

K#6028

AGREEMENT

between

PSI ENERGY, INC.

and

**LOCAL UNION NO. 1393 OF THE
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS**

Dated May 1, 2005

TABLE OF CONTENTS - SEQUENTIAL

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|---------------------------------------|-------------|
| Article 1 | Recognition | 1-3 |
| Article 2 | Union and Company Obligations | 3-6 |
| Article 3 | Seniority | 6-8 |
| Article 4 | Posting and Bidding | 9-13 |
| Article 5 | Layoff and Reduced Work Availability | 13-17 |
| Article 6 | Suspension, Demotion or Discharge | 18 |
| Article 7 | Settlement of Differences | 18-21 |
| Article 8 | Hours of Work | 21-25 |
| Article 9 | Premium Pay | 26-27 |
| Article 10 | Straight and Overtime Pay Calculation | 27 |
| Article 11 | Recognized Holidays | 28-31 |
| Article 12 | Temporary Job Assignments | 31 |
| Article 13 | Call-Back Pay | 31-32 |
| Article 14 | Overtime Distribution | 32-36 |
| Article 15 | Service Watch | 36-38 |
| Article 16 | Wage Rate Upon Promotion or Demotion | 38 |
| Article 17 | 16-Hour Rule | 39 |
| Article 18 | Vacations | 39-44 |
| Article 19 | Family or Employee Death | 44-45 |
| Article 20 | Pay Status for Time Not Worked | 46-48 |
| Article 21 | Meals, Lodging and Transportation | 48-53 |
| Article 22 | Inclement Weather | 53 |
| Article 23 | Safety and Health | 53-54 |
| Article 24 | Supervisors Doing Union Work | 55 |
| Article 25 | Subcontracting | 55 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|--|-------------|
| Article 26 | Worker's Compensation | 55 |
| Article 27 | Disabled Veterans | 55 |
| Article 28 | Use of Bulletin Board | 55-56 |
| Article 29 | Benefit Plans | 56-60 |
| Article 30 | Notification | 60 |
| Article 31 | Promotional Charts | 61-92 |
| Article 32 | Wage Scale | 93-101 |
| Article 33 | Probationary Wage Scale | 102 |
| Article 34 | Miscellaneous | 102-104 |
| Article 35 | Term of Agreement | 104 |
| | Signature Page | 105 |
| Appendix A | Dues Deduction Card | 106 |
| Appendix B | C.O.P.E. Deduction Card | 107 |
| Appendix C | Historical Document Listing | 108-117 |
| Appendix D | Defined Terms | 118-120 |
| Attachment | Employee Benefits | 121-132 |
| Addendum | Post-Retirement Health Reimbursement Account (HRA) | 133-139 |
| Attachment | Storm Damage Service Restoration | 140 |

TABLE OF CONTENTS - SEQUENTIAL

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|---|-------------|
| PREAMBLE | | 1 |
| ARTICLE 1 | RECOGNITION | 1-3 |
| 1.1 | BARGAINING AGENT | 1 |
| 1.2 | AGREEMENT TO MEET AND DEAL | 1 |
| 1.3 | ACQUISITION OF OPERATING UTILITY | 1 |
| 1.4 | CREATION OF NEW JOB CLASSIFICATIONS | 2 |
| 1.4.1 | RE-EVALUATION OF EXISTING UNION JOB CLASSIFICATIONS | 2 |
| 1.4.2 | DISPUTE ARBITRABLE | 2 |
| 1.4.3 | EFFECT ON WAGE RATES | 2 |
| 1.5 | RIGHTS OF MANAGEMENT | 3 |
| 1.6 | SUCCESSORSHIP | 3 |
| ARTICLE 2 | UNION AND COMPANY OBLIGATIONS | 3-6 |
| 2.1 | NO STRIKE: NO LOCKOUT | 3 |
| 2.2 | LOYAL AND EFFICIENT SERVICE | 3 |
| 2.3 | NO DISCRIMINATION BECAUSE OF UNION MEMBERSHIP | 3-4 |
| 2.4 | WILLINGNESS TO BECOME A UNION MEMBER | 4 |
| 2.4.1 | ACCEPTANCE FOR UNION MEMBERSHIP | 4 |
| 2.4.2 | DUTY TO REPRESENT | 4 |
| 2.4.3 | PAYMENT OF UNION DUES | 4 |
| 2.4.4 | DISCHARGE FOR NON-PAYMENT OF UNION DUES | 4 |
| 2.4.5 | INDEMNIFICATION AND HOLD HARMLESS | 4 |
| 2.5 | INFORMATION FURNISHED BY COMPANY | 5 |
| 2.6 | COLLECTION OF UNION DUES | 5 |
| 2.6.1 | AMOUNT OF UNION DUES | 5 |
| 2.6.2 | CANCELLATION OF DEDUCTIONS | 5 |
| 2.6.3 | INSUFFICIENT PAY AND DISABILITY BENEFITS | 5 |
| 2.6.4 | INAPPLICABLE TO NON-MEMBERS | 6 |
| 2.7 | NON-DISCRIMINATION | 6 |
| ARTICLE 3 | SENIORITY | 6-8 |
| 3.1 | PROBATIONARY AND REGULAR EMPLOYEES | 6 |
| 3.1.1 | CALCULATION OF ABSENT TIME | 6 |
| 3.2 | COMPANY AND JOB SERIES SENIORITY | 6 |
| 3.2.1 | COMPANY SENIORITY | 6 |
| 3.2.2 | JOB SERIES SENIORITY | 6 |
| 3.2.3 | TEMPORARY LABOR EXCEPTION | 6 |
| 3.2.4 | STOREROOM SENIORITY AT GENERATING STATIONS | 6 |
| 3.2.5 | DETERMINATION OF SENIORITY | 7 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|---|-------------|
| 3.2.6 | SENIORITY WHEN TRANSFERRED | 7 |
| 3.2.7 | INITIAL MANNING SENIORITY | 7 |
| 3.2.8 | EQUAL JOB SERIES SENIORITY | 7 |
| 3.2.9 | NOTICE OF CHANGE | 7 |
| 3.3 | COMPUTATION OF SENIORITY | 8 |
| 3.3.1 | LOSS OF SENIORITY | 8 |
| 3.3.2 | NON-UNION POSITION: JOB SERIES SENIORITY | 8 |
| | | |
| ARTICLE 4 | POSTING AND BIDDING | 9-13 |
| 4.1 | INITIAL CONSIDERATION-LABOR GRADES 1 THROUGH 11 | 9 |
| 4.2 | FIVE-DAY POSTING-LABOR GRADES 1 THROUGH 11 | 9-10 |
| 4.3 | INITIAL CONSIDERATION-LABOR GRADE 12 AND ABOVE | 10 |
| 4.4 | FIVE-DAY POSTING-LABOR GRADE 12 AND ABOVE | 10-11 |
| 4.5 | FACTORS GOVERNING PROMOTION-LABOR GRADE 12 AND ABOVE | 11 |
| 4.6 | EXECUTION OF BID | 11 |
| 4.7 | DETERMINATION AND NOTIFICATION | 11 |
| 4.8 | SIX-MONTH QUALIFYING PERIOD | 12 |
| 4.9 | RELOCATION ALLOWANCE | 12 |
| 4.10 | DECLINING OF A PROMOTION OR TRANSFER | 12 |
| 4.11 | UNDUE INFLUENCE | 12 |
| 4.12 | EFFECT ON JOB SERIES SENIORITY | 12 |
| 4.13 | RETURN TO FORMER JOB CLASSIFICATION | 12 |
| 4.14 | TEMPORARY ASSIGNMENTS | 13 |
| 4.15 | LETTER OF REQUEST | 13 |
| 4.16 | BEGINNING JOBS | 13 |
| | | |
| ARTICLE 5 | LAYOFF AND REDUCED WORK AVAILABILITY | 13-17 |
| 5.1 | INITIAL LAYOFFS | 13 |
| 5.2 | ORDER OF SUBSEQUENT LAYOFFS | 13 |
| 5.2.1 | IN JOB SERIES: DISTRICTS AND CORPORATE OFFICES | 14 |
| 5.2.2 | IN JOB SERIES: GENERATING STATIONS | 14 |
| 5.2.3 | NOT IN JOB SERIES: DISTRICTS AND CORPORATE OFFICES | 14 |
| 5.2.4 | NOT IN JOB SERIES: GENERATING STATIONS | 14 |
| 5.3 | EFFECT ON JOB SERIES SENIORITY | 14 |
| 5.4 | ORDER IN LOWEST JOB CLASSIFICATION | 14 |
| 5.5 | REGULAR AND PROBATIONARY EMPLOYEES | 15 |
| 5.6 | NOTICE OF LAYOFF | 15 |
| 5.7 | REDUCED WORK AVAILABILITY | 15 |
| 5.8 | ADDITIONAL STRAIGHT TIME HOURS | 15 |
| 5.9 | CONTRACTING WORK | 16 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|--|-------------|
| 5.10 | TRANSFERRING EMPLOYEES | 16 |
| 5.11 | AVAILABILITY OF ANOTHER UNION JOB | 16 |
| 5.12 | RE-EMPLOYMENT OF LAID-OFF REGULAR EMPLOYEE | 16 |
| 5.12.1 | ORDER OF RE-EMPLOYMENT | 16-17 |
| 5.12.2 | RETURN TO LAST JOB | 17 |
| 5.12.3 | RE-EMPLOYMENT LIMITATIONS | 17 |
| 5.13 | RE-EMPLOYMENT OF PROBATIONARY EMPLOYEE | 17 |
| | | |
| ARTICLE 6 | SUSPENSION, DEMOTION OR DISCHARGE | 18 |
| | | |
| 6.1 | JUST CAUSE ACTIONS | 18 |
| 6.2 | DISCIPLINARY RECORDS: 24 MONTH LIMITATION | 18 |
| 6.3 | DISCIPLINARY RECORDS: 36 MONTH LIMITATION | 18 |
| 6.4 | DISCIPLINARY RECORDS: RETENTION | 18 |
| | | |
| ARTICLE 7 | SETTLEMENT OF DIFFERENCES | 18-21 |
| | | |
| 7.1 | EMPLOYEE GRIEVANCES | 18 |
| 7.1.1 | 21 DAY LIMITATION | 18 |
| 7.1.2 | PRESENTATION | 18 |
| 7.1.3 | GRIEVANCE PROCEDURE | 19 |
| 7.1.4 | LOCATION OF GRIEVANCE HEARINGS | 20 |
| 7.1.5 | TIME FOR GRIEVANCE HEARINGS | 20 |
| 7.1.6 | NO EFFECT ON LMRA RIGHTS | 20 |
| 7.1.7 | TIME OFF | 20 |
| 7.2 | POLICY GRIEVANCES | 20 |
| 7.2.1 | 30 DAY LIMITATION | 20 |
| 7.2.2 | PRESENTATION | 20 |
| 7.2.3 | GRIEVANCE PROCEDURE | 20 |
| 7.2.4 | RESOLUTION | 20 |
| 7.3 | ARBITRATION | 21 |
| 7.3.1 | AUTHORITY OF AN ARBITRATOR | 21 |
| 7.3.2 | ARBITRATION EXPENSES | 21 |
| 7.4 | EXTENSION OF TIME PERIODS | 21 |
| | | |
| ARTICLE 8 | HOURS OF WORK | 21-25 |
| | | |
| 8.1 | NON-SHIFT EMPLOYEES: CORPORATE OFFICES AND DISTRICTS | 21 |
| 8.2 | SHIFT EMPLOYEES DEFINED: SCHEDULES | 22 |
| 8.3 | NO MEAL BREAK | 22 |
| 8.4 | GROUP SCHEDULE | 22 |
| 8.4.1 | CHANGES IN GROUP SCHEDULE | 22 |
| 8.4.2 | REVIEW PROCEDURE | 23 |
| 8.4.3 | UNION SUGGESTIONS | 23 |
| 8.5 | INDIVIDUAL SCHEDULE CHANGES | 23-24 |
| 8.6 | TRAVELING MAINTENANCE LOCATION CHANGES | 24 |
| 8.7 | SATURDAYS AND SUNDAYS | 25 |
| 8.8 | POSTING OF HOLIDAY SHIFT SCHEDULES | 25 |
| 8.9 | CALCULATING TIME WORKED: ALL EMPLOYEES | 25 |
| 8.10 | EXCHANGING SHIFTS | 25 |
| 8.11 | ROTATION OF SHIFTS | 25 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|---|-------------|
| ARTICLE 9 | PREMIUM PAY | 26-27 |
| 9.1 | SHIFT PREMIUMS | 26 |
| 9.2 | SUNDAY PREMIUM | 26 |
| 9.3 | EMERGENCY WORK ON FOREIGN UTILITIES | 26 |
| 9.4 | LEAD PREMIUM | 27 |
| ARTICLE 10 | STRAIGHT AND OVERTIME PAY CALCULATION | 27 |
| 10.1 | STRAIGHT TIME | 27 |
| 10.2 | OVERTIME: TIME AND ONE-HALF | 27 |
| 10.3 | OVERTIME: DOUBLE TIME | 27 |
| ARTICLE 11 | RECOGNIZED HOLIDAYS | 28-31 |
| 11.1 | DEFINED | 28 |
| 11.2 | FLOATING HOLIDAY PROVISIONS | 28 |
| 11.2.1 | LIMITATION AND EXCEPTION | 29 |
| 11.2.2 | CANCELLATION | 29 |
| 11.2.3 | AFTER DECEMBER 16 | 29 |
| 11.2.4 | PAY ELIGIBILITY LIMIT | 29 |
| 11.2.5 | USE WITH DEATH IN FAMILY | 29 |
| 11.2.6 | EXCLUSION | 29 |
| 11.2.7 | TEN-HOUR SCHEDULES | 29 |
| 11.3 | DIVERSITY DAY PROVISIONS | 29 |
| 11.4 | HOLIDAY WORK REQUIREMENTS | 29 |
| 11.5 | HOLIDAY PAY | 30 |
| 11.5.1 | HOLIDAY PAY ENTITLEMENT – 10-HOUR SCHEDULES | 30 |
| 11.6 | HOLIDAY PREMIUM | 30 |
| 11.7 | REGULARLY SCHEDULED DAY OFF | 30-31 |
| 11.8 | NOTIFICATION TO WORK | 31 |
| 11.9 | PROBATIONARY EMPLOYEE: HOLIDAY PREMIUM | 31 |
| ARTICLE 12 | TEMPORARY JOB ASSIGNMENTS | 31 |
| 12.1 | QUALIFYING TIME | 31 |
| 12.2 | TEMPORARY ASSIGNMENT | 31 |
| ARTICLE 13 | CALL-BACK PAY | 31-32 |
| 13.1 | MINIMUM CALL-BACK PAY | 31 |
| 13.2 | HOURS PAID | 32 |
| 13.2.1 | LEFT PREMISES | 32 |
| 13.2.2 | ON PREMISES | 32 |
| 13.2.3 | COMPANY VEHICLE AT HOME | 32 |
| 13.3 | CALL-BACK PAY LIMITATION | 32 |
| 13.4 | LIMITATION IF CONTINUING TO WORK | 32 |
| 13.5 | CANCELLATION OF WORK ASSIGNMENT | 32 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|--|-------------|
| ARTICLE 14 | OVERTIME DISTRIBUTION | 32-36 |
| 14.1 | SHIFT EMPLOYEES: OVERTIME WORK ASSIGNMENTS | 32 |
| 14.1.1 | JOB CONTINUATION ASSIGNMENTS | 33 |
| 14.1.2 | PLANNED OR EMERGENCY OVERTIME WORK ASSIGNMENTS | 33-34 |
| 14.2 | NON-SHIFT EMPLOYEES: OVERTIME WORK ASSIGNMENTS | 34 |
| 14.2.1 | JOB CONTINUATION ASSIGNMENTS | 34 |
| 14.2.2 | PLANNED OR EMERGENCY OVERTIME WORK ASSIGNMENTS | 34 |
| 14.2.3 | OVERTIME AVAILABILITY: VOLUNTEER PAGER DUTY | 35 |
| 14.3 | VOLUNTEERING PROCEDURE | 35 |
| 14.3.1 | APPLICABLE TO OTHER ASSIGNMENTS | 35 |
| 14.3.2 | DISTRIBUTION | 36 |
| 14.3.3 | DURATION | 36 |
| 14.4 | CALCULATION OF OVERTIME WORKED | 36 |
| 14.5 | OVERTIME DISTRIBUTION POSTING | 36 |
| 14.6 | OVERTIME REMEDY | 36 |
| 14.7 | AVAILABILITY FOR OVERTIME WORK ASSIGNMENTS | 36 |
| 14.8 | UPGRADED OVERTIME ELIGIBILITY | 36 |
| ARTICLE 15 | SERVICE WATCH | 36-38 |
| 15.1 | COVERAGE | 36-37 |
| 15.2 | REQUIREMENTS | 37 |
| 15.3 | SERVICE WATCH WEEK | 37 |
| 15.4 | RATES OF PAY | 37 |
| 15.5 | REST PERIOD | 37 |
| 15.6 | SELECTION OF EMPLOYEES | 37 |
| 15.6.1 | AGE 55 EXCEPTION | 37-38 |
| ARTICLE 16 | WAGE RATE UPON PROMOTION OR DEMOTION | 38 |
| 16.1 | PROMOTION | 38 |
| 16.1.1 | LATERAL TRANSFER | 38 |
| 16.1.2 | TRANSFER TO LOWER LABOR GRADE | 38 |
| 16.2 | CREDIT FOR TEMPORARY JOB ASSIGNMENTS -FOR EMPLOYEES OF RECORD ON APRIL 30, 1988 | 38 |
| 16.3 | CREDIT FOR ADDITIONAL TEMPORARY UPGRADE HOURS | 38 |
| 16.4 | DEMOTION | 38 |
| ARTICLE 17 | 16-Hour RULE | 39 |
| 17.1 | QUALIFICATION | 39 |
| 17.2 | COMPUTATION OF HOURS WORKED | 39 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|---|-------------|
| ARTICLE 18 | VACATIONS | 39-44 |
| 18.1 | VACATION ELIGIBILITY AND ENTITLEMENT | 39 |
| 18.1.1 | VACATION DETERMINATION | 39 |
| 18.2 | STARTING DATE FOR VACATION | 39-40 |
| 18.2.1 | NON-SHIFT EMPLOYEE | 40 |
| 18.2.2 | SHIFT EMPLOYEE | 40 |
| 18.3 | LIMITATION TO VACATION PERIOD | 40 |
| 18.4 | LIMITATIONS TO VACATION SCHEDULING | 40 |
| 18.4.1 | CANCELLATION OF APPROVED SCHEDULED VACATION | 40 |
| 18.5 | RETIREMENT VACATION BANK | 40 |
| 18.5.1 | EMPLOYER VACATION CREDIT TO THE VACATION BANK | 41 |
| 18.6 | VACATION IN YEAR OF RETIREMENT | 41 |
| 18.7 | PAYMENT IN LIEU OF VACATION | 41 |
| 18.7.1 | CONCURRENT WITH DISABILITY PERIOD | 41 |
| 18.8 | RETURN FROM MILITARY LEAVE OF ABSENCE | 42 |
| 18.9 | DISALLOWANCE OF VACATION | 42 |
| 18.10 | DEATH PRIOR TO VACATION | 42 |
| 18.11 | SEGMENTED VACATION | 42 |
| 18.11.1 | DURATION | 42 |
| 18.11.2 | SHIFT EMPLOYEE: SCHEDULING | 42 |
| 18.11.3 | NON-SHIFT EMPLOYEE: SCHEDULING | 42-43 |
| 18.11.4 | TEN-HOUR SCHEDULES | 43 |
| 18.11.5 | NEEDS OF THE SERVICE EXCEPTIONS | 43 |
| 18.11.6 | PART OF TOTAL VACATION | 43 |
| 18.11.7 | RELATIONSHIP TO OTHER VACATION | 43 |
| 18.11.8 | AFTER DECEMBER 16 | 43 |
| 18.11.9 | PAY ELIGIBILITY LIMIT | 43 |
| 18.11.10 | COMPANY OFFER | 43-44 |
| 18.11.11 | NOTICE EXCEPTION | 44 |
| 18.12 | VACATION SCHEDULING | 44 |
| ARTICLE 19 | FAMILY OR EMPLOYEE DEATH | 44-45 |
| 19.1 | FAMILY DEATH | 44 |
| 19.1.1 | EMPLOYEE'S FAMILY | 44 |
| 19.1.2 | SPOUSE'S FAMILY | 45 |
| 19.1.3 | FIVE DAY ENTITLEMENTS | 45 |
| 19.1.4 | THREE DAY ENTITLEMENTS | 45 |
| 19.1.5 | TWO DAY ENTITLEMENTS | 45 |
| 19.1.6 | EXCEPTIONS | 45 |
| 19.2 | EMPLOYEE DEATH | 45 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|---|-------------|
| ARTICLE 20 | PAY STATUS FOR TIME NOT WORKED | 46-48 |
| 20.1 | COURT WITNESS AND JURY DUTY PAY ELIGIBILITY | 46 |
| 20.2 | LEAVE OF ABSENCE: UNPAID UNION BUSINESS | 46 |
| 20.3 | MILITARY LEAVE OF ABSENCE PAY ELIGIBILITY | 46 |
| 20.4 | OTHER LEAVES OF ABSENCE: UNPAID | 46 |
| 20.5 | ABSENCE DUE TO SICKNESS OR ACCIDENT: ELIGIBILITY FOR ADVANCE PAYMENT | 46-47 |
| 20.5.1 | PREPAID ABSENCE CREDIT | 47 |
| 20.6 | PAYMENT OF PREVIOUSLY EARNED UNUSED SICK PAY CREDIT | 47 |
| 20.7 | SHORT TERM DISABILITY BENEFITS | 47 |
| 20.8 | WORKER'S COMPENSATION | 47 |
| 20.9 | PAYMENT | 47 |
| 20.10 | COUNSELLING | 47 |
| 20.11 | PAID PATERNITY AND ADOPTION LEAVE | 48 |
| 20.12 | PAY STATUS FOR OTHER TIME NOT WORKED | 48 |
| ARTICLE 21 | MEALS, LODGING AND TRANSPORTATION | 48-53 |
| 21.1 | TRANSPORTATION | 48 |
| 21.2 | HEADQUARTERS LOCATION | 49 |
| 21.2.1 | HEADQUARTERS LOCATION FOR GENERATING STATION AND TRAVELING MAINTENANCE EMPLOYEES | 49 |
| 21.3 | JOB SITE REPORTING - LINE CREWS | 49 |
| 21.3.1 | JOB SITE REPORTING - LINE CREWS AGE 55 EXCEPTION | 49 |
| 21.4 | JOB SITE REPORTING - LINE SERVICE SPECIALISTS AND CONSUMER ORDER WORKERS | 49 |
| 21.5 | JOB SITE REPORTING - SUBSTATION CONSTRUCTION EMPLOYEES | 50 |
| 21.6 | MILEAGE CALCULATION | 50 |
| 21.7 | LODGING AND MEAL PER DIEM | 50 |
| 21.7.1 | ELIGIBILITY: PER DIEM LODGING | 50 |
| 21.7.2 | ELIGIBILITY: PER DIEM MEALS | 50 |
| 21.8 | COMPANY DECISION AND NOTIFICATION | 51 |
| 21.9 | PER DIEM FOR SUBSTATION CONSTRUCTION | 51 |
| 21.9.1 | ESTABLISHED HEADQUARTERS TOWN | 51 |
| 21.9.2 | HEADQUARTERS LOCATION FOR SUBSTATION CONSTRUCTION EMPLOYEES | 51 |
| 21.10 | SPECIAL LODGING EXPENSE | 51 |
| 21.11 | WORKING AWAY FROM HEADQUARTERS AREA | 52 |
| 21.12 | OTHER APPROVED EXPENSE | 52 |
| 21.13 | MISREPRESENTATION OF EXPENSES | 52 |
| 21.14 | OVERTIME MEAL ALLOWANCE | 52 |
| 21.15 | EMPLOYEE MANAGED EATING FACILITIES | 52 |
| 21.16 | TIME TO EAT OVERTIME MEAL | 52 |
| 21.17 | MEAL COST | 53 |
| ARTICLE 22 | INCLEMENT WEATHER | 53 |
| 22.1 | NO LAYOFF | 53 |
| 22.2 | WORK ASSIGNMENTS DURING INCLEMENT WEATHER | 53 |
| 22.3 | ITEMS FURNISHED: GENERAL | 53 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|--|-------------|
| ARTICLE 23 | SAFETY AND HEALTH | 53-54 |
| 23.1 | YARD AUTOMOTIVE EQUIPMENT | 53 |
| 23.2 | SAFETY AND HEALTH FACILITIES | 53 |
| 23.3 | SUITABLE CLOTHING | 54 |
| 23.4 | EYEGLASSES OR DENTURES | 54 |
| 23.5 | CORPORATE SAFETY COORDINATING COUNCIL | 54 |
| 23.6 | CORPORATE ACCIDENT INVESTIGATION COMMITTEE | 54 |
| 23.7 | SAFETY MANUAL CHANGES | 54 |
| 23.8 | PROTECTIVE EQUIPMENT | 54 |
| 23.9 | SAFETY RULES AND POLICIES COMPLIANCE | 54 |
| ARTICLE 24 | SUPERVISORS DOING UNION WORK | 55 |
| ARTICLE 25 | SUBCONTRACTING | 55 |
| ARTICLE 26 | WORKER'S COMPENSATION | 55 |
| ARTICLE 27 | DISABLED VETERANS | 55 |
| ARTICLE 28 | USE OF BULLETIN BOARD | 55-56 |
| ARTICLE 29 | BENEFIT PLANS | 56-60 |
| 29.1 | PENSION PLAN | 56 |
| 29.2 | MEDICAL COVERAGE | 56-57 |
| 29.3 | SHORT-TERM DISABILITY | 57 |
| 29.4 | EMPLOYEE ENROLLMENT | 57 |
| 29.4.1 | COMPANY DETERMINATION | 58 |
| 29.4.2 | NO COMPANY OBLIGATION | 58 |
| 29.5 | DENTAL COVERAGE | 58 |
| 29.6 | GROUP LIFE INSURANCE | 58 |
| 29.7 | LONG TERM DISABILITY PLAN | 58-59 |
| 29.8 | HEALTH CARE SPENDING ACCOUNT | 59 |
| 29.9 | DEPENDENT CARE SPENDING ACCOUNT | 59 |
| 29.10 | EMPLOYEE'S 401(K) SAVINGS PLAN | 59 |
| 29.11 | POST-RETIREMENT HEALTHCARE | 59 |
| 29.12 | METHOD OF FUNDING | 59 |
| 29.13 | ADMINISTRATION | 59-60 |
| 29.14 | BENEFITS CLAIMS DISPUTES | 60 |
| ARTICLE 30 | NOTIFICATION | 60 |
| ARTICLE 31 | PROMOTIONAL CHARTS | 61-92 |
| 31.1 | DISTRICT OPERATIONS PROMOTIONAL CHARTS | 62-73 |
| 31.2 | CORPORATE OFFICES PROMOTIONAL CHARTS | 74-81 |
| 31.3 | GENERATING STATIONS PROMOTIONAL CHARTS | 82-92 |

