated Shift Workers.

- There shall be no Working Foremen in this group.
- Mobile Operators assigned to relief shall be entitled to not less than a twenty-four (24) hour notice of changes in shift assignments or scheduled days off.
- Mobile Operators working on the actual holidays of Thanksgiving Day and Christmas Day, may perform routine work on Company property, such as substation inspections, minor repair work, preventative maintenance work and planned switching as outlined in their job duties.

Division 7: SUBSTATION

(a) ELECTRIC MAINTENANCE SECTION

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

The supervisor, at his discretion, may designate the thirty (30) minute meal period to begin one-half hour before the Normal Meal Period or may delay the beginning of the thirty (30) minute meal period to the time when the Normal Meal Period is scheduled to end.

(b) ELECTRIC REPAIR SECTION

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

The normal meal period will be between 12:00 noon and 12:30 p.m. However, the supervisor, at his discretion, may designate the thirty (30) minute meal period between 11:30 a.m. and 1:00 p.m. If the meal period is not granted between the time of 11:30 a.m. and 1:00 p.m., the employee will be allowed a shorter lunch period and will be permitted to eat on the job and will receive one-half hour's pay at the overtime rate.

(c) CONSTRUCTION SECTION

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

The Manual work of the Foremen in this Division shall be restricted to assistance in the handling or placing of heavy materials or equipment, the occasional pulling up of materials to employees and similar operations. It is the intention of Management that the primary duties of such Foremen shall be the supervision, planning, inspection and assignment of work to their crews and that no manual work is to be done which will detract from these primary duties.

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

Division 8: TEST & RELAY/FIELD SERVICES

(a) TEST & RELAY

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

The normal meal period will be between 12:00 noon and 12:30 p.m. However, the supervisor, at his discretion, may designate the thirty (30) minute meal period between 11:30 a.m. and 1:00 p.m. If the meal period is not granted between the

time of 11:30 a.m. and 1:00 p.m., the employee will be allowed a shorter lunch period and will be permitted to eat on the job and will receive one-half hour's pay at the overtime rate.

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

(b) FIELD SERVICES

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

The normal meal period will be between 12:00 noon and 12:30 p.m. However, the supervisor, at his discretion, may designate the thirty (30) minute meal period between 11:30 a.m. and 1:00 p.m. If the meal period is not granted between the time of 11:30 a.m. and 1:00 p.m., the employee will be allowed a shorter lunch period and will be permitted to eat on the job and will receive one-half hour's pay at the overtime rate.

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

MIDWEST FIELD OPERATIONS

GENERAL WORK RULES APPLICABLE TO DIVISION 9 THROUGH 13

1. Shift Schedules shall be defined in each section in accordance with the negotiated letter dated October 11, 1996, discussing flexibility in work scheduling. Day shifts will be any hours between 6:00 a.m. and 6:30 p.m. Afternoon shifts will be any hours between 2:00 p.m. and 2:00 a.m. Evening shifts will be any hours between 10:00 p.m. and 10:00 a.m.
2. The normal meal period for divisions which operate on a day schedule will be between 12:00 noon and 12:30 p.m. However, the supervisor, at his discretion, may designate the thirty (30) minute meal period between 11:30 a.m. and 1:00 p.m. If the meal period is not granted between the time of 11:30 a.m. and 1:00 p.m., the employee will be allowed a shorter lunch period and will be permitted to eat on the job and will receive one-half hour's pay at the overtime rate.
3. The Company shall not require an employee to furnish tools.
4. Employees who bid, qualify and are accepted for posting openings in a Division shall receive a classified seniority date based on the date they enter the job opening and shall be eligible for merit increases at six (6) month intervals regardless of the wage rate of any other employee in the job classification, but in no event will an employee receive a wage rate that is higher than the maximum rate of the job classification which he is entering.

5. Employees hired after April 1, 2006, into any job classification within Divisions 9, 11, 12 and 13 (c) must reside within a 30-mile radius of the Company's headquarters located at Fourth & Main Streets, Cincinnati, Ohio.

Division 9: ELECTRIC TROUBLE

A-9
A-14
A-87

1. The Electric Trouble Section will operate on a Rotating Shift Schedule or as described in General Work Rule 1.
2. The Manual work of the Foremen in this Section shall be restricted to assistance in the handling or placing of heavy materials or equipment, the occasional pulling up of materials to Linemen and similar operations. It is the intention of Management that the primary duties of such Foremen shall be the supervision, planning, inspection and assignment of work to their crews and that no manual work is to be done which will detract from these primary duties.
3. Extra Linepersons "A"-Trouble shall be assigned for periods of one (1) week and will be given not less than forty-eight (48) hours notice concerning the shift assigned for the following week.
4. Management shall prepare a storm working schedule which will be utilized at the discretion of the Department Manager when, in his opinion, unusually severe and prolonged storm conditions warrant the use of this schedule. The duration of the storm working schedule will also be determined by the Department Manager. Meal compensation will be paid to the employees who are assigned to this storm working schedule as follows:

Employees assigned to work on the storm working schedule within the southwest Ohio and northern Kentucky (DEO/DEK) service territories who have completed five hours of continuous storm work shall be furnished a meal compensation allowance and an additional meal compensation allowance for each five hour interval thereafter, until released from storm duty.

Employees assigned to work on the storm working schedule outside the southwest Ohio and northern Kentucky (DEO/DEK) service territories who have completed five hours of continuous storm work shall be furnished a meal, or compensation in lieu thereof, and an additional meal, or compensation in lieu thereof, for each five hour interval thereafter, until released from storm duty.

Division 10: ELECTRIC METER

A-80

1. The Electric Meter Section will operate on a Day Schedule or as described in General Work Rule 1.

The Premise Service Section will operate on a Rotating Shift Schedule or as described in General Work Rule 1.
2. There shall be no working Foremen in this Section.
3. Extra Premise Troubleshooters shall be assigned for periods of one (1) week and will be given not less than forty-eight (48) hours notice concerning the shift assigned for the following week.

4. Extra Premise Troubleshooters will be used to fill assigned shifts at their respective headquarters.
5. Management shall prepare a storm working schedule which will be utilized at the discretion of the Department Manager when, in his opinion, unusually severe and prolonged storm conditions warrant the use of this schedule. The duration of the storm working schedule will also be determined by the Department Manager. Meal compensation will be paid to the employees who are assigned to this storm working schedule as follows:

Employees assigned to work on the storm working schedule who have completed five (5) hours of continuous storm work shall be furnished a meal, or compensation in lieu thereof, and an additional meal, or compensation in lieu thereof, for each five (5) hour interval thereafter, until released from storm duty.

Division 11: OVERHEAD TRANSMISSION AND DISTRIBUTION CONSTRUCTION DIVISION

A-21
A-9
A-81
A-88

1. The Overhead Transmission and Distribution Section shall operate on a Day Schedule or as described in General Work Rule 1.
2. The Manual work of the Foremen in this Division shall be restricted to assistance in the handling or placing of heavy materials or equipment, the occasional pulling up of materials to Linemen and similar operations. It is the intention of Management that the primary duties of such Foremen shall be the supervision, planning, inspection and assignment of work to their crews and that no manual work is to be done which will detract from these primary duties.
3. Additional help will be supplied small line crews setting poles and transformers when conditions are such that the normal crews need additional help in the setting of poles and transformers in a safe and workmanlike manner.
4. Management shall prepare a storm working schedule which will be utilized at the discretion of the Department Manager when, in his opinion, unusually severe and prolonged storm conditions warrant the use of this schedule. The duration of the storm working schedule will also be determined by the Department Manager. Meal compensation will be paid to the employees who are assigned to this storm working schedule as follows:

Employees assigned to work on the storm working schedule within the southwest Ohio and northern Kentucky (DEO/DEK) service territories who have completed five hours of continuous storm work shall be furnished a meal compensation allowance and an additional meal compensation allowance for each five hour interval thereafter, until released from storm duty.

Employees assigned to work on the storm working schedule outside the southwest Ohio and northern Kentucky (DEO/DEK) service territories who have completed five hours of continuous storm work shall be furnished a meal, or compensation in lieu thereof, and an additional meal, or compensation in lieu thereof, for each five hour interval thereafter, until released from storm duty.

Division 12: UNDERGROUND CABLE AND EQUIPMENT

1. This Division shall operate on a Day Schedule and when required, a Fixed Shift Schedule or as described in General Work Rule 1.
2. There shall be no working Foremen in this Division.
3. When an opening occurs in a job classification within the Cable; Transformer & Equipment; and Test & Operation Sections of the Underground Cable and Equipment Division, job openings will be filled by the multiple posting system as outlined in Article III, Section 7(g).
4. Overtime shall be divided as equally and impartially as possible among all employees within a job classification in each Section of Division 12, such as Cable Section; Transformer & Equipment Section; and the Test & Operation Section.

Division 13: SERVICE DIVISION

(a) MATERIAL AND REPAIR SECTION

The Material and Repair Section shall operate on a Day Shift Schedule and when required on a Modified Shift Schedule or as described in General Work Rule 1.

(b) MACHINE SHOP SECTION

This Section shall operate on a Day Schedule or as described in General Work Rule 1.

(c) BRECON HEAVY EQUIPMENT AND REPAIR SECTION

This Section shall operate on a Day Schedule or as described in General Work Rule 1.

The manual work of the Foremen in this Division shall be restricted to assistance in the handling or placing of heavy materials or equipment, the occasional pulling up of materials to employees and similar operations. It is the intention of Management that the primary duties of such Foremen shall be the supervision, planning, inspection and assignment of work to their crews and that no manual work is to be done which will detract from these primary duties.

Division 14: POWER DELIVERY WAREHOUSES

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

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

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

Division 15: GENERATION SUPPLY CHAIN

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

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

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

Division 16: FLEET SERVICES

A-90

A-91

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

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

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

Division 17: GAS OPERATIONS SUPPLY CHAIN

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

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

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

HISTORICAL SIDEBAR LETTERS 1973-2022

Between

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

and

**Local Union #1347
International Brotherhood of Electrical
Workers, AFL-CIO**

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

A-DOC #	CLAUSE	ISSUE	DATE
A-1	Article V, Section 1(m)	Compensated Overtime Make-Up	06/08/73
A-2	Misc.	Rest Periods-Storms, ET&DC	04/09/73
A-3	Article III, Section 7	Multiple Posting Procedure	05/11/76
A-4	Article V, Section 1(m)	Distribution of Overtime	05/11/76
A-5	Article V, Section 5	Meal Compensation	05/11/76
A-6	Article IV, Section 1(k)	Overtime and One Day Vacations	07/02/79
A-8	Article V, Section 10	Inclement Weather	07/02/79
A-9	Division 9, 11	Working on Primary Conductors	07/02/79
A-11	Article IV, Section 3(f)	Transfer between Stations for Light Duty	04/12/82
A-12	Misc.	Co-ops and Seniority	04/12/82
A-13	Misc.	Six – Eight Hour Rest Periods	04/12/82
A-14	Division 9	One-Person Trouble Crews	04/12/82
A-17	Article II, Section 1	Personal Attorneys/Grievances	04/04/91
A-18	Article III, Section 6	Supervision Return to Bargaining Unit	04/04/91
A-19	Misc.	Non-Storm Duty Rest Periods	04/26/94
A-21	Division 11	Alternate Work Hours ET&DC	04/26/94
A-22	Article I, Section 1(a)	Union Recognition and Representation	06/15/09
A-23	Article V, Section 1(q), Exhibit A	Flexible Shift Hours	10/11/96
A-27	Article V, Section 25(k)	BOGAR Job Evaluation System 9/2/98 & 12/16/02	09/02/98
A-30	Misc.	Madison Station	02/09/00
A-32	Article IV, Section 1(e)	Vacation of Rehired Employees	06/15/09
A-36	Article V, Section 26(c)	Post-Retirement Medical Benefits – Health Reimbursement Account (HRA)	07/22/04
A-36a	Article V, Section 26(c)	Post-Retirement Health Benefits	04/02/14
A-36b	Article V, Section 26(c)	Post-Retirement Health Benefits	06/27/22
A-38	Division 15	SMAT Guidelines Agreement	04/02/14 11/1/2005
A-41	Article IV, Section 1	Clarification of Vacation Bank/Pension	08/22/06
A-42	Article IV, Section 1(k)	Working Overtime During Vacation	08/22/06
A-43	Article V, Section 1(c), Exhibit A	12-Hour Shifts	06/27/22 04/02/14 6/15/09
A-46	Misc.	Store Room Bidding	08/22/06
A-48	Misc.	Eyeglass Pitting	08/22/06
A-49	Article V, Section 8(a)	Project Work - Outside Duke Energy OH/KY Service Area	04/02/14 8/22/06

A-50	Misc.	Undercover Investigators	08/22/06
A-51	Article V, Section 20(c)	Leadperson – Trainer Role	08/22/06
A-52	Article V, Section 20(c)	Leadperson	04/02/14 8/22/06
A-53	Misc.	Advanced Wages for Union Business	08/22/06
A-54	Misc.	Seniority and Interplant Bidding Rights	08/22/06
A-56	Misc.	Welding Premium	06/27/22 04/01/17
A-58	Misc.	Employee Development Qualification Program	02/06/08
A-60	Misc.	Random Drug and Alcohol Testing	06/15/09
A-61	Article V, Section 26 and 29	Retirement Plan Agreement	06/15/09
A-61 Amend	Article V, Section 26 and 29	Amendment to A-61 Retirement Plan Agreement Letter	04/02/14
A-62	Misc.	Vacation Bank/Vacation Credit	06/15/09
A-64	Article V, Section 3	Short Term Disability Issues	06/15/09
A-66	Article IV, Section 1(e) and (k)	Partial Day Vacations and Vacation Carryover	04/01/17 6/15/09
A-67	Article V, Section 25(a)	Union Employees Incentive Plan	06/15/09
A-70	Article V, Section 4	Overtime Guidelines	06/27/22 04/01/17 04/02/14
A-71	Article V, Section 9	Temporary Assignment at Other Locations	04/02/14
A-72	Article V, Section 29	Retirement Savings Plan Changes for Traditional Plan Participants	04/02/14
A-73	Article V, Section 22(a)	Safety Shoe Policy	04/02/14
A-76	Article V, Section 22(a)	Safety Shoes (FHO & Field Services)	04/01/17 05/08/08
A-78	Exhibit A	Revised Material Services Team Member Job Description - EBS	01/15/14
A-79	Misc.	Repair Specialist and Senior Repair Mechanic Job Classifications	08/27/13
A-81	Division 11	Lineperson Program	06/27/22 04/01/17
A-82	Article III, Section 6(g)	Employment Policy	04/01/17
A-83	Exhibit A	Production Technicians	04/01/17
A-86	Article V, Section 25(a)	Union Employees' Incentive Plan Goals	10/26/17
A-87	Exhibit A, Division 9	Electric Trouble Guidelines	06/27/22
A-88	Article V, Section 20(c) and Exhibit A, Division 11	Employee Development Crews	06/27/22
A-89	Article V, Section 22(a)	Annual FR Clothing Allowance	06/27/22
A-90	Exhibit A, Division 16	Employee Tools – Fleet Services	06/27/22
A-91	Exhibit A, Division 16	Promotion and Progression – Fleet Services	06/27/22
A-92	Misc.	Workplace Security Policy	06/27/22
A-93	Misc.	UEIP Grievance Settlement	02/15/22

June 8, 1973

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

Re: Grievance #3-23-8-72

Dear Mr. Mitchell:

Reference is made to the first step arbitration meeting held on May 11, 1972 where we discussed the grievance of Mr. John Frey, a Fleet Attendant at the W.C. Beckjord Station of the Electric Production Department. Mr. John Mitchell was present as the Union designated arbitrator and Mr. A. Ehrnschwender, the Company arbitrator and Mr. R. Byrnes were present for the Company.

In discussing the facts of this particular case you suggested that consideration should be given to establishing a procedure whereby employees could be compensated for time not worked in specific instances where employees represented by the Union lost opportunities for overtime work. The Company has reviewed this matter and proposes the following procedures concerning this subject:

If a foreman performs work which the Company agrees should have been performed on an overtime basis by available employees in a job classification represented by the Union, then, as a remedy, the Company shall pay the employee lowest in overtime in the classification which should have been assigned the overtime work for that work at the appropriate overtime rate.

If an employee in a job classification represented by the Union performs work on an overtime basis which the Company agrees should have been performed by an available employee in another classification represented by the Union, then, as a remedy, make-up overtime work will be provided for the employee lowest in overtime in the classification to which the work should have been assigned.

John W. Mitchell

- 2 -

June 8, 1973

In any case concerning overtime assignments which is ultimately pursued to arbitration and which cannot be resolved by the Company and Union arbitrators and which is subsequently submitted to a third and neutral arbitrator, the neutral arbitrator will be restricted to providing make-up overtime work as a remedy if the neutral arbitrator decides a particular case in favor of the Union.

It is believed that the above stipulated procedure will allow disputes concerning overtime assignments to be equitably resolved to the mutual satisfaction of the Company and the Union and that it conforms to suggestion. Please review this procedure and confirm whether or you concur.

If this procedure is agreeable to the Union, it is anticipated that arbitration case of Mr. John Frey can be promptly resolved.

Very truly yours,

Arthur R. Ehrnschwender

W.H. Dickhoner
W.V. van Gilse

THE CINCINNATI GAS & ELECTRIC COMPANY



April 9, 1973

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

Dear Mr. Mitchell:

During the 1973 negotiating meetings the committees discussed practices concerning rest periods on extended periods of work necessary to restore the system to service following severe storms or other causes of extensive damage to the Company's electric facilities.

During this discussion, a letter from Mr. H.W. Grate, dated March 25, 1970 was read concerning these practices, which are referred to in the Electric Distribution Department Work Rules. These practices can be described as follows:

When men are released for rest they are told at what hour they should report back to their headquarters for further work assignments. This rest period may be from four to six hours depending on conditions. When such rest periods extend into the employee's regular work period, he is paid for the time within his work period at the regular rate of pay.

Employees will be released for rest who are called before twelve midnight on the assumption that they have had no sleep and will be paid on the same basis as above.

We will also try to assign men who have worked sixteen to twenty hours to work of a less hazardous nature.

It is anticipated that this letter will adequately explain the policy concerning rest periods.

Very truly yours,

Arthur R. Ehrnschwender
Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



ARTHUR R. EHRSCHWENDER
VICE PRESIDENT
ADMINISTRATIVE SERVICES

May 11, 1976

Mr. Timothy O'Leary
Business Manager
Local Union 1347
International Brotherhood of
Electrical Workers, AFL-CIO
4100 Colerain Avenue
Cincinnati, Ohio 45223

Dear Mr. O'Leary:

During the 1976 negotiation meetings, the committees for the Company and the Union discussed the multiple posting procedure as administered in the Electric Transmission and Distribution Construction and the Electric Distribution Engineering Departments with respect to job openings which become available after the posting date of a particular posting.

The established posting procedures have provided that positions which become available after a posting date but before a job posting is processed, are included in the original posting. This procedure is thought to serve the best interest of employees and the Company; employees benefit because additional job opportunities become available at earlier dates and the Company benefits because it obtains necessary manpower at earlier times. Although this procedure allows employees to promote or cross bid to another job or work location when that particular job may not have been specifically listed on a posting notice, employees who complete bid sheets in the normal and accustomed manner can obtain a benefit from the early filling of a job.

The Union has requested the Company to post all original job openings. It is requested that openings which occur after a posting date be included in an addendum to the posting. This arrangement will allow those few employees who do not submit advance bid sheets in accordance with the intentions of the posting procedure to evaluate an opening as it may occur.

Mr. Timothy O'Leary

- 2 -

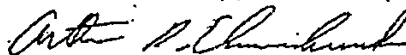
May 11, 1976

As a result of the Union's request, the Company agrees to list all original openings on posting notices. Consistent with the multiple posting program, resultant openings will not be posted. If an additional job opening becomes available after a posting date, the management of the Company will evaluate whether or not to hold that opening until a subsequent posting or to post an addendum to the original posting. If an addendum is added to a posting, the entire posting will remain open until the closing date which is two weeks after the addendum is posted. Subsequent addendums posted by the management of the Company will delay the entire posting for additional two week periods after the addendum is posted.

It is emphasized that this change in procedure in no way will restrict the Company's responsibility to determine its manpower requirements at particular locations or its authority to determine when to post a particular job. The responsibility for this function must be reserved to the management of the Company. The Company must also retain the right to cancel a posted opening at any time.

Implementation of this revised procedure will hopefully satisfy the Union's request concerning listing original openings under the multiple posting system in the Electric Distribution Engineering and the Electric Transmission and Distribution Construction Departments.

Very truly yours,



Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



CINCINNATI, OHIO 45201

ARTHUR R. EHRSCHWENDER
VICE PRESIDENT
ADMINISTRATIVE SERVICES

May 11, 1976

Mr. Timothy O'Leary
Business Manager
Local Union 1347
International Brotherhood of
Electrical Workers, AFL-CIO
4100 Colerain Avenue
Cincinnati, Ohio 45223

Dear Mr. O'Leary:

During the 1976 negotiation meetings, the committees for the Company and the Union discussed the allocation of planned overtime among personnel at the various overhead districts of the Electric Transmission and Distribution Construction Department.

In order to resolve any differences of opinion which may exist between the Company and the Union, including the arbitration case of Mr. Wayne Hutchinson, the Company agrees that planned overtime shall be distributed in accordance with the provisions of Article V, Section 1(m), at each headquarters. Overtime work available at a particular headquarters will be determined according to the supervisory geographic areas established by the management of the Company. Planned overtime within a particular supervisory geographic area of responsibility will be assigned to employees at a particular headquarters within the area so that qualified employees are either working overtime or have been given an opportunity to work overtime before other employees from other geographic areas of responsibility are assigned the overtime.

It must be stipulated, however, that the generalized planned overtime distribution policy set forth in the above paragraph shall not apply to particular overtime assignments as may occasionally arise when an individual with particular skills is needed for a certain work assignment, or for incidental overtime work where particular and specific employees are required to complete an assignment which is being executed during the regular work day. It must also be understood that these procedures will not prevail in emergency situations where additional personnel from various geographic areas may be required to work within a different area or areas.

Mr. Timothy O'Leary

- 2 -

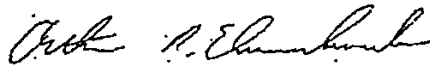
May 11, 1976

In implementing these procedures, it must be clearly understood that the management reserves the right to shift the assigned supervisory geographic areas of responsibility whenever it believes such movement to be necessary and that work in the fringe areas of one geographic area which may overlap into another geographic area will generally only be assigned to personnel from one particular overhead headquarters and not in part to crews from different headquarters.

Whenever overtime work is performed by personnel from one district which the Company agrees should have been assigned to personnel from another headquarters, it is agreed that make-up overtime work within the scope of duties of the involved job classification will be provided to the appropriate employees from the headquarters to which the overtime work should have been assigned.

While the Company must continue to maintain flexibility in assigning crews during the normal straight time work day to any location, it is hoped that this revised procedure will resolve the questions concerning the distribution of overtime work among personnel in various overhead headquarters in the Electric Transmission and Distribution Construction Department.

Very truly yours,



Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



CINCINNATI, OHIO 45201

May 11, 1976

ARTHUR R. EHRSCHWENDER
VICE PRESIDENT
ADMINISTRATIVE SERVICES

Mr. Timothy O'Leary
Business Manager
Local Union 1347
International Brotherhood of
Electrical Workers, AFL-CIO
4100 Colerain Avenue
Cincinnati, Ohio 45223

Dear Mr. O'Leary:

During the 1976 negotiation meetings, the committees of the Company and the Union discussed the intention of the meal compensation provisions of the current Agreement contained in Article V, Section 5.

The Agreement clearly stipulates that the Company may provide a meal, or compensation in lieu thereof, at the stipulated time intervals. For overtime assignments of short duration, it is understood that the most common practice is to provide employees compensation in lieu of a particular meal at the designated times. In some instances employees will accrue more than one meal allowance during an overtime assignment. Only rarely, however, would it be thought necessary to stop work more than once to obtain meals. However, except for occasional emergency situations, no employee is expected to work for an extended period of time without being given an opportunity to obtain something to eat.

The procedures to be utilized when obtaining meals will vary with the circumstances in particular cases. It is a supervisory responsibility to make the necessary arrangements to procure meals. In some instances the supervisor will make plans for employees to stop an overtime assignment and go to a restaurant. In other cases the supervisor may arrange for employees in a large work group to stagger the times of their absences from work to consume a meal. Sometimes a member of a crew may be sent to an eating establishment to obtain food for himself and other employees.

Mr. Timothy O'Leary

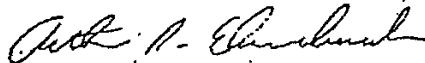
- 2 -

May 11, 1976

While no provisions of the current Agreement reflect that employees must be given an opportunity to eat a meal at any precise time, it is expected that all supervisory personnel will undertake to apply the meal allowance provisions with a personal understanding for the needs of the employees under their supervision. The application of reasonableness and good judgment by the supervisor and the consideration and understanding of the employees involved in particular situations will hopefully avoid future misunderstandings.

It is hoped that the application of the meal compensation provisions of the current Agreement according to the intentions set forth in this letter will minimize the inconvenience to employees who are required to work overtime.

Very truly yours,



Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



ARTHUR R. EHRSCHWENDER
VICE PRESIDENT
ADMINISTRATIVE SERVICES

July 2, 1979

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

Dear Mr. Amshoff:

During the 1979 negotiation meetings, representatives of the Company and the Union discussed the method to administer overtime for employees who are permitted to take one day vacations contiguous to scheduled off days.

In 1976 the Company and the Union agreed to allow an employee with two or more weeks of vacation to take five days of that vacation in one-day increments. The purpose of this provision was to allow employees to arrange in advance to have time off for personal business which could not be taken care of outside the regular working hours. At the time the parties agreed to this provision, no discussion evolved concerning working on scheduled off days contiguous to a one day vacation. Subsequently, in July, 1977, the Union proposed that the vacation procedures specified in Article IV, Section 1(k) should prevail for one day vacations. The Company thereafter, conducted a survey among the various departments concerning the Union's proposal.

At that time the management in the Electric Production Department indicated that, because of its unique around-the-clock operations, it could not agree to implement the Union's proposed policy. That decision was based on the fact that during the summer months of the traditional prime vacation period, the department allowed as many employees off as is prudent with safe and efficient operation. While no major scheduled overhauls are planned during the summer months, such overhauls and forced outages during the Spring and Fall require that as many employees as possible be available on Saturdays and Sundays, when load conditions permit additional maintenance.

During the 1979 negotiations, the management in the Electric Operating Department indicated that it could not accommodate such a proposal in the Substation Operators Section where employees work on a rotating shift schedule. Because of the nature of their work, it was also agreed that an employee granted a one day vacation in the Substation Operators Section would also be expected to be available for overtime assignments on off days contiguous to the one day vacation. With the exception of the Electric Production Department and the Substation

Mr. Louis Amshoff

- 2 -

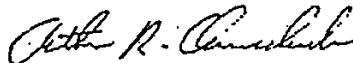
July 2, 1979

operators Section of the Electric Operating Department, the procedures for working on scheduled off days after a one day vacation will be administered in accordance with provisions of Article IV, Section 1(k) for those employees who request a one day vacation at least seven calendar days prior to the date requested and obtain the approval of supervision.

Some questions have arisen when employees are granted one day vacations due to extenuating circumstances with less than a seven day notice. In such cases, Article IV, Section 1(k) does not apply in any work groups. Such employees are expected to be available for planned and unscheduled overtime in their normal sequence on scheduled off days. When previously planned overtime is canceled, those employees at work can readily be advised of the cancellation. An employee who has been granted a one day vacation without a seven day notice and who was previously notified of planned overtime on the subsequent off day is expected to communicate with his supervisor at least one hour prior to the end of the regular scheduled work day of the one day vacation in order to determine whether or not the planned overtime will still be performed. An employee who reports for canceled planned overtime without having communicated in such a manner will not be paid no hours pay at the straight time rate as provided in Article V, Section 4(e) of the Agreement.

It is anticipated that this letter will clarify any misunderstandings concerning working on contiguous off days after being granted one day vacations. Proceedings outlined in this letter will help avoid greater limitations on the number of allowable one day vacations for employees.

Very truly yours,



Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



ARTHUR R. EHRSCHWENDER
VICE PRESIDENT
ADMINISTRATIVE SERVICES

July 2, 1979

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

Dear Mr. Amshoff:

During the 1979 negotiations, representatives of the Company and the Union discussed the compensation policy for employees who undertake treatment for alcoholism.

While sick compensation has not previously been granted for the treatment of alcoholic conditions, the Company will alter that arrangement when an employee obtains treatment at an appropriate detoxification facility under the direction of the Company Medical Director or in coordination with the Medical Director and the employee's personal physician. Available sick pay may hereafter be used for the first continuous absence when an employee undertakes to correct an alcoholic problem through an approved program. If the initial rehabilitation effort at a treatment center is not successful, the employee will not be granted additional available sick pay.

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

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

Very truly yours,

Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY

ROBERT P. WIWI
VICE PRESIDENT

July 2, 1979

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

Dear Mr. Amshoff:

This letter is intended to clarify the policy concerning outside work during inclement weather for employees in the Overhead Divisions of the Electric Transmission and Distribution Construction Department and the Underground Division only while performing U.R.D. work. As has always been the case, all crews will work without regard to weather conditions when it is necessary to protect life, property, or continuity of service.

When it is raining or snowing at starting time and the job is within 30 minutes or less travel time from the headquarters, the crew will remain at the headquarters until the weather clears. If the job is over 30 minutes travel time from the headquarters, the crew will leave at starting time and proceed to the job. Crews assigned to indoor jobs in protected areas will start at the regular time.

If rain is of a misty type or snow is of the dry type and will not soak the clothes, work will continue. A good indication of rain is if the windshield wipers on passing vehicles are operating continuously because of falling moisture. During misty rain conditions work assignments will be made so that a minimum of hot work on lines and equipment over 5Kv is required.

When the headquarters' thermometer reads five degrees or lower, the crews will stay at the headquarters until the temperature rises. When the temperature is six degrees and rising and the wind is calm or light, the crew will proceed to the job site and begin working. If the temperature is ten degrees and the wind is strong and gusty, the crews may remain at the headquarters. Whenever the temperature reaches 11 degrees, employees will proceed to the job site and begin working regardless of wind conditions.

When the crew arrives at the job site, the employee in charge will start the job as ordered and evaluate the working conditions. If at any time after the job has been under way the weather conditions get worse, or the conditions are such that the employee cannot carry on the work due to cold and wind, the employee in charge is to stop operations and communicate with headquarters. The crew will not be required to seek shelter in the trucks longer than necessary or for prolonged periods of time.

Louis Amshoff

- 2 -

July 2, 1979

Every effort will be made by the District Supervisor to assign work suitable to the weather conditions. Consideration should be given to crews in trucks without crew compartments or sufficient shelter for layover periods.

It is hoped that this letter will clarify that there is no intention to change existing procedures for Overhead employees who are required to work outdoors in inclement weather.

Very truly yours,


Robert P. Wiwi

THE CINCINNATI GAS & ELECTRIC COMPANY



ARTHUR R. EHRSCHWENDER
VICE PRESIDENT
ADMINISTRATIVE SERVICES

July 2, 1979

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

Dear Mr. Amshoff:

During the 1979 negotiation meetings, the committees for the Company and the Union discussed the policy for work on energized primary conductors by construction crews in the overhead districts of the Electric Transmission and Distribution Construction Department.

Since all bucket trucks in the overhead districts are equipped with controls at ground level, a single lineman can safely work from a bucket truck with the assistance, on the ground, of an employee not capable of climbing. Should an emergency situation occur, the lineman could be removed from the vicinity of the energized conductors.

If work is being done by a lineman belted on a pole and another lineman is not immediately available, the employee assisting at ground level should be another lineman. This employee's belt and climbers should be readily available. If a supervisor with climbing ability is present and belt and climbers are readily available, the employee on the ground could be other than a lineman.

The policy, as stated above, refers only to overhead line work being done on energized primary conductors or in the primary area. Crews need not consist of two linemen for secondary or service work, work on de-energized conductors or equipment, URD ground work or work with hot sticks where the lineman is outside the primary area.

It is thought that this letter will clarify the Company's policy concerning working in primary areas.

Very truly yours,

Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



ARTHUR R. EHRSCHWENDER
SENIOR VICE PRESIDENT

April 12, 1982

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

Dear Mr. Gilligan:

During the 1982 negotiation meetings, representatives of the Union and the Company discussed the changing of employees' headquarters in order to provide light duty assignments.

As agreed during these negotiations, the Company will not transfer bargaining unit employees of the Electric Production Department between generating stations in order to obtain a light duty assignment. The right of all other departments to effect transfers of employees assigned to light duty between headquarters without incurring any additional expenses was reaffirmed during these meetings.

It is anticipated that this letter will clarify any misunderstanding concerning light duty assignments.

Very truly yours,



Arthur R. Ehrschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



CINCINNATI, OHIO 45201

ARTHUR R. EHRSCHWENDER
SENIOR VICE PRESIDENT

April 12, 1982

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

Dear Mr. Gilligan:

During the 1982 negotiation meetings, representatives of the Company and the Union discussed the classified seniority dates established for former co-op employees who are hired on a permanent basis.

As a result of these discussions, it was agreed that co-ops hired as full time employees on or after April 1, 1982, who had previously performed work in job classifications represented by Local Union 1347 will not receive a classified seniority date which reflects the time spent in such a starting job classification, as they have in the past. The long established practice of adjusting the continuous service date of these employees after they have completed their probationary period, however, will continue to be administered as it has been in the past.

It is thought that this arrangement will satisfy the Union's concern about the establishment of co-op's seniority dates.

Very truly yours,

Arthur R. Ehrschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



ARTHUR R. EHRSCHWENDER
SENIOR VICE PRESIDENT

April 12, 1982

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

Dear Mr. Gilligan:

During the 1982 negotiation meetings the committees discussed the length of the rest periods allowed employees after they have worked extended hours due to Company needs.

Prior to these negotiations, most departments attempted to grant a four to six hour rest period when possible to employees who worked such extended hours. Due to the discussion at these meetings, the Company will now attempt to grant a six to eight hour rest period whenever possible to employees represented by the Union who have worked extended hours. A six hour rest period in all probability will be the normal rest period; however, when practical, an eight hour rest period may be granted. The other provisions of the Company's rest period policy will be administered the same as they have been for many years.

It is anticipated that this change will alleviate the Union's concern about its members receiving adequate rest after working extended hours before returning to work.

Very truly yours,

Arthur R. Ehrnschwender

THE CINCINNATI GAS & ELECTRIC COMPANY



ARTHUR R. EHRSCHWENDER
SENIOR VICE PRESIDENT

April 12, 1982

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

Dear Mr. Gilligan:

During the 1982 negotiation meetings, representatives of the Company and the Union discussed the safety of one-man trouble crew operations in the Electric Trouble Division of the Electric Transmission & Distribution Construction Department.

As agreed, an employee working alone may request assistance. If the Company determines that such assistance is required it will be provided, either in the nature of another one-man crew or else in the form of a replacement two-man crew. However, those duties which can safely be performed by one individual will continue to be assigned to one-man crews.

It is thought that this letter adequately assures the Union that the Electric Trouble Division employees will be assigned tasks which can safely be performed by the crew, whatever its make-up.

Very truly yours,

Arthur R. Ehrnschwender

CG&E : The Energy Service Company

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

John P. Roos
Manager, Personnel Relations

April 4, 1991

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

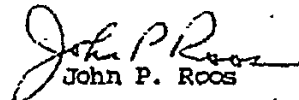
Dear Mr. Gilligan:

During the 1991 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,


John P. Roos

CG&E The Energy Service Company

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

John P. Roos
Manager, Personnel Relations

April 4, 1991

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

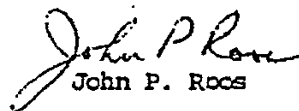
Dear Mr. Gilligan:

During the 1991 negotiation meetings, the committees of the Company and the Union discussed the Union's concerns regarding supervisory employees who return to the bargaining unit after being away from their former line of progression.

As stated during these meetings, when a supervisor returns to the bargaining unit, the Company evaluates the employee's ability to perform all aspects of the job to which he/she is returned. In order to alleviate the concern expressed during negotiations, the Company assured the Union that it will especially insure that individuals, who return to their former job from another line of work, are capable of safely and satisfactorily performing the duties of their bargaining unit job classification.

By proceeding in this manner, it is thought that the Union's concern in this matter will be alleviated.

Very truly yours,


John P. Roos

LG&E ■ The Energy Service Company

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

April 26, 1994

Mr. Jeffrey M. Conner
Business Manager
Local Union 1347
International Brotherhood of
Electrical Workers, AFL-CIO
4100 Colerain Avenue
Cincinnati, OH 45223

Dear Mr. Conner:

During the 1994 negotiation meetings, the committees for the Company and the Union discussed the rest periods being granted by supervision to employees who work extended hours in the Electric Trouble Division of the Electric Systems Operations Department.

During the discussions, it was clear that the current administration of rest periods during storm duty is satisfactory to the parties. However, the Union expressed a concern about non-storm duty work where employees work long hours for more than a one day period.

As discussed, as presently administered, the department will continue to attempt to provide eight (8) hour rest periods to personnel who work non-storm duty for sixteen (16) consecutive hours. As further agreed during the discussions, whenever Electric Trouble Division personnel are required by the Company to work between twelve (12) and sixteen (16) consecutive hours for two or more days in a row, every effort will be made to grant an eight (8) hour rest period to such employees.

The above agreement should alleviate the concerns expressed by the Union during these negotiations.

Very truly yours,


Edward R. Schuette

CG&E ■ The Energy Service Company

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

April 26, 1994

Mr. Jeffrey M. Conner
Business Manager
Local Union 1347
International Brotherhood of
Electrical Workers, AFL-CIO
4100 Colerain Avenue
Cincinnati, OH 45223

Dear Mr. Conner:

During the 1994 negotiation meetings, the committees for the Company and the Union discussed the implementation of alternate work hours in the Electric Transmission and Distribution Construction Department (ET&DC).

As discussed, in order to meet customer needs and work requirements, a 4 day 10 hour work schedule will be made available on a voluntary basis in the Overhead, Underground and Brecon Heavy Equipment Districts of ET&DC.

Beginning June 6, 1994, at locations where sufficient volunteers are obtained, the Company will institute Monday through Thursday and Tuesday through Friday 10 hour schedules. These schedules will be in effect until Monday, April 3, 1995. Effective that date, the Tuesday through Friday 10 hour work schedule will be changed to Wednesday through Saturday. It was further agreed that once the Wednesday through Saturday 10 hour schedule is implemented, the department will use a twenty-eight (28) day rotation among the employees working the ten hour shifts which would enable those employees to work both of the 4 day 10 hour work schedules. If there are not enough volunteers to implement the Monday through Saturday schedules, supervision will evaluate the need for a Monday through Friday 4 day 10 hour schedule. If supervision determines that such a schedule is not needed, employees will revert to a Monday through Friday 8 hour schedule.

It was also agreed that for the term of the 1994-1997 Agreement, the Company will limit the number of employees working such a schedule. In the Overhead Division, a maximum of two (2) small crews at each district will work the two 4 day 10 hour work schedules. A maximum of ten (10) employees of the Underground Division will work two 4 day 10 hour schedules. In the Brecon Heavy Equipment District, there will be a maximum of six (6) employees working two 4 day 10 hour work schedules. The availability of the ten hour shifts will be posted in each Overhead District and the Underground and Heavy Equipment Division. If a

sufficient number of volunteers are not obtained at the District, the ten (10) hour schedules will not be implemented in that location. If an excessive number of volunteers are obtained from a particular District, the Company will discuss with the Union the possibility of adding additional crews to the ten hour schedule at that location.

If the 4 day-10 hour schedules are still in effect, the parties will meet on April 1, 1996, to discuss the 4 day 10 hour schedules. A small committee from both parties, which will include the International Representative and the Company's Chief Negotiations Spokesperson, will meet. At that time, the 4 day 10 hour schedule will be discontinued unless the Company and the Union mutually agree to continue that schedule.

Furthermore, it was agreed that for the term of the 1994-1997 Agreement, the 10 hour scheduled Saturday Overhead crews will not work in another district area performing scheduled work unless that district was working overtime. The administration of the 4 day 10 hour work schedules will be in accordance with the attached fact sheet. The Company reserves the right to discontinue the 4 day 10 hour schedule.

It is thought that this letter adequately describes the discussion concerning this matter.

Very truly yours,


Edward R. Schuette

4-10 HOUR DAY FACT SHEET

1. **OFF DAYS** - Employees will have three consecutive off days. Time and one-half will be paid for all overtime hours worked on an employee's first and third scheduled off day. Double time will be paid for all overtime hours worked on the second off day. Employees' off-days may, of necessity, not be consecutive when changing from/to a ten (10) hour day schedule.
 2. **VACATIONS** - One day vacations are for ten hours. Weekly vacations are for 40 hours. Should an employee return to an 8 hour work schedule with vacation remaining that is not a multiple of 8, he/she shall be entitled to all earned vacation. (i.e., if an employee returns to an 8 hour schedule with 10 hours of vacation remaining he has one day and two hours vacation left and will be permitted to take that time off with pay or be compensated for the additional two hours.)
 3. **PERSONAL DAYS** - All personal days off will be 10 hour paid off days while working a 4 day 10 hour schedule. If the employee returns to an 8 hour schedule, whatever personal days remain will be in 8 hour increments.
 4. **SICK PAY** - As with all these premium payments, sick pay is paid on an hourly basis. Therefore, all absences where sick pay is granted the appropriate hours paid will be deducted from the sick pay allowance. The waiting period will also be on an hourly basis. Therefore, employees with a 3 day wait before compensation will begin receiving sick pay after 24 consecutive work hours of absence. A person working 4-10 hour days therefore will begin receiving compensation on the third consecutive day off sick after the first 4 hours (6 hours paid).
5. **HOLIDAYS** - Employees scheduled to work holidays but are off will receive 10 hours of straight time holiday pay. Employees whose regular schedule does not include the paid holiday will receive 8 hours of straight time holiday pay. All holiday premiums apply. By way of illustration, below is listed how employees would be compensated for the Thanksgiving holidays.