| <u>REFERENCE</u> | <u>TITLE</u> | <u>PAGE</u> |
|------------------|---|-------------|
| ARTICLE 32 | WAGE SCALE | 93-101 |
| 32.1 | PSI UNION EMPLOYEES INCENTIVE BONUS | 101 |
| 32.1.1 | ANNUAL INCENTIVE PLAN | 101 |
| 32.1.2 | CUSTOMER SATISFACTION | 101 |
| 32.1.3 | SAFETY | 101 |
| 32.1.4 | PEAK EQUIVALENT AVAILABILITY GOAL | 101 |
| 32.1.5 | 401(k) MATCH | 101 |
| ARTICLE 33 | PROBATIONARY WAGE SCALE | 102 |
| ARTICLE 34 | MISCELLANEOUS | 102-104 |
| 34.1 | DECIMAL NUMBERING SYSTEM | 102 |
| 34.2 | HEADINGS AND TABLE OF CONTENTS | 102 |
| 34.3 | SPECIAL PROGRAMS | 102-103 |
| 34.4 | COMMITTEE ON POLITICAL EDUCATION CONTRIBUTIONS | 103 |
| 34.5 | UNION VISITATION | 103 |
| 34.6 | COMMERCIAL DRIVERS LICENSE | 103 |
| 34.6.1 | QUALIFICATION FOR COMMERCIAL DRIVERS LICENSE | 103-104 |
| 34.7 | DIRECT DEPOSIT | 104 |
| ARTICLE 35 | TERM OF AGREEMENT | 104 |
| 35.1 | DEFINITION | 104 |
| 35.2 | COMPLETE AGREEMENT | 104 |
| 35.3 | EFFECTIVE DATES AND NOTIFICATION PROVISIONS | 104 |
| SIGNATURE PAGE | | 105 |
| APPENDIX A | DUES DEDUCTION CARD | 106 |
| APPENDIX B | C.O.P.E. DEDUCTION CARD | 107 |
| APPENDIX C | HISTORICAL DOCUMENTS PRESERVED AND MADE A PART OF THIS AGREEMENT FOR INTERPRETATION AND APPLICATION | 108-117 |
| APPENDIX D | DEFINED TERMS | 118-120 |
| ATTACHMENT | EMPLOYEE BENEFITS | 121-132 |
| ADDENDUM | POST-RETIREMENT HEALTH REIMBURSEMENT ACCOUNT (HRA) | 133-139 |
| ATTACHMENT | STORM DAMAGE SERVICE RESTORATION | 140 |

PREAMBLE

THIS AGREEMENT made by and between PSI ENERGY, INC., (hereinafter called the "Company") a wholly owned subsidiary of Cinergy Corp., and its successors and assigns, and LOCAL UNION NO. 1393 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (hereinafter called the "Union"), covering, except as herein otherwise provided, the Employees of the Company (hereinafter called the "union Employees") who are from time to time engaged in performing the different classifications of work herein scheduled, WITNESSETH:

That for and in consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows in respect of the union Employees:

**ARTICLE 1
RECOGNITION**

C-13

1.1 BARGAINING AGENT - The Union is hereby recognized as the exclusive collective bargaining representative with respect to rates of pay, hours of work and other terms and conditions of employment for the Employees of the Company who are from time to time engaged in performing the different classifications of work covered by Articles 31, 32, and 33 hereof, all of which Employees are herein called the "union Employees."

C-4

1.2 AGREEMENT TO MEET AND DEAL - The Company and the Union agree to meet and deal with each other through their duly accredited officers, representatives and committees on matters covered by the terms of this Agreement.

1.3 ACQUISITION OF OPERATING UTILITY - If the Company at any time shall acquire an operating utility property, and a majority of the employees thereof, who are at such time working in the classifications listed in this Agreement or engaged in performing the same class of work as union Employees, shall desire the Union to represent them, and such representation is not in conflict with any contractual obligations taken over by the Company in connection with such acquisition, then such employees may become union Employees. The Company agrees that in each case where it proposes to acquire an operating utility property it shall on the day on which it files with the appropriate governmental regulatory authority its petition for approval of such acquisition or makes its initial public release of such proposed acquisition, whichever day shall first occur, give the Union written notice of the Company's intention to acquire such operating utility property.

C-138
C-168

1.4 CREATION OF NEW JOB CLASSIFICATIONS - Whenever the Company desires to create a new job classification covering work of a kind or character similar to the work being performed by union Employees, the Company shall give the Union written notice of its intention to do so, after which the Company and Union will jointly select not more than two union Employees if such new job classification involves a single job series, and not more than three union Employees if it involves multiple job series, to serve on a Job Creation Committee. The Job Creation Committee will make recommendations regarding job duties and qualifications and the manner of filling the new job. The Company will make the final decision regarding the contents of the job specification, after which it may proceed to evaluate such new job classification and fill the same in a manner consistent with the terms of this Agreement. The Company shall, forthwith after such evaluation is completed, give the Union written notice thereof and of the labor grade (which determines the wage scale rate) within which such new job classification falls, and shall promptly review such evaluation with the Union unless the Union in writing waives such review.

C-148
C-3

1.4.1 RE-EVALUATION OF EXISTING UNION JOB CLASSIFICATIONS - When the Company desires to re-evaluate a job classification covered by this Agreement, the Company shall give the Union written notice stating the reason for such re-evaluation and including a copy of the revised job specification. After such re-evaluation the Company shall promptly notify the Union as to the change, if any, in the labor grade of the re-evaluated job classification and the effective date of implementation. Within 21 calendar days of notification, the Union may request, in writing, a review of the re-evaluated job classification. Such review may be waived by the Union.

- a. **Re-evaluation Committee:** The Union may designate one employee from each union job classification being re-evaluated to serve as a member of the job re-evaluation committee for the re-evaluation of his job classification. The committee will interview incumbents in each job classification re-evaluated. The Company will provide the Union with any market data used in the re-evaluation process.

1.4.2 DISPUTE ARBITRABLE - If after review pursuant to Sections 1.4 or 1.4.1:

- a. The Union and the Company are in disagreement as to the evaluation and the labor grade (which determines the wage scale rate) for such new or re-evaluated job classification, or
- b. The Union and the Company are in disagreement as to whether the new or re-evaluated job classification has been filled in a manner consistent with the terms of this Agreement,

then the Union may, at any time within ten days after giving written notice to the Company of such disagreement, request in writing that said matter be arbitrated; and in such event such matter shall be submitted to arbitration in the manner provided in Section 7.3.

1.4.3 EFFECT ON WAGE RATES - In the event the labor grade of a job classification is reduced as a result of a re-evaluation, the wage rate of union Employees in the job classification at the time of the re-evaluation shall remain unchanged until the final wage rate of the newly assigned labor grade equals or exceeds the wage rate of such union Employee. At such time the union Employee will resume normal progression in the newly assigned labor grade.

1.5 RIGHTS OF MANAGEMENT - Except as otherwise provided in this Agreement, and subject to any limitation contained in this Agreement, the Company, in its exercise of its functions of management, shall have the right to decide the procedures, work methods, safety rules, direction of union Employees, assignment of work, equipment to be used in the operation of the Company's business, and to determine the hours of work and schedules, the right to hire, discharge, suspend, discipline, promote, demote and transfer union Employees, and to lay off union Employees because of lack of work or for other proper or legitimate reasons, subject, however, to the union Employee's privilege of filing a grievance as provided in this Agreement. All management rights not specifically limited by the express language of this Agreement, or not otherwise provided for, are retained by the Company.

1.6 SUCCESSORSHIP - This Agreement shall be binding upon the successors of the Employer, and no provisions, terms or obligations contained herein shall be affected, modified, altered or changed in any respect whatsoever by the sale, conveyance, transfer, assignment, consolidation or merger of the Employer's operations covered by this Agreement or affected, modified, altered or changed in any respect whatsoever by any change of any kind in the legal status, ownership or management of the Employer's operations covered by this Agreement, or by change, geographical or otherwise, in the location or place of business of the Employer.

ARTICLE 2 UNION AND COMPANY OBLIGATIONS

2.1 NO STRIKE: NO LOCKOUT - It is expressly understood that the services rendered by the union Employees are essential in the welfare of the public dependent on the Company for electric utility service, and in consideration thereof the Union agrees that it shall not call upon or permit any of the union Employees to cease or abstain from the continuous performance of his duties pertaining to the position held by him with the Company, in accordance with the terms of this Agreement; and the Company agrees to do nothing to prevent such continuity of performance, insofar as such performance is required in the normal and usual operation of the Company's properties. Should a contingency arise where a union Employee violates his obligation under the foregoing provisions of this Section, the Union hereby agrees that the Company may, so long only as such contingency continues, secure and use in lieu of each such union Employee the services of a person who is not a member of the Union. It is expressly understood that each such contingency shall be deemed to end (a) when the union Employee who is violating his said obligation returns to his job, or (b) at the beginning of the seventh working day after such union Employee is either discharged by the Company or otherwise severs his connection with the Company.

C-54 2.2 LOYAL AND EFFICIENT SERVICE - The Union agrees that its members, who are union
C-128 Employees of the Company shall, individually and collectively, at all times perform loyal and efficient service, comply with the terms and working conditions of this Agreement, use their influence and best efforts to protect the property of the Company and its interests, and cooperate with the Company and all its employees to such ends.

2.3 NO DISCRIMINATION BECAUSE OF UNION MEMBERSHIP - The Company agrees that its officers, department heads, managers and supervisors at all times shall comply with the Company's obligations under this Agreement, shall not direct any union Employee to violate any term or

working condition hereof, shall not discriminate, interfere with, restrain or coerce any union Employee because of his membership in the Union or because of any lawful activities by him on behalf of the Union, and shall cooperate with the Union and its representatives at all times.

2.4 WILLINGNESS TO BECOME A UNION MEMBER - The term "signifies his willingness to become a member of the Union" as used in this Agreement shall mean and refer to a person who applies to the Union for membership therein, tenders the initiation fees uniformly required by the Union as a condition to membership therein and agrees to pay the periodic dues uniformly required by the Union as a condition to membership therein.

2.4.1 ACCEPTANCE FOR UNION MEMBERSHIP - The Union agrees that it shall from time to time promptly accept for membership in the Union any person, not at such time a member of the Union, (a) whom the Company desires to employ to perform for the Company work covered by this Agreement and who signifies his willingness to become a member of the Union, or (b) who is an Employee of the Company performing for it work covered by this Agreement and who signifies his willingness to become a member of the Union.

2.4.2 DUTY TO REPRESENT - The Union is required under the terms of this Agreement to represent all of the union Employees of the Company fairly and equally without regard as to whether or not such Employee is a member of the Union. Accordingly, it is deemed fair that each such Employee pay his own way and assume his fair share of the obligation along with the grant of equal benefits contained in this Agreement. Each union Employee shall have the right to join, not join, maintain or not maintain his membership in the Union. Neither the Company nor the Union shall exert any pressure on, or discriminate against, any such Employee as regards such matters.

2.4.3 PAYMENT OF UNION DUES - Each regular union Employee shall, as a condition of continued employment, pay to the Union, directly or by way of proper authorization for payroll deduction in the manner provided in Section 2.6 until the expiration of this Agreement, an amount of money uniformly required from the members of the Union, which shall be limited to an amount of money equal to the Union's regular and established initiation fee and the Union's regular and established monthly dues. For each probationary union Employee presently employed and for each new union Employee employed by the Company, such payments shall commence within 31 days after such Employee becomes a regular union Employee.

2.4.4 DISCHARGE FOR NON-PAYMENT OF UNION DUES - Any regular union Employee, who fails to comply with the foregoing provisions, shall, within ten days after the Company is in receipt of due notice by registered or certified mail from the Union, be notified by the Company in writing that he is being placed upon ten calendar days' notice, and at the end of such period, having failed to comply with this provision, shall be discharged.

2.4.5 INDEMNIFICATION AND HOLD HARMLESS - The Union shall indemnify and save 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 2.4.

2.5 INFORMATION FURNISHED BY COMPANY - The Company agrees to notify each new union Employee of the existence of this Agreement, to furnish him with a copy of the same, and to furnish him the name of the Local Steward of the Union. In addition, the Company shall, within a reasonable period of time after the effective date of employment of each new union Employee, advise either verbally or in writing the respective Local Steward whose name is on file with the Company by the Union, or the respective alternate whose name is so on file, as to the name of such new Employee.

2.6 COLLECTION OF UNION DUES - The Company shall make collection of union dues of any union Employee, who is a member of the Union, through payroll deductions, upon proper authorization in writing signed by such Employee and delivered to the Company within ten days after its execution; shall pay monthly to the Financial Secretary of the Local Union the total amount thus deducted from all union Employees for whom such authorizations are in effect; and shall monthly, promptly after the first payday, furnish such Financial Secretary an itemized list showing, for the period subsequent to the last previous list, the names of the union Employees in respect of whom the payroll deductions were made and the respective amounts of such deductions. Authorizations by union Employees for such deduction shall be in the form of the sample attached to this Agreement as Appendix A. Deductions shall be made only from the wages paid to union Employees on one of the paydays in the month for which the dues are owed.

2.6.1 AMOUNT OF UNION DUES - The Financial Secretary of the Local Union shall certify to the Comptroller (or other properly designated representative) of the Company, in writing and in such form and detail as the Company shall direct, the amount of the regular monthly union dues which shall be deducted for such month under the authorizations provided for in Section 2.6. In each case where there is any change to be made in the amount so certified, the Financial Secretary shall, on or before the 20th day of the month immediately preceding the month in which such change is to be effective, certify such fact and the changed amount to be deducted.

2.6.2 CANCELLATION OF DEDUCTIONS - Cancellation by a union Employee of his written authorization for payroll deduction shall be in writing signed by the union Employee, and, upon receipt thereof, the Company shall honor any such cancellation. Cancellations shall be forwarded promptly to the Comptroller (or other properly designated representative) of the Company. A union Employee's authorization shall be deemed automatically canceled if such union Employee leaves the employ of the Company (including union Employees who are granted leaves of absence) or is transferred or promoted out of the bargaining unit.

2.6.3 INSUFFICIENT PAY AND DISABILITY BENEFITS - No dues shall be deducted from accident disability benefits or when sufficient pay is not available after allowing for all other authorized deductions. In such a case, the union dues shall be deducted on a subsequent payday (if any) in the same month if sufficient pay is available. No adjustment shall be made in a month subsequent to that for which the dues apply.