Employees scheduled Monday through Thursday and are not required to work:

Mon.	Tues.	Wed.	Thurs.	Fri.
10	10	10	10H	8H

Employees scheduled Tuesday through Friday and are not required to work:

Mon.	Tues.	Wed.	Thurs.	Fri.
OD	10	10	10H	10H

VOLUNTARY OFF - All time voluntarily off will be coded as such.

MEAL ALLOWANCE - An employee working 4-10 hour days will be required to work 1 hour in excess of his/her scheduled straight time work day before being entitled to the first meal allowance. All other provisions of the meal allowance will apply.

ET&DC PROPOSED 10 HOUR WORK SCHEDULE

A. Overhead Division

1. Monday thru Thursday (7:00 a.m. - 5:30 p.m.)
24 Employees (Eight 3 person crews - 1 crew at each district)
2. Tuesday thru Friday (7:00 a.m. - 5:30 p.m.)
(June 6, 1994 thru April 2, 1995)
Wednesday thru Saturday (7:00 a.m. - 5:30 p.m.)
(Starting April 3, 1995)
24 Employees (Eight 3 person crews - 1 crew at each district)
3. Monday thru Friday (8:00 a.m. - 4:30 p.m.)
All remaining employees at all districts (190 personnel)

B. Underground Division (Dana Avenue)

1. Monday thru Thursday (7:00 a.m. - 5:30 p.m.)
5 Employees
2. Tuesday thru Friday (7:00 a.m. - 5:30 p.m.)
(June 6, 1994 thru April 2, 1995)
Wednesday thru Saturday (7:00 a.m. - 5:30 p.m.)
(Starting April 3, 1995)
5 Employees
3. Monday thru Friday (8:00 a.m. - 4:30 p.m.)
64 Employees
4. Monday thru Friday (6:00 p.m. thru 2:30 a.m.)
10 Employees

C. Brecon Heavy Equipment & Repair District

1. Monday thru Thursday (7:00 a.m. - 5:30 p.m.)
3 Employees
2. Tuesday thru Friday (7:00 a.m. - 5:30 p.m.)
(June 6, 1994 thru April 2, 1995)
Wednesday thru Saturday (7:00 a.m. - 5:30 p.m.)
(Starting April 3, 1995)
3 Employees
3. Monday thru Friday (7:30 a.m. - 4:00 p.m.)
All remaining employees including Building Maintenance
after their move to Brecon (21 personnel)

D. All other ET&DC work groups would remain on current schedules.



June 15, 2009

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

JIM O'CONNOR
Vice President
Labor Relations

Duke Energy Corporation
EA506 / 139 East Fourth St.
Cincinnati, OH 45202

513-419-5743
513-403-4147 cell
513-419-5313 fax
jim.o'connor@duke-energy.com

Re: Union Recognition and Representation

Dear Mr. Feldhaus:

Reference is made to our 2009 discussions concerning employment security and work flexibility. During these discussions the parties discussed the issue of Union Recognition in a changing business environment to meet future competitiveness in our industry.

During the discussions, the Company confirmed its commitment to recognize the Union as the sole and exclusive collective bargaining agent for those employees who are employed in jobs currently under its jurisdiction. The Company also assured the Union of its ongoing commitment to honor any agreements it has or may in the future enter into with the Union. The parties also discussed the need for new and innovative ways to meet future business needs in order to remain viable within a competitive environment. These new ways of conducting business may not only require significant changes within the current organization, but may also result in the Company's expansion into other business ventures.

During the discussions, the parties agreed that all organizing attempts that involve IBEW 1347 and a rival union will be conducted in a positive manner. More specifically, should IBEW 1347 and a rival union seek to represent the same group of employees, the Company will not communicate to its employees a preference for one union over another, and will not advise employees as to how they should respond or vote between or among rival unions. However, the Company must maintain its right to respond openly to employees' questions to fully discuss facts relative to issues and to correct any misinformation. The goal would be that all employees will be fully informed of relevant issues and have the right and opportunity to make a free choice.

Furthermore, it was agreed that if the Company becomes involved in expansion of its business, it will recognize the Union as the collective bargaining agent so long as the Union can make a business case in a timely manner that is competitive, profitable and makes geographic sense.

Hopefully, as a result of the discussion on this subject, the Union's concerns in this area have been resolved.

Very truly yours,

Jim O'Connor
VP, Employee & Labor Relations

October 11, 1996

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

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

CINERGY.

Dear Mr. Kelly,

Reference is made to our 1996 discussions concerning work flexibility and employment security. During these discussions the parties discussed flexibility in work scheduling.

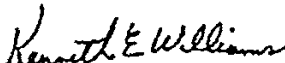
As agreed, the Company reserves the right to temporarily change the schedule of any employee upon notice to the employee of not less than forty-eight (48) hours. However, this forty-eight hour notice will not be implemented until January 1, 1998. During this period of time, a joint Union/Management committee will be formed to discuss ways to decrease the number of shift changes that occur in the Power Operations Department.

In addition, it was agreed that all day shift workers will be required to work schedules of any hours between 6:00 a.m. and 6:30 p.m. All afternoon shift workers will be required to work schedules of any hours between 2:00 p.m. and 2:00 a.m. All evening shift workers will be required to work schedules of any hours between 10:00 p.m. and 10:00 a.m. Any change in the start and quit times of a schedule constitutes a change in schedule and requires the appropriate advance notice, which effective January 1, 1998 will be 48 hours.

Additionally, any other work schedule not covered by the Agreement that can be mutually agreed to by supervision and the Union can be implemented, as long as 60% of the work group for which such schedule is to be implemented, agrees with that schedule. The Company will notify the Union, in writing, of such schedule changes to provide reasonable time to review before implementation.

It is believed that the above accurately describes the agreement reached by the parties during these discussions.

Very truly yours,


Kenneth E. Williams
Manager
Employee Relations

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

September 2, 1998

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

CINERGY.
CG&E

Dear Mr. Kelly,

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 #5541-06. 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 V, Section 25(k)). 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

Kenneth E. Williams
Manager
Employee Relations and Safety

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

December 16, 2002

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

CINERGY.
CG&E

Dear Mr. Feldhaus:

Reference is made to our meeting on Wednesday, December 4, 2002, to discuss the factor weights used in the BOGAR Job Evaluation System.

As agreed, the following weights will be used for the job evaluation of job classifications represented by the IBEW, Local 1347:

Knowledge - 32
Responsibility - 24
Customer Contact - 7
Decision Making - 25
Physical/adverse Conditions - 4
Hazards - 8

As discussed the total point values for job classifications represented by the Union that have been evaluated under the BOGAR Job Evaluation System will be adjusted accordingly. This will result in the Senior Control Systems Technician moving to a grade level 26 from a 25 and the Senior Meter Tester moving to a grade level 23 from a 22. All other job classifications evaluated under the BOGAR system will remain at their previously communicated grade levels.

If you concur, return a signed and dated copy of this letter to my office.

Sincerely,



Patrick Gibson
Sr. Labor Relations Consultant

Signature: 

Date: 12/16/02

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

February 9, 2000

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

CINERGY.
CG&E

Dear Mr. Kelly:

During the 1999 - 2000 discussions concerning deregulation and employee protections, representatives of the Company and the Union discussed the operation of the new Madison generating facility.

A non-regulated subsidiary of Cinergy Capital & Trading, Inc. (CC&T), has a contract with the owner of that facility to operate that plant. CC&T's subsidiary will call upon the Company to supply the employees to operate this plant. When the Company provides those employees, qualified bargaining unit employees will perform the necessary tasks. It is anticipated that employees from the Woodsdale Station will perform those tasks when necessary. However, circumstances could require that bargaining unit employees from other stations also be sent on occasion. It must be understood, however, that this agreement in no way restricts the Company's rights contained in Article V, Section 19 of the Agreement.

The above accurately describes the agreement between the parties in this matter.

Very truly yours,



Daryl J. Teed
General Manager
Employee Relations, Safety and
Disability Programs



JIM O'CONNOR
Vice President
Labor Relations

Duke Energy Corporation
EA506 / 139 East Fourth St.
Cincinnati, OH 45202

513-419-5743
513-403-4147 cell
513-419-5313 fax
jim.o'connor@duke-energy.com

June 15, 2009

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

Re: Vacation of Rehired Employees

Dear Mr. Feldhaus:

During the 2009 negotiation meetings, the committees for the Company and the Union discussed vacation selection for rehired employees.

Employees who leave the Company on their own accord and subsequently return to work with the Company on a full-time basis recoup their system service seniority previously held before leaving the Company. All recouped system service will be used for benefit entitlement and calculation purposes.

However, rehired employees, and employees transferring into the bargaining unit, will have the previous time spent working in non-1347 IBEW jobs deducted from their total system service for vacation selection purposes under Article IV, Section 1(e).

The above accurately describes the agreement reached by the parties during these discussions concerning vacation selection.

Very truly yours,

A handwritten signature in cursive script that reads 'Jim O'Connor'.

Jim O'Connor
VP, Employee & Labor Relations

July 22, 2004

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

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



Re: Post-Retirement Medical Benefits

Dear Mr. Feldhaus:

On April 27, 2004, the Company met with union representatives from UAW 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 confirms the Union's acceptance of the design for the HRA Option summarized herein, after several discussions between the parties and the ratification vote of the bargaining unit membership relative to the 2004 benefits opener discussions.

I. OVERVIEW OF HRA OPTION

All current, full-time employees represented by IBEW 1347 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.

Mr. Steve Feldhaus
July 22, 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 generally will continue for the full qualified leave period.

Mr. Steve Feldhaus
July 22, 2004
Page 3

- 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

Mr. Steve Feldhaus
July 22, 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.

Mr. Steve Feldhaus

July 22, 2004

Page 5

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 Clnergy employees are married, can they make different elections with respect to the HRA Option?

Mr. Steve Feldhaus

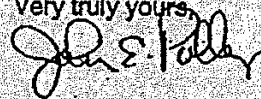
July 22, 2004

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: J. Kraus
T. Hoppenjans
L. Gregory

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:

Service at Retirement	(Pre-65 only)
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%



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 2, 2014

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

Re: Post-Retirement Health Benefits

Dear Mr. Reilly:

During the 2014 negotiations, the parties discussed post-retirement health benefits. This letter amends the Post-Retirement Medical Benefits Sidebar Letter A-36 dated July 22, 2004, as subsequently amended during 2009 negotiations, and confirms these discussions and the resulting agreement.

Access To Post-Retirement Health Benefits

Employees who terminate on or after January 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 or older will be 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 January 1, 2015, the "Traditional Option" is hereby amended to provide contributions towards the cost of post-retirement medical (but not dental or vision) coverage, in the form of either subsidized post-retirement medical coverage or credits to a newly-established Health Reimbursement Account ("HRA"), as determined by the Company, only for individuals who are under age 65 and who are:

(1) in a group eligible for a medical subsidy under the rules in effect prior to January 1, 2015, which is limited to those hired prior to January 1, 2010, and

(2) 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 January 1, 2015 will receive (during retirement) a pre-65 contribution of \$350 per month, plus \$175 per month for their spouse, if any; and

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

Subsidies/Company Contributions-HRA Option

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

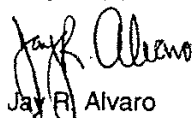
- the Company will discontinue crediting 1/12 of \$1,000 each month to the HRAs for those employees who have an HRA under the HRA Option, with interest credits continuing; and
- the Company will offer a choice window in 2014 to employees who have an HRA under the HRA Option to elect whether to continue in the HRA Option (modified as described in the above bullet) or to forego their rights to their HRAs in exchange for participation in the Traditional Option (modified as described above).

Miscellaneous

The post-retirement health benefits described above will replace the post-retirement medical coverage options in effect prior to January 1, 2015, for employees who terminate on or after January 1, 2015, including those described in Sidebar Letter A-36 dated July 22, 2004 as amended during 2009 negotiations to provide that employees hired on or after January 1, 2010 will not be eligible for a subsidy or Company contribution under the Traditional Option or the HRA Option. These benefits will be governed by and construed in accordance with the applicable plan documents.

In all other respects, the Post-Retirement Medical Benefits letter dated July 22, 2004, as subsequently amended during 2009 negotiations, shall continue in accordance with its terms.

Very truly yours,



Jay R. Alvaro
Director, Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

June 27, 2022

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

Re: Post-Retirement Health Benefits

Dear Mr. Kirk:

During the 2022 negotiations, the parties discussed post-retirement healthcare benefits. This letter amends the Post-Retirement Medical Benefits Sidebar Letter A-36 dated July 22, 2004, as amended by the Post-Retirement Health Benefits Sidebar Letter A-36a dated April 2, 2014, and confirms these discussions and the resulting agreement.

Access to Post-Retirement Health Benefits

Beginning no sooner than January 1, 2023, (a) employees who retire as eligible retirees, but do not enroll in Company-sponsored pre-65 retiree medical, dental and/or vision coverage at the time of retirement or upon the expiration of any COBRA continuation coverage, will not be permitted to enroll themselves or their eligible dependents at any future date; and (b) retirees who enroll in Company-sponsored pre-65 retiree medical, dental and/or vision coverage but, subsequently, decline/drop Company-sponsored pre-65 retiree medical, dental and/or vision coverage, will not be permitted to re-enroll themselves or their eligible dependents in such Company-sponsored pre-65 retiree medical, dental and/or vision coverage at any future date.

In all other respects, Sidebar Letters A-36 and A-36a shall continue in accordance with their terms.

Very truly yours,

A handwritten signature in black ink that reads 'Lisa A. Gregory'.

Lisa A. Gregory
Manager, Labor Relations

A-36b

www.duke-energy.com

SMAT Guideline Agreement

These guidelines are meant to cover uncovered shift entry into the home station storeroom by home station personnel. Entry into a station's storeroom by personnel from other stations, including Material Specialists, should be covered by any guidelines in place before the SMAT Recommendation was formulated.

These guidelines apply to retrieving materials from the storeroom, and do not apply to deliveries to the storeroom on uncovered shifts, unless otherwise specified. Material receiving should be handled as it always has been.

1. The Power Storerooms will be manned by Power Stores during the day shift Monday Through Friday, and also on the day shift on Saturday and Sunday as the stations require. These shifts start no sooner than 6:00 AM and end no later than 6:30 PM.
2. The Production Team Supervisor has been given access to the Storeroom on uncovered shifts. For shifts where there is a normally scheduled Production and a straight time Support shift, and material is needed, when no Power Stores personnel are on site, the Production Team Supervisor and a bargaining unit member (IBEW Local 1347) will be allowed to enter the storeroom to remove the needed material and fill out the daily log sheet. (This should include both a "time-in" and a "time-out" entry) A union member (IBEW Local 1347) must be the one to remove the material. It is the responsibility of the Material Specialist to make all data entry into Passport. This data entry will be done at the beginning of the next scheduled Material Specialist covered shift. When there is planned or call-in overtime for Support personnel, and access into the storeroom is needed, storeroom personnel will be called in. However, in the event that a one-time entry is required then the Production Supervisor and a bargaining unit employee will be allowed to remove the material.
3. Outside of the details of specific guideline mandates, it will be the responsibility of the Production Team Supervisor to decide if a Material Specialist is needed to be called in. The general rule of thumb recommended by the team is if more than 15 minutes is needed to find the material, then consideration should be given to calling a Material Specialist in. Also if enough straight time Support Team members are working and the PT Supervisor does not have enough time to keep running to the storeroom, he should consider calling in a Material Specialist.
4. At the beginning of each day, the Stores Supervisor will review the Daily Storeroom Access Log from the previous night. Material removed from the storeroom during a backshift should be used on that shift. The daily review should monitor this. At least on a weekly basis (sooner if required), the Stores Supervisor and the PTGL or Production Team Coordinator will review the Daily Storeroom Access Log sheets from the previous week. Each month a summary report will be produced showing the material removed on backshifts for that month.
5. The annual station inventory adjustment will become a station goal. This goal will be passed down to the PTGL's, PT Coordinators, and PT Supervisors.
6. Training will be given to the PT Supervisors and appropriate team members to learn the storeroom layout and material locations.

7. The SMAT team will meet, at a minimum, once a year or when deemed necessary to address issues or concerns that have arisen.
8. Any deviations to these guidelines must be brought to the SMAT team for review before implementation at that station.
9. Woodsdale Station, because of the unique organizational structure, will not be able to meet the requirements of the guidelines on many occasions.
 - On the "off shifts", there will seldom be any management personnel on site. This will not allow for the station to follow the guidelines as far as having both a bargaining unit and a management person access the storeroom together. For this reason, when removing material only, Woodsdale personnel will be allowed to access the storeroom alone when the Material Specialist on duty is off site or on uncovered off shifts. The rest of the guidelines will need to be followed as written.
 - The previous bullet point deals with the removal of material only. This is a Material Specialist duty and if material needs to be unloaded when a Material Specialist is unavailable, bargaining unit Woodsdale personnel may do so at the dock, up until 3:00 PM. Most deliveries after 3:00 PM are to be sent away. If there is a question about a particular after hours delivery, the Stores Supervisor should be contacted.
 - Procedures will be put into place to allow for the review of the Access Logs as there is no on-site Store's Supervisor at the station.
10. If a contractor on site needs material on the second or third shifts, the Production Team Supervisor, along with an IBEW 1347 union member, will access the storeroom and the IBEW 1347 union member will remove the needed material. The contractor will not remove material from the storeroom. The daily log will also be filled out at this time.

April 2, 2014



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

August 22, 2006

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

Re: Clarification of Vacation Bank/Pension

Dear Mr. Feldhaus:

During the 2006 negotiations, the Company and the Union clarified future administration for including the vacation bank payment in the final average pay calculation for purposes of determining an employee's pension.

Vacation bank earnings will be included in the calculation of the earnings in the final 36 consecutive months of employment. If these earnings are not higher than any three consecutive calendar years of earnings in the last 10 years of employment, then the vacation bank earnings will be added to the earnings that are the highest three consecutive calendar years in the last 10 years of employment.

This administration of the vacation bank pension enhancement as described above will be effective January 1, 2007.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Managing Director
Labor Relations



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

August 22, 2006

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

Re: Working Overtime During Vacation

Dear Mr. Feldhaus:

During the 2006 negotiations, the Union and the Company discussed the intent of Article IV, Section 1(k) of the Agreement, with respect to working overtime while on vacation and the release of employees at the start of vacations.

As set forth in that section, employees can request in writing, prior to beginning their vacation, to be considered for work on what would have been their normal off days at the beginning or end of their scheduled vacations. Also as set forth in that section, employees' vacations are considered to have started when they are released from duty on their last regularly scheduled working day prior to the scheduled vacation and are considered ended at the start of their first regularly scheduled working day following the scheduled vacation. It is the Company's understanding that, while on vacation, employees will be considered for overtime work only after all eligible employees have been offered the overtime assignment.

Additionally, the Union expressed concern over hardship that may be caused when employees are not released at their normally scheduled quitting time on their last day of work prior to vacation. During the discussions, the Company reinforced its need to maintain its right to assign the work as necessitated by business needs, including holding employees beyond their normal quitting time. However, the Company assured the Union that employees, who make it known in advance of special travel arrangements needed on their last day of work, should be released from work on time in the absence of an emergency situation.

It is hoped that the above will serve to alleviate the Union's concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Managing Director
Labor Relations



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Twelve Hour Shifts

Dear Mr. Kirk:

During the 2022 negotiation meetings, the committees for the Company and the Union discussed the utilization of 12-hour shifts for employees in the Company's Regulated and Renewable Energy (RRE) Organization.

As discussed, in order to meet work requirements, the use of 12-hour shifts for employees assigned to operational work groups in RRE will be at the discretion of the Company.

Except in cases of emergency, the Company will not institute or change a 12-hour group schedule until affording the Union the opportunity to discuss and review the schedule. The Company will base any change in schedule upon new or changed work requirements or the requirements of efficient operations. These matters will be discussed thoroughly with the representatives of the Company and the Union considering the viewpoint and suggestions of the other.


It was also agreed that the administration of the 12-hour schedules will be in accordance with the attached fact sheet.

It is thought that this letter adequately describes the discussion concerning this matter.

Sincerely,

A handwritten signature in black ink that reads "Lisa A. Gregory". The signature is written in a cursive, flowing style.

Lisa A. Gregory
Manager, Labor Relations

	IBEW 1347
	12- HOUR FACT SHEET

1. **Personal Days** - Employees are entitled to a total of four twelve-hour personal days (including Diversity Day).
2. **Shift Definition** - A shift is defined as working 6:00 AM to 6:00 PM or 7:00 AM to 7:00 PM on a single day or 6:00 PM to 6:00 AM or 7:00 PM to 7:00 AM bridging over 2 days.
3. **Payroll Week Definition** - A payroll week is defined by each individual station to accommodate the schedule at that particular location. This will allow the generating stations the flexibility to utilize a four team rotation on a 36 hour - 48 hour schedule rotation. This is not intended to limit the Company from adopting other types of rotations.
4. **Overtime** - All hours worked greater than 40 in a payroll week and all hours worked outside of an employee's regular schedule. Double time hours shall be the last 24-hour period an employee is available to work. For clarification, an employee on a 12-hour shift will be working double time on the 24 hours before their 12-hour rest period before the start of the next shift.
5. **Discipline** - Discipline will be administered in days where one day is equal to 8 hours.
6. **Vacation** - Vacation will be administered in hours. If an employee takes vacation in a 48-hour week, the employee will be paid for 48 straight-time hours and 48 hours will be deducted from their remaining vacation time. Vacation will only be paid on a straight time basis.
7. **Holidays** - Employees scheduled to work the actual calendar holiday or who are scheduled but excused from working the holiday will receive 12 hours of holiday pay. All other employees will receive 8 hours of holiday pay. Employees working on the actual calendar holiday will receive time and one-half pay for the first 12 hours worked on the actual calendar holiday. If employee's overtime pay hours (last 8 hours of a 48-hour week) fall on an actual calendar holiday, the employee shall be paid 12 hours at the time and one half wage rate for that day.
8. **Death in Family** - A day off for death in the family shall be equal in pay to the hours of pay an employee would have received if you had worked that day.
9. **Meal Monies** - Meal monies shall be paid after 13 contiguous hours worked and again after 15 hours worked. Call-in situations shall follow the current contract guidelines of meal money paid for every five hours of contiguous work.
10. **Shift Differential** - Shift differential will be paid on night shift only (12 hours) at the current contract night shift rate. No shift differential will be paid on the four evening hours of day shift (3PM - 7 PM).
11. **Sunday Premium** - Sunday premium will be applicable to all hours worked on a Sunday as part of the employee's scheduled 48 hour work week. The premium will not apply to planned or call out overtime.
12. **Short-Term Disability** - As per the current Agreement, during the seven consecutive calendar day waiting period, it is intended that no employee will incur a loss of more than forty hours of straight time pay.



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

August 22, 2006

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

Re: Store Room Bidding

Dear Mr. Feldhaus:

During the 2006 negotiation meetings, the Company and the Union discussed restoring the former combined bidding process for storeroom employees.

As discussed, since 2000, the job posting procedure for storeroom vacancies between the generating stations and the Brecon store room was changed to being administered as two separate bidding areas, but the bumping rights for the incumbent employees was grandfathered for the former combined bidding area for the term of the 2000 – 2006 Agreement.

During the discussion, it was agreed that for the term of the 2006 – 2009 Agreement, the job posting procedure and bumping rights of the employees in storeroom job classifications, whether in power plant store rooms or the Brecon facility, will be reinstated to the former combined administration for both filling job vacancies and for bumping rights.

It is believed that the above accurately describes the restructuring process for bidding among the storeroom work forces.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Managing Director
Labor Relations



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

August 22, 2006

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

Re: Eyeglass Pitting

Dear Mr. Feldhaus:

During the 2006 negotiations, the Company and the Union discussed the unique eyeglass pitting problem experienced by welders in the Electric Repair Section of the Substation Maintenance Department and in the Material and Repair Section of T&D Projects.

As agreed, during the term of the 2006 – 2009 Agreement, the Company will furnish standard frames with prescription safety lenses and permanent side shields from its supplier to each welder in those sections who wear corrective lenses that have been substantially affected by this problem. Affected employees may submit their prescription to the department so that the Company can order these glasses. The glasses are to be worn exclusively by these employees when performing welding work for the Company.

During the term of the Agreement, the employees may submit these glasses to the Company for inspection on an annual basis. If the Company determines that a new pair of glasses is warranted due to this pitting problem, the employee will be issued another pair.

Although this is a mutually agreeable method of providing relief to the affected employees, the Company will continue its efforts to completely resolve the problem in the future. At the time the Company finds a solution to this unique problem, the purchase of eyeglasses for welders will be discontinued.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Managing Director
Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 2, 2014

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

Re: Project Work – Outside Duke Energy OH/KY Service Area

Dear Mr. Reilly:

When it is necessary for the Company to utilize employees represented by Local Union 1347 to perform non-emergency Project work outside the Duke Energy Ohio/ Duke Energy Kentucky service area ("Travel Project Work"), the Company will request volunteers from the needed job classifications at the various headquarters. It must be understood that due to pre-scheduled or on-going work projects, specific work/skill requirements and other business needs, the Company must reserve the right to be selective when evaluating voluntary requests for Travel Project Work. However, whenever possible, the required number of individuals or crews will be staffed with those employees who volunteer.

If there are more qualified volunteers than needed for a specific Travel Project Work assignment, selection will be made based on classified seniority. If there is not a sufficient number of available qualified volunteers, the Company will assign the junior available individuals in the required job classifications who are qualified to perform the particular work needed. Employee rotation on projects of long duration may occur at the discretion of the Company.

When employees are required to report to the Travel Project Work site each day and the employee is not utilizing a company assigned vehicle, mileage reimbursement will be provided by calculating the difference of miles driven to assigned headquarters and mileage driven to the jobsite reporting location. If mileage to the jobsite reporting location is less than mileage driven to assigned headquarters no mileage reimbursement will be granted when the mileage to the Travel Project Worksite is less than mileage driven to the employee's regular headquarters.

In addition, when employees are required to report to the Travel Project Work site each day, the following will apply:

- For sites 30 miles or less from the employee's regular headquarters, the employees will be provided 1 hour straight time pay per day.
- Where the job site is 31 miles to 45 miles from the employee's regular headquarters, the employees will be entitled to 1.5 hours straight time pay per day.

- Where the job site is 46 miles to 60 miles from the employee's regular headquarters, the employees will be entitled to 2 hours straight time pay per day.
- Where the job site is greater than 60 miles from the employee's regular headquarters, the employee will have the option of choosing a per diem, or being reimbursed by the Company for actual and reasonable expenses based on receipts provided by the employee. The per diem expense shall be based on the amount allowable per the current IRS Publication for the area where the Travel Project Work is being performed.

The per diem calculation, on the first and last day of the Travel Project Work assignment, will be reduced per the current IRS Publication. Any lodging and meal expenses incurred over and above the stipulated per diem amount for any given trip will be the responsibility of the employee. However, if the assignment is in an area where hotels have increased their rates for "special events" and the employee presents actual receipts, employees will be reimbursed for their actual out-of-pocket lodging and meal expenses, instead of the established per diem amount.

In addition, for Travel Project Work greater than 60 miles from the employee's assigned headquarters, travel to the job site will generally be on Company time on the first day and from the job site on the last day of the project only. Employees will be paid at the appropriate rate of pay in accordance with the Contract.

When commuting is practical based on the close proximity of the Travel Project Work as determined by the Company, employees will report to the job site at their scheduled starting time and work until their scheduled quitting time.

Employees assigned to Travel Project Work will not be eligible for normal call-out overtime during the work week. However, if employees have returned from the project after the last day of their work week, they can then be eligible for call-out and scheduled overtime at their normally assigned headquarters, if they provide appropriate notice to supervision of their availability. Employees are required to bring tools home on their off days to be eligible for call-out or scheduled overtime on those days. In addition, overtime worked by employees on these projects may or may not be charged to the employee on their regular overtime listing back at their normal headquarters, at the discretion of the Union. Additionally, these employees will also be eligible for emergency assistance assignments to foreign utilities.

These guidelines may be modified due to unusual circumstances on a particular project by mutual consent of the parties. It is understood that this letter accurately defines the guidelines to be utilized during the term of the 2014 – 2017 Agreement in the event of employees represented by Local Union 1347 working on Travel Project Work.

Sincerely,



Jay R. Alvaro
Director, Labor Relations



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

August 22, 2006

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

Re: Undercover Investigators

Dear Mr. Feldhaus:

During the 2006 negotiations, the Company and the Union discussed the use of undercover investigators during the term of the 2006 – 2009 Agreement.

As discussed, the Company will not allow any undercover investigators it employs to join or attempt to join the Union. It was also agreed that the Union would instruct all its members to encourage employees experiencing substance abuse problems to seek help through the Employee Assistance Plan and to elicit the aid of the Union leadership in so encouraging employees. The Union also agreed to periodically print articles in its newsletter and/or web page concerning the problems associated with substance abuse, encouraging its members to take the necessary positive action to fight the effects of substance abuse in the workplace.

It is thought that this agreement between the parties will further the Company's efforts in establishing and maintaining a work environment that is free from the effects of drug abuse.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Managing Director
Labor Relations



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

August 22, 2006

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

Re: Leadperson – Trainer Role

Dear Mr. Feldhaus:

During the 2006 negotiations, the Company and the Union discussed bargaining unit employees performing the training function for new employees in the T&D Construction and Maintenance and the T&D Projects areas of the Company.

As agreed, a lead person-trainer role will be performed by bargaining unit personnel in the Sr. Lineperson "A" (Job Code #7879), Lineperson "A" – Trouble (Job Code #6838) and Lineperson "A" (Job Code #6834) job classifications. While serving in that capacity, bargaining unit personnel will be responsible for training newly selected employees entering into the Lineperson progression. The type of training that will be performed will involve classroom and hands-on at the Company's training facilities as well as on-the-job training in the field environment.

Compensation for employees performing the lead person-trainer role will be a premium in the amount of \$1.25 per hour above the maximum rate of pay of the Senior Lineperson "A" job classification. Effective January 1, 2007, the premium will be increased to \$1.50 per hour. In the event that employees must temporarily change headquarters to perform this role, they will receive compensation for travel in accordance with the Agreement. Such a change of headquarters for greater than six months is not in contravention of the 1996 negotiation letter concerning the posting of small crew work projects lasting more than six months.

The criteria management will use to assess candidates' qualifications to perform the lead person-trainer role will include job performance in their current job classifications and a determination if candidates possess adequate competencies for conducting training. Candidates' qualifications will be evaluated by representatives from the Company's staffing function, in conjunction with departmental management representatives. A practical demonstration test, to assess candidates' abilities to effectively train individuals, will also be utilized for this purpose. As a minimum requirement, only employees who have at least three years of experience working in the job classifications of Lineperson "A" or above in the Lineperson progression will be considered for the lead person-trainer role.

Mr. Steve Feldhaus
August 22, 2006
Page 2

It is expected that qualified employees will volunteer for the lead person-trainer role. While the best qualified (based on assessment scoring) will be selected, it is anticipated that many candidates will be fairly close in scoring on their assessments. Where the scores are fairly similar (approximately within 10 points of each other) between qualified candidates, seniority shall prevail. However, business circumstances may prevent the selection process for qualified individuals from being based solely on the assessments and seniority. For example, it may be a business hardship on management to allow two employees from the same headquarters to simultaneously conduct training for the same training class. Therefore, if an employee would have been selected, but due to business hardship is not, he/she will be offered the next opportunity to fill the trainer function at his/her headquarters.

The Company will provide advanced notice to employees about opportunities for the assignment to the lead person-trainer role in anticipation of having qualified individuals to assume that role when needed in the future.

As further agreed, this arrangement will be in effect during the term of the 2006 – 2009 Agreement.

It is believed that the above accurately describes the accord reached between the parties on the establishment of the lead person-trainer role.

Sincerely,



Jay R. Alvaro
Managing Director
Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 2, 2014

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

Re: Leadperson

Dear Mr. Reilly:

During the 2006 negotiations, the Company and the Union discussed maintaining a Lead Person role in areas of the Company other than The Energy Commodities Business Unit for the term of the 2006 – 2009 Agreement. While serving in this capacity, personnel in bargaining unit job classifications are responsible for addressing and coordinating all matters relative to their assigned job sites. Persons in that role also instruct the work of other employees in the same and lower job classifications at job sites, in addition to performing their regular duties.

It was further agreed that due to the differences among the various departmental areas in terms of job site location, the complexity of work and other factors, more specific guidelines should be established with the Union pertaining to the Lead Person role in those respective areas. That process has already occurred between the parties where the Lead Person role was previously established with the Union. Those guidelines will remain in place. To establish the utilization of personnel in the Lead Person role in departmental areas where it has not been already established with the Union, union and management representatives from those areas will develop such Departmental Area Guidelines. Those Guidelines will describe, more specifically, the responsibilities of the Lead Person role in those respective areas. The Guidelines will address such specifics as the number of employees that may be directed, the activities that are to be coordinated at a job site, the manner in which employees will be selected to perform the Lead Person role and any other appropriate details.

As discussed, it is expected that employees in senior job classifications will fill the need for the Lead Person role and that seniority and volunteerism will guide the selection process for filling that role, qualifications being sufficient. However, for the lack of a volunteer or because it may not always be possible or efficient to do so, other employees may on occasion be assigned to a Lead Person role.

Compensation for employees performing the Lead Person role, effective May 5, 2014, will be \$1.75 per hour above the maximum rate of pay of their job classification. This exception to the rate of pay for the temporary upgrades is limited to this Agreement and does not pertain to any other situations.

Additionally, it was agreed that the use of the Lead Person role and the establishment of the referenced Guidelines could apply to some work groups within a departmental area and, at the same time, not apply to other work groups within the same departmental area.

It was also discussed that the Lead Person role is meant to expand the duties and responsibilities beyond what is currently assigned within the respective job classifications. The Company assured the Union that in establishing the Guidelines for Lead Person responsibilities, the safety of company employees and the public would be given appropriate consideration. It was also discussed that evaluating the work performance of employees and the administering of disciplinary actions would continue to be the responsibility of appropriate management personnel.

The above accurately describes the agreement concerning the Lead Person role in areas represented by the Union during the term of the 2006 – 2009 Agreement.

Sincerely,



Jay F. Alvaro
Director, Labor Relations



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

August 22, 2006

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

Re: Advanced Wages for Union Business

Dear Mr. Feldhaus:

During the 2006 negotiations, the Company and the Union discussed making arrangements for the Company to advance straight-time wages to employees represented by the Union who are off the payroll for non-compensated union business during their normal working hours.

As agreed during these meetings, during the term of the 2006 – 2009 Agreement, such wages will be advanced to employees. It was also agreed that the Union will send to the Labor Relations area of the Company a copy of all letters from the Union to employees requesting that they be off the payroll to attend non-compensated union business. Additionally, at the end of each month, the Union will provide the Labor Relations area a summary report which includes each employee's name, department, department number, dates on which non-compensated union business occurred and the corresponding number of hours each employee spent on non-compensated union business. The Company will then prepare an invoice to bill the Union for reimbursement of the wages advanced to these employees during the month. The Union, in turn, will submit payment to the Company for the invoiced amount within 30-days.

It is believed that this arrangement will prove to be beneficial to the Union and the individual employees who perform non-compensated union business. However, the Company must reserve the right to discontinue this arrangement at anytime.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Managing Director
Labor Relations



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

August 22, 2006

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

Re: Seniority and Interplant Bidding Rights

Dear Mr. Feldhaus:

During the 2006 negotiation meetings, representatives of the Company and the Union discussed the interplant bidding rights for employees of Power Operations.

During these discussions, the parties agreed that during the term of the 2006 – 2009 Agreement, should the Company declare a surplus at one of its electric generating facilities in the Production, Maintenance Services or Material Services Team Member classifications, and the affected employees cannot be absorbed into the work force at that facility, and that would result in a layoff, the corresponding number of employees, lowest in total combined seniority in the Electric Generating Stations will be determined by station(s) as surplus. Those employees will then have bidding rights into the above-mentioned classifications (at least up to 50 total, not from each classification, subject to provisions below) at other electric generating facilities based on total combined seniority in the Electric Generating Stations. This seniority would exclude any breaks in service. Total seniority will include all time at an employee's present work location, and any previous location in Electric Production/Energy Commodities, provided there was no break in service. If there is a break in service, the previous seniority will be lost and the employee's seniority date will begin again with the date the employee returns to one of the above-referenced classifications. If there are more than 50 surplus personnel and the Company cannot place those in excess of 50 under this procedure, it was agreed that the parties would meet to determine alternate methods of handling the situation.

However, it was also agreed that in order to maintain efficient operations at the plants, there will be no bumping of the following employees in the above classifications: a specified number of the most senior, trained employees performing the former Control Operator classification job duties at the other electric generating facilities. This number would include 20 employees at the Beckjord Station, 7 at the East Bend Station, 20 at the Miami Fort Station, 12 at the Woodsdale Station and 10 at the Zimmer Station. This number will also include a specified number of the most senior, trained employees

Mr. Steve Feldhaus
August 22, 2006
Page 2

performing the former Scrubber Operator classification duties at the other electric generating stations, or at the Miami Fort Station, the FGD Operator job duties. This number would include 6 at the East Bend Station, 10 at the Zimmer Station and 5 at Miami Fort Station. The 5 FGD Operators at Miami Fort will remain protected for the term of the contract. Entry of an individual into the protected group will not occur until a vacancy becomes available. Management will fill vacancies (Control Operator, Scrubber Operator) using the existing process.

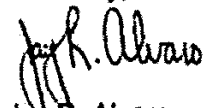
Attached is a document from the Union agreed to during the 2006 negotiations describing the interplant bidding process, and two examples prepared by the Company describing how this process will operate.

As agreed, if the Company transfers its ownership to a station and subsequently a surplus is declared at another station, the number of surplus employees the Company agrees to absorb into the remaining stations will be decreased by the same percentage that the total number of employees were decreased by that transfer of ownership. For example, if there were 500 union members in Power Operations and a Plant's ownership was transferred along with the 100 bargaining unit employees that work there, the 50 number above would be reduced by 20% (or to 40) for any subsequent Company declared surplus.

It must be understood that allowing such bidding rights may cause employees in the Production, Maintenance Services or Material Services Team Member classifications, junior in total combined seniority in the Electric Generating Stations at the receiving plant(s), to be laid off. Employees who do not accept alternate job opportunities provided from the bumping process will voluntarily resign their employment. This understanding in no way limits Management's rights contained in Article V, Section 19.

It is thought that the above adequately describes how seniority rights will apply for employees within the Power Operations Department in the event such actions are necessary, during the term of the 2006 – 2009 Agreement.

Sincerely,



Jay R. Alvaro
Managing Director
Labor Relations

Supplemental Explanation to Seniority and Interplant Bidding

In the event it becomes necessary to eliminate jobs in the bargaining unit that would result in a layoff within any, or all, of the five represented electric generating plants currently owned by the Company (East Bend, Beckjord, Zimmer, Miami Fort, and Woodsdale), the following will be the procedure used to insure a result that is as close as possible to "last in – first out," for the Production, Maintenance Services or Material Services classifications:

1. The Company will identify the number of jobs to be eliminated within each of the above classifications, and at each plant.
2. The employees whose jobs are eliminated will then be notified and given the opportunity to use their total combined contiguous (unbroken) seniority in the above referenced electric generating stations to bump the most junior designated employee at each generating station. They are employed in one of the above referenced classifications, and their seniority will reflect all time at their present location, and any previous location in the above listed generating stations, provided there was no break in service (another department outside EPD, or time spent in a job not represented by the Union).
3. The Union will identify the most junior employees (based on their total electric generating station seniority) in all stations equal to the number of jobs designated for elimination.
4. Employees who have been bumped, or had their job eliminated, will then, in order of their above described seniority, bump the identified most junior employees at each station.
5. These most junior employees who cannot bump will then be laid off or surplus as described elsewhere in this agreement.
6. Certain employees are protected from the bumping described herein as detailed in the letter captioned "Seniority and Interplant Bidding Rights."

For example: If it was determined by the Company that two (2) Generating Stations need to layoff or surplus five (5) Production employees at each Station, the "List" would be used to identify the ten (10) least senior employees at all five Plants. These ten (10) would be the first to go on surplus or layoff. Those resulting openings would be filled by the next ten (10) least senior on the List, providing none of these employees were identified as least senior to be surplus. In that case, this employee could not bump, and would be part of the layoff/surplus group. The previously identified employees from two (2) Generating Stations would then use their total combined Generating Station seniority, or the "List" to choose which openings they would fill. The senior employee would choose an opening first, and so forth, until the openings are filled.

[illegible]

50-1041-12

८

①

2. There are an example for a person who did not go to school and is not being educated in the field.



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Welding Premium – Regulated Renewable Energy

Dear Mr. Kirk:

During the 2022 negotiations, the Company and the Union discussed a premium for employees within Regulated Renewable Energy (RRE) possessing certain welding certifications.

It was agreed that employees working in the Support Technician or Maintenance Services Team Member job classifications whose job requires them to perform structural welding and who have completed any specialized training and certification, will receive a premium in the amount of \$0.75 per hour. Employees whose job requires them to perform pressure component welding and who have completed any specialized training and certification, will receive a premium in the amount of \$1 .50 per hour.

This premium will be applicable to all hours paid. The Company solely determines the number of employees receiving this premium based on business need. Should an employee's certification lapse for any reason then no premium will be paid. In addition, the Company may discontinue the use of certified welders based on business need at any time.

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

Sincerely,

A handwritten signature in black ink that reads 'Lisa A. Gregory'.