2.6.4 INAPPLICABLE TO NON-MEMBERS - The above provisions of this Section 2.6 shall not apply in the case of any union Employee who is not a member of the Union.

2.7 NON-DISCRIMINATION - The Company and the Union mutually agree that they will not discriminate against any union Employee because of race, religion, color, sex, national origin, age, handicap, or status as a Vietnam Era Veteran.

ARTICLE 3 SENIORITY

3.1 PROBATIONARY AND REGULAR EMPLOYEES - All new union Employees employed by the Company, shall be considered employed on a probationary basis for the first nine months of their employment. If retained after nine months, such Employees shall thereafter be considered regular union Employees and be entitled to all the rights and privileges hereunder.

3.1.1 CALCULATION OF ABSENT TIME - Whenever a probationary union Employee is continuously absent from work for any reason for a period of one month or longer and is retained in the employ of the Company, the decision with respect to such Employee's eligibility for regular employment status shall be deferred to the full extent of the absence and, if made a regular union Employee, the date he attains regular Employee status shall then be established as nine months from his date of employment.

3.2 COMPANY AND JOB SERIES SENIORITY - Seniority is divided into two kinds: company seniority and job series seniority, as follows:

3.2.1 COMPANY SENIORITY - Length of employment in the Company shall be company seniority.

3.2.2 JOB SERIES SENIORITY - Length of employment at a specific location in a Line of Promotion of job classifications as set forth in Article 31 "Promotional Charts" hereof, or, in cases where a job series does not exist, length of employment in a specific job classification at a specific location, shall be job series seniority.

3.2.3 TEMPORARY LABOR EXCEPTION - Any union Employee classified as Temporary Labor (Job Specification No. 401) shall not receive any credit for job series seniority for time worked in any job series or job classification not in a part of a series.

3.2.4 STOREROOM SENIORITY AT GENERATING STATIONS - Whenever, at a Generating Station site, separate storerooms are established for construction and for operation purposes, each such storeroom shall be deemed to be a separate specific location in the computation of job series seniority.

3.2.5 DETERMINATION OF SENIORITY - Company seniority and job series seniority shall be in accordance with the Company's records with exclusions and inclusions as specified in Section 3.3, but shall not include time spent in the Company prior to a loss of seniority under the provisions of Section 3.3.1.

C-25

3.2.6 SENIORITY WHEN TRANSFERRED - When a union Employee is to be transferred under the bidding procedure from one location or job classification to another, he shall, except as provided in Section 3.2.7 cease to accrue job series seniority at the old location or in the old job classification the day after the close of the bidding period, and his job series seniority at the new location or in the new job classification shall commence on such day. In cases falling within the provisions of Section 3.2.7 the transfer date of the union Employee involved shall be deemed to be the date on which his new job series seniority would commence except for the provisions of said Section 3.2.7.

3.2.7 - INITIAL MANNING SENIORITY - In the event the Company: (a) creates a new job classification pursuant to the provisions of Section 1.4 which is initially to be manned by two or more union Employees, or (b) sets up at a location a job classification under this Agreement that it does not have at such location and that is to be initially manned by two or more union Employees, then and in each such case of such initial manning the starting date of job series seniority at such location for each union Employee who is transferred from a job with the Company to the job classification referred to under (a) or (b) above within six months after first placing of a union Employee in such job classification shall be considered to be the date on which a union Employee was first placed in such job classification. The job series seniority of such union Employee in the job classification in which he was working at the time of such transfer shall not include any time worked in such job classification subsequent to the date when his job series seniority commences in the job classification referred to under (a) or (b) above.

3.2.8 EQUAL JOB SERIES SENIORITY - Should two or more union Employees have equal job series seniority, then for the purposes of promotion, or demotion due to reduction in force, their respective job series seniority shall be determined by the job series seniority they had in their last previous job classification. If two or more union Employees have the same job series seniority under the foregoing provisions, company seniority shall be used for the purpose of such promotion or demotion.

3.2.9 NOTICE OF CHANGE - As promptly as practicable after each payroll change for a union Employee occurs, the Company shall furnish the Union duplicate copies of a "Notice of Change."

C-90

3.3 COMPUTATION OF SENIORITY - In computing the company seniority of a regular union Employee, full credit shall be given for all continuous time in service since the date such Employee became a probationary Employee, including the time absent from work on account of illness or injury, leave of absence and excused absence granted by the Company (including those provided for in Sections 20.2, 20.3, and 20.4), vacations granted by the Company, military leave granted by the Company, and time covered by any Layoff to the extent provided in Section 3.3.1 d. In computing the job series seniority of a regular union Employee in any case, full credit shall be given for all time which such union Employee has in the job series (or the job classification if not in a series) at the specific location involved since he became a probationary union Employee, including time absent from work on account of illness or injury, leave of absence and excused absence granted by the Company (including those provided for in Sections 20.2, 20.3, and 20.4), vacations granted by the Company and military leave granted by the Company, deducting any Layoff time which does not exceed 24 months for any Layoff period. Any period of Layoff beyond 24 months shall constitute a break in service and neither company seniority rights nor job series seniority rights are to be restored.

3.3.1 LOSS OF SENIORITY - Company seniority and job series seniority of a union Employee shall be lost if he:

- a. Voluntarily terminates his employment, or
- b. Is discharged for cause, or
- c. After a Layoff fails to return to work within the period specified in this Agreement for return to work in such cases, or
- d. Is laid off for more than 24 consecutive months (it being understood, however, that in case of Layoffs of less than 24 months, company seniority shall accumulate during the Layoff period), or
- e. Violates the terms of his leave of absence.

3.3.2 NON-UNION POSITION: JOB SERIES SENIORITY - Job series seniority as credited to a union Employee under the terms of this Agreement, shall be lost if such Employee accepts a position with the Company not covered by this Agreement and does not return to a job classification covered by this Agreement within 24 consecutive months after the effective date when such Employee commenced work in such other position with the Company.

ARTICLE 4
POSTING AND BIDDING

C-137 4.1 INITIAL CONSIDERATION - LABOR GRADES 1 THROUGH 11 - When a vacancy (such
C-145 term including any new opening) in a position covered by this Agreement in labor grade 1 through
C-150 11 (other than positions designated as beginning level) is to be filled, the opportunity to fill such
vacancy shall be offered, in writing, to qualified, regular union Employees in the job series at the
location where the vacancy exists in accordance with the following procedure:

- A. First order of selection: The regular union Employee in the job classification immediately below the vacancy, who is qualified and has the greatest job series seniority. If the senior, qualified employee declines such offer, then the Company shall continue to offer the opportunity to fill such vacancy to qualified employees, in order of job series seniority, until the vacancy is filled or an offer has been made to all employees eligible under the first order of selection.

- B. Second order of selection: The regular union Employee in any other job classification in the job series who is qualified and has the greatest job series seniority. If the senior, qualified employee declines such offer, then the Company shall continue to offer the opportunity to fill such vacancy to the qualified employees, in order of job series seniority, until the vacancy is filled or an offer has been made to all employees in the second order of selection.

When two or more regular union Employees in the same order of selection have the same job series seniority, then the qualified regular union Employee having the greatest company seniority shall be selected to fill the vacancy.

C-137 4.2 FIVE DAY POSTING - LABOR GRADES 1 THROUGH 11 - In the event a vacancy (such term
C-145 including any new opening) in a position covered by this Agreement in labor grades 1-11 (other than
positions designated as beginning level) is not filled in accordance with Section 4.1, a Notice of Job
Vacancy shall be posted at the following locations as designated:

| <u>Location of Vacancy</u> | <u>Location of 5 Day Posting</u> |
|-----------------------------------|---|
| (A) Power Production Locations | - All Generating Stations - Traveling Maintenance - Special Traveling Maintenance - Dresser Shop |
| (B) Customer Operations Locations | - All District Offices |
| (C) Corporate Offices | - Corporate Offices |

Such Notice of Job Vacancy shall be posted on the Union's bulletin board or the Union's portion of a joint bulletin board and shall be open for bids for five calendar days. Bids may be submitted by all regular union Employees at all locations where the Notice of Job Vacancy is posted, except for those employees in the job series, at the location where the posted vacancy exists. Order of selection of successful bidders shall be as follows:

- (A) First order of selection: Regular union Employees at the location where the vacancy exists who are qualified and have the greatest job series seniority among the eligible bidders.
- (B) Second order of selection: Regular union Employees at locations other than the location where the vacancy exists, who are incumbents in the job series that corresponds to the job series in which the vacancy exists, who are qualified and have the greatest job series seniority among the eligible bidders.
- (C) Third order of selection: Regular union Employees at locations other than the location where the vacancy exists who are qualified and have the greatest job series seniority among the eligible bidders.

When two or more regular union Employees in the same order of selection have the same job series seniority, then the qualified regular union Employee having the greatest company seniority shall be selected to fill the vacancy.

4.3 INITIAL CONSIDERATION - LABOR GRADE 12 AND ABOVE - When a vacancy (such term including any new opening) in a position covered by this Agreement in labor grade 12 and above (other than positions designated beginning level) is to be filled, regular union Employees in the job series at the location where the vacancy exists shall be notified of the vacancy. Such notification shall be posted at the location on the Union's bulletin board or the Union's portion of a joint bulletin board for five calendar days and shall include the date, time, and place designated for the administration of promotional exams required for consideration for such announced vacancy. Employees who are interested in consideration for such vacancy shall notify their immediate supervisor in writing of such interest during such posting period.

4.4 FIVE DAY POSTING - LABOR GRADE 12 AND ABOVE - In the event a vacancy (such term including any new opening) in a position covered by this Agreement in labor grade 12 and above (other than positions designated as beginning level) is not filled in accordance with Section 4.3, a Notice of Job Vacancy shall be posted at the following locations as designated:

| <u>Location of Vacancy</u> | <u>Location of 5 Day Posting</u> |
|-----------------------------------|---|
| (A) Power Production Locations | - All Generating Stations - Traveling Maintenance - Special Traveling Maintenance - Dresser Shop |
| (B) Customer Operations Locations | - All District Offices |
| (C) Corporate Offices | - Corporate Offices |

Such Notice of Job Vacancy shall be posted on the Union's bulletin board or the Union's portion of a joint bulletin board and open for bids for five calendar days. Bids may be submitted by all regular union Employees at all locations where the Notice of Job Vacancy is posted, except for those employees in the job series, at the location where the posted vacancy exists. Promptly after the close of the bidding period, the Company shall notify all bidders, in writing, of the date, time, and place designated for the administration of promotional exams required for consideration for such announced vacancy.

C-41 4.5 FACTORS GOVERNING PROMOTION - LABOR GRADE 12 AND ABOVE - The Company
C-63 shall consider the results of promotional exams, performance evaluations, job series seniority, and
C-78 any other aspect of the employee's work record, and shall offer the position to the candidate best
qualified to fill the vacancy, as determined by the Company. The decision of the Company may
constitute a grievance under Article 7.

4.6 EXECUTION OF BID - Each bid must be signed and submitted by the union Employee making
the bid and received by the designated Company supervisor no later than the time and date stated on
the notice, except a bid mailed through the United States Post Office must be postmarked prior to the
bid deadline and received by the designated person within two mail deliveries following such
deadline.

4.7 DETERMINATION AND NOTIFICATION - The eligible bids received shall be considered by
the Company and the awarding of the job posted and the effective date of the new wage rate or the
rejection of all bids, because of ineligibility to bid or insufficient qualifications, shall be made by the
Company as promptly as practicable, but within 20 calendar days after the close of the bidding
period. It shall be the duty of the Company's department head or superintendent, promptly after the
awarding of the posted job or the rejection of all bids, to notify each unsuccessful bidder in writing
stating the reasons why such bidder was not awarded the job.

4.8 SIX-MONTH QUALIFYING PERIOD - Any union Employee who is promoted shall be given a six months' qualifying period for the purpose of enabling him to acquaint himself with and train himself in the job and to establish his ability to meet the job requirements. If at the end of such six months' period the Company decides that such Employee is not competent to meet the job requirements (which decision may constitute a grievance under Article 7), then such Employee shall be transferred back to his former job classification. In the event of such transfer back, such Employee shall have included in his seniority in the job classification to which he is returned, the time spent by him in the job classification to which he was promoted.

4.9 RELOCATION ALLOWANCE -In each case where a posting is made of a job vacancy for which a union Employee who is entitled to bid therefore may be required to move to the locality in which such job vacancy exists, the Company shall show on such posting whether or not it shall pay a relocation allowance of \$2,500.00. The Company shall also pay the \$2,500 relocation allowance when an Employee is transferred back to his former job classification under Section 4.8, provided the Employee received the \$2,500 relocation allowance when promoted to the previous job classification.

C-19 4.10 DECLINING OF A PROMOTION OR TRANSFER - In the event a union Employee chooses not to accept a promotion or transfer, it shall have no effect upon his future opportunities for promotion or transfer.

4.11 UNDUE INFLUENCE - Undue influence shall not be exercised by any representative of the Company toward union Employees regarding the acceptance or rejection of a job offer or bidding or not bidding on a posted job.

C-15 4.12 EFFECT ON JOB SERIES SENIORITY - A union Employee who is promoted, or otherwise transfers or is transferred, into another job series (or another job classification not in a series) at any location shall start with zero job series seniority in such other job series (or job classification not in a series), except that if he has previously been employed in such other job series (or job classification not in a series) at such location, he shall start with the seniority previously accumulated in such job series (or job classification not in a series) at such location.

4.13 RETURN TO FORMER JOB CLASSIFICATION - If a union Employee working in any job classification covered by the Agreement accepts a position with the Company not covered by this Agreement and desires to return to such job classification at the location that he left, he may do so at any time within six months if such job classification then exists at such location and he has at such time sufficient job series seniority. At any time after the initial six-month period, such Employee may be returned, at the direction of the Company, to the last job classification held by the Employee for which manning is authorized by the Company at the time the Employee is returned. Such action by the Company shall not result in the demotion of another union Employee. Any adjustment in job series seniority shall be governed by applicable provisions of this Agreement.

C-19 4.14 TEMPORARY ASSIGNMENTS - When a union Employee is temporarily assigned by the
C-20 Company to other work, his job series seniority shall continue to accrue in his regular job
C-93 classification. No such temporary assignment shall be for a period of more than six months.

C-99 4.15 LETTER OF REQUEST - Any union Employee who wishes to be considered for a job in any
job classification covered by this Agreement for which he is not eligible for consideration under the
provisions of Sections 4.1, 4.2, 4.3, or 4.4 may, at any time, file with the General Manager,
Employee Relations and Safety, a written request stating:

- a. The job for which he desires to be considered,
- b. The location(s) for which he desires to be considered for such job,
- c. His training, experience and other qualifications for such job, and
- d. His reasons for desiring a job change.

Each such written request shall remain effective for a period of one year from the date of its receipt
by the General Manager, Employee Relations and Safety, and may be renewed each year thereafter.
Requests for renewals shall be in writing to the General Manager, Employee Relations and Safety. If
a job is not filled after the application of the promotion procedures, when applicable, then
consideration shall be given to each effective written request for such job; but the decision of the
Company, after such consideration, shall be final.

C-99 4.16 BEGINNING JOBS - Vacancies in beginning level jobs, when available, shall be announced in
the Job Opportunity Bulletin. Employees who wish to be considered for such vacancies must
respond to such announcement in accordance with instructions contained in the newsletter. The
Company shall be the judge of the qualifications for each such job and its decisions regarding filling
or not filling or selection of the individual to fill any such job vacancy, after considering all
responses, shall be final.

ARTICLE 5 LAYOFF AND REDUCED WORK AVAILABILITY

C-120 5.1 INITIAL LAYOFFS - When a reduction in force at any location is necessary, probationary union
Employees at the location affected shall be laid off first.

5.2 ORDER OF SUBSEQUENT LAYOFFS - In case it is necessary further to reduce the number of
union Employees in a job classification at such location, each of the union Employees in such job
classification who is lowest on the job series seniority list, shall:

5.2.1 IN JOB SERIES: DISTRICTS AND CORPORATE OFFICES -In cases involving a job classification which is a part of a job series and is not in a Generating Station,

- a. be demoted to the next lower job classification in such series at such location, and
- b. if there be no such next lower job classification, be transferred or demoted to any job classification in his present working headquarters or sub-headquarters location in which he has sufficient job series seniority;

5.2.2 IN JOB SERIES: GENERATING STATIONS - In cases involving a job classification which is a part of a job series and is in a Generating Station,

- a. be demoted to the next lower job classification in such series at such Generating Station, and
- b. if there be no such next lower job classification, be transferred or demoted to any job classification within such Generating Station in which he has sufficient job series seniority;

5.2.3 NOT IN JOB SERIES: DISTRICTS AND CORPORATE OFFICES - In cases involving a job classification which is not a part of a job series and is not in a Generating Station, be transferred or demoted to any other job classification in his present working headquarters or sub-headquarters location in which he has sufficient job series seniority;

5.2.4 NOT IN JOB SERIES: GENERATING STATIONS - In cases involving a job classification which is not a part of a job series and is in a Generating Station, be transferred or demoted to any other job classification in such Generating Station in which he has sufficient job series seniority; and

5.3 EFFECT ON JOB SERIES SENIORITY - A union Employee who is demoted or transferred under Section 5.2 shall retain in the job classification from which he is so demoted or transferred, the job series seniority he has therein at the time of such demotion or transfer.

5.4 ORDER IN LOWEST JOB CLASSIFICATION - If such demotions or transfers necessitate a Layoff from the lowest job classification in the promotional series as listed, company seniority shall govern.

5.5 REGULAR AND PROBATIONARY EMPLOYEES - Any regular union Employee who has been notified that he shall be laid off on account of insufficient work at any location, shall be offered a union job at any other location which on the effective date of such Layoff is being filled by a probationary union Employee and for which such regular union Employee is qualified. If two or more such qualified regular union Employees are being considered for transfer under this provision to a job classification filled by a probationary union Employee on the effective date of such Layoff, company seniority at the effective date specified for transfer shall prevail. If two or more such qualified regular union Employees have the same company seniority under the foregoing provisions, then their job series seniority in the respective job series in which they were working at the effective date specified for transfer shall be used for the purpose of determining which one shall be given the job, provided however, that whenever the job classification in which a union Employee was working at the effective date specified for transfer is a job classification common to two or more job series, then such union Employee's job series seniority shall be determined on the basis of the job series in which he has the greatest job series seniority. The foregoing provisions shall not apply to any regular union Employee after he has been laid off on account of insufficient work at any location.

C-101 **5.6 NOTICE OF LAYOFF** - Whenever the Company intends to lay off a regular union Employee because of insufficient work, it shall give such union Employee as much advance notice as the Company deems reasonably practicable, but not less than 28 calendar days. In the event that there is not sufficient work during such 28 day period, such Employee will be eligible for up to 160 hours pay at the applicable Straight Time Pay, payable on regular paydays.

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C-110
C-116 **5.7 REDUCED WORK AVAILABILITY** – The Company may, consistent with Arbitrator Perry's Award in Grievance No. B-82-284, reduce the Regularly Scheduled Work Hours of union Employees in any classification at any location whenever such actual manning in such classification at such location is at or below minimum manning levels as determined by the Company, beginning with the union Employee in the affected job series or job classifications not in a job series, who is lowest in company seniority. Such Reduced Work Availability schedule shall provide a minimum of 32 Regularly Scheduled Work Hours per week and such schedule shall be posted at least 28 calendar days in advance of the effective date of such schedule.

5.8 ADDITIONAL STRAIGHT TIME HOURS - Except in cases of emergency and except in cases of continuation of a specific job beyond the scheduled quitting time, when the need for additional straight time hours of work occurs while union Employees are on Reduced Work Availability schedules, union Employees on such Reduced Work Availability schedule in the job classification in which the additional hours are to be worked, first shall be offered the opportunity to perform such additional work, beginning with such Employee having greatest company seniority.

5.9 CONTRACTING WORK - Except in cases of emergency and except in cases requiring specialized equipment, work normally performed at that location by union Employees who are on Reduced Work Availability schedules shall not be let out under contract, while such Reduced Work Availability schedule is in effect.

5.10 TRANSFERRING EMPLOYEES - Except in cases of emergency and except in cases requiring specialized equipment, work normally performed at that location by union Employees who are on Reduced Work Availability schedules, shall not be performed by Company Employees from other headquarters locations who at the time such work is performed, are working a full 40 hour schedule.

C-120 **5.11 AVAILABILITY OF ANOTHER UNION JOB** - When a regular union Employee is laid off because of lack of work at the location where he is working, the Company, if (a) it then has available at any other place a union job for which such regular Employee is qualified, and (b) there is no other regular union Employee who under any provisions of this Agreement has a prior right to such available job, shall offer such job to such Employee being laid off; and, if such regular Employee accepts such offer, shall employ him in said other job if he commences work therein at the time specified by the Company in making such offer. Similarly, such available jobs as occur during any portion of the period of such regular Employee's Layoff that is not more than 24 months from the date of such Layoff shall be offered to such regular Employee, provided such regular Employee shall inform the Company of his desire to obtain such re-employment and keep the Company advised of his current mailing address.

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C-120 **5.12 RE-EMPLOYMENT OF LAID-OFF REGULAR EMPLOYEE** - When a regular union Employee is laid off for reasons beyond his control and is later re-employed within 24 months, (a) his job series seniority rights as of the day he was so laid off shall be restored, and (b) his company seniority rights as of the day he was so laid off shall be restored and there shall be added thereto company seniority rights for the time he was so laid off.

5.12.1 ORDER OF RE-EMPLOYMENT - When the work force in a classification or department at a given location is to be increased within 24 months after a Layoff, the last union Employee laid off at such location in such classification, including a regular union Employee who, in lieu of or subsequent to Layoff, has accepted other employment with the Company, and a regular union Employee who was transferred to another job classification at the same location in which he had previous job series seniority, under the provisions of Sections 5.1 through 5.10, if available, shall be the first to be rehired in such classification and this order shall continue until all union Employees who were laid off in such classification are re-employed. If two or more union Employees have the same company seniority under the foregoing provisions, their job series seniority in the respective job series in which they were working at the respective times of their Layoffs shall be used for the purpose of determining which one shall be given the job, provided however, that whenever the job classification in which a union Employee was working at

the time he was laid off is a job classification common to two or more job series, such union Employee's job series seniority shall be determined on the basis of the job series in which he has the greatest job series seniority. Except as otherwise provided above, all time out of service due to Layoff shall be deducted in the computation of the years of service of such Employee.

5.12.2 RETURN TO LAST JOB - A regular union Employee who, in lieu of or subsequent to Layoff, accepted other employment with the Company shall be given one opportunity to return to his last former job in accordance with Section 5.12. Should the union Employee decline such opportunity or fail to make arrangements satisfactory with the Company within one week after receipt of notice of such job availability, as described below, to return to such former job, all rights to return to such former job shall be forfeited. This provision shall not apply to a regular union Employee who was demoted to a lower classification within the same job series at the same location under the provisions of Section 5.2.

5.12.3 RE-EMPLOYMENT LIMITATIONS - In the case of a union Employee who is on Layoff status at the time of recall, hereunder, all seniority rights of such Employee shall be forfeited upon his failure to make arrangements satisfactory with the Company within one week to return to work. This one week, as described below, in which to make arrangements satisfactory with the Company commences upon the date of receipt of due notice sent by registered or certified mail at his last known address by the Company, provided however, that if any union Employee being re-employed hereunder is not able to work because he is ill or injured at the time he is given such notice by the Company, he shall be re-employed by the Company when he is able to work if (a) he advised the Company in writing within the aforesaid one week period as to his existing illness or injury and the date when he expects to be able to work, and (b) he returns to work as soon as he is able to work or within six months, whichever shall first occur, and (c) there is at the date he is ready to return to work a job for which he is qualified and has sufficient job series seniority.

5.13 RE-EMPLOYMENT OF PROBATIONARY EMPLOYEE - When a probationary union Employee is laid off for reasons beyond his control and is later re-employed by the Company within 30 days from the date of Layoff, he shall be given credit for all continuous service worked prior to such Layoff, such credit to be applied in connection with the later computation of the date at which such Employee becomes a regular union Employee. Any probationary union Employee who entered military service shall, upon re-employment within 90 days of his discharge from service or within 90 days of his release from hospitalization, if hospitalization continued for less than one year, receive full credit for continuous time worked for the Company prior to military service.

**ARTICLE 6
SUSPENSION, DEMOTION OR DISCHARGE**

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6.1 JUST CAUSE ACTIONS - It is understood and agreed by and between the parties hereto that the Company has the right for just cause to discharge or demote, or as a matter of discipline to suspend for a specified period, any union Employee; but its decision on any such matter may constitute a grievance under Article 7. In each event that the Company exercises any of the foregoing rights it shall notify the Union in writing within ten calendar days of the action stating the cause of such action.

6.2 DISCIPLINARY RECORDS: 24 MONTH LIMITATION - The Company shall not refer to a disciplinary file in any case where the disciplinary track started at a level less than three days, or to otherwise use such a file as the basis for disciplinary action taken against the union Employee who is the subject of such a file after 24 months from the date of the last incident for which such file was established.

6.3 DISCIPLINARY RECORDS: 36 MONTH LIMITATION - Disciplinary files in all cases where the disciplinary track started at a level of three days or more shall not be referred to or used by the Company as the basis for disciplinary action taken against the union Employee who is the subject of such a file after 36 months from the date of the last incident for which such file was established.

6.4 DISCIPLINARY RECORDS: RETENTION - The Company retains all rights to maintain and use such files in any other manner whatsoever so long as such use is not inconsistent with the above.

**ARTICLE 7
SETTLEMENT OF DIFFERENCES**

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7.1 EMPLOYEE GRIEVANCES - Should any difference arise between a union Employee or a group of union Employees (hereinafter referred to as the "aggrieved union Employee") and the Company as to the interpretation or application of this Agreement, such matter shall constitute a grievance hereunder which shall be dealt with as hereinafter provided.

7.1.1 21 DAY LIMITATION - No grievance under Section 7.1 may be filed later than 21 days (excluding Saturdays, Sundays and Recognized Holidays) after the event causing the grievance.

7.1.2 PRESENTATION - Subject to the provisions of Section 7.1.6, a grievance shall be presented to the Company by the Union on behalf of the aggrieved union Employee and an adjustment thereof made by the Company and such representative.

7.1.3 GRIEVANCE PROCEDURE - Subject to the provisions of Section 7.1.6, the grievance procedure to be followed shall be as follows:

First Step:

The grievance shall be discussed between the aggrieved union Employee (together with his Union Steward or Grievance Committeeman) and his foreman or other immediate supervisor. Any grievance not settled within three days (excluding Saturdays, Sundays and Recognized Holidays) after the day when an initial request for such a discussion has been made shall be dealt with as provided in the "Second Step" if a Report of Grievance is filed within five days (excluding Saturdays, Sundays and Recognized Holidays) after the end of said three day period. If a Report of Grievance is not filed within such five-day period, then the grievance shall be considered as abandoned and the matter deemed closed.

Second Step:

Any aggrieved union Employee entitled to file a Report of Grievance shall prepare, or have prepared by the Grievance Committee for the area in which the aggrieved union Employee is working, five copies of such a report, on forms to be provided by the Local Union, shall execute all such copies of such report, and shall file the same with such Grievance Committee. Such Grievance Committee shall deliver the original and two copies thereof to the local Manager or Department Superintendent of the Company, and shall retain two copies, one of which shall be mailed to the Business Manager of the Union. Such local Manager or Department Superintendent shall promptly forward one copy of such report to the Employee Relations Department. As soon as practicable thereafter, representatives from the Company Employee Relations staff and representatives from the Union and such other persons as are deemed necessary by the Company shall meet with

- a. the aggrieved union Employee,
- b. such persons, not exceeding three as are selected by the Union from the group comprising the Local Union Steward, the Grievance Committee from such location, and the union Employees desired by the Union as witnesses, and shall discuss and consider such grievance and attempt to agree upon a settlement or disposition thereof. Any settlement or disposition agreed to by and between the Company representatives, the aggrieved union Employee, and the Union representatives attending such meeting shall be summarized in the section of the report under the caption "Settlement" and such summary shall be signed by a Company representative and a Union representative attending such meeting, and the grievance shall be promptly disposed of pursuant to the agreed basis of settlement thereof. In the event of failure to determine the basis of settlement of a grievance, such grievance shall be subject to arbitration in the manner hereinafter provided in Section 7.3 if the Union so requests by written notice served upon the Company within 60 days following the date upon which the Second Step meeting is concluded.

7.1.4 LOCATION OF GRIEVANCE HEARINGS - Except in cases where the local Union and the Company otherwise agree, all hearings on grievances held under the provisions of Section 7.1 shall be held in the District or Generating Station, or one of the Districts or Generating Stations, in which such grievance arose.

7.1.5 TIME FOR GRIEVANCE HEARINGS - The respective local Grievance Committees, acting through the local Union Stewards or local chairmen of the Grievance Committees, shall arrange with the respective local Managers or Department Superintendents of the Company for convenient and suitable times, either during or after working hours, at which grievances may be presented. So far as practicable to do so, such meetings shall be held during working hours.

7.1.6 NO EFFECT ON LMRA RIGHTS - Nothing herein contained is intended or shall be construed to attempt to change or diminish in any way whatsoever any right provided by the Labor Management Relations Act of 1947, as amended from time to time, for the submission by union Employees of their grievances. In the event any aggrieved union Employee exercises such right, the Company shall make such changes in the grievance procedure as may be necessary in order that such right shall be fully preserved and the provisions of said act in respect thereof shall be fully complied with.

7.1.7 TIME OFF - Paid Union Business Time shall be allowed for the time necessary to present such grievances.

7.2 POLICY GRIEVANCES - Should any controversy arise between the Union and the Company as to the interpretation or application of any of the provisions of this Agreement, such matter shall constitute a policy grievance hereunder which shall be dealt with as hereinafter provided.

7.2.1 30-DAY LIMITATION - No grievance under Section 7.2 may be filed later than 30 calendar days after the event causing the grievance.

7.2.2 PRESENTATION - The Union may notify the Company in writing of the controversy and alleged violation of the Labor Agreement and request a meeting to discuss the matter.

7.2.3 GRIEVANCE PROCEDURE - The Company shall promptly appoint its representative(s) to act for it in respect to such matter; and the Union shall promptly appoint its representative(s), and a mutually agreeable meeting date and location shall be established within seven days of the date of the notification to the Company of the existence of the grievance.

7.2.4 RESOLUTION - The appointed representatives shall meet and endeavor to settle the matter. If no settlement is reached then the Union may notify the Company in writing within 60 calendar days following the initial meeting that the matter shall be processed to arbitration under the provisions of Section 7.3.

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7.3 ARBITRATION – Whenever under any of the provisions of this Agreement either party hereto has requested arbitration of a controversy or a grievance, the controversy or grievance, as the case may be, shall be referred to the Company appointed representative and the Union appointed representative, who shall attempt to settle the matter to be arbitrated, unless one of the parties to such controversy or grievance has in writing requested the immediate appointment of an arbitrator. Whenever such a notice is given, or in the absence of such a notice whenever either such representative notifies the other in writing that in his opinion an agreement cannot be reached by them, the Union and the Company shall, within 14 days (excluding Saturdays, Sundays and Recognized Holidays), jointly advise the American Arbitration Association of the issue presented by the controversy or grievance and request that the prompt appointment of an arbitrator be made by such association from lists furnished to the parties under the procedure set forth in the Voluntary Labor Arbitration rules of the American Arbitration Association or otherwise as the parties may from time to time agree. When the appointment of the arbitrator is made under such rules, the arbitration shall be conducted under the Voluntary Labor Arbitration rules of the American Arbitration Association.

7.3.1 AUTHORITY OF AN ARBITRATOR – An Arbitrator shall be governed wholly by the terms of the Agreement and shall have no power to add to or to change the terms of this Agreement, and shall act only within the scope of the matter to be arbitrated; and, to the extent that he does so, his decision shall be final and binding upon the Company, the Union and the union Employees.

7.3.2 ARBITRATION EXPENSES – Each party shall defray any expenses in presenting its own case. The fee and expenses of the Arbitrator shall be borne equally by the parties, together with any incidental expenses of the parties mutually agreed upon in advance.

7.4 EXTENSION OF TIME PERIODS - Any period of time specified in this Article may in any case be extended by agreement in writing between the Company and the Union, and in each case of such an extension the time within which the next step may be taken shall start at the end of such extended period of time.

ARTICLE 8 HOURS OF WORK

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8.1 NON-SHIFT EMPLOYEES: CORPORATE OFFICES AND DISTRICTS - For all union Employees except as provided in Section 8.2, forty hours of work on five consecutive eight-hour days, Monday through Saturday, or four consecutive 10-hour days, Monday through Friday, with or without a regularly scheduled lunch period shall constitute a Regularly Scheduled Work Week. The work schedule shall be established in accordance with Section 8.4. Hours of Work shall be scheduled between 6:01 a.m. and 7:00 p.m. on a Regularly Scheduled Work Day.

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8.2 SHIFT EMPLOYEES DEFINED: SCHEDULES - Union Employees who are working in job classifications at locations where the character of the work and the needs of the service require from time to time the regular use of seven Regularly Scheduled Work Days to cover most or all hours during a Regularly Scheduled Work Week during numbers one, two, or three shifts, are hereinafter sometimes called shift union Employees. The work schedule shall be established in accordance with Section 8.4 and shall include five eight hour shifts or four 10 hour shifts in a Regularly Scheduled Work Week. These job classifications are:

| <u>Shift Employees</u> | <u>Promotional Chart Number</u> |
|---|--|
| Generating Stations | 249, 267, 269, 271, 273, 275, 277, 289 |
| Traveling Maintenance | 299 |
| Building Maintenance | 119, 169, 339 |
| Automotive Attendants | 159 |
| Garage Mechanics | 39 |
| Automotive Mechanics and Stores (non-rotating) | 309 |
| Stores (non-rotating) | 349 |

C-113

8.3 NO MEAL BREAK - When the work schedule for a union Employee in Districts does not provide for a meal break, such Employee shall not leave the job site for such purpose. Such Employee may eat on the job provided such eating does not interfere with the plan or the overall progress of the work.

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8.4 GROUP SCHEDULE - A Group Schedule is a plan or pattern scheduling days and hours of work for groups of union Employees of or within a Department for a period of one or more weeks. The Group Schedule for union Employees in the Traveling Maintenance jobs may, in lieu of specifically designating the Regularly Scheduled Work Hours each day, provide that the Regularly Scheduled Work Hours for any such Employees in the Traveling Maintenance jobs on each day shall be such hours as are being regularly worked on such day by the union Employees in the Production Team, Support Team and Maintenance Mechanic jobs at the Generating Station at which such Employees in the Traveling Maintenance jobs are working. The respective Group Schedules appertaining to the union Employees, which are in effect at the date of this Agreement, shall remain in effect until and unless changed as hereinafter provided.

8.4.1 CHANGES IN GROUP SCHEDULE - Except in cases of emergency or as hereinafter specifically provided, the Company shall make no change in a Group Schedule until it has afforded the Union an opportunity to review and discuss the same. The Company shall base such changes upon need for revision - such as, for example, new or changed work requirements of a regular or recurring nature, or the requirements of efficient operation.

8.4.2 REVIEW PROCEDURE - The procedure to be followed in the review above provided for shall cover all of the following:

- a. The Company shall advise the Union of the proposed new Group Schedule and the proposed effective date;
- b. The Company shall also advise the Union concerning the reasons for making such change;
- c. The Department Head or his representative shall arrange for a meeting with the Business Manager (or his representative), who shall bring a representative of the group involved, to be held at least five days (exclusive of Saturdays, Sundays or Recognized Holidays) before the posting date;
- d. At such meeting, the matter shall be discussed thoroughly, both the representatives of the Company and the representatives of the Union considering the viewpoint and suggestions of the other; and
- e. The Company shall post the new schedule at least seven days before its effective date.

8.4.3 UNION SUGGESTIONS - The Company shall review and discuss with the Union all suggestions for improvements in Group Schedules which are brought to the attention of the Company by Union Officers.

C-17 **8.5 INDIVIDUAL SCHEDULE CHANGES** - The schedule of a union Employee (hereinafter called
C-29 the "Individual Schedule") results from the application of a Group Schedule to such Employee.
C-46 Conditions at times require the Company to change the Individual Schedules of one or more union
C-49 Employees, and in such cases the following principles shall apply:

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- a. When such conditions arise as require a change in the Individual Schedule of a union Employee and such work is estimated to be of a duration of one shift or more on one or more days, such Employee's Individual Schedule shall be changed so as to be the hours when such work is required, and in such case such Employee shall not be required to work his regular Individual Schedule on such day unless conditions do not permit his absence from such regular Individual Schedule. Such a change shall not be considered as a change of a Group Schedule even though two or more union Employees are so affected; and it is specifically understood that a Changed Individual Schedule of union Employees in the Production Team, Support Team and Maintenance Mechanic jobs and Traveling Maintenance jobs in the case of major overhauls or specific maintenance projects at any Generating Station is not considered as a change of a Group Schedule.

- b. When such work is estimated to be of less than one shift duration, it shall be assigned as overtime and the union Employee's regular Individual Schedule shall not be changed.
- c. When a union Employee's regular Individual Schedule is changed, and either:
 - i. He is notified less than 48 hours before the start of the newly scheduled hours, or
 - ii. The change in such union Employee's regular Individual Schedule is for a period less than one shift (commencing with the first hour of the newly scheduled hours), the properly applicable Schedule Change Penalty Pay shall be paid for those hours worked on the First Two Days of the Changed Individual Schedule, including any Regularly Scheduled Days Off, which are not within the hours covered by his regular Individual Schedule, provided however, that no such 48 hour notice shall be required in respect of the returning of such union Employee to his regular Individual Schedule.
- d. When a shift union Employee's regular Individual Schedule is changed, such Individual Schedule change shall include five eight hour shifts or four 10 hour shifts in a Regularly Scheduled Work Week.
- e. When a non-shift union Employee's regular Individual Schedule is changed, such Individual Schedule change shall include five consecutive eight hour days, Monday through Saturday, or four consecutive 10 hour days, Monday through Friday, with or without a regularly scheduled lunch period, between the hours of 6:01 a.m. and 7:00 p.m. within a Regularly Scheduled Work Week. The Company may assign, however, a minimum of one union Employee or up to one-fourth of the affected union Employees at a location to work eight hours per day, between the hours of 6:01 a.m. and 7:00 p.m., with or without a regularly scheduled lunch period on Tuesday through Saturday.

C-74

8.6 TRAVELING MAINTENANCE LOCATION CHANGES - When a Traveling Maintenance union Employee's job assignment requires traveling from his headquarters area outside of a 40 mile radius from such headquarters area, or, when the Traveling Maintenance union Employee's job assignment requires traveling from a location other than his headquarters area to a work location outside of a 40 mile radius from his present job assignment, other than returning to his headquarters area, and he is notified less than 48 hours before the change of the work location becomes effective, then such Employee shall be paid Location Change Penalty Pay for any hours worked on the First Two Days of such Location Change; provided however, no pyramiding of payments shall be permitted.

8.7 SATURDAYS AND SUNDAYS - Insofar as practicable within the needs of the service, the Group Schedules shall be so set up as to provide such rotation of the union Employees covered thereby that each such Employee shall have periodic Saturdays and Sundays off during the year.

8.8 POSTING OF HOLIDAY SHIFT SCHEDULES - Schedules for work on a Recognized Holiday by union Employees shall be posted as far as possible in advance of each such holiday as far as possible.

8.9 CALCULATING TIME WORKED: ALL EMPLOYEES - For the purpose of calculating time worked, the workweek for all union Employees shall begin at 12:01 a.m. on Sunday, provided however, that the provisions of this paragraph shall not in any way change the presently established basis of determining, under Article 10, the respective days considered the first and second scheduled calendar days off of any union Employee.

8.10 EXCHANGING SHIFTS - Union Employees shall have the privilege of exchanging shifts in cases where a union Employee and his supervisor agree that there is an immediate, proper and valid personal reason acceptable to the Company for the request, and:

- a. The union Employees are working in the same classification, and
- b. Each union Employee is exchanging a regularly scheduled work shift, and
- c. Such exchange is to be completed within a single workweek of Sunday through Saturday, and
- d. The exchange can be accomplished without any additional cost whatsoever to the Company, and
- e. The union Employees submit their request to their supervisor(s) in writing stating the dates and times of the respective shifts, each signing and dating such request. The supervisor(s) shall sign and date such request, if approved, and shall retain the document.

8.11 ROTATION OF SHIFTS - Union Employees, except those in job classifications covered by Promotional Chart 309 and Promotional Chart 349, shall not be required to work on the same shift more than the normal scheduled workdays plus his following scheduled days off, provided the shift union Employee requests to be excused prior to the beginning of the changed shift. Any such limitation shall not be applicable to the day shift hours.