Lisa A. Gregory
Manager, Labor Relations

A-56



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

February 6, 2008

Mr. Stephen H. Feldhaus
Business Manager
Local Union No. 1347
International Brotherhood
of Electrical Workers
4100 Colerain Avenue
Cincinnati, Ohio 45223

Dear Mr. Feldhaus:

Per our discussions, the Company instituted a new training program for workers employed at generating facilities. This program, the Employee Development Qualification Program (EDQP), replaces the Skills Qualification Program (SQP). In conjunction with this program, four new job classifications are being developed:

- Control Room Operator
- Production Technician
- Support Technician
- Simple Cycle Technician

The following will apply to the above-referenced classifications:

- A) The minimum wage rate for both the Production Technician and the Support Technician job classifications will be \$13.00 per hour and the maximum is established at Pay Level 21. As of January 1, 2008, this wage rate is \$29.89.
- B) The Control Room Operator job classification will not be implemented until the Company and the Union have had the opportunity to meet further and discuss job responsibilities and wage rates. This is expected to occur during the first quarter of 2008. If the parties do not reach an agreement, then the wage rate will either be set at Level 25 (currently \$31.09) or evaluated using the established job evaluation process.
- C) The Simple Cycle Technician classification will be evaluated.

1. Existing Employees

- A) Employees currently in the Production Team Skills Qualification Program, and not at the maximum rate of pay, will remain in the SQP and will have the ability to reach Pay Level 25.
- B) Employees may be required to complete portions of the EDQP, as determined by management, to close any identified skill gaps.

Mr. Stephen H. Feldhaus
February 6, 2008
Page 2

- C) Existing employees in the Support Team Member or Material Services Team Member classification who are selected for Production Team vacancies during the remainder of the 2006-2009 Collective Bargaining Agreement will enter the Production Team Member classification. They will be required to close any skill gaps as determined by the Company. In addition, the Company will select the discipline based on business needs. If the Operations discipline is selected, these employees will be required to become Control Room qualified.
- D) The Control Room Operator will be a bid position within a job progression. Positions will be posted in accordance with Article III, Section 6 and Article III, Section 7 of the 2006-2009 Collective Bargaining Agreement.

2. Advanced Operators/Control Room Operators

- A) Each station will determine the number of Control Room Operators required. See ***"Seniority and Interplant Bidding Rights"*** letter dated August 22, 2006. (Attachment)
- B) Production Team Members currently in training as Advanced Operators will be allowed to complete their training.
- C) After January 1, 2008, any Production Team Member who begins training for Control Room Operations will do so under the training plan established by the Company.
- D) For employees in the Production Technician classification, only those in the Operations discipline are eligible to promote to Control Room Operator.
- E) There is no automatic progression. In order for an employee to promote, there must be a vacancy as determined by management.
- F) Existing Production Team Members may be assigned control room functions within the scope of the existing classification.

3. New Employees/Transferring Employees

- A) Effective January 1, 2008, all new employees or employees that are not currently a Support Team/Material Services Team Member entering the Production Team or Support Team will do so as a Production Technician or Support Technician.
- B) Management will determine each employee's discipline at the time of hiring or transfer.
- C) Employees will be given credit for past experience and education as outlined in the ***"Entry Wage Level Guidelines – IBEW Production Technician/Support Technician"*** document. (Attachment)

Mr. Stephen H. Feldhaus
February 6, 2008
Page 3

- D) Employees placed at other than an entry level position will be required to demonstrate proficiency by completing portions of the training program, as required.
- E) Employees may request to change disciplines with no impact to pay. Requests will be evaluated based on business needs and are at the discretion of the Company.

4. Pay Progression

- A) Employees will be evaluated and eligible for a pay increase every six months as provided for in the "**Patrick P. Gibson Letter**," dated December 29, 2000. (Attachment)
- B) The intent is for employees to reach the maximum pay rate in five years, provided qualifications are met.
- C) In lieu of the \$0.10 increase as provided for in the 2006-2009 Collective Bargaining Agreement, each increase will be determined by taking the difference between the minimum and maximum wage rate and dividing by 10 for employees starting at the minimum wage rate. Based on current wage levels, this increase is approximately \$1.69 per hour every six months.
- D) For the Control Room Operator, there will be one increase with the employee reaching maximum rate of pay at six months.
- E) For employees starting at a wage rate other than the minimum wage rates, all requirements must be met prior to receiving a six month increase. Employees will still be evaluated every six months and other provisions of the "**Patrick P. Gibson Letter**" will apply.
- F) Eligibility for increase is based on satisfactory performance. Factors to be considered include, but are not limited to, attendance, job performance, progress in the training program, and disciplinary record.
- G) If an increase is denied, the employee will not be eligible for an increase until the next scheduled increase. Given that the employee has corrected any deficiencies identified, they will receive the scheduled increase and the increase that had been previously denied.
- H) If the employee is denied an increase, or in the event of receiving an unsatisfactory evaluation as outlined in Paragraph E, 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 and such review will be conducted in accordance with the "**Patrick P. Gibson Letter**," dated December 29, 2000.

Mr. Stephen H. Feldhaus
February 6, 2008
Page 4


- I) Increases are neither granted nor denied solely on the basis of progress within the training program with the exception of movement from phase-to-phase. Employees must complete each phase within the required time frame to be eligible for pay increase. These hard breaks are at 12 months, 36 months, and 60 months from the start of the program. Employees placed at other than entry level position must meet the hard break requirements as outlined above.
- J) Employees on a leave of absence will be treated similarly. When an employee's leave of absence is greater than 30 days, eligibility for any merit increase will be delayed by the length of time equal to the absence. This provision will be applied consistent with the Family and Medical Leave Act, and all other applicable laws and Company policies.

I have attached copies of the job descriptions for Production Technician and Control Room Operator. The job descriptions for the Support Technician and Simple Cycle Technician are still being developed. As stated above, during the first quarter of 2008, the Union and the Company will meet to discuss the Control Room Operator classification. I have also attached a copy of the hiring matrix used in determining starting wage rates.

As with other job descriptions, the Company has a right to discontinue at any time. In addition, this agreement does not in any way restrict or change the rights of management, except as specifically stated in this agreement. If you are in agreement with this proposal, please return a signed copy of this letter to me.

If you have any questions, please contact me at (513) 287-5022.

Sincerely,



Michael A. Ciccarella
Labor Relations Consultant

Attachments

For the Union:


Stephen H. Feldhaus, IBEW Local 1347

2/12/08
Date

Attachments:

1. Seniority and Interplant Bidding Rights Letter Dated August 22, 2006
2. Entry Wage Level Guidelines – IBEW Production Technician/Support Technician
3. Patrick P. Gibson Letter Dated December 29, 2000
4. Production Technician Job Description
5. Control Room Operator Job Description

ATTACHMENT 1



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

August 22, 2006

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

Re: Seniority and Interplant Bidding Rights

Dear Mr. Feldhaus:

During the 2006 negotiation meetings, representatives of the Company and the Union discussed the interplant bidding rights for employees of Power Operations.

During these discussions, the parties agreed that during the term of the 2006 – 2009 Agreement, should the Company declare a surplus at one of its electric generating facilities in the Production, Maintenance Services or Material Services Team Member classifications, and the affected employees cannot be absorbed into the work force at that facility, and that would result in a layoff, the corresponding number of employees, lowest in total combined seniority in the Electric Generating Stations will be determined by station(s) as surplus. Those employees will then have bidding rights into the above-mentioned classifications (at least up to 50 total, not from each classification, subject to provisions below) at other electric generating facilities based on total combined seniority in the Electric Generating Stations. This seniority would exclude any breaks in service. Total seniority will include all time at an employee's present work location, and any previous location in Electric Production/Energy Commodities, provided there was no break in service. If there is a break in service, the previous seniority will be lost and the employee's seniority date will begin again with the date the employee returns to one of the above-referenced classifications. If there are more than 50 surplus personnel and the Company cannot place those in excess of 50 under this procedure, it was agreed that the parties would meet to determine alternate methods of handling the situation.

However, it was also agreed that in order to maintain efficient operations at the plants, there will be no bumping of the following employees in the above classifications: a specified number of the most senior, trained employees performing the former Control Operator classification job duties at the other electric generating facilities. This number would include 20 employees at the Beckjord Station, 7 at the East Bend Station, 20 at the Miami Fort Station, 12 at the Woodsdale Station and 10 at the Zimmer Station. This number will also include a specified number of the most senior, trained employees

Mr. Steve Feldhaus
August 22, 2006
Page 2

performing the former Scrubber Operator classification duties at the other electric generating stations, or at the Miami Fort Station, the FGD Operator job duties. This number would include 6 at the East Bend Station, 10 at the Zimmer Station and 5 at Miami Fort Station. The 5 FGD Operators at Miami Fort will remain protected for the term of the contract. Entry of an individual into the protected group will not occur until a vacancy becomes available. Management will fill vacancies (Control Operator, Scrubber Operator) using the existing process.

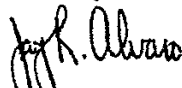
Attached is a document from the Union agreed to during the 2006 negotiations describing the interplant bidding process, and two examples prepared by the Company describing how this process will operate.

As agreed, if the Company transfers its ownership to a station and subsequently a surplus is declared at another station, the number of surplus employees the Company agrees to absorb into the remaining stations will be decreased by the same percentage that the total number of employees were decreased by that transfer of ownership. For example, if there were 500 union members in Power Operations and a Plant's ownership was transferred along with the 100 bargaining unit employees that work there, the 50 number above would be reduced by 20% (or to 40) for any subsequent Company declared surplus.

It must be understood that allowing such bidding rights may cause employees in the Production, Maintenance Services or Material Services Team Member classifications, junior in total combined seniority in the Electric Generating Stations at the receiving plant(s), to be laid off. Employees who do not accept alternate job opportunities provided from the bumping process will voluntarily resign their employment. This understanding in no way limits Management's rights contained in Article V, Section 19.

It is thought that the above adequately describes how seniority rights will apply for employees within the Power Operations Department in the event such actions are necessary, during the term of the 2006 – 2009 Agreement.

Sincerely,



Jay R. Alvaro
Managing Director
Labor Relations

Supplemental Explanation to Seniority and Interplant Bidding

In the event it becomes necessary to eliminate jobs in the bargaining unit that would result in a layoff within any, or all, of the five represented electric generating plants currently owned by the Company (East Bend, Beckjord, Zimmer, Miami Fort, and Woodsdale), the following will be the procedure used to insure a result that is as close as possible to "last in – first out," for the Production, Maintenance Services or Material Services classifications:

1. The Company will identify the number of jobs to be eliminated within each of the above classifications, and at each plant.
2. The employees whose jobs are eliminated will then be notified and given the opportunity to use their total combined contiguous (unbroken) seniority in the above referenced electric generating stations to bump the most junior designated employee at each generating station. They are employed in one of the above referenced classifications, and their seniority will reflect all time at their present location, and any previous location in the above listed generating stations, provided there was no break in service (another department outside EPD, or time spent in a job not represented by the Union).
3. The Union will identify the most junior employees (based on their total electric generating station seniority) in all stations equal to the number of jobs designated for elimination.
4. Employees who have been bumped, or had their job eliminated, will then, in order of their above described seniority, bump the identified most junior employees at each station.
5. These most junior employees who cannot bump will then be laid off or surplusd as described elsewhere in this agreement.
6. Certain employees are protected from the bumping described herein as detailed in the letter captioned "Seniority and Interplant Bidding Rights."

For example: If it was determined by the Company that two (2) Generating Stations need to layoff or surplus five (5) Production employees at each Station, the "List" would be used to identify the ten (10) least senior employees at all five Plants. These ten (10) would be the first to go on surplus or layoff. Those resulting openings would be filled by the next ten (10) least senior on the List, providing none of these employees were identified as least senior to be surplusd. In that case, this employee could not bump, and would be part of the layoff/surplus group. The previously identified employees from two (2) Generating Stations would then use their total combined Generating Station seniority, or the "List" to choose which openings they would fill. The senior employee would choose an opening first, and so forth, until the openings are filled.

Security and Inter-Plant Bidding Examples

- In the event that a bid is received and the security and inter-plant bidding rights are not exercised, the following examples are provided to clarify the steps for bidding.
- If an employee is bidding on a plant and they are not currently, they will be subject to the Agency's

• Total Bidding, Yes, and security and inter-plant bidding rights in the event of a bidding.

Example A: Surplus 5 Production Team Members at East Bend Station

East Bend Station				Zimmer Station				West Bend Station				West Bend Station			
Position	Classification	Employee	Total Bidding	Position	Classification	Employee	Total Bidding	Position	Classification	Employee	Total Bidding	Position	Classification	Employee	Total Bidding
Production	Production	Employee A	27	Production	Production	Employee A	27	Production	Production	Employee A	27	Production	Production	Employee A	27
Production	Production	Employee B	28	Production	Production	Employee B	28	Production	Production	Employee B	28	Production	Production	Employee B	28
Production	Production	Employee C	29	Production	Production	Employee C	29	Production	Production	Employee C	29	Production	Production	Employee C	29
Production	Production	Employee D	30	Production	Production	Employee D	30	Production	Production	Employee D	30	Production	Production	Employee D	30
Production	Production	Employee E	31	Production	Production	Employee E	31	Production	Production	Employee E	31	Production	Production	Employee E	31
Production	Production	Employee F	32	Production	Production	Employee F	32	Production	Production	Employee F	32	Production	Production	Employee F	32
Production	Production	Employee G	33	Production	Production	Employee G	33	Production	Production	Employee G	33	Production	Production	Employee G	33
Production	Production	Employee H	34	Production	Production	Employee H	34	Production	Production	Employee H	34	Production	Production	Employee H	34
Production	Production	Employee I	35	Production	Production	Employee I	35	Production	Production	Employee I	35	Production	Production	Employee I	35
Production	Production	Employee J	36	Production	Production	Employee J	36	Production	Production	Employee J	36	Production	Production	Employee J	36
Production	Production	Employee K	37	Production	Production	Employee K	37	Production	Production	Employee K	37	Production	Production	Employee K	37
Production	Production	Employee L	38	Production	Production	Employee L	38	Production	Production	Employee L	38	Production	Production	Employee L	38
Production	Production	Employee M	39	Production	Production	Employee M	39	Production	Production	Employee M	39	Production	Production	Employee M	39
Production	Production	Employee N	40	Production	Production	Employee N	40	Production	Production	Employee N	40	Production	Production	Employee N	40

Example B: Surplus 3 Support Team Members at Zimmer Station

East Bend Station				Zimmer Station				West Bend Station				West Bend Station			
Position	Classification	Employee	Total Bidding	Position	Classification	Employee	Total Bidding	Position	Classification	Employee	Total Bidding	Position	Classification	Employee	Total Bidding
Production	Production	Employee A	27	Production	Production	Employee A	27	Production	Production	Employee A	27	Production	Production	Employee A	27
Production	Production	Employee B	28	Production	Production	Employee B	28	Production	Production	Employee B	28	Production	Production	Employee B	28
Production	Production	Employee C	29	Production	Production	Employee C	29	Production	Production	Employee C	29	Production	Production	Employee C	29
Production	Production	Employee D	30	Production	Production	Employee D	30	Production	Production	Employee D	30	Production	Production	Employee D	30
Production	Production	Employee E	31	Production	Production	Employee E	31	Production	Production	Employee E	31	Production	Production	Employee E	31
Production	Production	Employee F	32	Production	Production	Employee F	32	Production	Production	Employee F	32	Production	Production	Employee F	32
Production	Production	Employee G	33	Production	Production	Employee G	33	Production	Production	Employee G	33	Production	Production	Employee G	33
Production	Production	Employee H	34	Production	Production	Employee H	34	Production	Production	Employee H	34	Production	Production	Employee H	34
Production	Production	Employee I	35	Production	Production	Employee I	35	Production	Production	Employee I	35	Production	Production	Employee I	35
Production	Production	Employee J	36	Production	Production	Employee J	36	Production	Production	Employee J	36	Production	Production	Employee J	36
Production	Production	Employee K	37	Production	Production	Employee K	37	Production	Production	Employee K	37	Production	Production	Employee K	37
Production	Production	Employee L	38	Production	Production	Employee L	38	Production	Production	Employee L	38	Production	Production	Employee L	38
Production	Production	Employee M	39	Production	Production	Employee M	39	Production	Production	Employee M	39	Production	Production	Employee M	39
Production	Production	Employee N	40	Production	Production	Employee N	40	Production	Production	Employee N	40	Production	Production	Employee N	40

1. Surplus as an example that a person could jump someone at the same plant with security and the person would take a job at another location.

2. Surplus as an example that a person could bid to go to another plant as a direct jump or then being bumped in the plant.

ATTACHMENT 2**Slotting Matrix**

For NEW HIRES into Production Technician or Support Technician job classifications:

EXPERIENCE → Related work experience	No Experience	> 1 year directly related experience	> 3 years directly related experience	> 5 years directly related experience	> 8 years directly related experience	> 10 years directly related experience
EDUCATION ↓						
4 yr. degree plus related work experience	Step 2 of Prod / Support Tech \$14.69	Step 3 of Prod / Support Tech \$16.38	Step 4 of Prod / Support Technician \$18.07	Step 5 of Prod / Support Technician \$19.76	Step 6 of Prod / Support Technician \$21.45	Step 6 of Prod / Support Technician \$21.45
2 yr. related school tech degree plus related work experience	Step 2 of Prod / Support Technician \$14.69	Step 2 of Prod / Support Technician \$14.69	Step 2 of Prod / Support Technician \$14.69	Step 3 of Prod / Support Technician \$16.38	Step 3 of Prod / Support Technician \$16.38	Step 4 of Prod / Support Technician \$18.07
Some advanced education (1 year or more), Non-degreed in related courses or degree in non-related course or 1 year trade school degree.	Not Qualified	Step 1 of Prod / Support Technician \$13.00	Step 2 of Prod / Support Technician \$14.69	Step 2 of Prod / Support Technician \$14.69	Step 3 of Prod / Support Technician \$16.38	Step 3 of Prod / Support Technician \$16.38
High School Graduate or equivalency (GED, etc.)	Not Qualified	Not Qualified	Step 1 of Prod / Support Technician \$13.00	Step 2 of Prod / Support Technician \$14.69	Step 2 of Prod / Support Technician \$14.69	Step 3 of Prod / Support Technician \$16.38
Directly related work experience = experience in Mechanical, Electrical, Instrument & Controls and/or Operations in a Generating Station or other industrial facility requiring similar knowledge and abilities.						

For **POWER GENERATION EMPLOYEES** selected for Production Technician or Support Technician job classification:

Job offer for the PT or ST job is at the wage rate equal to or at the next higher wage rate of the pay progression. They are eligible for six month progressions until reaching the designated end of a phase at 12, 36, or 60 months. Must complete all phase requirements for increase at this point prior to progressing.

For **OTHER COMPANY EMPLOYEES** selected for Production Technician or Support Technician Member job classification:

Job offer for the PT or ST job would be based on the above wage guidelines. They are eligible for six month progressions until reaching the designated end of a phase at 12, 36, or 60 months. Must complete all phase requirements for increase at this point prior to progressing.

INTERNAL CORRESPONDENCE**ATTACHMENT 3**

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;
2. A set of promotional charts indicating the line of normal promotions in the respective departments;

The Cincinnati Gas & Electric Company

PSI Energy, Inc.

INTERNAL CORRESPONDENCE

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:

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.

INTERNAL CORRESPONDENCE

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 Lineperson 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;
2. The willingness to follow instructions and cooperate with other employees;

INTERNAL CORRESPONDENCE

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:

Knowledge

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

INTERNAL CORRESPONDENCE**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.

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

INTERNAL CORRESPONDENCE

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

Patrick P. Gibson

ATTACHMENT 4

CLASSIFICATION: PRODUCTION TECHNICIAN

A. DUTIES:

Under directive supervision, on a rotating shift schedule, this position is responsible for the safe and efficient operations, mechanical, electrical and instrumentation and controls maintenance of the plant generating units, boilers, turbines, and their auxiliary and associated equipment including environmental systems and equipment, such duties, including but not limited to:

1. Ensuring proper startup, operation and maintenance of station boilers.
2. Ensuring proper startup, operation and maintenance of station turbines and generators.
3. Ensuring proper startup, operation and maintenance of all associated systems and environmental equipment including the remote operation of FGD or other systems.
4. Operating and maintaining the balance of plant equipment, station switchyards and electrical distribution systems.
5. Inspecting plant equipment, take operational and equipment status readings.
6. Identify, troubleshoot, and correct equipment problems and performing mechanical, electrical and instrumentation maintenance activities.
7. Ensuring proper Lockout Tagout (LOTO) Energy Control procedures are performed as directed.
8. Completing all log entries and all necessary documentation for work assignments. Communicate information as required at shift turnover.
9. Completing all training and testing requirements of the job.
10. Direct, train and/or assist others as assigned.
11. Performing other similar or less skilled work.
12. Performing overtime work assignments.
13. Compliance with all environmental, health, and safety (EHS) regulations.
14. Communicate with others to allow for safe and efficient operation of equipment.

B. QUALIFICATIONS:

1. Must meet the Company's requirements as to GENERAL QUALIFICATIONS; in addition:
2. Must have a High School diploma or equivalent.
3. Must have three years experience in Industrial Maintenance or Operations.
4. Must maintain a valid driver's license if required.
5. Must successfully complete all required job qualification testing.

ATTACHMENT 5**CLASSIFICATION: CONTROL ROOM OPERATOR****A. DUTIES:**

Under directive supervision, on a rotating shift schedule, is responsible for the coordination and the safe/efficient operations of generating units; operates boilers, turbines and their auxiliary, and associated equipment, remotely from a central control room, aided by communication with other plant personnel; directs in his duties personnel assigned to the unit; and performs such duties as:

1. Directing and coordinating shift personnel and activities. In the absence of the shift supervisor authorizes work to be performed including but not limited to authorizing clearances, burning permits, etc.
2. Engaging in the mechanical and electrical switching operations necessary to remove station or substation mechanical and electrical equipment from service and return it to service.
3. Ensuring proper Lockout Tagout (LOTO) Energy Control procedures are performed as directed.
4. Inspecting, monitoring, correcting problems, recording critical data and maintaining logs of operational parameters and activities.
5. Participating in training and may be required to direct, train and/or assist others as assigned.
6. Monitoring operating conditions of equipment for continuous compliance with environmental permit limits and design parameters, thus ensuring proper, safe, and economical operation of units, and taking proactive corrective steps when such conditions are abnormal.
7. Performing the necessary tasks to maintain proper operation of steam or gas turbines, including their related turbine auxiliary and associated equipment.
8. Performing the necessary tasks to maintain the desired output of electric generators, transformers, busses, transmission lines, oil and air circuit breakers and associated equipment including synchronizing and switching operations.
9. Performing the necessary tasks to maintain proper operation of boilers for fuel, air, water, and steam flows, pressures, temperatures, during unit start up, shut down, and steady state operation.
10. Performing the necessary tasks to maintain proper operation of environmental equipment (i.e., FGD Systems, Precipitators, Bag houses, SCR's, SNCR's, and any future equipment, including their auxiliary and associated equipment.
11. Performing the necessary tasks to maintain proper operation of balance of plant equipment, including their auxiliary and associated equipment.
12. Answering trouble calls, identifying the source or root cause of equipment failure, incorrect control operations, or other faulty operation of equipment, reporting to the Supervisor on shift of any trouble beyond their scope to rectify.
13. Initiate corrective action as required and coordinate response to abnormal operating conditions.
14. Maintaining control room and area in a clean, orderly condition, continuously observe Company safety rules and practices, unit operating permits, and other related procedures prescribed by the Company.
15. Completing all training and testing requirements of the job.

16. Performing the duties of Production Technician.
17. Performing other similar or less skilled work.
18. Performing overtime work assignments.
19. Compliance with all environmental, health, and safety (EHS) regulations.

B. QUALIFICATIONS:

Must meet the Company's requirements as to GENERAL QUALIFICATIONS; must have all the qualifications of a Production Team Member; and, in addition:

1. Must have at least six (6) years of station operations and/or maintenance experience.
2. Must have successfully completed all Company defined training and testing requirements and demonstrated an aptitude for and ability to successfully perform the duties of a Production Technician.
3. Must be able to demonstrate the ability to perform the duties of this job classification through the successful completion of required promotional exams.
4. Must maintain a valid driver's license if required.



June 15, 2009

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

JIM O'CONNOR
Vice President
Labor Relations

Duke Energy Corporation
EA506 / 139 East Fourth St.
Cincinnati, OH 45202

513-419-5743
513-403-4147 cell
513-419-5313 fax
jim.o'connor@duke-energy.com

Re: Random Drug and Alcohol Testing

Dear Mr. Feldhaus:

During the 2009 negotiation meetings, the Company negotiated the right to implement random drug and alcohol testing for employees not currently covered by DOT regulations.

Although the Company is unsure at the present time when the testing will be implemented in the new groups, it is known that roll out will most likely begin with the Power Generation group. In any case, the Union and employees will be given no less than a 60 calendar day notice prior to the implementation of the random screens in any new work group. Employees will receive training on the process prior to implementation. It is the Company's intent to administer the random testing program in the same manner as it currently is for other areas of the Company.

The Union was assured that the testing pool for the non-DOT covered testing group will be a single pool at an annual test rate of 25%, including all non-DOT covered employees represented by the Union from each of departmental areas where the testing is implemented. The Company also committed to providing the Union with 550 "quick" drug testing kits on a one-time basis after ratification of the new Agreement.

Nothing in this letter is intended to alter or diminish the Company's right to medically evaluate or test employees for cause at any time. It is hoped that the random testing across the Company will provide consistency on this issue and help to maintain a safe work environment that is free from the effects of substance abuse.

Very truly yours,

A handwritten signature in cursive script that reads 'Jim O'Connor'.

Jim O'Connor
VP, Employee & Labor Relations



June 15, 2009

Mr. Steve Feldhaus
Business Manager
Local 1347
International Brotherhood of Electrical Workers, AFL-CIO

JIM O'CONNOR
Vice President
Labor Relations

Duke Energy Corporation
EA506 / 139 East Fourth St.
Cincinnati, OH 45202

513-419-5743
513-403-4147 cell
513-419-5313 fax
jim.o'connor@duke-energy.com

RE: Retirement Plan Agreement

Dear Mr. Feldhaus:

During the 2009 contract negotiations, representatives of the Company and Local Union 1347 of the International Brotherhood of Electrical Workers, AFL-CIO (the "Union") discussed the Company's desire for all employees to move to a common benefits program. The following outlines the agreement between the Company and the Union for providing employees with options for participation in the Cinergy Corp. Union Employees' Retirement Income Plan (the "Retirement Plan") and the Duke Energy Retirement Savings Plan for Legacy Cinergy Union Employees (Midwest) (the "Savings Plan").

Traditional Retirement Program Frozen:

Participation in the Traditional Program under the Retirement Plan will be frozen as of January 1, 2014 for certain employees. In this regard, active employees participating in the Traditional Program immediately prior to January 1, 2014 who have a combined age and years of service (i.e., vesting service under the Retirement Plan) ("Points") that totals less than 75 as of December 31, 2013 will automatically begin participating, as of January 1, 2014, in the "New Duke Retirement Program" under the Retirement Plan, which is substantially similar to the cash balance plan formula provided to legacy Duke employees and which is described in more detail in the mandatory conversion section below.

Voluntary Conversion Opportunity:

All active employees in the Traditional Program will be offered a voluntary window in 2009 to either elect to remain in the Traditional Program or to participate beginning January 1, 2010 in the New Duke Retirement Program, as described in the voluntary conversion section below.

Voluntary Conversion to the New Duke Retirement Program: The retirement benefits of those who voluntarily elect to move to the New Duke Retirement Program during the above-mentioned voluntary window will be as follows:

Part A Benefit (Part A): The pension plan benefit that 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 (including accrued vacation) at retirement (not the date of conversion). This Part A benefit will also be payable in a single lump sum, following termination of employment which single lump sum will be calculated using actuarial assumptions (*i.e.*, interest rate and mortality table) determined in the sole discretion of the Company from time to time to the extent permitted by applicable law. For informational purposes only, the interest conversion rate currently resets annually on January 1 for distributions commencing in that year, based on the applicable interest rate published by the IRS for the prior August. In accordance with the Pension Protection Act, the interest conversion rate is being transitioned from the 30-year treasury rate to a three-tiered corporate bond rate.

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 cash balance benefit offered under the Duke Energy Retirement Cash Balance Plan. For purposes of clarity, such formula does not include "accrued vacation pay" in the definition of earnings.

The formula under the New Duke Retirement Program as of January 1, 2010 will be a pay credit equal to a percentage of earnings, which percentage is based on an employee's points under the following schedule:

Points	Percentage
0-35	4%
35-49	5%
50-64	6%
65+	7%

If an employee's earnings exceeds the Social Security Wage Base for a year, an additional pay credit equal to 4% of earnings above the Social Security Wage Base is made.

For purposes of clarity, years of service under the Retirement Plan (including years of service prior to participation in the New Duke Retirement Program) are taken into account in determining an employee's points under the New Duke Retirement Program.

The Company matching contributions provided under the Savings Plan for those who move to the New Duke Retirement Program will be enhanced to mirror the matching contributions provided under 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 amount is a dollar-for-

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

Mandatory Conversion to the New Retirement Program:

Mandatory conversion from the Traditional Program to a cash balance feature that mirrors the cash balance benefit offered under the Duke Energy Retirement Cash Balance Plan will be effective January 1, 2014 for employees who do not have 75 Points or more as of December 31, 2013 and have not voluntarily elected to participate in the New Duke Retirement Program. The benefits provided under the mandatory conversion will be substantially similar to those described above for a voluntary conversion with the following differences:

- a. The final average monthly pay for Retirement Plan purposes will not include any compensation (including accrued vacation) received after December 31, 2013 (i.e., no pay run up).
- b. Employees will not have the ability to choose a lump sum for their Part A benefit; only the current Traditional Program annuity options will be available for the Part A benefit.
- c. Employees can still grow in to the 85 points early retirement subsidy for the Part A benefit.
- d. Employees will receive the enhanced 401(k) plan matching contribution under the Savings Plan, as described above, once they mandatorily convert.
- e. "Accrued vacation pay" will be included in the definition of earnings but only for purposes of determining an employee's benefit under the cash balance formula of the New Duke Retirement Program.
- f. The portion of an employee's benefit that is earned under the Traditional Program cannot be distributed before the age of 50.

For purposes of clarity, active employees who have 75 Points or more as of December 31, 2013 and had elected to remain in the Traditional Program in 2009 will remain in the Traditional Program.

Employees Currently in the Cash Balance Plans and New Employees:

Employees who are currently in one of the Cinergy cash balance programs (i.e., Balanced or Investor) under the Retirement Plan will automatically transition to the New Duke Energy Retirement Program effective on January 1, 2010. For this group, the New Duke Retirement Program will include participation in a cash balance pension benefit that mirrors the benefits provided under the Duke Energy Retirement Cash Balance Plan, and an enhanced 401(k) plan matching contribution under the Savings Plan that mirrors the matching contribution provided under the Duke Energy Retirement Savings Plan. Employees who are hired prior to the transition date described

immediately above will participate in an existing cash balance formula under the Retirement Plan (i.e., the Balanced or Investor Program) and transfer to the New Duke Energy Retirement Program at the transition date in the same manner as other current employees. Employees who are hired on or after the transition date described immediately above will participate in the New Duke Retirement Program.

Profit Sharing and Incentive Matching Contributions

Once an employee is covered by the New Duke Retirement Program, he or she will no longer be entitled to profit sharing contributions (if they were previously in the Balanced or Investor Program) or incentive matching contributions (if they were previously in the Traditional Program). If an employee moves to the New Duke Retirement Program other than on the first day of a calendar year, he or she will not be eligible for an incentive matching contribution but will be eligible for a pro-rated profit sharing contribution (if otherwise earned) for that calendar year.

Retirement Plan and Savings Plan

This agreement outlines certain benefits to be provided to employees represented by the Union. This agreement shall not be construed as limiting or restricting the right of the Company as to the manner of providing such benefits, including the right to amend, modify or merge the Retirement Plan and/or Savings Plan.

Very truly yours,



Jim O'Connor
VP, Employee & Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 2, 2014

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

Re: Amendment to A-61 "Retirement Plan Agreement" Letter

Dear Mr. Reilly:

During the 2014 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, 2015, 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 pay in accordance with the RSP plan documents on the same basis as employees hired prior to January 1, 2015. Employees hired or rehired on or after January 1, 2015 will not be eligible to participate in the Cinergy Corp. Union Employees' Retirement Income Plan (the "Pension Plan").

Cash Balance Interest Credit

The cash balance interest credit rate under the Pension Plan for pay credits made on and after January 1, 2015 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.

Pension Plan Benefit for Long-Term Disability

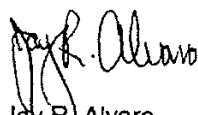
A participant who starts receiving long-term disability benefits on or after July 1, 2015 will receive interest credits under the Pension Plan's cash balance formula while disabled, but will

not receive pay credits while on LTD, in accordance with the Pension Plan documents. This change will not apply for any individual who starts receiving long-term disability benefits before July 1, 2015, or participates 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.

The complete provisions of the Company's retirement plans are set forth in the plan documents. 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-61 relating to retirement plan agreements.

Sincerely,

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

Jay R. Alvaro
Director, Labor Relations



REVISIONS TO THE SABBATICAL VACATION BANK AND VACATION CREDITS PROGRAMS FOR IBEW 1347 EMPLOYEES

Effective January 1, 2010, the Vacation Bank and Vacation Credit Programs will be phased out over a 4 year period ending on December 31, 2013.

The Changes:

Sabbatical Vacation Program (Employee Banked Time):

- The sabbatical banking program will be eliminated for employees who are younger than 47 years old as of December 31, 2009.
- Employees who are 47 years old or older as of December 31, 2009 will be eligible to continue banking vacation until 12/31/2013, 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 and service credits) cannot bank more after 12/31/2009, but will be grandfathered with the amount they have banked.
- No additional banking will be permitted after 12/31/2013. The last opportunity to bank vacation will be in December 2013.
- Banked vacation will be paid out at the final rate of pay at retirement.

Vacation Credit Program:

- Employees will be eligible to receive one week of vacation credit each year beginning at age 51, up to their annual vacation entitlement. A maximum of 240 hours will be awarded.
- Employees who are at least 51 years old as of 12/31/2013 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, 2013. 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, 2005.
- Vacation credits will be paid out at the final rate of pay at retirement.

Service Credit Program:

- 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, 2013. Effective January 1, 2014, employees will be granted a 6th week of vacation time off during their 32nd and 33rd year of employment in lieu of a week of service credit.
- An employee who has already reached their maximum of vacation bank before January 1, 2014 will receive their 6th week of vacation as "time-off" in lieu of a service credit in years 32 and 33 of employment.
- Service credits will be paid out at the final rate of pay at retirement.

The Schedule:

Age as of 12/31/2009	Maximum Banked Vacation Weeks (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


Jim O'Connor

June 15, 2009



JIM O'CONNOR
Vice President
Labor Relations

Duke Energy Corporation
EA506 / 139 East Fourth St.
Cincinnati, OH 45202

513-419-5743
513-403-4147 cell
513-419-5313 fax
jim.o'connor@duke-energy.com

June 15, 2009

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

Re: Short Term Disability Issues

Dear Mr. Feldhaus:

During the 2009 negotiation meetings, the Union expressed concern about delays that have occurred and delayed pay of employees who have attempted to gain approval for Short Term Disability (STD) benefits.

The Union was assured that in situations where employees experience administrative delay in the approval process for initiating or extending STD pay, they may request use of available vacation pay and/or personal days to avoid the temporary loss of pay due to the delay. The requests are subject to management approval, but under normal circumstances they will be granted. When the Company's third party administrator approves STD retroactively, the pay coding for those days will be amended to reflect the payment of STD and the vacation and/or personal day hours will be added back to the employee's total amount of unused days for that calendar year.

It was also agreed that after the conclusion of the 2009 negotiations the Company would make arrangements for the union leadership to meet with company representatives and a representative from the third party administrator of STD, to explore how improved understanding of the process and better communication may help to prevent unnecessary delays to STD approval in future cases.

Very truly yours,

A handwritten signature in cursive script that reads 'Jim O'Connor'.

Jim O'Connor
VP, Employee & Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 01, 2017

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

Re: Partial Day Vacations & Vacation Carryover

Dear Mr. Kirk:

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

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

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

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay R. Alvaro", written over a printed name.

Jay R. Alvaro
Director, Labor Relations



JIM O'CONNOR
Vice President
Labor Relations

Duke Energy Corporation
EA506 / 139 East Fourth St.
Cincinnati, OH 45202

513-419-5743
513-403-4147 cell
513-419-5313 fax
jim.o'connor@duke-energy.com

June 15, 2009

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

Re: Union Employee Incentive Plan (UEIP)

Dear Mr. Feldhaus:

During the 2009 negotiations, the parties discussed additional incentive pay opportunities for employees represented by IBEW 1347 in conjunction with the transition to the New Retirement Program, and agreed that, during the term of the 2009 through 2014 Agreement, the following shall apply:

1. All employees who volunteer or are mandatorily converted to the New Retirement Program under the Cinergy Corp. Union Employees' Retirement Income Plan (the "RIP") will have an annual incentive opportunity with a 5% maximum (2% minimum, 3% target, 5% maximum) payout level.

2. All employees who participate in the Traditional Program under the RIP will continue to have their current annual incentive opportunity with a 2% maximum (1.0% minimum, 1.5% target, 2% maximum) payout level.

Very truly yours,

A handwritten signature in cursive script that reads "Jim O'Connor".

Jim O'Connor
VP, Employee & Labor Relations



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Overtime Guidelines

Dear Mr. Kirk:

During the 2022 negotiation meetings, the committees for the Company and the Union discussed the following process for contacting employees in Distribution Construction & Maintenance (Overhead and Underground, excluding Electric Trouble), Transmission Lines and Brecon Heavy Equipment, for call-out overtime and for evaluating overtime responsiveness.

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

Overtime Lists

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

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

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

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

Mr. Andrew Kirk
June 27, 2022
Page 2

Call-out Responsiveness Rate

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

Call-out Responsiveness Measures

- Employees will provide the Company with accurate contact information and keep contact information up to date.
- Employees will be contacted, via contact information they provide, to report for job assignments.
- If Management determines the need for a "preferred volunteer" crew at an Operations Center, employees will be able to volunteer for the "preferred volunteer" crew and that crew(s) will be contacted before utilizing the overtime list.
- After contacting the preferred volunteer crew at an Operations Center, if additional resources are needed, employees will be contacted in order based on low overtime hours (worked and waived).
- If an Operations Center does not have a preferred volunteer crew, employees will be contacted in order based on low overtime hours (worked and waived).
- Employees that accept or decline an unscheduled overtime work assignment or an out of town work assignment (at any facility or location owned and/or operated by the Company) will be credited a "response" or a "non-response" as appropriate.
- Employees that accept or decline an unscheduled overtime work assignment in OH/KY will be credited a "response" or a "non-response" as appropriate.
- Employees that accept or decline an unscheduled overtime work assignment for a utility not owned or operated by the Company, will not be credited with a "response" or a "nonresponse".
- Employees held at the end of a regularly scheduled work day for overtime assignments, will not be charged with a "non-response" if after being released from that overtime assignment, they are subsequently called for an overtime assignment and are unable to respond.
- Employees held at the end of a regularly scheduled workday for overtime assignments, will be credited a "response" if the Trouble Desk assigns additional work after the original overtime assignment has been completed.
 - Employees that are held by leadership after 3:00 PM for a Trouble Desk request, will be credited a "response" or a "non-response" as appropriate.

Mr. Andrew Kirk
June 27, 2022
Page 3

- Employees held over by the Trouble Desk for additional work following a scheduled overtime assignment, will be credited a "response" or a "non-response" as appropriate.
- Employees working scheduled overtime will not be credited a "response" if the Trouble Desk assigns them work during the scheduled overtime period.
- Employees working scheduled overtime on Company Recognized Holidays for emergency response will be credited a "response" if the Trouble Desk assigns them work during their scheduled overtime period.
- During emergency work assignments, an employee will receive a maximum of one response or non-response as appropriate, for the duration of the event.
- The response rate will be calculated on actual call-outs and responses to those call -outs based on the above criteria. A minimum of eight call-outs are required for the calculation of the response rate.
- Employee(s) who have been unavailable for call-out due to time off work protected by applicable law or Company policy and who do not have the minimum eight call-outs and 9 months of full duty will not have response rate calculations until they meet both requirements. The 9 months of full duty availability do not have to be consecutive months.
- Employees will be eligible to receive an incentive award based on a call -out response rate to be determined.

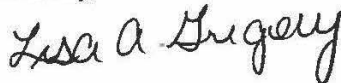
Employees failing to maintain at least a 33% response rate will be subject to progressive corrective action beginning with an oral warning. Any particular corrective action will remain in effect and subject to further corrective action, until the employee has met the call -out responsiveness rate expectations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

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

Employees who fall below an average 33% response rate for the rolling 12-month period, will not be subject to additional corrective action in any quarter that they achieve at least a 33% average response rate for the three-month period.

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

Sincerely,



Lisa A. Gregory
Manager, Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 2, 2014

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

Re: Temporary Assignments at Other Locations

Dear Mr. Reilly:

During the 2014 negotiations, the parties discussed temporary assignments by maintenance employees within Midwest Commercial Generation and Regulated Generation.

When it is necessary to temporarily assign a Hoist Operator, Material Services Team Member, Maintenance Services Team Member, a Maintenance Technician, a Maintenance Journeyman, or a Maintenance Apprentice to a generating facility other than their regular headquarters, the Company will make the assignment in accordance with Article V, Section 9 of the Collective Bargaining Agreement. For employees in the above mentioned classifications who receive less than a twenty-four hour notice of a temporary change in location, the Company will provide premium pay for all straight time hours the employee actually works at the new location, up to twenty-four hours after the notice was provided. To prevent stacking of benefits, such premium pay will not be provided when employees already are receiving overtime compensation for hours worked at the new location. No notice is required when the above referenced employees are returning to their regular headquarters.