**ARTICLE 9
PREMIUM PAY**

C-33 9.1 SHIFT PREMIUMS - Shift premiums shall be paid as follows:

| <u>Effective Date</u> | <u>Shift No. 1/1/</u> | <u>Shift No. 3/2/</u> |
|-----------------------|-----------------------|-----------------------|
| 5/1/05 | \$1.06/hour | \$.95/hour |
| 5/1/06 | \$1.09/hour | \$.98/hour |
| 5/1/07 | \$1.13/hour | \$1.01/hour |
| 5/1/08 | \$1.18/hour | \$1.05/hour |
| 5/1/09 | \$1.22/hour | \$1.09/hour |

/1/ Hours worked during Regularly Scheduled Work Hours starting after 10:00 p.m. and before 6:01 a.m.

/2/ Hours worked during Regularly Scheduled Work Hours starting after 2:00 p.m. and before 10:01 p.m.

9.2 SUNDAY PREMIUM - Whenever a shift union Employee works during his Regularly Scheduled Work hours on a Sunday, a premium for such hours worked shall be paid as follows:

| <u>Effective Date</u> | <u>Amount/Hour</u> |
|-----------------------|--------------------|
| 5/1/05 | \$1.19 |
| 5/1/06 | \$1.23 |
| 5/1/07 | \$1.27 |
| 5/1/08 | \$1.32 |
| 5/1/09 | \$1.37 |

Such a premium for Regularly Scheduled Work Hours worked by such a shift Employee shall be in addition to the shift premiums as provided in Section 9.1 and the Holiday Premium as provided in Section 11.5. In no event, however, shall such a premium apply to any hours worked paid as Overtime Pay, Schedule Change Penalty Pay, or Location Change Penalty Pay.

9.3 EMERGENCY WORK ON FOREIGN UTILITIES – Premium pay shall be paid at two times Straight Time Pay for all emergency time worked for other utilities, privately, cooperatively, or municipally owned, at their respective operating locations, and provided such work is offered to the union Employee by the Company and is accepted by the union Employee. Until January 1, 2006, the provisions of Section 21.11, which pertain to meal expenses, shall not apply for emergency time worked for other utilities, however, a meal allowance of \$2.10 for each hour worked shall be paid. This Section 9.3 shall not apply to any location or facility owned and/or operated by Cinergy Corp., or its subsidiaries.

9.4 LEAD PREMIUM - Whenever a union Employee in the Substation Operations job series, the Electric Shop job series, or the Meter and Service Technician, Line Specialist or Line Service Specialist job classifications, or the Material Specialist job classification in the Plainfield Distribution Center is temporarily assigned by the Company to serve as leader of a crew, a premium shall be paid for all straight time and overtime hours worked as follows:

| <u>Effective Date</u> | <u>Crew of 2</u> | <u>Crew of 3 or More</u> |
|-----------------------|------------------|--------------------------|
| 5/1/05 | \$1.15 | \$1.65 |
| 5/1/08 | \$1.25 | \$1.75 |

**ARTICLE 10
STRAIGHT AND OVERTIME PAY CALCULATION**

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C-21
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C-70
C-75
C-102

10.1 STRAIGHT TIME - Union Employees working under the classifications covered by this Agreement shall be paid at Straight Time Pay. All time shall be figured to the nearest one-fourth hour worked.

10.2 OVERTIME: TIME AND ONE-HALF - Except as otherwise provided in this Article 10, Overtime Pay shall be paid at one and one-half times Straight Time Pay, as follows:

- a. For all time worked in excess of 40 hours in any one workweek,
- b. For all time worked outside the union Employee's Regularly Scheduled Work Hours, and
- c. For all time worked on the union Employee's first "C" Day of his Regularly Scheduled Work Week.

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10.3 OVERTIME: DOUBLE TIME - Overtime Pay shall be paid at two times Straight Time Pay, as follows:

- a. For all time worked on the union Employee's second "C" Day of his Regularly Scheduled Work Week.

C-155

**ARTICLE 11
RECOGNIZED HOLIDAYS**

11.1 DEFINED - Recognized Holidays shall be:

- a. New Year's Day, or day legally observed in its stead,
- b. Good Friday, in the event Easter Sunday falls on a Regularly Scheduled Work Day of any shift Employee, then Easter Sunday shall in lieu of Good Friday immediately preceding Easter Sunday be the Recognized Holiday,
- c. Memorial Day, or day legally observed in its stead,
- d. Independence Day, or day legally observed in its stead,
- e. Labor Day, or day legally observed in its stead,
- f. Veterans Day, or day legally observed in its stead,
- g. Thanksgiving Day, or day legally observed in its stead,
- h. Friday immediately following Thanksgiving on Thursday, or as otherwise mutually agreed to by and between the Company and the Union in the event Thanksgiving Day is not legally observed on a Thursday,
- i. The day immediately preceding Christmas Day, or day legally observed in its stead,
- j. Christmas Day, or day legally observed in its stead,
- k. The day immediately preceding New Year's Day, or day legally observed in its stead,
- l. A Floating Holiday.
- m. Diversity Day

11.2 FLOATING HOLIDAY PROVISIONS - A union Employee may make a request to his supervisor at any time during the calendar year, but no less than 96 hours in advance of the hours during a Regularly Scheduled Work Week designated by the union Employee as a Floating Holiday. The Company may approve such request at any time but not less than 48 hours in advance of such hours, but the needs of the service, as determined by the Company, shall control whether the union Employee may actually take such Floating Holiday on the day requested by the union Employee and approved by the Company, except, in the event of an unforeseen or short notice personal circumstance requiring his

absence, the said 96 hour notice shall not be required, providing such union Employee gives the Company notice as soon as practicable following his knowledge of the circumstance requiring the absence, but in no event whatsoever shall such notice be given the Company later than the beginning time of such Employee's Regularly Scheduled Work Hours on the Floating Holiday.

11.2.1 LIMITATION AND EXCEPTION - No more than two union Employees per department at a location may be allowed off at one time unless circumstances permit additional union Employees off work at one time, but the needs of the service, as determined by the Company, shall control. Consistent with the needs of the service, the Company will honor up to two union Employees per department at a location off, even though the payment of overtime is required.

11.2.2 CANCELLATION - A union Employee may cancel a request for a Floating Holiday any time prior to approval of such request by the Company but no previously approved Floating Holiday is to be canceled by a union Employee with less than 96 hours' notice.

11.2.3 AFTER DECEMBER 16 - Such Floating Holiday taken after December 16 of the calendar year must be requested prior to November 1 and approved no later than November 16 of said calendar year.

11.2.4 PAY ELIGIBILITY LIMIT - In the event the union Employee complies with all of the other provisions concerning the Floating Holiday, but the requested Floating Holiday is not taken by year end due to needs of service, as determined by the Company, such union Employee shall be paid Straight Time Pay in lieu thereof.

11.2.5 USE WITH DEATH IN FAMILY - Such Floating Holiday may be used in connection with Article 19, the "Death in Family" provision, and such 96-hour notice may be waived.

11.2.6 EXCLUSION - A non-shift union Employee scheduled Tuesday through Saturday on a rotational basis shall not be eligible to take the Floating Holiday on Saturday.

11.2.7 TEN-HOUR SCHEDULES - Union Employees who take a Floating Holiday on a Regularly Scheduled Work Day consisting of ten hours will receive ten hours pay at their regular straight time wage scale rate.

11.3 DIVERSITY DAY PROVISIONS - A union Employee may make a request to his supervisor at any time during the calendar year, but no less than 96 hours in advance of the hours during a Regularly Scheduled Work Week designated by the union Employee as a Diversity Day. The Company may approve such request at any time but not less than 48 hours in advance of such hours, but the needs of the service, as determined by the Company, shall control whether the union Employee may actually take such Diversity Day on the day requested by the union Employee and approved by the Company.

11.4 HOLIDAY WORK REQUIREMENTS - Union Employees, except shift and other union Employees regularly required to work on Recognized Holidays to maintain the Company's service and operation, or except union Employees needed for emergency requirements, shall not be required to work on a Recognized Holiday.

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11.5 HOLIDAY PAY - When any Recognized Holiday falls on a Regularly Scheduled Work Day of a regular union Employee and such Employee has worked a full day on his last Regularly Scheduled Work Day preceding such Recognized Holiday and also works a full day on his first Regularly Scheduled Work Day following such Recognized Holiday, or has been absent from work on his Regularly Scheduled Work Day preceding and/or following such Recognized Holiday and (a) such absent time is paid for pursuant to the provisions of Section 7.1.7, Article 17, Article 18, Article 19, Section 20.1, or Sections 20.5 and 20.6 hereof, or (b) such absence was, for a proper reason, approved by such union Employee's local Manager or Department Superintendent prior to the time thereof, such union Employee shall (except in cases falling within the provisions of Section 11.7) be paid Holiday Pay by the Company. Any union Employee misrepresenting the reason for his absence in order to receive Holiday Pay for a Recognized Holiday provided for in this Section or who is on military or other leave of absence, except as provided in Section 20.3, shall not receive Holiday Pay for such Recognized Holiday.

11.5.1 HOLIDAY PAY ENTITLEMENT – 10-HOUR SCHEDULES

- a. When a Recognized Holiday falls on the Regularly Scheduled Day Off of any Employee who is assigned to a 10-hour work schedule, he shall be paid eight hours Holiday Pay.
- b. Employees who, while assigned to a 10-hour work schedule, are scheduled to work on a Recognized Holiday but are excused from work by the Company shall be paid 10 hours Holiday Pay.
- c. When Employees who are assigned to a 10-hour work schedule work on a Recognized Holiday, he shall be paid one and one-half times the applicable Straight Time wage scale rate for all hours worked on such Recognized Holiday within their Regularly Scheduled Work Hours and two times the regular Straight Time wage scale rate shall be paid for all other hours worked on such Recognized Holiday. In addition, Employees who work on a Recognized Holiday, shall be paid eight hours Holiday Pay.
- d. Holiday Pay shall begin at the time the shift begins, on the actual holiday and shall continue until the end of such shift.

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11.6 HOLIDAY PREMIUM - In the event such an Employee works on such Recognized Holiday, he shall, in addition to the amount above provided for, be paid Holiday Premium of one and one-half times his Straight Time Pay for each hour worked by him on such Recognized Holiday during his Regularly Scheduled Work Hours, and Holiday Premium of double time his Straight Time Pay for each hour worked by him on such Recognized Holiday outside of his Regularly Scheduled Work Hours.

11.7 REGULARLY SCHEDULED DAY OFF - When a Recognized Holiday falls on a union Employee's Regularly Scheduled Day Off, he shall, subject to his meeting the conditions set forth in Section 11.4, be paid Holiday Pay. If such a union Employee is required to work on such a Recognized Holiday, he shall, in addition to Holiday Pay, be paid Holiday Premium at double time his Straight Time Pay for each hour worked by him on such Recognized Holiday. When a Recognized Holiday falls on a non-generating station union Employee's Regularly Scheduled Day

Off, such employee may choose to celebrate such Recognized Holiday on a Regularly Scheduled Work Day, which is the first Regularly Scheduled Work Day before or after the Recognized Holiday, as designated by the Company. Prior to January 1 of each year, the Company will notify the Employees of the alternative dates, on which a Recognized Holiday may be celebrated. Such Employee will be required to make an election for each Recognized Holiday on or before January 15 of each year when submitting his written vacation schedule request.

11.8 NOTIFICATION TO WORK - A regular union Employee, who has been definitely notified to work on a Recognized Holiday and does not work, shall not receive any pay for such day, provided however, that whenever such union Employee on a Recognized Holiday is absent for a proper reason as determined by the Company, this provision shall not be applicable.

11.9 PROBATIONARY EMPLOYEE: HOLIDAY PREMIUM - Whenever any probationary union Employee works on any Recognized Holiday, he shall be paid Holiday Premium at double time his Straight Time Pay for each hour worked by him on such Recognized Holiday.

ARTICLE 12 TEMPORARY JOB ASSIGNMENTS

C-20 12.1 QUALIFYING TIME - Any union Employee who is temporarily assigned by the Company
C-27 from one job classification to another job classification in a higher labor grade shall receive Upgrade
C-34 Pay (Straight Time Pay) in the amount he would receive if he were promoted to such job
C-39 classification under the provisions of Article 16, except any union Substation Construction Employee
C-47 who is temporarily assigned by the Company as Acting Foreman in the absence of a Substation
C-57 Construction Crew Supervisor shall receive the wage scale rate which he would receive if he were to
C-58 be promoted to the job classification of Electric Shop Working Foreman.
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C-5 12.2 TEMPORARY ASSIGNMENT - Any union Employee temporarily assigned by the Company
C-11 from a job classification in which he is regularly employed to another job classification paying a
smaller wage scale rate shall suffer no reduction in wage scale rate.

ARTICLE 13 CALL-BACK PAY

13.1 MINIMUM CALL-BACK PAY - A minimum of two hours pay at the properly applicable Straight Time Pay, Overtime Pay, or Holiday Premium in effect during such two hour minimum call-back period shall be allowed to all union Employees, except those on service watch, who are called back to work after having been released from their regular day's work.

13.2 HOURS PAID - Paid time shall start and end, as follows:

C-55 13.2.1 LEFT PREMISES - If such assignment is made after leaving the Company premises and the
C-56 union Employee is directed to report to working headquarters before proceeding to the job, his time shall start when he leaves his home for working headquarters, and terminate when he is dismissed at working headquarters.

13.2.2 ON PREMISES - If such assignment is made while on Company premises, then his time shall start at the time of reporting to the designated location.

13.2.3 COMPANY VEHICLE AT HOME - If on service watch or in case of a union Employee who operates a Company-owned vehicle which is kept at his home and who is directed to proceed directly to the job, his time shall start when he leaves his home for the job and shall terminate when he returns to his home from the job.

13.3 CALL-BACK PAY LIMITATION - If a union Employee is called back more than once between two consecutive scheduled work periods, his pay for such call-back work shall not be more than he would have received had he worked continuously from the starting time of the first call-back until the quitting time of the last call-back.

13.4 LIMITATION IF CONTINUING TO WORK - The minimum pay provisions above provided for shall not apply in any case where the union Employee works on such call-back until his Regular Beginning Time.

13.5 CANCELLATION OF WORK ASSIGNMENT - In the event of cancellation of a work assignment: (a) and the union Employee is notified prior to leaving home, no pay whatsoever shall be due, or (b) the union Employee reports at the designated time and location, the union Employee is eligible for up to two hours work or pay in lieu of work in accordance with this Article 13.

**ARTICLE 14
OVERTIME DISTRIBUTION**

C-26 14.1 SHIFT EMPLOYEES: OVERTIME WORK ASSIGNMENTS - Overtime in any job
C-31 classification at a location shall, over a practicable period, be distributed as equitably as practicable
C-42 among the union Employees who are either the regular incumbents in such job classification or given
C-47 assignments to work therein, in accordance with the following sequence:
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14.1.1 JOB CONTINUATION ASSIGNMENTS - When a union Employee is given a work assignment commencing during his Regularly Scheduled Work Hours, he may, subject to the provisions of Article 17, 16-Hour Rule, be assigned to continue working on such job assignment until completion. Such job continuation may also include work on Regularly Scheduled Days off.

C-170

14.1.2 PLANNED OR EMERGENCY OVERTIME WORK ASSIGNMENTS -

- a. **First Order of Selection:** Overtime work assignments, other than job continuation under the provisions of Section 14.1.1, which are to be performed at the beginning of the shift immediately following the current shift, shall be made to a union Employee working his regular shift at the time such assignment is given. Such overtime work assignment shall continue until such assignment is completed or until such Employee is properly relieved. Selection of such Employee shall be as follows:
 - i. A union Employee on the shift immediately preceding the shift on which such overtime work is to commence, if such shift is covered, who is on the current volunteer overtime list and who is available, qualified, and lowest on the current applicable overtime distribution list. When the overtime work assignment is anticipated to last more than six hours, the union Employee identified herein may, at the time he is given the overtime assignment, request of the supervisor to be relieved of such overtime assignment. Such supervisor shall then attempt to find an off shift union Employee on the volunteer overtime list to properly relieve such Employee from such overtime work assignment by making a single attempt to contact those off shift volunteer union Employees who are scheduled to work the next covered shift immediately following the overtime assignment period and who are available, qualified, and lowest on the current applicable overtime distribution list to provide such relief. The Company's obligation to contact such an off duty volunteer union Employee who is qualified and available to perform such overtime work assignment shall be limited to making one call to each such Employee on the applicable overtime distribution list until an available union Employee is contacted and accepts such overtime work assignment or until such a call has been made to each qualified union Employee on such list, then.
 - ii. A union Employee on the shift immediately preceding the shift on which such overtime work is to commence, if such shift is covered, who is available, qualified, and lowest on the current applicable overtime distribution list. When the overtime work assignment is anticipated to last more than six hours, the union Employee identified herein may, at the time he is given the overtime assignment, request of the supervisor to be relieved of such overtime assignment. Such supervisor shall then (a) attempt to find an off shift union Employee on the volunteer overtime list to properly relieve such Employee from such overtime work assignment by making a single attempt to contact those off shift volunteer union Employees who are available, qualified, and lowest on the current applicable overtime distribution list, to provide such relief, (b) if an off shift volunteer union Employee is not available, the supervisor shall then attempt to

find a union Employee who is scheduled to work the next covered shift immediately following the overtime assignment, and who is available, qualified, and lowest on the current applicable overtime distribution list. The Company's obligation to contact such off duty Employees who are qualified and available to perform such overtime work assignment shall be limited to making one call to each such qualified union Employee on the applicable overtime distribution list until an available union Employee is contacted and accepts such overtime work assignment or until such a call has been made to each qualified union Employee on such list.

- b. **Second Order of Selection:** A union Employee who is on the current applicable overtime volunteer list and is not covered in the above group and who is available, qualified, and lowest on the current applicable overtime distribution list.
- c. **Third Order of Selection:** Any union Employee who is a non-volunteer on the current applicable overtime distribution list, who is available, and qualified, regardless of the Employee's overtime percentage.

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14.2 NON-SHIFT EMPLOYEES: OVERTIME WORK ASSIGNMENTS - Overtime in any job classification at a location shall, over a practicable period, be distributed as equitably as practicable among the union Employees who are either the regular incumbents in such job classification or given assignments to work therein, in accordance with the following sequence:

C-161

14.2.1 JOB CONTINUATION ASSIGNMENTS - When a union Employee is given a work assignment commencing during his Regularly Scheduled Work Hours, he may, subject to the provisions of Article 17, 16-Hour Rule, be assigned to continue working on such job assignment until completion. Such job continuation may also include work on Regularly Scheduled Days off.

14.2.2 PLANNED OR EMERGENCY OVERTIME WORK ASSIGNMENTS

Except as provided in Section 14.2.3 below, overtime shall be distributed as follows:

- a. **First Order of Selection:** Initial selection of a union Employee for an overtime work assignment other than under Section 14.2.1 will be from among those union Employees who are on the current applicable overtime volunteer list who are available, qualified, and lowest on the current applicable overtime distribution list.
- b. **Second Order of Selection:** All other union Employees who are available, qualified, and lowest on the current applicable overtime distribution list.

14.2.3 OVERTIME AVAILABILITY: VOLUNTEER PAGER DUTY

- (a) Union Employees in the Line Specialist, Line Service Specialist, Substation Maintenance Mechanic, Equipment Tester, Electric Shop Mechanic, High Voltage Breaker Technician, Control Systems Technician, Senior Telecommunications Technician and Telecommunications Technician "A" job classifications, and Materials Specialists and Materials Trainees in the Plainfield Distribution Center may volunteer for emergency overtime pager duty.**
- (b) Union Employees will be allowed to select specific days for which they wish to volunteer. Those union Employees wanting to volunteer must submit their name to their supervisor in accordance with procedures established by the Company no later than 12:00 Noon on Friday of each calendar week.**
- (c) The Company will assign pager duty to one volunteer from each job series per period at each headquarters area, except that two volunteers may be assigned from the Line Specialist or Line Service Specialist job classifications per period at each headquarters area where there may be three union Employees on service watch.**
- (d) A random drawing will be used in accordance with procedures established by the Company to select volunteers when there are more volunteers than needed.**
- (e) Union Employees assigned a pager will assume pager duty for a period commencing at 8:01 a.m. and continuing until 8:00 a.m. the following day. The Company will pay each union Employee who assumes pager duty \$10.00 per each assigned period.**
- (f) Selected volunteers who assume pager duty are required to respond to all overtime job assignments.**
- (g) In the event of an emergency overtime job assignment, the selected volunteers will be paged before employees not assigned a pager, except that volunteers from the Line Specialist or Line Service Specialist job classifications will be paged after the appropriate union Employee(s) on service watch have been contacted, and before employees not assigned a pager. Assignments to such other union Employees will be made in accordance with Section 14.2.2 above.**

14.3 VOLUNTEERING PROCEDURE - Union Employees wanting to volunteer for overtime work assignments shall submit his name to the supervisor, in accordance with procedures established by the Company, no later than 12:00 noon on Friday of each calendar week by marking which days they will be available for overtime for the following week. The Company shall revise the then current overtime distribution posting to reflect the volunteer status of each union Employee no later than 8:01 a.m. on Monday of each calendar week.

14.3.1 APPLICABLE TO OTHER ASSIGNMENTS - A union Employee who has volunteered for overtime work assignments will be considered to have volunteered for such assignments in any classification such Employee may be assigned to work during the applicable overtime distribution period.

14.3.2 DISTRIBUTION - Overtime work assignments shall be distributed among the union Employees who have properly volunteered and who are available, qualified, and lowest on the current applicable overtime distribution list.

14.3.3 DURATION - A union Employee may volunteer for overtime work assignments in one week increments during an overtime distribution period.

14.4 CALCULATION OF OVERTIME WORKED - Overtime shall be calculated by reference to the regularly scheduled hours worked, the actual converted overtime hours worked, and the overtime percentage, to the nearest whole percent, determined by dividing the number of converted overtime hours worked by the regular hours worked during a calendar year. At the end of the last calculation period of each year, the calculation factor shall return to zero for each union Employee.

C-96 **14.5 OVERTIME DISTRIBUTION POSTING** - The Company shall post the distribution of overtime in job classifications at a location on the Company bulletin board, in accordance with the procedure established by the Company. Such posting is to be effective on the second Monday at 8:01 a.m. following the end of the calculation period on the Saturday ending one Bi-weekly Time Period. Each such posting shall be effective for two consecutive weeks, and shall include and designate those union Employees who have properly volunteered for overtime work assignments, as provided for in Section 14.3, during the applicable posting period, and all other eligible union Employees. Overtime work assignments shall be made to the union Employee qualified, available, and who is lowest on overtime percentage on the current overtime distribution list, except in the event the Company acquired knowledge from the union Employee in an earlier contact that the union Employee would not be available until the beginning of the next regular shift.

C-86 **14.6 OVERTIME REMEDY** - Overtime work assignments that are inconsistent with the provisions
C-89 of this Article shall be remedied in accordance with existing procedures agreed to by the Union and
C-91 the Company.
C-129

C-84 **14.7 AVAILABILITY FOR OVERTIME WORK ASSIGNMENTS** - A union Employee who volunteers for overtime work assignments during an overtime posting period agrees to cooperate with the Company to the highest degree practicable in responding to offers of overtime work assignments by the Company.

C-170 **14.8 UPGRADED OVERTIME ELIGIBILITY** - A union Employee cannot share in the overtime distribution of two or more job classifications at the same time. When a union Employee is temporarily assigned to an upgraded job classification, he will be eligible for overtime in the upgraded job classification, commencing at the time that he has met the requirement of being upgraded for at least four consecutive hours. He will remain eligible for overtime in the upgraded job classification until he works in his regular job classification during Regularly Scheduled Work Hours.

ARTICLE 15 SERVICE WATCH

C-70 **15.1 COVERAGE** - At the option of the Company, a service watch may be maintained in any
C-127 headquarters location. The service watch may consist of one or two union Employees for each headquarters area, except at Bloomington, Clarksville, Kokomo, Lafayette, Noblesville and Terre

Haute, where there may be up to three union Employees on service watch, as designated by the Company. At any headquarters area having two or more union Employees on service watch, during each service watch week, the Company shall distribute service call assignments among such union Employees as equitably as practicable.

C-42
C-161

15.2 REQUIREMENTS - The union Employees assuming service watch duty shall have prior rights to overtime assignments for which service watch personnel are normally called within their service territory and shall be required to remain at home, or at some other location where they can be reached by telephone, radio, or pager, and which is accessible and conveniently located with respect to the territory that the service watch covers, and shall be subject to call outside of their Regularly Scheduled Work Hours, for 24 hours on their "C" Days, and on Recognized Holidays within their service watch week.

15.3 SERVICE WATCH WEEK - The service watch week shall start at 8:01 a.m. on Monday of each week and one week shall comprise a watch period, provided however, that any union Employee, who is serving on service watch during the workweek ending on a Recognized Holiday and who, except for this provision, would end his current service watch duty on said day, shall continue on service watch until 8:00 a.m. on the following day.

15.4 RATES OF PAY - The Company shall pay each watchman on duty to cover watch and furnish telephone service commencing as follows:

| <u>Effective Date</u> | <u>Amount/Day</u> |
|-----------------------|-------------------|
| 5/1/05 | \$24.31 |
| 5/1/06 | \$25.04 |
| 5/1/07 | \$25.79 |
| 5/1/08 | \$26.82 |
| 5/1/09 | \$27.89 |

If a watchman works on calls during his watch week, he shall be paid applicable Holiday Premium or Overtime Pay.

15.5 REST PERIOD - In the event a watchman on duty does not qualify for a rest period under Article 17, but has worked a total of four hours between 12:01 a.m. and his Regular Beginning Time, he is eligible to receive four hours of rest at Straight Time Pay.

15.6 SELECTION OF EMPLOYEES - The Company shall select the union Employees who, in its judgment, are best qualified and suitable for service watch duty on customers' premises work, it being understood that the service watch privilege shall be rotated among the men best qualified. Upon request to the Company by union Employees seeking to be excused from standing service watch, exceptions have been made, and the Company expects to continue to make exceptions, when no objections are made by the men affected and the Company is satisfied that the adequacy of the service watch will not be impaired.

15.6.1 AGE 55 EXCEPTION - The Company will give special consideration to each such Employee who has attained age 55 years or over. Each such Employee upon request to the Company to be excused from standing service watch, will be excused by the Company if there is and there continues to be an adequate number of available, qualified, and suitable union Employees at the respective

location to meet the needs of the service. The Company's decision shall be final in each such determination.

**ARTICLE 16
WAGE RATE UPON PROMOTION OR DEMOTION**

C-15 16.1 PROMOTION - Except as otherwise provided in this Article 16, when any union Employee is promoted from one job classification to another job classification, he shall receive the starting rate indicated in the wage scale for the new job classification unless such union Employee is already receiving a wage scale rate equal to or in excess of the starting wage scale rate so indicated, in which last mentioned event, he shall receive an increase sufficient to bring him to the progression step in the new job classification next above his old wage scale rate but in no event to exceed the final wage scale rate for the new job classification.

16.1.1 LATERAL TRANSFER: When any union Employee is transferred to a job classification in any job series having the same labor grade as his previous job classification, such employee shall retain the wage rate received immediately prior to the transfer.

16.1.2 TRANSFER TO LOWER LABOR GRADE: When any union Employee is transferred to a job classification in any job series having a labor grade lower than his previous job classification, such employee shall be paid the lesser of the wage rate received immediately prior to the transfer and the final rate of pay for the new job classification.

C-126 16.2 CREDIT FOR TEMPORARY JOB ASSIGNMENTS - In each case of a union Employee who
C-146 has been from time to time temporarily assigned by the Company to another job classification paying a higher wage scale rate for a period of four or more consecutive hours of work, such union Employee upon promotion to such job classification shall receive, in lieu of the wage scale rate provided for in Section 16.1, a higher progression step wage scale rate if he accumulates an aggregate number of upgrade hours in accordance with the following:

| <u>Accumulated Upgrade Hours</u> | <u>Progression Step</u> |
|----------------------------------|-------------------------|
| 0 - 1,039 | 1st step |
| 1,040 - 2,079 | 2nd step |
| 2,080 or more | final step |

16.3 CREDIT FOR ADDITIONAL TEMPORARY UPGRADE HOURS - Employees who have accumulated upgrade hours in excess of the number required to establish their appropriate wage rate, as provided in Sections 16.1 and 16.2, shall be given credit for such hours toward the next appropriate progression step. Such credit shall be calculated to the nearest full month at the rate of 173.3 hours per month.

16.4 DEMOTION - When any union Employee is demoted from one job classification to another in the same line of promotion, he shall receive the final wage scale rate for the new job classification.

**ARTICLE 17
16-Hour RULE**

C-39
C-127

17.1 QUALIFICATION - A union Employee shall not be required to work more than 16 consecutive hours, except in emergencies; and in emergency situations, the Company shall make reasonable effort to provide such personnel that it shall not be necessary to require work in excess of 16 consecutive hours by any union Employee. Whenever a union Employee has worked 16 consecutive hours or more, he shall, upon release, be entitled to time off the job of at least eight hours, and any portion of such eight-hour period as is within his Regularly Scheduled Work Hours shall be paid for at Straight Time Pay.

17.2 COMPUTATION OF HOURS WORKED - In determining whether 16 or more consecutive hours of work has been performed, any unpaid period of one hour or less, for any reason, shall not be considered a break in the 16 consecutive hour requirement, and such time shall be counted as part of the 16 consecutive hours worked.

ARTICLE 18 VACATIONS

18.1 VACATION ELIGIBILITY AND ENTITLEMENT – After one year continuous company seniority, all regular union Employees of the Company shall be entitled to a vacation with pay in accordance with the following rules and schedules.

18.1.1 VACATION DETERMINATION (Effective January 1, 2006)

| <u>Continuous Company Seniority</u> | <u>Vacation Entitlement*</u> |
|-------------------------------------|------------------------------|
| One Year | Two Weeks |
| Seven Years | Three Weeks |
| 15 Years | Four Weeks |
| 21 Years | Five Weeks |
| 32 Years** | Six Weeks |

An employee accrues entitlement to 1/12th 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. Active Regular Employees may use current year vacation at any time during the year as approved by management in accordance with the provisions of Article 18. Any Regular Employee leaving the Company service during any calendar year shall receive payment for any unused portion of accrued vacation for that current year.

* One week equals 40 hours Straight Time Pay.

**Employer Service Credit – Beginning in January 2006, as an enhancement to the vacation bank opportunity and your pension benefit, the sixth week of vacation eligibility will be reduced from 34 to 32 years of service. The sixth week of vacation prior to the 34 years of service will automatically be deposited in the employee's vacation bank and is intended for banking purposes unless the employee notifies supervision during the annual vacation scheduling period of his desire to take the additional week as time off. Employees who attain 32 years of service in 2006 will be credited with a one-time, additional one week of vacation bank time. Employees who attain 33 or more years of service in 2006 will be credited with a one-time, additional two weeks of vacation bank time.

C-28
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18.2 STARTING DATE FOR VACATION - The respective starting day for a vacation period of one or more weeks for a regular union Employee shall be determined pursuant to Article 8 and by a

vacation schedule approved by the Company pursuant to Section 18.12.

18.2.1 NON-SHIFT EMPLOYEE - The starting day shall be the first Regularly Scheduled Work Day of the Regularly Scheduled Work Week.

18.2.2 SHIFT EMPLOYEE - The starting day may be any day in the week subject to the union Employee's regular Individual Schedule as follows:

- a. The first Regularly Scheduled Work Day, or
- b. A Sunday, or
- c. In the event of a split shift, the first Regularly Scheduled Work Day following any "C" Day or Days.

18.3 LIMITATION TO VACATION PERIOD - No additional days off at either end of the vacation period shall be allowed for Recognized Holidays or usual days off, but, if a Recognized Holiday falls within the vacation period of any union Employee, on one of the days he normally would have been scheduled to work, he shall be entitled to Holiday Pay for one day, or if a Recognized Holiday falls on a union Employee's "C" Day within the vacation period of any union Employee, he shall be entitled to Holiday Pay for one day.

18.4 LIMITATIONS TO VACATION SCHEDULING - Subject to the provision of these Sections 18.4, Section 18.5 and Section 18.12, vacations may be taken at any time during the calendar year, and the Company in determining vacation schedules shall give reasonable consideration to the vacation time requested by the union Employee under said Section 18.12. Subject to the provisions of Sections 18.5 and 18.1, vacation time shall not accumulate from one year to another, provided however, any part of a vacation for a given calendar year may carry over into the next succeeding calendar year if at least one of the Regularly Scheduled Work Days which is being allowed as paid vacation falls within such given calendar year. Subject to the provisions of the preceding sentences of this paragraph, any part of a vacation for a given calendar year may be taken consecutively with any part of a vacation for the next succeeding calendar year, as determined by the Company in each case after considering the effect of the vacation on departmental work scheduling.

18.4.1 CANCELLATION OF APPROVED SCHEDULED VACATION - No previously approved vacation may be canceled by a union Employee with notice less than 72 hours in advance of the beginning of such vacation, provided however, the 72 hour notice may be waived upon presentation of a proper and valid reason acceptable to the Company.

18.5 RETIREMENT VACATION BANK – Beginning on January, 2006, a union Employee hired before May 1, 2005, who is at least 47 years old may accumulate up to a maximum of 22 weeks of unused vacation in a Retirement Vacation Bank to be paid at the employee's straight time rate of pay at retirement and included as pension eligible earnings. The Retirement Vacation Bank may include employee's vacation bank, employer vacation credit, employer service credit and any vacation accrued and unused for the retirement year. Any vacation accumulated in the Retirement Vacation Bank prior to May 1, 2005 (up to the 10-week limit) becomes part of the 22-week maximum.

18.5.1 EMPLOYER VACATION CREDIT TO THE VACATION BANK - Beginning January 2006, and each subsequent January as an Employee becomes age 51, the Company will automatically deposit into the employee's retirement vacation bank one week of vacation each year up to the Employee's annual vacation entitlement. For those Employees who are age 52 or older as of January 1, 2006, the Company will provide a one-time credit of one additional week in their vacation bank for each year over age 51 up to their annual vacation entitlement. This policy replaces the policy of paying out next year's vacation at retirement. The new retirement bank opportunity enables all employees in the Traditional Option of the pension plan to add a maximum of 22 weeks of straight-time pay to their pension-eligible earnings for the purpose of increasing their pension benefit.

Improved vacation bank/pension - Vacation bank income is included in pension-eligible earnings in the final year of employment. For employees in the Traditional Option of the pension plan, if the final year of employment, including the vacation bank, is not one of the three highest consecutive years of earnings in the last ten years of employment, the vacation bank earnings will be added to the earnings in the years that are the highest three consecutive years.

18.6 VACATION IN YEAR OF RETIREMENT - Any union Employee eligible for a vacation under Section 18.1.1 may elect to work until his retirement date, and upon such retirement date shall be entitled to receive for the year under consideration the vacation time allowed on the basis of the applicable portion of Section 18.1.1.

C-101
C-133

18.7 PAYMENT IN LIEU OF VACATION - Any union Employee eligible for vacation under this Article 18 shall receive a lump sum payment of his current year's unused vacation, at the last applicable Straight Time Pay, when such Employee:

- a. Is laid off pursuant to Article 5.
- b. Resigns due to ill health.
- c. Gives at least two weeks written notice of resignation.
- d. Is drafted under the Selective Service Act.
- e. Is making application for Long Term Disability benefits, at the effective date of such benefits whether or not such application is subsequently approved.
- f. Retires
- g. Is denied the opportunity to take such vacation due to the needs of service.

18.7.1 CONCURRENT WITH DISABILITY PERIOD - Any union Employee may be eligible to be paid for any of his current year's unused vacation, at the last applicable Straight Time Pay, if such Employee elects to be paid concurrently with:

- a. Weekly Short Term Disability under the Employee's Health Benefits Plan, or
- b. Weekly Worker's Compensation Disability Benefits.

18.8 RETURN FROM MILITARY LEAVE OF ABSENCE - Any union Employee who upon returning from a military leave of absence, except under Section 20.3, commences work on or before September 1 and who completes 90 calendar days of continuous employment following his return to work and who has not had a vacation during the year in which he returns to work, shall receive during the year under consideration the vacation time allowed on the basis of the applicable portion of Section 18.1.1.

18.9 DISALLOWANCE OF VACATION - Any union Employee who is discharged for cause, or who fails to give the Company at least two weeks written notice of resignation, shall not be allowed unused vacation in accordance with Section 18.1.1.

18.10 DEATH PRIOR TO VACATION - In the case of the death of any union Employee before he has received payment for any or all of the vacation to which he would have been eligible under the applicable portion of Section 18.1.1 had he lived, the Company shall pay to the estate of the deceased Employee a lump sum payment equal to the unused portion of the total annual vacation entitlement the Employee would have been entitled to in the year of his death.

18.11 SEGMENTED VACATION - When a regular union Employee submits his vacation request pursuant to Section 18.12, he shall designate whether one or two of such weeks are to be taken as Segmented Vacation, provided however, that such request need not designate the time or times he desires to take his Segmented Vacation. A Segmented Vacation shall also be subject to the remaining provisions of Section 18.11.

The Company will allow Employees on an eight-hour or ten-hour shift to be eligible for 16 hours of Segmented Vacation in either two-hour or four-hour increments. These increments are to be used at either the start or end of a shift.

18.11.1 DURATION - No segment of such vacation shall be more than four vacation days.

18.11.2 SHIFT EMPLOYEE: SCHEDULING - A shift union Employee may make a request to his supervisor at any time during the calendar year. Except as provided in Section 18.11.5, Section 18.11.10, and Section 18.11.11, such request shall be submitted not less than five calendar days in advance of the beginning time of such Segmented Vacation. The Company may approve such request at any time during the calendar year, but normally not less than three calendar days in advance of the beginning time of such Segmented Vacation; however, the established daily departmental maximum and the needs of the service, as determined by the Company, shall determine whether the union Employee may actually take such Segmented Vacation on the day(s) requested by the union Employee and approved by the Company. Consistent with the needs of the service, the Company will honor the daily departmental maximums even though the payment of overtime is required. A shift union Employee may cancel a request for Segmented Vacation at any time prior to approval; however, no previously approved Segmented Vacation may be canceled by a union Employee with notice less than five calendar days in advance of the beginning of such Segmented Vacation.

18.11.3 NON-SHIFT EMPLOYEE: SCHEDULING - A non-shift union Employee may make a request to his supervisor at any time during the calendar year. Except as provided in Section 18.11.5, Section 18.11.10 and Section 18.11.11, such request shall be submitted not later than the starting time of such Employee's last Regularly Scheduled Work Day immediately preceding the week in

which such Segmented Vacation Day is requested to be scheduled. Consistent with the needs of the service, the Company may approve such a request at any time during the calendar year but normally not later than the requesting union Employee's Regular Quitting Time on the last Regularly Scheduled Work Day immediately preceding the week in which such Segmented Vacation is requested to be scheduled. A non-shift union Employee may cancel a request for Segmented Vacation at any time prior to approval; however, no previously approved Segmented Vacation may be canceled by such Employee later than 8:00 a.m. Friday of the week immediately preceding the week in which such Segmented Vacation is requested to be scheduled. A non-shift union Employee scheduled Tuesday through Saturday on a rotational basis shall not be eligible to take a Segmented Vacation Day on Saturday.

18.11.4 TEN-HOUR SCHEDULES - Union Employees who, while assigned to a 10-hour work schedule, take a Segmented Vacation Day will receive 10 hours pay at their regular straight time rate for each such Segmented Vacation Day. In the event that the affected union Employees return to an eight-hour per day work schedule, any unused segmented vacation time shall be taken in increments of eight hours per day. Any such affected union Employee with remaining segmented vacation time of less than eight hours may elect to be paid such remaining vacation amount, with no time off, or take the remaining hours with pay in the form of a partial segmented vacation that may be taken as a full or partial day off. In no event shall the hours paid exceed the total authorized segmented vacation hours for such union Employee. The remaining unpaid hours will be considered an excused absence, but will not be a part of such union Employee's absence record.

18.11.5 NEEDS OF THE SERVICE EXCEPTIONS - A request for such vacation shall be evaluated by the Company and exceptions may be permitted based upon the needs of the service, the provisions of Section 18.12 notwithstanding.

18.11.6 PART OF TOTAL VACATION - For purposes of administration of the last sentence of Section 18.4, a week of Segmented Vacation shall be deemed to be one part of the union Employee's vacation.

18.11.7 RELATIONSHIP TO OTHER VACATION - A day of Segmented Vacation shall in all other respects be treated as a day of non-segmented vacation.

18.11.8 AFTER DECEMBER 16 - Such vacation taken after December 16 of the calendar year must be scheduled prior to November 1 and approved no later than November 16 of said calendar year.

18.11.9 PAY ELIGIBILITY LIMIT - In the event the union Employee complies with all the other provisions concerning the Segmented Vacation, but the requested Segmented Vacation is not taken by year end, due to the needs of service, as determined by the Company, such union Employee shall be paid at the applicable Straight Time Pay in lieu thereof.

18.11.10 COMPANY OFFER - Subject to the needs of service, as determined by the Company, eligible union Employees may be offered the opportunity from time to time to take a day(s) of Segmented Vacation with lesser notice than stipulated in Sections 18.11.2 and 18.11.3. When such opportunity is offered by the Company, specific departments and/or classifications will be notified of the opportunity and eligible union Employees interested are to submit their requests for consideration. Union Employees will be selected from those submitting their requests on the basis of

job series seniority. The granting of Segmented Vacation day(s) under this provision will not obligate the Company to any additional cost whatsoever.