The administration of this provision in no manner restricts the right of the Company to have an employee report to another location or facility temporarily once they have reported to work at their regular headquarters. In this case, no premium will be paid when the employee begins and ends their regularly scheduled shift at their assigned headquarters.

It is thought that this letter accurately describes the parties' agreement relating to a temporary change in reporting location.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay R. Alvaro'.

Jay R. Alvaro
Director, Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 2, 2014

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

Re: Retirement Savings Plan Changes for Traditional Pension Plan Participants

Dear Mr. Reilly:

During the 2014 negotiations, the Company and the Union discussed the benefits provided to traditional plan participants under the Duke Energy Retirement Savings Plan ("RSP"). This letter sets forth the related changes that were agreed to by the Company and the Union during the 2014 negotiations.

Matching Contribution

The Company agreed that, effective January 1, 2015, the matching contribution formula applicable under the RSP for traditional pension plan participants will change to the following: Each pay period, the Company will match 100% of each eligible traditional plan participant's before-tax and/or Roth contributions (excluding "catch-up" contributions) contributed to the RSP for the pay period for up to 4% of his/her eligible pay, plus 50% of the eligible traditional plan participant's before-tax and/or Roth contributions (excluding "catch-up" contributions) contributed to the RSP for the pay period for up to the next 1% of his/her eligible pay. For purposes of clarity, traditional plan participants will not be eligible to receive incentive matching contributions for periods after the 2014 plan year.

Compensation

The Company agreed that, effective January 1, 2015, the definition of eligible pay for purposes of determining the amount of traditional plan participants' before-tax, after-tax and/or Roth contributions (including "catch-up contributions") under the RSP will be expanded to include incentive pay, as well as base pay, unused vacation pay (when paid) and overtime pay, which are currently included in eligible pay. For purposes of clarity, there will be no change to the definition of eligible pay used to determine the amount of Company matching contributions made on behalf of the traditional plan participants under the RSP, which definition only includes base pay and unused vacation pay (when paid).

It is thought that this letter accurately describes the agreement reached by the parties regarding the RSP.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay F. Alvaro". The signature is stylized with a large, looped "J" and "A".

Jay F. Alvaro
Director, Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 2, 2014

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

Re: Safety Shoe Policy

Mr. Reilly:

During the 2014 negotiations, the Company and the Union discussed the new Safety Shoe Policy describing appropriate footwear to be worn by employees in certain departments as referenced in this letter.

To facilitate compliance, the Company will provide an initial reimbursement for existing employees and subsequent new hires as described below for employees to purchase two (2) pairs of boots that meet the requirements for their position.

1. The Company will reimburse employees in Transmission C&M and Distribution C&M for reasonable expenses associated with the initial purchase of two pairs of boots.
2. The Company will provide reimbursement not to exceed \$300 for the initial boot purchase for employees in Fleet Services, Supply Chain, and Metering Services.
3. Employees will not be eligible for this initial reimbursement if they were previously provided reimbursement by the Company for two pairs of compliant boots to ensure that there is no duplication or stacking of benefits for this purpose.

Going forward, employees in the above referenced groups, will be eligible to receive reimbursement not to exceed \$300 every two years for the purpose of replacing worn boots. Employees are expected to manage their boot allowance as they deem best, provided that reimbursement will not exceed \$300 every two years.

Employees are expected to purchase footwear from a vendor of their choosing that meets the requirements for the type of work they are required to perform in compliance with departmental requirements. Employees are required to wear compliant footwear at all times when they are working. Individual business units may choose to implement variations of the policy with respect to specific shoe requirements based on the work environment in that department and reimbursement approach.

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

It is expected that impacted employees will be in compliance with the Company's new Safety Shoe Policy by July 1, 2014.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay R. Alvaro". The signature is stylized with a large, looped initial "J" and "A".

Jay R. Alvaro
Director, Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 01, 2017

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

Dear Mr. Kirk:

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

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

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

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

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

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

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay R. Alvaro".

Jay R. Alvaro
Director, Labor Relations

A-76



Duke Energy
139 East Fourth St
Cincinnati, OH 45201

January 15, 2014

Mr. Donald Reilly
Business Manager
Local Union No. 1347
International Brotherhood
of Electrical Workers
4100 Colerain Avenue
Cincinnati, Ohio 45223

RE: Revised Material Services Team Member Job Description - EBS

Dear Mr. Reilly:

Reference is made to our meeting held on January 10, 2014 to discuss the Company's intent to revise the East Bend Material Services Team Member job description. Originally established in 1997, this position encompassed the Coal Yard Helper, Conveyor Operator, Mobile Equipment Operator, and Assistant Fleet Operator. The duties of the Assistant Fleet Operator, of which the wage rate of the MSTM is equal to, are no longer being performed.

The minimum wage rate for the revised MSTM will be \$14.49 (currently \$12.23) per hour, and the maximum rate will equal the maximum hourly rate for Wage Level 15 which is currently \$29.94. The minimum wage rate is not subject to the annual wage increase, and the Company reserves the right to raise minimum rate at its discretion. Employees may be placed at a higher wage rate based on education and experience as follows:

Education	Years of Directly Related Experience					
	None	>1 Year	>3 Years	>5 Years	>8 Years	>10 Years
Two year technical degree plus related work experience.	\$ 14.49	\$ 16.04	\$ 17.58	\$ 19.13	\$ 20.67	\$ 20.67
Some advanced education (>1 year) non-degreed in related courses or degree in non-related course or 1 year trade degree	NQ	\$ 14.49	\$ 16.04	\$ 17.58	\$ 19.13	\$ 20.67
High School Graduate or equivalency.	NQ	NQ	\$ 14.49	\$ 16.04	\$ 17.58	\$ 19.13

Directly related work experience = experience in Heavy Equipment Operations, Material Handling Operations, Landfill Activities including Surveying Skills, and Basic Maintenance Skills in a Generating Station or other industrial facility requiring similar knowledge and abilities.

Article III, Section 7 (f) of the Collective Bargaining Agreement will not apply to this position in regard to establishing an employee's wage rate. Existing employees accepting this position will have their hourly rate established according to the table above based on experience and education. All other provisions of Article III, Section 7 (f) apply.

Mr. Don Reilly
January 15, 2014
Page 2

Current pay structure, which is associated with the Skills Qualification Plan, is no longer supported. Going forward, pay progression will be as follows;

- A) Employees will be evaluated and given a pay increase every six months as provided for in the "Patrick P. Gibson Letter" dated December 29, 2000.
- B) Intent is for employees starting at the minimum rate of pay to reach maximum pay in five years.
- C) In lieu of the \$0.10 increase as provided for in the Collective Bargaining Agreement each increase will be determined by taking the difference between the entry and maximum wage rate and dividing by ten. The merit increase amount will be adjusted annually in conjunction with the General Wage Increase.
- D) Increase is to be based on satisfactory performance. Factors to be considered are attendance, job performance, completion of required training, and disciplinary record.
- E) If a merit increase is denied, the employee will not be eligible for an increase until the next scheduled increase.
- F) Employees on short term disability, military leave, or leave of absence greater than thirty days may have the merit increase delayed by the length of time equal to the absence. This provision will be applied consistent with the Family & Medical Leave Act, and all other applicable laws and company policies.

This agreement in no manner restricts the Company from revising this this job description in the future. If the job description is modified at a future date, all applicable provisions of the Collective Bargaining Agreement will apply.

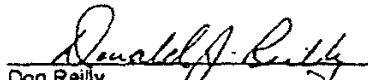
I believe that this letter accurately describes our conversations regarding this issue. If you are in agreement, please sign and return this letter to me.

Very truly yours,



Michael A. Ciccarella
Labor Relations Consultant

For the Union:


Don Reilly
Business Manager, Local 1347, IBEW

1-20-14
Date



Duke Energy
139 East Fourth St
Cincinnati, OH 45201

August 27, 2013

Mr. Donald Reilly
Business Manager
Local Union No. 1347
International Brotherhood
of Electrical Workers
4100 Colerain Avenue
Cincinnati, Ohio 45223

RE: Repair Specialist and Sr. Repair Mechanic Job Classifications

Dear Mr. Reilly:

Per our recent discussions the Company is modifying the Senior Repair Mechanic (#67567) job description. We agreed that the modifications are not significant enough to warrant a re-evaluation of this position and the wage rate will remain as established. Currently, this is Level 20 with a maximum rate of \$34.62 per hour.

We also discussed the re-classification of the sole remaining Repair Specialist. This employee, Michael Dieckmann, will be reclassified as a Senior Repair Mechanic (at the maximum rate of pay) on the first pay period after the Company receives a signed copy of this agreement. In accordance with the Collective Bargaining Agreement, this date will also be Mr. Dieckmann's classified seniority date.

I would like to emphasize that the Repair Specialist position is not being discontinued at this time and the Company reserves the right to fill future vacancies in this classification as business needs dictate. Furthermore, this agreement in no manner waives the Company's right under the Collective Bargaining Agreement to revise either job description at a future date.

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.

Very truly yours,

A handwritten signature in cursive script that reads 'Michael Ciccarella'.

Michael A. Ciccarella
Labor Relations Consultant

For the Union:

A handwritten signature in cursive script that reads 'Donald J. Reilly'.

Don Reilly
Business Manager, Local 1347, IBEW

8/27/13
Date



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Lineperson Program

Dear Mr. Kirk:

Reference is made to the parties efforts and discussions related to the hiring of line workers within the Customer Delivery and Transmission work groups. This correspondence will supersede all previous correspondence pertaining to this subject.

As discussed, new job classifications and progressions will be established for the above referenced work groups. These new progressions will be referred to collectively as the "Lineperson Program" with all provisions of this letter applying to both workgroups unless specified otherwise. Employees hired into the Lineperson Program will be provided training and required to progress satisfactorily through their respective progressions to the Journeyman Lineworker or the TR Line Tech V classifications in accordance with the time frames provided in Appendix A, excepting legally protected time off that may delay progression. Employees with prior line experience may be placed at a higher level in the progression, at the sole discretion of the Company based on business needs.

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

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

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

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

Sidebar Letter A81 - Lineperson Program

Mr. Andrew Kirk
June 27, 2022
Page 2

Employees will not be permitted to bid to other headquarters until they have successfully completed all the necessary skills and training and the Company has certified that the employee is qualified for promotion to LA3 or TR Line Tech III. In order to effectively implement the required promotional principle, all employees in the Lineperson Program should submit a bid sheet to Labor Relations at least once a year for all locations and positions. In order for this program to work effectively, the Company will assign the senior qualified employee to an available opening, if such employee has not submitted a bid for consideration on all possible openings and locations for the posting being processed. This procedure is contrary to the established practice that the junior qualified employee is assigned to a position when no eligible employees have submitted bids for a particular job.

An employee in the Lineperson Program will be permitted to cross bid from one location to another within the business unit as provided for in Article III, Section 7 (g) except when such employee is a probationary employee, LA 1, LA2, TR Line Tech I, or TR Line Tech II. Once an employee in the apprenticeship program¹ meets all promotional requirements, they will be promoted in place with a rotational bid occurring within three months of the last class member being promoted. Employees promoting in place or changing headquarters will be averaged onto the overtime list in accordance with Article V, Section 1 (o) of the Agreement.

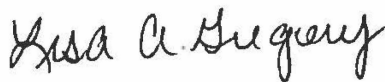
Employees failing a first promotional test will not delay a rotational bid. During pandemics or other declared national emergencies, the Union and Company will engage in dialogue to ensure that rotational bids can be accomplished without jeopardizing employee safety or continuity of operations.

Initial staffing of the new Transmission progression will be in accordance with Appendix B. In addition, employees will be permitted to move from one line progression to the other in accordance with the process outlined in Appendix B. Employees in Division 12 - Underground Cable and Equipment may also apply to the Lineperson Program with the provisions as provided for in the above referenced appendix.

Employees generally will not be upgraded during their training, absent business necessity as determined by management in accordance with Article V, section 20 (a).

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

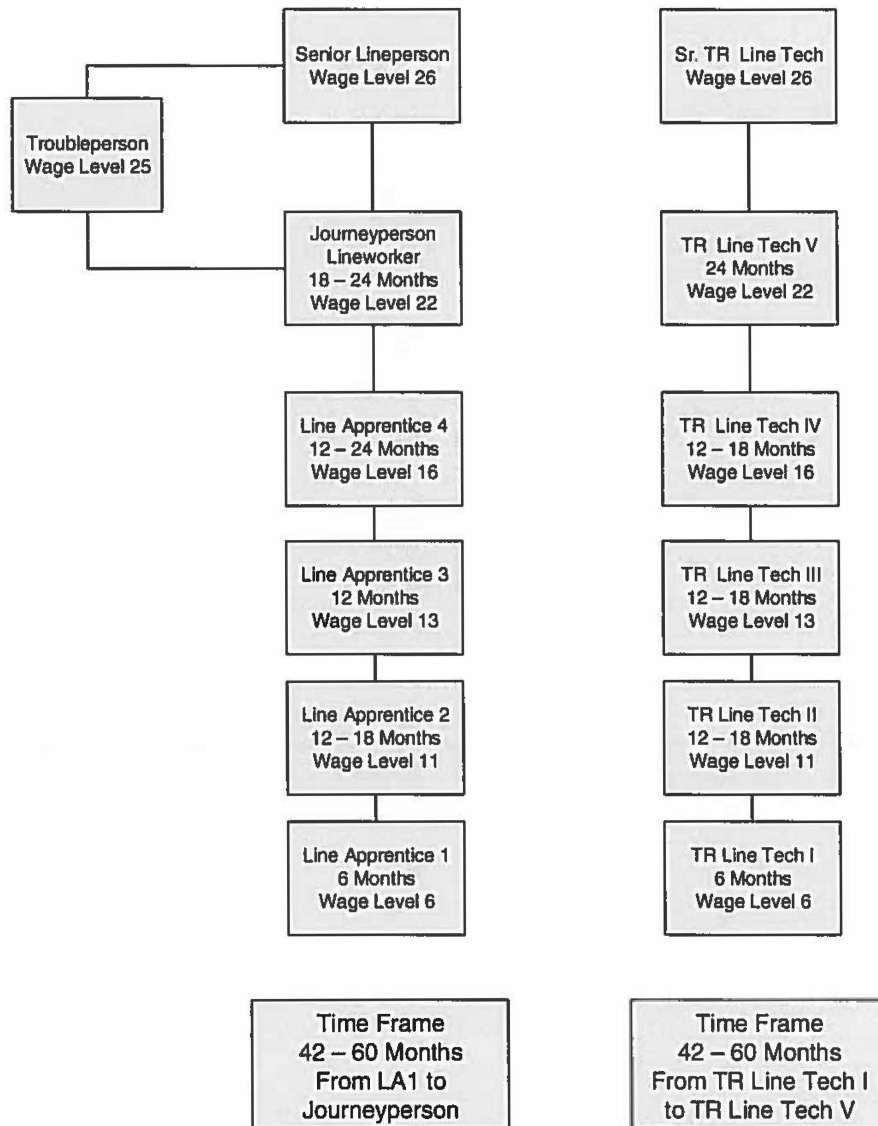
Sincerely,



Lisa A. Gregory
Manager, Labor Relations

¹ Defined as employees in the LA1 LA2, LA3, LA4, TR Line Tech I, TR Line Tech II, TR Line Tech III, or TR Line Tech IV classifications

Appendix A



Appendix B

A) Customer Delivery/Transmission Bidding Proposal

1. Existing Transmission employees will be given the option to move to the new Transmission progression.
 - a. This will be offered to all current line man. Will only be offered to non-Transmission line one time.
 - b. Any employee who chooses to cross-bid at a future date will do so in accordance with Paragraph B.
2. Upon the hiring of a new Transmission class into the new progression an equal amount of current Transmission employees will be reassigned to Customer Delivery.
 - a. Will keep two Seniors and two A's per crew.
3. The remaining number of legacy classified lineman will maintain their bidding rights until the Transmission employees in the new progression reach the Journeyman level or 5 years has elapsed.
 - a. Existing legacy classified Transmission lineman will be offered again the option to move to the new Transmission progression.
 - b. Anyone who does not reclassify will be reassigned to Customer Delivery
 - c. A new class will be hired
 - d. This will end the cross bidding between Transmission and Customer Delivery

B) Cross bidding under the new progression

1. The training requirements for a Customer Delivery and Transmission lineman are different. They require knowledge of different line equipment, tools, and rigging methods. Due to this, once all employees are under the new progression there will be no cross bidding allowed between Customer Delivery and Transmission.
 - a. Journeyman in the Distribution or Transmission line progression who wish to move from one group to the other will be required to participate in the interview process and become a successful candidate.
 - i. To be eligible an employee must be in good standing. Good standing is defined as not having received discipline of a suspension or higher in the previous 12 months.
 - ii. Incumbent candidates will interview but will not be required to take the PAT if they have already completed for their current role
 - iii. If two IBEW incumbent candidates have a tie score in the interview process, seniority will be used to break the tie
 - b. Distribution
 - i. Candidates will be required to take the PAQ2 – 3rd Party Assessment. If they are successful, candidates will be assigned to the Line Apprentice 3 position.
 1. Incumbent employees will not be required to drop back to the Line Apprentice 3 wage level. The employee's pay will be red lined until they reach the Journeyman level.
 2. Employees will be expected to reach the Journeyman level in two years. If they are unable to progress their wage level will revert to their current progression level.
 3. Successful candidates will be required to remain in Customer Delivery upon promotion to Journeyperson for 2 years.
 - a. Successful candidates will be provided a two week grace period during which they will be permitted to return to Transmission.
 - c. Transmission
 - i. Candidates will be subject to a knowledge assessment. If they are successful, candidates will be assigned to the Transmission Line Apprentice 4 position.
 1. Incumbent employees will not be required to drop back to the Transmission Line Apprentice 4 wage level. The employee's pay will be red lined until they reach the Journeyman level.
 2. Employees will be expected to reach the Journeyman level in one year. If they are unable to progress their wage level will revert to their current progression level.
 3. Successful candidates will be required to remain in Transmission upon promotion to Transmission Line Tech V for 2 years.
 - a. Successful candidates will be provided a two week grace period during which they will be permitted to return to Customer Delivery.
 - d. Network Services

Appendix B

- i. Network Services employees are trained on limited overhead equipment and work methods.
- ii. Distribution
 - 1. Candidates will be required to take the PAQ2 – 3rd Party Assessment. If they are successful candidates will be assigned to the Line Apprentice 3 position and wage rate.
- iii. Transmission
 - 1. Candidates will be subject to a knowledge assessment. If they are the successful, candidates will be assigned to the Transmission Line Tech II position and wage rate.



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 01, 2017

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

Dear Mr. Kirk:

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


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

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

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

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

Sincerely,


Lisa A. Gregory
HR Principal

A-82



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

April 01, 2017

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

Re: Production Technicians

Mr. Kirk:

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

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

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay R. Alvaro", written over a light blue circular stamp.

Jay R. Alvaro
Director, Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

October 31, 2017

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

Re: Union Employees' Incentive Plan (UEIP) Goals

Mr. Kirk:

During the 2017 negotiations, the Company and the Union agreed to meet following negotiations to discuss the goals associated with the Union Employees' Incentive Plan for IBEW 1347 represented employees working in the non-Generation areas of the business.

As was agreed to, beginning with the 2018 performance period, the goals for those IBEW 1347 represented employees working in the non-Generation areas of the business, will be the applicable corporate goals (i.e. earnings per share ("EPS"), operational excellence and customer satisfaction) and organizational team goals, as determined, in its sole discretion, by the Company.

1. Eligible employees with a cash balance component in their Duke Energy Cash Balance Plan benefit or those employees with a Retirement Savings Plan benefit only, will be eligible for an annual incentive opportunity with a 5% maximum (2% minimum, 3% target, and 5% maximum) payout level based on corporate and team goals which may include safety, reliability, customer satisfaction or financial goals as established by the Company.
2. Eligible employees without a cash balance component in their Duke Energy Cash Balance Plan benefit will be eligible for an annual incentive opportunity with a 2% maximum (1% minimum, 1.5% target, and 2% maximum) payout level based on corporate and team goals which may include safety, reliability, customer satisfaction or financial goals as established by the Company.

It is thought that this letter accurately describes the parties' agreement relating to incentive opportunities.

Sincerely,

A handwritten signature in blue ink that reads "Lisa A. Gregory". The signature is fluid and cursive, with the first name "Lisa" and last name "Gregory" clearly legible.

Lisa A. Gregory
Human Resources Principal

A-86



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Electric Trouble Guidelines

Dear Mr. Kirk:

During the 2022 contract negotiations, representatives of the Company and IBEW Local 1347 (the "Union") discussed guidelines for employees assigned to the Electric Trouble Department as pertaining to scheduling, trading of shifts, rest periods, call outs, and overtime lists. The parties have agreed to the following:

A) Extra Trouble Scheduling

Extra trouble shifts are assigned on a weekly basis. A forty-eight-hour notice is required to change an Extra employee's shift for the next week.