18.11.11 NOTICE EXCEPTION - In the event of an unforeseen or short notice personal circumstance requiring his absence, the respective scheduling notice requirements for shift and non-shift union Employees shall not be required in utilizing one day of Segmented Vacation for one such occurrence during the calendar year, providing such Employee gives the Company notice as soon as practicable following his knowledge of the circumstance requiring the absence, but in no event whatsoever shall such notice be given the Company later than the regular beginning time of such Employee's Regularly Scheduled Work Hours on the Segmented Vacation day.

18.12 VACATION SCHEDULING - On or before January 15 of each year, each union Employee shall submit to his supervisor his written request showing the time or times at which he desires to take his vacation, in accordance with the provisions of this Article 18. No later than February 15 of each year the Company shall establish the vacation schedules for the current year, and in fixing such schedules, union Employees shall receive preference as to dates on the basis of job series seniority. Should two or more union Employees have the same job series seniority, then for the purpose of determining which one shall receive preference as to dates of vacation, their respective job series seniority shall be determined by the job series seniority they had in their last previous job classification. If two or more union Employees have the same job series seniority under the foregoing provisions, company seniority shall be used for determining which one shall receive preference as to dates of vacation. Whenever under the foregoing provisions the job classification of a union Employee is a job classification common to two or more job series, then such union Employee's job series seniority shall be determined on the basis of the job series in which he has the greatest job series seniority. Changes from the February 15 scheduling may be made if reasonably requested by the union Employees, or if reasonably necessary because of the needs of the service; and in connection with such changes job series seniority shall not prevail.

ARTICLE 19 FAMILY OR EMPLOYEE DEATH

C-37 19.1 FAMILY DEATH - Upon the occasion of the death of a member of a regular union Employee's immediate family, the Company shall grant Bereavement Leave, without loss of Straight Time Pay, as follows:

19.1.1 EMPLOYEE'S FAMILY:

| <u>Relationship</u> | <u>Maximum Entitlement in Regularly Scheduled Work Days</u> |
|--|---|
| Spouse or Domestic Partner | 5 |
| Child, Stepchild or Foster Child | 5 |
| Mother, Stepmother or Foster Mother | 5 |
| Father, Stepfather or Foster Father | 5 |
| Brother, Stepbrother or Foster Brother | 5 |
| Sister, Stepsister or Foster Sister | 5 |
| Daughter-in-law/Son-in-law | 3 |
| Brother's/Sister's Spouse | 3 |
| Grandchild | 3 |
| Grandparent | 2 |

19.1.2 SPOUSE'S FAMILY:

| <u>Relationship</u> | <u>Maximum Entitlement in Regularly Scheduled Work Days</u> |
|---------------------|---|
| Mother | 3 |
| Father | 3 |
| Brother | 3 |
| Sister | 3 |
| Grandparent | 2 |

19.1.3 FIVE DAY ENTITLEMENTS - In the event of a five day entitlement, Bereavement Leave shall start at the union Employee's option on the day of death or the first day immediately following such death, and continue for five consecutive Regularly Scheduled Work Days, or seven calendar days, whichever is earlier.

19.1.4 THREE DAY ENTITLEMENTS - In the event of a three day entitlement, Bereavement Leave shall start at the union Employee's option on the day of death or the first day immediately following such death, and continue for three consecutive Regularly Scheduled Work Days, or five calendar days, whichever is earlier.

19.1.5 TWO DAY ENTITLEMENTS - In the event of a two day entitlement, Bereavement Leave shall start at the union Employee's option on the day of death or the first day immediately following such death, and continue for two consecutive Regularly Scheduled Work Days, or four calendar days, whichever is earlier.

19.1.6 EXCEPTIONS:

- a. In the event the death occurs while the union Employee is on a scheduled vacation, the status of such union Employee shall be converted to Bereavement Leave, in accordance with Section 19.1.3, 19.1.4 or 19.1.5 for the duration of the Bereavement Leave entitlement. Any vacation days converted to Bereavement Leave may be rescheduled within 60 days of the end of the Bereavement Leave at a time acceptable to the union Employee and his supervisor. Such rescheduling need not comply with the scheduling provisions of Article 18. When more than one vacation day is rescheduled under this provision, such days must be rescheduled on consecutive, Regularly Scheduled Work Days.
- b. In the event special circumstances exist surrounding the death of the family member, the scheduling requirements in Section 19.1.3, 19.1.4 or 19.1.5 may be modified upon request of the union Employee and approval of local management and the General Manager, Employee Relations and Safety.

19.2 EMPLOYEE DEATH - Upon the occasion of the death of a Company Employee, the Company may grant time off without loss of Straight Time Pay to a limited number of union Employees to attend the funeral. Any such approvals shall be subject to the needs of the service as determined by the Company.

**ARTICLE 20
PAY STATUS FOR TIME NOT WORKED**

- C-33 20.1 COURT WITNESS AND JURY DUTY PAY ELIGIBILITY -** Whenever any regular union Employee is called for jury service or is required by subpoena to attend court as a witness, unless such regular union Employee is a "party in interest" in such action, the Company shall, for each day that he so serves under such call or attends under such subpoena, pay such union Employee such amount (if any) as is equal to the excess of the amount such union Employee would have received from the Company in Straight Time Pay or Upgrade Pay had he worked his Regularly Scheduled Work Hours on such day over the amount received by such union Employee for such day's jury service or such day's attendance as a witness. "Party in interest" means a person who is a plaintiff, defendant, or in a fiduciary capacity other than next friend, or who otherwise has a financial interest directly or indirectly in the outcome of a court action.
- C-4 20.2 LEAVE OF ABSENCE: UNPAID UNION BUSINESS -** If any union Employee is elected or appointed to any office in the Local Union requiring his absence from duty with the Company, he shall, after reasonable notice by him to the Company, be granted a requested leave of absence for Unpaid Union Business Time for a period not to exceed two years without pay in the case of any office other than Assistant Business Manager and for a period not to exceed four years without pay in the case of the Assistant Business Manager and shall continue to accumulate company seniority and job series seniority with the Company during the term of such leave. The time lost from work by any union Employee excused from work by the Company for purposes of doing committee work for the Union shall not be deducted in determining the company seniority or the job series seniority of such union Employee.
- 20.3 MILITARY LEAVE OF ABSENCE PAY ELIGIBILITY -** A regular union Employee who is a member of a national guard or reserve unit and who is ordered to participate in mandatory training exercises by the guard or reserve on such union Employee's Regularly Scheduled Work Days, including Recognized Holidays, shall be paid an amount of gross wages (if any) equal to the amount such union Employee would have received from the Company had such Employee worked his Regularly Scheduled Work Days, including Recognized Holidays, less the amount of gross earnings such Employee should receive from the guard or reserve unit for such participation. The entitlement to such payments shall not exceed 80 Regularly Scheduled Work Hours annually in increments of full Regularly Scheduled Work Days.
- 20.4 OTHER LEAVES OF ABSENCE: UNPAID -** In all other cases where the Company is requested to grant a leave of absence of five consecutive working days or longer to a union Employee, the request shall be made through regular channels to the General Manager, Labor Relations, of the Company who shall determine whether or not a leave is to be granted.
- C-25 20.5 ABSENCE DUE TO SICKNESS OR ACCIDENT: ELIGIBILITY FOR ADVANCE**
C-50 PAYMENT - Any regular union Employee who is actively working on January 1, any regular union
C-59 Employee who returns to work from an authorized extended absence on or after January 1, and any
C-122 probationary union Employee who becomes a regular union Employee on or after January 1, shall be
paid as gross wages, for absent time due to bona fide illness or injury, a maximum annual amount equal to 40 hours at his regular (not acting) Straight Time Pay. Such payment shall be made by the

Company on the nearest practicable regular payday following the date such Employee becomes eligible.

20.5.1 PREPAID ABSENCE CREDIT - In the event any bona fide illness or injury incurred by a regular union Employee results in absence from work, then all such hours of absence shall be without additional pay except as provided in Section 20.6.

20.6 PAYMENT OF PREVIOUSLY EARNED UNUSED SICK PAY CREDIT - A regular union Employee who has previously earned unused Sick Pay Credit on record as of January 1, 1986, shall, after having a total unpaid absence due to bona fide illness or injury in any calendar year of 40 regularly scheduled hours of work, other than Recognized Holidays, be paid at his regular (not acting) Straight Time Pay during his Regularly Scheduled Work Hours on Regularly Scheduled Work Days, other than Recognized Holidays, had he worked such hours, but which were not worked due to bona fide illness or injury, from such previously earned unused Sick Pay Credit until such previously earned unused Sick Pay Credit is exhausted. No further accumulation of unused Sick Pay Credit shall be permitted.

20.7 SHORT TERM DISABILITY BENEFITS - Payment of Short Term Disability Benefits (Weekly Indemnity) under the Employees' Health Benefits Plan provided by the Company, subject to medical determination, shall commence on the later of (a) the eighth day of continuous disability, or (b) after all previously earned unused Sick Pay Credit hours have been paid under the provisions of Section 20.6.

C-134

20.8 WORKER'S COMPENSATION - Payment of the weekly Worker's Compensation award provided by the Company on account of an occupational "injury or illness" while working for the Company, subject to medical determination, shall commence in each case on the eighth day of disability. In each such case of occupational "injury or illness" which lasts longer than 21 calendar days and in which case the weekly Worker's Compensation award shall become operative with the first day of disability, there shall be restored to such Employee's previously earned unused Sick Pay Credit hours as provided in Section 20.6, such number of credit hours, adjusted to the nearest multiple of one-quarter hour, as is equal to the figure arrived at by dividing (a) the actual weekly Worker's Compensation award amount by (b) such Employee's regular (not acting) Straight Time Pay, provided however, such number of hours to be restored shall not exceed the number of absent hours actually paid to and charged against such sick pay credit hours for such disability during the first seven calendar days of such disability.

20.9 PAYMENT - In the case of retirement or death of a union Employee, 75% of the accrued unpaid Sick Pay Credit Hours shall be paid at the time of retirement or death at the applicable Straight Time Pay in effect for such Employee. In case of death, the applicable amount shall be paid to the estate of the deceased employee.

20.10 COUNSELLING - The Company agrees that no union Employee will be counseled for excessive absenteeism solely on the basis of the first 40 hours of absence due to sickness or accident during any calendar year.

20.11 PATERNITY AND ADOPTION LEAVE – Paid Paternity or Adoption Leave – Union Employees will be eligible for 40 hours of paid straight time off to be used on up to five consecutive workdays within 30 days of the birth or adoption of a child. The paid time off will be used in full-day increments, and if there is less than a full day of paid leave remaining, the Employee will receive the rest of the day off as an excused, unpaid absence.

20.12 PAY STATUS FOR OTHER TIME NOT WORKED - Union Employees shall not be paid for time absent from work during their regular work schedule except as provided for in the following provisions:

- a. **Section 5.6 consistent with Arbitrator Klein's November 3, 1984 Award in Grievance No. B-84-6 - Layoff**
- b. **Section 7.1.7 - Grievance Procedure**
- c. **Article 11 - Holidays**
- d. **Article 17 – Sixteen-Hour Rule**
- e. **Article 18 - Vacations**
- C-4 f. **Article 19 - Family or Employee Death**
- C-18 g. **Section 20.1 - Court Witness or Jury Duty**
- C-122 h. **Section 20.3 - Military Leave of Absence**
C-144
- i. **Sections 20.5 through 20.8 - Sickness or Accident**
- j. **Section 20.11 – Paid Paternity and Adoption Leave**

C-149

**ARTICLE 21
MEALS, LODGING AND TRANSPORTATION**

- C-18 **21.1 TRANSPORTATION - Except as provided in Section 21.3, Section 21.4 and Section 21.5**
C-40 **below, union Employees working away from their headquarters location at the various points shall**
C-70 **be transported to and from work on the Company's time. Equipment Testing Crews working out of**
C-104 **Corporate Offices shall be transported in a Company vehicle at their scheduled meal break to an**
eating place selected by them, provided the total time required for such meal, including traveling
time, does not exceed one hour.

C-76 21.2 HEADQUARTERS LOCATION - Except as provided in Section 21.2.1 and Section 21.9.2 below, the headquarters location for union Employees shall be the Company facility to which they are assigned.

C-169 21.2.1 HEADQUARTERS LOCATION FOR GENERATING STATION AND TRAVELING MAINTENANCE EMPLOYEES: The headquarters location for generating station and Traveling Maintenance employees shall be the generating station to which they are assigned except that Cayuga Generating Station, Wabash River Generating Station, Wabash River Repowering site and Dresser Generating Station site shall be defined as a single headquarters location for administration of this Article 21.

21.3 JOB SITE REPORTING - LINE CREWS:

- a. When a union Employee is assigned to report in a personal vehicle to a job site or work location other than his headquarters location, but not more than 45 miles from his headquarters location, he shall be reimbursed for mileage driven which is in excess of the distance from his residence to his headquarters location and back to his residence for the round trip, but shall not be paid for time spent traveling to or from the job site, or work location. The mileage reimbursement shall be the amount per mile approved by the Internal Revenue Service, and shall be paid to the driver of the personal vehicle only.
- b. When a union Employee is assigned to report to a job site or work location which is 45 miles or more from his headquarters location, he shall be entitled to the appropriate straight time or overtime rate of pay for time spent traveling to the job site or work location and back to his headquarters location. In addition, if he drives his personal vehicle, he shall be entitled to reimbursement for mileage driven at the amount per mile approved by the Internal Revenue Service. Any union Employee who is assigned to report to a job site which is 45 miles or more from his headquarters location shall be eligible for the per diem living allowance in accordance with the remaining provisions of this Article 21. In the event the per diem living allowance is authorized, pay for time spent traveling and reimbursement for mileage shall be limited to the first and last days of the work assignment.

21.3.1 JOB SITE REPORTING – LINE CREWS AGE 55 EXCEPTION – Upon request to the Company, each Employee who has attained age 55 years or over will be excused from job site reporting. On an annual basis during the vacation scheduling period, eligible Employees must notify the Company of their election. To be excused from job site reporting for the remainder of 2005, an Employee who is 55 years or over must notify the Company of his election prior to June 1, 2005.

21.4 JOB SITE REPORTING - LINE SERVICE SPECIALISTS AND CONSUMER ORDER WORKERS: Union Employees who are regular incumbents or assigned to work in the Line Service Specialist and Consumer Order Worker job classifications who take a Company service vehicle home overnight may be assigned to report to their assigned headquarters location, or to the location of a work assignment. When such union Employee is assigned to report to his headquarters location, he shall report at his regularly scheduled starting time. When such union Employee is assigned to report to the location of a work assignment, such union Employee shall commence travel to the assigned work location not later than his regularly scheduled starting time.

21.5 JOB SITE REPORTING - SUBSTATION CONSTRUCTION EMPLOYEES: Substation Construction union Employees shall report to their assigned job site or work location at their scheduled starting time and shall be released at the end of their Regularly Scheduled Work Hours. When such union Employee is assigned to travel away from his headquarters location, such employee shall be reimbursed for actual mileage driven, but shall not be paid for time spent traveling. The mileage reimbursement shall be the amount per mile approved by the Internal Revenue Service and shall be paid to the driver of the personal vehicle only.

21.6 MILEAGE CALCULATION - Mileage reimbursement shall be calculated to the nearest whole mile from the union Employee's headquarters location to the assigned job site or work location and back to the headquarters location, using the most direct route for travel.

C-75
C-102 **21.7 LODGING AND MEAL PER DIEM –** Effective June 1, 2005, the "per diem" living expense allowance shall be as follows:

| | |
|-----------------------|---------|
| Lodging Per Day | \$67.55 |
| Each Meal (3 Maximum) | \$9.15 |
| Daily Maximum | \$95.00 |

The daily maximum shall be the sum of the lodging per day amount and three meal allowances and shall be equal to the amount allowed by the IRS for Plainfield, Indiana, effective 60 days after publication in the Federal Register.

C-102
C-149 **21.7.1 ELIGIBILITY: PER DIEM LODGING -** A union Employee must be given and have fulfilled an overnight work assignment by the Company away from his headquarters location in order to qualify for the per diem lodging allowance described above, except for Substation Construction employees (in which case Section 21.9 shall be applicable). If a union Employee qualifies for the per diem lodging allowance, his entitlement thereto shall be determined in accordance with the remaining provisions of this Article 21.

C-149 **21.7.2 ELIGIBILITY: PER DIEM MEALS -** A union Employee must be fulfilling a given overnight work assignment and be away from his headquarters location, at, or the major portion of the quarter hour immediately preceding, 6:00 a.m., 12:00 noon, 6:00 p.m., or 12:00 midnight, in order to qualify for one meal allowance for each applicable time (maximum of three per day) when he is so assigned in accordance with the per diem meal allowance described above. If a union Employee qualifies for the per diem meal allowance, his entitlement thereto shall be determined in accordance with the remaining provisions of this Article 21. Such per diem allowances shall be paid in accordance with the procedures as established by the Company. Advances for such per diem allowances are both available and payable in accordance with the policies and procedures as established by the Company.

21.8 COMPANY DECISION AND NOTIFICATION - The Company reserves the right to decide whether or not the union Employee shall be returned to his working headquarters or housed overnight. Whenever on any working day the Company has knowledge that the union Employee shall during the next working day be scheduled to work away from the city or town in which his working headquarters is located (whether such place of work is within or without the headquarters location for such union Employee), it shall, at or before quitting time, notify the union Employee of such fact.

C-82 21.9 PER DIEM FOR SUBSTATION CONSTRUCTION - In the case of a Substation Construction Crew member assigned to a headquarters town which is 30 miles or less from the crew members headquarters location but within any of the counties comprising the Company's then current service territory, a \$26.00 allowance shall be paid for each working day that they are located at such established headquarters town, except that such allowance shall not be paid to any member of such crews when such established headquarters town is the same as such crew member's headquarters location.

In the case of a Substation Construction crew member assigned to work at an established headquarters town which is more than 30 miles from the crew member's approved headquarters location and within any of the counties comprising the Company's then current service territory, in lieu of paying actual living expenses, a living expense allowance shall be paid in accordance with the provisions of Section 21.7 for the working days that the crew member is working at such established headquarters town.

21.9.1 ESTABLISHED HEADQUARTERS TOWN - The term "established headquarters town" (used herein in connection with provisions appertaining to Substation Construction Crews) means and refers to such city or town near the actual work to be performed by such a crew in any case as is specified by the Company as the established headquarters town for such work.

21.9.2 HEADQUARTERS LOCATION FOR SUBSTATION CONSTRUCTION EMPLOYEES: The headquarters location for Substation Construction employees (Promotional Chart 59) shall be the town in which they maintain their primary residence. Such headquarters location shall be determined by the mailing address of such employees' primary residence.

C-75 21.10 SPECIAL LODGING EXPENSE - If a union Employee is required by the Company to stay overnight in an area where motels have increased their rates for "special events," such as the Indianapolis 500 Mile Race, such Employee will, upon presenting actual receipts, be reimbursed for his actual out-of-pocket personal lodging expenses instead of the per diem lodging rate.

21.11 WORKING AWAY FROM HEADQUARTERS AREA - Each union Employee shall supply his own lunch, unless such union Employee is given and fulfills an overnight work assignment away from his headquarters location. When such overnight work assignment is not within any of the counties comprising the Company's then current service territory, the Company shall pay for all reasonable lodging and meal expenses actually incurred by such union Employee, except that when the overnight work assignment is within CG&E's service territory the union Employee may choose to receive a daily lodging and meal per diem allowance of \$115.00.

C-121 21.12 OTHER APPROVED EXPENSE - A union Employee will be reimbursed for other Company approved items of expense incurred in connection with performing Company work in accordance with procedures established by the Company.

21.13 MISREPRESENTATION OF EXPENSES - A union Employee shall not misrepresent any expense incurred by him for meals, lodging or other purposes for which the Company is responsible for payment.

21.14 OVERTIME MEAL ALLOWANCE - Each union Employee must furnish his meals during work outside Regularly Scheduled Work Hours. When a union Employee works an overtime work assignment and is paid Overtime Pay, such Employee shall be paid \$2.10 for each hour paid at Overtime Pay only, payable in increments of one-quarter hour. Any such payment represents an Overtime Meal Allowance and shall be the Company's only obligation in connection with providing meals for union Employees when performing an overtime work assignment.

21.15 EMPLOYEE MANAGED EATING FACILITIES - The Company agrees that it will provide necessary space and hook-ups, in locations determined by the Company, for additional facilities such as vending machines, microwave ovens and refrigeration units, to be used for the purpose of dispensing and preparing food items. Vending machines, microwave ovens and refrigeration units, at locations where such facilities are used, shall be owned and/or leased, operated, maintained and managed by employee organizations independent of the Company.