B) Rest Period

Trouble employees are entitled to a rest period if they are held over their normal shift and will not receive a minimum of 8 hours off prior to their next scheduled shift.

Example 1 - A Trouble employee who has worked an eight hour shift and has been held over and will not get a minimum of eight hours off prior to the start of their next scheduled shift will receive a rest period that will allow them eight hours off.

Example 2 - A trouble employee who is held over past sixteen hours and will not get a minimum of eight hours off prior to the start of their next scheduled shift will receive a rest period that will allow them eight hours off.

C) Call Outs

Trouble employees are not permitted to accept an additional shift that will put them into a rest period for their normal scheduled shift without Supervisor approval.

Example - Without Supervisor approval, an employee working 3:00 PM to 11:00 PM cannot accept an 11:00 PM to 7:00 AM shift if they are scheduled to work 7:00 AM to 3:00 PM shift the next day.

A-87

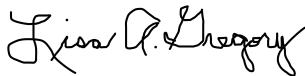
Mr. Andrew Kirk
June 27, 2022
Page 2

D) Overtime Lists

Scheduled and unscheduled overtime opportunities will be offered to Trouble employees based on the lowest amount of overtime hours worked and waived. If it is necessary to assign overtime to someone, the Trouble employee(s) will be assigned based on the lowest amount of overtime hours worked. Nothing in these guidelines will preclude an Operations Center from determining qualifications for specific assignments.

It is believed that the above accurately captures the parties' discussion about the pilot program and that the Union's concerns about the program have been addressed.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory". The signature is fluid and cursive, with the first name "Lisa" being the most prominent.

Lisa A. Gregory
Manager, Labor Relations



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Employee Development Crews

Dear Mr. Kirk:

Reference is made to the parties discussions during the 2022 negotiations related to the education and development of Linepersons. As we discussed, both parties have an interest in ensuring that employees receive the training required to be safe and successful in their careers at Duke Energy.

Employee Development Crews (EDCs) are currently located at the Erlanger and Colerain Operations Centers. The number and location of these crews will be determined by the Company based on business need. Employees assigned to the EDCs may be assigned to work on projects throughout the Ohio/Kentucky service territory and within the Indiana service territory on an occasional basis. Regarding work in the Indiana service territory, should there be an insufficient number of volunteer Lineperson A's or Lineperson Sr's on the crew to work the assignment, additional resources will be solicited from other Districts, as determined necessary by the Company.

To the extent employees on the EDCs are assigned to report to an alternate reporting location other than their own headquarters, mileage will be provided in accordance with Article V, Section 9(b) of the Collective Bargaining Agreement. Apprentices assigned to the Crew will remain headquartered at their "home" Operations Center and mileage will be provided as outlined above.

The working hours of the crew(s) will be determined by the Company and may consist of 5-day work weeks (8 regular hours a day) or 4-day work weeks (10 regular hours a day) depending on the time of year and work load.

The "lead" person on the crew will be selected and compensated in accordance with Sidebar Letter A-51 (Leadperson-Trainer). The Company will solicit input from the Union prior to filling these positions. In addition, the Leadperson Trainer Premium as defined in Sidebar Letter A51 will be applicable to all hours paid for those Leadperson Trainers assigned to the Employee Development Crew on a full-time basis. Should the EDC be split into smaller groups working independently, a second Leadperson-Trainer may be designated as deemed appropriate by the Company.

The journeymen assigned to the Employee Development Crew(s) will be placed on a call-out list and called after all other qualified employees at the Operations Center where they are headquartered for both scheduled and unscheduled overtime opportunities. Specifically, employees assigned to a Development Crew, regardless of location, will be placed on a call-out list and called after all other qualified employees at that headquarters before rolling to a neighboring Operations Center. To the extent overtime assignments remain unfilled at the Operations Center where the crew is headquartered, assignments will be made in accordance with Sidebar Letter A81 of the employees assigned to that Operations Center excluding the Employee Development Crew.

Mr. Andrew Kirk
June 27, 2022
Page 2

Apprentices assigned to the Employee Development Crew(s) will be assigned to the overtime list of their respective Employee Development Crew for the purposes of offering both scheduled and unscheduled work.

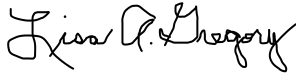
If the Employee Development Crew is working a 4-day work week (10 hour days), they will not be utilized to perform overtime work on the 5th day performing routine work at an Operations Center where all other employees are working a regularly scheduled work day, absent a storm, emergency or significant event.

Any scheduled overtime associated with the work the Employee Development Crew is performing, will be the responsibility of the employees assigned to this crew. If additional resources are needed, Management will request help from available resources at the Operations Center where the work is being performed.

For out of town storm deployments, each Journeyperson or higher on the Employee Development Crew, will be afforded the opportunity to volunteer for these assignments. During these events, apprentices assigned to the EDC(s) will return to their "home" operations center and be eligible for deployment in accordance with Sidebar Letter A70 Overtime Guidelines.

I believe that this letter accurately describes our conversations regarding this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory". The signature is fluid and cursive, with the first name "Lisa" being more prominent.

Lisa A. Gregory
Manager, Labor Relations



June 27, 2022

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

RE: Annual FR Clothing Allowance

Dear Mr. Kirk:

Reference is made to the parties' discussions during the 2022 negotiations regarding the annual Fire Retardant (FR) clothing allowance.

As agreed to, beginning in 2023 the annual allowance for FR clothing will be \$655 for eligible employees in the Customer Delivery, Customer Services, Transmission and Telecommunications Departments, as determined by the Company. This allowance must be used by December 31st of each calendar year as any unused allowance will not carry over from year to year.

It is thought that this letter accurately describes the agreement reached by the parties regarding the annual FR clothing allowance.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory".

Lisa A. Gregory
Manager, Labor Relations



June 27, 2022

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

RE: Employee Tools - Fleet Services

Dear Mr. Kirk:

During the 2022 negotiations, representatives of the Company and IBEW Local 1347 (the "Union") discussed Exhibit A, Division 16, Paragraph 2 of the parties' collective bargaining agreement, which addresses tools. As we discussed, should Fleet Services decide in the future to provide a tool allowance or initial set of tools to Fleet Services employees across the enterprise, the Company will also provide those items to Fleet Services employees in the IBEW 1347 bargaining unit.

It is believed that the above accurately captures the parties' discussion regarding this topic.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory".

Lisa A. Gregory
Manager, Labor Relations



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Promotion and Progression - Fleet Services

Dear Mr. Kirk:

Reference is made to the parties efforts and discussions related to the progression of employees in the Vehicle Maintenance I Technician (VMT I), Vehicle Maintenance Technician II (VMT II), and Vehicle Maintenance III (VMT III) job classifications. This correspondence will supersede all previous correspondence pertaining to promotions and auto-progressions within Division 16 - Fleet Services.

As previously agreed to in the executed agreement dated October 4, 2021, the Company revised job descriptions and titles within the Fleet Service progression. The Company retains all rights provided under the Collective Bargaining Agreement to revise or discontinue job descriptions, including these, based on future business needs. Should such material revisions occur to the job description, IBEW 1347 may request a re-evaluation by the Job Evaluation Committee as provided for in the Agreement.

For those incumbent employees who were retitled as a VMT I or a VMT II, the promotional requirements will remain as set forth in the executed agreement dated September 19, 2002. Employees hired or transferring into the progression after the ratification of the 2022 - 20xx Agreement will be required to promote from the VMT I classification to the VMT II classification within 36 months of hire date excepting legally protected time off that may delay progression. Employees meeting the requirements to promote from VMT I to VMT II will be promoted in place the first pay period after becoming qualified. A location bid will occur within three months of the promotion in place occurring. The employment of an individual who does not progress satisfactorily will be terminated. Inability to successfully progress means that employees have failed to meet the promotional requirements and promote from VMT I to VMT II.

Provided all other promotional requirements are met as determined by the Company, the time in grade requirements can be waived and an individual may promote earlier than the stated time frames. Should this occur, the Company agrees to adjust seniority as to not negatively impact more senior employees who may be bypassed by early promotions.

Employees promoted to the VMT II classification will be required to complete all required training as determined by the company within 48 months of promotion date excepting legally protected time off that may delay progression. Employees hired into the VMT II classification will be required to complete all required training as determined by the Company within 60 months of being hired excepting legally protected time off that may delay progression. As with the VMT I classification, the employment of an individual who does not successfully complete the training program will be terminated.

Mr. Andrew Kirk
June 27, 2022
Page 2

Promotions to VMT III will be based solely on business need. Employees in the VMT II classification who have met the promotional requirements of the VMT III classification, have demonstrated proficiency in the duties of the VMT III , and have the ability to work independently will be upgraded in accordance with Article V, Section 20 (a) of the Agreement when assigned those duties.

In accordance with the Patrick P. Gibson Letter dated December 29, 2000, employees will receive a performance review every six months for the purposes of wage progression. If progress, measured by demonstrated ability and performance, has been satisfactory a merit increase will be granted. It should be noted that performance includes completing all required training in a timely manner as determined by the Company in its sole discretion. Employees failing to progress satisfactorily are subject to termination of employment.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory". The signature is fluid and cursive, with the first name "Lisa" being more prominent.

Lisa A. Gregory
Manager, Labor Relations



Duke Energy
Labor Relations
139 East Fourth St
Cincinnati, OH 45201

June 27, 2022

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

RE: Workplace Security Policy

Dear Mr. Kirk:

During the 2022 negotiations, representatives of the Company and IBEW Local 1347 (the "Union") discussed the Union's concerns relative to the Duty to Report Arrests and Convictions and Company's Right to Search provisions in the Company's Workplace Security Policy (the "Policy"), which was revised effective February 17, 2022. Specifically, the Union expressed concern about the Policy's requirement that employees report arrests and the Company's ability to search employees' personal belongings.

As we discussed, off-duty illegal activity may jeopardize workplace safety, the Company's brand and reputation and/or its ability to provide safe and reliable service to its customers. The purpose of the reporting requirement is not to monitor every aspect of an employee's off-duty activities, but to assist the Company with efficiently and effectively evaluating and managing the potential risks and issues associated with an arrest or a conviction. It is also considered a best practice from a security standpoint.

The Company does not and will not make employment decisions based upon the mere fact of an arrest. All arrests and convictions are reviewed on a case-by-case basis. Enterprise Protective Services (EPS), in coordination with Human Resources and Legal, considers the nature of the alleged crime or conviction, the nature of the employee's job duties, any relevant history, other risk factors that may be present, information obtained from the employee and additional investigation, and other similar factors in determining next steps. Situations where an employee fails to comply with the Duty to Report Arrests provision in the Policy will also be reviewed on a case-by-case basis. Depending upon the specific facts and circumstances, failing to comply may subject the employee to progressive discipline, up to and including discharge.

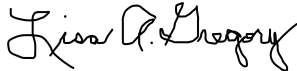
As we also discussed, the intent of the Right to Search provision is not to intrude upon employees' privacy. Rather, there may be times where the Company determines that searches are appropriate and necessary to review and address matters such as workplace security (M., protecting employees and the public from threats of violence, etc.), compliance with Company policies and procedures (M., CoBE, Harassment Free Workplace, etc.), protection of Company assets (M., physical assets, intellectual property, trade secrets, cyber assets, etc.), and for other legitimate business reasons. Decisions to conduct searches are made on a case-by-case basis by EPS, in consultation with Human Resources and Legal, and will be conducted in accordance with the requirements of any applicable laws.

A-92

Mr. Andrew Kirk
June 27, 2022
Page 2

It is believed that the above accurately captures the parties' discussion and the Company's position on the Policy's arrest reporting and searches of personal property requirements and that the Union's concerns about those requirements have been addressed.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa A. Gregory". The signature is fluid and cursive, with the first name "Lisa" being the most prominent.

Lisa A. Gregory
Manager, Labor Relations



Duke Energy
139 East Fourth Street
Cincinnati, OH 45202

February 15, 2022

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

Re: Grievance Settlement — Grievance #1347-10-02-21

Dear Mr. Kirk:

This will confirm our recent conversations regarding the above-referenced grievance in which the Union alleged that the Company violated the Labor Agreement, including Letter A-86, by reducing the payout for the team goal component of the 2020 Union Employee Incentive Plan (the "UEIP") bonus for non-Generation employees (the "Grievance"). In order to resolve this Grievance and any and all issues raised by the Union with respect to the 2020 UEIP bonus payout for non-Generation employees, the Company and the Union agree as follows:

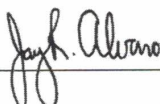
1. In exchange for the Union's agreement to fully and finally settle and withdraw the Grievance with prejudice, the Union and the Company agree as follows:
 - a. The determination of goals and payouts under the UEIP are subject to the terms and conditions set forth in the UEIP plan document established for each year, including any plan documents incorporated therein; and
 - b. The Union agrees that, subject to the terms of the UEIP plan document, the Company has the authority to determine, in its sole discretion, the appropriate payout level for each UEIP goal applicable to the employees represented by the Union (which goals may be established in the Company's sole discretion pursuant to Letter A-86) for each calendar year performance period; and
 - c. Eligible Employees (as defined below) represented by the Union shall receive a one-time lump sum payment equal to \$1,500.00 (subject to normal tax and other withholdings)(the "One-Time Payment"); it is anticipated that the One-Time Payment will be included in the March 11 paychecks, but, in no event, will the One-Time Payment be paid after March 31, 2022. For purposes of this One-Time Payment, "Eligible Employee" is defined as employees represented by the Union who are (i) eligible for the 2021 UEIP payout; and (ii) employed by the Company on February 1, 2022; however, the term Eligible Employee does not include

contingent workers, individuals not on the Company's regular payroll, individuals who are not eligible for the 2021 UEIP payout, individuals who are not employed by the Company on February 1, 2022, and individuals who are on unpaid leave on February 1, 2022 (For purposes of the One-Time Payment, paid leave shall mean receiving pay continuation directly from the Company (not from a third party or benefit plan) for vacation, paid sick leave or other paid time off, and all other time away from work shall be considered unpaid leave.)). The One-Time Payment shall be treated in the same manner as UEIP payouts under the Duke Energy Retirement Savings Plan and the Duke Energy Retirement Cash Balance Plan; and

- d. For the 2021 calendar year performance period, the Company will increase the UEIP results for any team goal applicable to Union employees in the non-Generation area by 15 percentage points (e.g., if the team score was 110%, it will be increased to 125%).
2. This Letter Agreement is in full and final settlement of the Grievance and sets forth the entire understanding and agreement between the Company and the Union relating to the resolution of the Grievance. The Letter Agreement shall not be considered or construed as an admission of any kind by either party, or as a concession with regard to any other issues.
3. The Company and the Union acknowledge and agree that this Letter Agreement shall become effective and enforceable upon its execution by all parties. The Letter Agreement may be executed in counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.

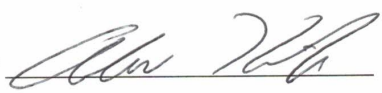
Duke Energy Ohio, Inc. &
Duke Energy Kentucky, Inc.

Local Union 1347 of the International
Brotherhood of Electrical Workers,
AFL-CIO

By: 

Title: Director, Labor Relations

Date: 2/15/2022

By: 

Title: Business Manager

Date: 02/15/2022

**CONFIDENTIAL PROPRIETARY TRADE
SECRET**

CONFIDENTIAL ATTACHMENT SAC-3(a)

FILED UNDER SEAL

**CONFIDENTIAL PROPRIETARY TRADE
SECRET**

CONFIDENTIAL ATTACHMENT SAC-3(b)

FILED UNDER SEAL

**CONFIDENTIAL PROPRIETARY TRADE
SECRET**

CONFIDENTIAL ATTACHMENT SAC-3(c)

FILED UNDER SEAL

2024 Restricted Stock Unit (RSU) Award Summary (granted 5/8/2024)

As a participant in Duke Energy's long-term incentive (LTI) program, you have been awarded a restricted stock unit (RSU) grant which was approved **May 8, 2024** (*i.e.*, the grant date).

Your grant value was calculated by multiplying your annual rate of base pay that was effective on the grant date by your LTI opportunity. The number of RSUs awarded to you was determined by dividing your grant value by **\$102.38**, the closing price of Duke Energy common stock on the grant date. These RSUs will vest over a three-year period, as described below.

Accepting Your RSU Grant

It will be necessary for you to accept your RSU award and agree to its terms via the Fidelity NetBenefits site. Upon accepting your award, we encourage you to read your award agreement carefully as well as the 2023 Long-Term Incentive Plan (LTIP) Summary and its Prospectus. In the event of any conflict between the information in this summary and the LTIP or the award agreement, the terms of the LTIP/award agreement will govern. You may also wish to discuss this information with your personal financial advisor.

Accessing Your Stock Award

Record keeping for your stock award is provided by Fidelity Stock Plan Services, LLC. You will be able to access your stock plan information online at **www.netbenefits.com** or by calling a Fidelity Stock Plan Services representative at **800-376-4015**.

Vesting

Your RSUs vest, while your employment continues, according to an installment-based vesting schedule (or as otherwise described in the *Restricted Stock Unit Award Summary Chart* on page 3). Under that schedule, one-third of your RSUs will vest on each of the first three anniversaries of the grant date (*i.e.*, 5/8/2025, 5/8/2026 and 5/8/2027).

Vested RSUs are paid in whole shares of Duke Energy common stock shortly after they vest and will be reduced by the applicable tax withholding, as described below.

Dividend Equivalents

You will receive a cash payment equal to the quarterly cash dividend per share declared and paid on Duke Energy common stock for each unvested RSU awarded to you. These cash payments will be included in your paycheck. Dividend equivalent payments are treated as ordinary income, and, therefore, are subject to tax withholding. Upon vesting and payment, or forfeiture of the unit, future dividend equivalent payments will end.

Voting Rights

Prior to vesting, your RSUs do not give you shareholder voting rights because no actual shares of common stock are issued to you until your RSUs vest and are paid.



Ability to Sell

You may not sell your unvested RSUs, but you may sell the shares of Duke Energy common stock that you receive upon vesting, subject to Duke Energy's Insider Trading Policy.

Taxes

Under current U.S. tax rules, you will incur taxable income when your vested RSUs are paid, based on the fair market value of the common stock delivered to you. This income will be included on your Duke Energy Form W-2. Federal income tax and any applicable state, local, Social Security and Medicare tax withholding is required upon the vesting of your award. Your taxes will be paid by the share reduction method which means you will receive the number of shares that have vested less the shares withheld to pay your tax withholding. Shortly after vesting, you will receive your net shares in your Fidelity brokerage account.

EXAMPLE: Tax Withholding Payment Through a Reduction of Shares

You vest in 100 RSUs and are notified that the tax withholding amount due is \$3,400. The shares used to pay your tax withholding are valued at fair market value (let's assume \$100). The amount of Duke Energy common stock you receive would be reduced by 34 shares ($\$3,400/\$100 = 34$ shares). You would receive 66 shares in your Fidelity Brokerage account, the 100 shares that vested less the 34 shares withheld to pay your tax withholding.

Keep in mind that your income will be taxed at applicable withholding rates, and you may owe additional income taxes depending on your personal financial situation. You may wish to consult with your tax advisor to determine whether you should make additional estimated tax payments.

Resources

If you have specific questions about your RSU award, you may contact:

Brian Callahan
Executive Rewards
859-801-5975
brian.callahan@duke-energy.com

If you have general questions regarding restricted stock units, you may contact:

Fidelity Stock Plan Services, LLC
800-376-4015
www.netbenefits.fidelity.com

Restricted Stock Unit Award Summary Chart

The following chart summarizes the terms of your 2024 RSU award.

Provision	Restricted Stock Units (RSUs)
Grant Date	May 8, 2024
Vesting's <ul style="list-style-type: none"> While employment continues When employment with Duke Energy and its affiliated companies terminates <ul style="list-style-type: none"> <i>- After attaining the age of 55 with 10 years of service or on account of termination by the company without cause or termination as the result of divestiture</i> <i>- On account of death/disability</i> <i>- Termination other than described above</i> 	<p>Three-year installment vesting — 1/3 of units vest each year on anniversary of grant date (i.e., 5/8/2025, 5/8/2026 and 5/8/2027)</p> <p>Units in award are reduced to reflect actual service during the installment vesting period* and become immediately vested to the extent not previously vested</p> <p>Units not previously or immediately vested are forfeited</p> <p>Unvested units become immediately vested</p> <p>Vesting ends — units not previously vested are forfeited</p>
Dividend Equivalents	Quarterly payments on unvested units that have not been forfeited are paid when common stock cash dividends are declared and paid

*Calculated based on number of days of actual service from the grant date divided by total number of days in the period from the grant date to the third anniversary of the grant date.

This document contains selected highlights of Duke Energy's employee compensation plans. If any statement herein, or any other communication, conflicts with the applicable plan documents and/or award agreements, the plan documents and/or award agreements will govern. Duke Energy retains the right to amend, modify or terminate its compensation plans in any respect and at any time, and neither its benefits plans, nor your plan participation, will be considered a contract for future employment.