21.16 TIME TO EAT OVERTIME MEAL - The Company agrees that it will, consistent with the needs of the service, provide union Employees adequate time to eat but, in any event, not to exceed one hour, and will, as nearly as practicable, be at 6:00 p.m., 12:00 midnight, 6:00 a.m. and 12:00 noon, as long as such Employees continue to work. In the case of an overtime work assignment requiring a crew of two or more union Employees, the meal break opportunity will be scheduled at a time consistent with the needs of the service and mutually agreeable among the crew members. If such mutual agreement among all the crew members cannot be reached, then a time mutually agreeable to the majority of such crew members, approved by the supervisor and which is, as nearly as practicable, at 6:00 p.m., 12:00 midnight, 6:00 a.m., or 12:00 noon, as long as such Employees continue to work.

21.17 MEAL COST - The cost of a union Employee's overtime meal shall be borne by such Employee, and the time required to obtain and consume such meal is noncompensable except as may otherwise be provided for in this Labor Agreement.

ARTICLE 22 INCLEMENT WEATHER

C-110 22.1 NO LAYOFF - Union Employees reporting at their regularly designated time and place to perform their work, shall not be laid off by the Company due to inclement weather. The Company shall not require work on the electric lines or outdoor substations (other than operating functions) in inclement weather, except in cases of emergencies.

C-6 22.2 WORK ASSIGNMENTS DURING INCLEMENT WEATHER - During periods that union
C-14 Employees are, on account of inclement weather, excused by the Company from performing their
C-23 regular duties, they shall perform, at the direction of the Company, any other work to which they may
C-44 be assigned, the Company agreeing, however, that it shall provide work which can be performed
C-69 under protection from the weather, except in cases of emergencies. Emergencies shall be deemed
C-70 situations requiring work to prevent risk to life or property or to maintain or restore continuity of
C-118 regular service to the public.

C-30 22.3 ITEMS FURNISHED: GENERAL - At all times when Line Crews, Line Servicemen, Substation Maintenance and Construction union Employees, and Generating Station union Employees are required to work outdoors in inclement weather, the Company shall provide them with raincoats or rain suits, rain hats and boots. Meter Readers and union Employees in Meter (Field) jobs shall be provided with raincoats or rain suits, rain hats, and boots by the Company. The Company shall provide sufficient sterilizing powder to enable the union Employees to sterilize boots before each use thereof.

ARTICLE 23 SAFETY AND HEALTH

23.1 YARD AUTOMOTIVE EQUIPMENT - All Generating Station yard auto-motive equipment shall be equipped with cabs, cab heaters and starters, which, so far as reasonably practicable, shall be kept in repair and safe mechanical operating condition.

23.2 SAFETY AND HEALTH FACILITIES - The Company agrees that such rules and provisions as are reasonably necessary for the safety and health of union Employees in their respective work for the Company shall be made by the Company, such as proper ventilating fans, clean and sufficient showers, and clean and safe drinking water; and that the Company shall use reasonable care in seeing that mechanical and other equipment installed for such purposes are kept and maintained in good running condition and repair.

23.3 SUITABLE CLOTHING - Suitable clothing, including gloves when required, shall be furnished by the Company for use by Generating Station, Substation Maintenance, and Central Electric Shop union Employees while maintaining and cleaning airheaters, induced draft and forced draft fans, dust collectors, primary air ducts, and sulphuric acid sections of demineralizers, while working on the interior of boilers including slagging and removing such slag from boilers and building, while welding or burning metal, while repairing or replacing acid-type batteries, while doing paint removal work involving the use of acids, and whenever it is necessary for such union Employees to enter the interior of turbine oil reservoirs, turbine oil storage tanks, transformer oil storage tanks, fuel oil storage tanks, oil circuit breaker tanks, stack gas scrubber module, stack gas scrubber exhaust duct work including associated booster fans, sludge slurry thickener tanks, electrostatic precipitators, coal and limestone pulverizers, and slaker house.

23.4 EYEGLASSES OR DENTURES - An eyeglass lens or lenses, or frames, or both, and dentures, broken or damaged beyond continued use while being worn and used by a union Employee in his performance of assigned work duties in a manner consistent with safety regulations and instructions, shall be replaced or repaired at Company expense.

23.5 CORPORATE SAFETY COORDINATING COUNCIL - The Business Manager of the Local Union shall serve, or designate an Assistant Business Manager to serve, as a member of the Corporate Safety Coordinating Council. Such representative shall participate fully in the matters discussed by such Council. The Company shall furnish to the Business Manager of the Local Union a copy of each Accident Report affecting a union Employee, and a copy of the minutes of the periodic local Safety Meetings as established in the Safety Program.

23.6 CORPORATE ACCIDENT INVESTIGATION COMMITTEE - Whenever the Company appoints a Corporate Accident Investigation Committee to investigate a serious accident requiring hospitalization or a fatal accident of any union Employee, it shall request the Business Manager of the Local Union to designate a union representative to serve as a member of such committee.

23.7 SAFETY MANUAL CHANGES - The Company agrees to discuss with the Union changes and additions (including those governing the use of rubber gloves and sleeves and/or hot line tools for work on energized lines) to the safety rules and regulations applicable to union Employees as provided in the Safety Manual prior to such changes and additions being put into effect.

23.8 PROTECTIVE EQUIPMENT - The Company shall make available for use by union Employees such rubber gloves and sleeves and such hot line tools as are necessary in order that the required work may be done.

23.9 SAFETY RULES AND POLICIES COMPLIANCE - The Company and the Union agree that union Employees shall use and make every effort to preserve the equipment provided for their safety and shall observe and abide by the Safety Rules and established Company safety policies. Both the Company and the Union agree that a union Employee found guilty of failure to comply with the foregoing shall be subject to proper disciplinary action by the Company. Supervisors shall not request a union Employee to disregard any mandatory Safety Rule which is from time to time set forth in the Company's Safety Manual.

**ARTICLE 24
SUPERVISORS DOING UNION WORK**

C-7 Supervisory or technical employees of the Company who are not union Employees shall not do the
C-8 work of union Employees except in emergencies, or during tests on equipment requiring high
C-9 technical skill and knowledge, provided however, that supervisory Stores employees, Line Crew
C-10 Supervisors, Substation Construction Crew Supervisors, Control Supervisors, Central Load
C-26 Supervisors, and Area Load Supervisors may perform such work as was generally being done by
C-36 such classes at May 23, 1955, and the Company agrees to take such steps and issue such instructions
C-38 as may be reasonably required to assure that the limitations provided for herein shall be duly
C-48 observed, and provided further, that such work does not deprive union Employees of employment.
C-52
C-131

**ARTICLE 25
SUBCONTRACTING**

C-123 The Company agrees that it shall not let out under contract any work which is ordinarily done by its
C-132 regular union Employees if, as a result thereof, it would become necessary to lay off or reduce in
classification any of such regular union Employees.

**ARTICLE 26
WORKER'S COMPENSATION**

C-134 The Company agrees that in each case (except death cases) where an injured union Employee is
awarded Worker's Compensation from the Company, the Company shall, during such number of
weeks as such Employee is not able to work on account of such injury and as are not in excess of the
number of weeks that such Employee would receive Short Term Disability Benefits (Weekly
Indemnity) under the applicable plan document in the case of sickness or an accident covered
thereby, pay to such Employee for each such week, in addition to the weekly Worker's Compensation
award, an amount equal to the difference (if any) between (a) the amount of Short Term Disability
Benefits (Weekly Indemnity) of such Employee in case of sickness or accident covered by such plan,
and (b) the weekly Worker's Compensation award to such Employee.

**ARTICLE 27
DISABLED VETERANS**

The Company may employ for vocational rehabilitation any disabled veteran who is recommended
for employment and vocational training by the Veteran's Administration; and the Union shall
cooperate toward the vocational training of such veterans.

**ARTICLE 28
USE OF BULLETIN BOARD**

The Company agrees that at each of its Generating Stations, each of its manually operated
substations, and each of its working headquarters where the union Employees assemble, it shall
provide, either on a section of its own bulletin board not less than 20 inches wide and 24 inches long,
or on a separate bulletin board having not less than said dimensions and located adjacent to the
Company's bulletin board, space for the purpose of the posting by the Union of notices pertaining to

union meetings, elections or dues paying dates. As to other union matters such notices may be posted as are submitted to the Company by the Union and approved by the Company in advance of posting. The Union agrees that any notices posted by it or its representative shall be signed by an authorized representative or official of the Union.

ARTICLE 29 BENEFIT PLANS

29.1 PENSION PLAN – Effective on the first day of this Agreement, pension benefits will consist of the identical benefits provided to union Employees under the existing Cinergy Corp. Union Employees’ Pension Plan. Effective January 1, 2003 the Cinergy Corp. Union Employees’ Pension Plan will be amended to include a cash balance feature, which will allow for three different pension programs: the Traditional Program, Balanced Program and Investor Program. Union employees hired on or before December 31, 2002 will be required to make a one-time election during either the open enrollment period in 2002, or during the open enrollment period in 2003. All Employees hired on or after January 1, 2003 must make a one-time election of either the Balanced Program or Investor Program. The Company will pay the entire cost of the identical benefits provided under this Plan. In the event the existing Cinergy Corp. Union Employees’ Pension Plan is terminated by the Company, the Company will continue to provide a pension plan with no less than identical benefits as those provided under such terminated plan.

29.2 MEDICAL COVERAGE - The union Employee and the Company shall share the cost of the union Employee coverage and dependent(s) coverage.

1. From January 1, 2006 through December 31, 2010, union Employees will have access to the medical coverage options set forth in Attachment 1 (“Healthcare Coverage”). This Healthcare Coverage will be provided pursuant to the terms of the Cinergy Corp. Welfare Benefit Program, with benefit levels no less favorable than those outlined in Attachment 1, attached hereto.
2. From January 1, 2006 through December 31, 2006, union Employees will be provided a subsidy equal to 87.5% of the premium (calculated using standard actuarial procedures) applicable to the Healthcare Coverage of the union Employees and their eligible dependents. From January 1, 2006 through December 31, 2006, union Employees will pay 12.5% of the premium (calculated using standard actuarial procedures) applicable to the Healthcare Coverage of the union Employees and their eligible dependents.
3. From January 1, 2007 through December 31, 2010, union Employees will be provided a subsidy equal to 85% of the premium (calculated using standard actuarial procedures) applicable to the Healthcare Coverage of the union Employees and their eligible dependents. From January 1, 2007 through December 31, 2010, union Employees will pay 15% of the premium (calculated using standard actuarial procedures) applicable to the Healthcare Coverage of the union Employees and their eligible dependents.
4. The deductible is the amount an employee has to pay before the plan pays any benefit. The out-of-pocket maximum limits the amount of medical expenses the employee will incur in one year for items such as the deductible, co-insurance, and other eligible expenses. If the employee is providing coverage for one additional dependent, the deductible and out-of-pocket

maximum will apply to each individually. The family deductible and the out-of-pocket maximum do not apply.

5. Effective January 1, 2006, the Indemnity Plan will no longer be available.

29.3 SHORT TERM DISABILITY – Effective on the first day of this Agreement, Short Term Disability Benefits (Weekly Indemnity) shall consist of 100% of the union Employee's weekly base wage.

Effective January 1, 2006, for Employees hired on or after January 1, 2006, and effective January 1, 2007, for Employees hired before January 1, 2006, Short-Term Disability benefits (Weekly Indemnity) for union Employees shall be as follows:

After a union Employee has been continuously disabled, subject to medical determination, and unable to return to work for more than seven consecutive calendar days, such Employee will receive Short Term Disability pay consisting of up to 26 weeks of pay per incident with payment based on the schedule below. During the seven consecutive calendar day waiting period, it is intended that no employee will incur a loss of more than five scheduled days of straight time pay.

The administration of short-term disability compensation for all union Employees will be administered over a two-year period for the purpose of calculating weeks at 100% of pay. Single or multiple occurrences of STD in a rolling 24-month period will be paid as follows.

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

Compensation will not be provided for illnesses resulting from such causes as: illegal use of drugs, intoxication, willful intent to injure oneself, the commission of a crime, procedures not covered by the medical plan, the employee's refusal to comply with prescribed remedial measures or permit medical examination by a Company selected physician.

29.3.1 ELIGIBILITY FOR LONG TERM DISABILITY After an employee has been continuously disabled, subject to medical determination, and is unable to return to work for more than 27 consecutive weeks, and has exhausted Short Term Disability Benefits, if qualified the employee will receive Long Term Disability benefits as provided for in Section 29.7.

29.4 EMPLOYEE ENROLLMENT – Union Employees may make an election during an annual "open enrollment period" held each year and this election shall be irrevocable for the next calendar year. Union Employees who elect an HMO shall pay the difference in the added monthly cost, if any, between the elected coverage in the HMO and the applicable monthly Company contribution in effect on November 1 each year for default medical coverage described in Section 29.2 above.

29.4.1 COMPANY DETERMINATION - The determination as to which medical plan shall be offered shall be made by the Company. When a medical plan is offered to union Employees, it shall not be deemed to be an endorsement of the medical plan or an assurance from the Company that the union Employee will receive proper care from the medical plan.

29.4.2 NO COMPANY OBLIGATION - A union Employee who elects a medical plan coverage shall have that medical coverage as his exclusive medical coverage and the Company shall have no obligation with regard to the provision of medical benefits or payment therefore, other than payment as described in Section 29.2.

29.5 DENTAL COVERAGE - The union Employee and the Company shall share the cost of the union Employee coverage and dependent(s) coverage.

1. From January 1, 2006 through December 31, 2010, union Employees will have access to the dental coverage options set forth in Attachment 1 ("Dental Coverage"). This Dental Coverage will be provided pursuant to the terms of the Cinergy Corp. Welfare Benefit Program, with benefit levels no less favorable than those outlined in Attachment 1, attached hereto.
2. From January 1, 2006 through December 31, 2006, union Employees will be provided a subsidy equal to 87.5% of the premium (calculated using standard actuarial procedures) applicable to the Dental Coverage of the union Employees and their eligible dependents. From January 1, 2006 through December 31, 2006, union Employees will pay 12.5% of the premium (calculated using standard actuarial procedures) applicable to the Dental Coverage of the union Employees and their eligible dependents.
3. From January 1, 2007 through December 31, 2010, union Employees will be provided a subsidy equal to 85% of the premium (calculated using standard actuarial procedures) applicable to the Dental Coverage of the union Employees and their eligible dependents. From January 1, 2007 through December 31, 2010, union Employees will pay 15% of the premium (calculated using standard actuarial procedures) applicable to the Dental Coverage of the union Employees and their eligible dependents.
4. The deductible is the amount an employee has to pay before the plan pays any benefit. If the employee is providing coverage for one additional dependent, the deductible will apply to each individually. The family deductible does not apply.

29.6 GROUP LIFE INSURANCE - Effective on the first day of this Agreement, life insurance benefits provided to union Employees shall consist of the identical benefits provided to non-union employees. The Company and union Employee shall share the cost of the union Employee's coverage on the same basis and for the identical benefits as shared by non-union employees and the Company for non-union employees' coverage as stated in the Life Insurance Plan document existing on the first day of this Agreement, and as modified under the terms of this Agreement.

29.7 LONG TERM DISABILITY PLAN - Effective on the first day of this Agreement, long term disability benefits provided to union Employees shall consist of the identical benefits provided to non-union employees. The Company and union Employee shall share the cost of the union Employee's coverage on the same basis and for the identical benefits as shared by non-union

employees and the Company for non-union employees' coverage as stated in the Long Term Disability Plan document existing on the first day of this Agreement, and as modified under the terms of this Agreement.

29.8 HEALTH CARE SPENDING ACCOUNT - Effective on the first day of this Agreement, a flexible spending arrangement for medical expense reimbursements under the Internal Revenue Code of 1986 Sections 105 and 125 shall be provided to union Employees consisting of the identical benefits provided to non-union employees; provided, however, that as of each January 1 occurring during the term of the Agreement (beginning January 1, 2006), the Company agrees to credit the flexible spending account of each union Employee as of such date with \$100 for eligible medical expense reimbursement.

29.9 DEPENDENT CARE SPENDING ACCOUNT - Effective on the first day of this Agreement, a flexible spending arrangement for dependent care assistance under the Internal Revenue Code of 1986 Sections 125 and 129 shall be provided to union Employees consisting of the identical benefits provided to non-union employees.

29.10 EMPLOYEE'S 401(k) SAVINGS PLAN - Effective on the first day of this Agreement, a deferred compensation arrangement under the Internal Revenue Code of 1986 Section 401(k) consisting of the identical benefits provided to union Employees under the existing Cinergy Corp. Union Employees' 401(k) Plan will be provided to union Employees. The Company will make matching contributions under this Plan as it exists on the first day of this Agreement, and as modified under the terms of this Agreement. Effective January 1, 2003, the 401(k) Plan is being amended to include an Employee Stock Ownership Plan (ESOP) feature. This ESOP feature will allow all union Employee participants to make an annual election to receive dividends paid on the 401(k) Cinergy Stock Fund as cash or to reinvest the dividends in the Cinergy Stock Fund. Under the ESOP, union Employee participants can contribute to the ESOP up to 50% of their base pay with before-tax contributions, subject to applicable Internal Revenue Service rules and regulations and discrimination testing. The Company matching contributions will be based upon up to 5% of base wages calculated on a before-tax basis, with a potential 401(k) incentive match that slides with corporate goals.

29.11 POST-RETIREMENT HEALTHCARE – For the term of this Agreement, post-retirement healthcare will be made available to the union Employees in accordance with the Addendum to this Agreement.

29.12 METHOD OF FUNDING - The method of funding, the election to self-insure any benefit plan described in this Article 29 or the selection of an insurer for any plan shall be entirely within the discretion of the Company, and in the event there is any change from the current insurer(s), the Company shall maintain programs whose benefits are equal to the present programs. Any dividends and reductions in premium rates during the term of this Agreement will accrue, except for Personal Accident Insurance and Personal Life Insurance, to the benefit of the Company.

29.13 ADMINISTRATION - The administration of benefit plans described in this Article 29 shall be the responsibility of the Company or the insurers if applicable. Such responsibility shall include, without limitation, the selection of trustees, consultants, actuaries, investment managers, record keepers or other parties deemed necessary for the orderly operation of the plans. The Company may enter into or amend contracts or agreements with any parties involved

with any of the plans described in this Article 29 such as, but without limitation, trustees, consultants, actuaries, record keepers, insurance carriers, third party administrators, financial institutions, or investment fund managers, in the administration and operation of trusted, self-administered, self-insured, or insured benefit plans, and when necessary, to amend plans and plan documents to reflect operational changes or to secure or maintain qualification as appropriate from the Internal Revenue Service or to comply with applicable federal or state laws, regulations or orders. It shall be the Company's responsibility and authority to determine the extent to which all or any part of any benefit plan is self-funded, trusted or insured. The Company will annually submit reports to the Union on the benefit plans in accordance with the Employee Retirement Income Security Act (ERISA). Each of the benefit plans described in this Article 29 is set forth in either a master plan document or a contract, which shall be the official document governing the provisions of such plan.

29.14 BENEFITS CLAIMS DISPUTES - With respect to any claim or dispute involving the application or interpretation of any employee welfare or pension plan, initially the Employee and the Union will make a good faith effort to resolve those disputes in accordance with the terms and administrative appeals procedures (other than filing a lawsuit) set forth in the relevant plan document. The time limit for filing a grievance will be suspended as long as the Employee and the Union are pursuing the appeals processes in the benefit plans. The plan documents will be modified to reflect changes agreed to during collective bargaining.

ARTICLE 30 NOTIFICATION

Whenever written notice from either party hereto to the other is provided for under the terms of this Agreement, such notice shall be deemed to have been given only if it is addressed:

(a) If to the Company, to

Ms. Kay Pashos, President
PSI Energy, Inc.
1000 East Main Street
Plainfield, Indiana 46168

(b) If to the Union, to

Mr. Thomas J. Bailey, Business Manager
Local Union No. 1393
International Brotherhood of Electrical Workers
1038 East Washington Street
Indianapolis, Indiana 46202-3953

or, in such other manner as may from time to time be designated by written notice given by the party to be addressed to the party to give notice, and is either personally delivered to said President or to said Business Manager, as the case may be, or sent, registered or certified mail, in an envelope addressed to the addressee as above provided.

**ARTICLE 31
PROMOTIONAL CHARTS**

C-3 Promotional charts showing normal Lines of Promotion between the job classifications covered by
C-22 this Agreement are herein set forth. Each such chart shows the job classifications covered by this
C-61 Agreement appropriate to that chart and provides one or more normal Lines of Promotion in respect
C-62 thereof.
C-66
C-73
C-97
C-98
C-106
C-124
C-130

C-3
C-124

31.1 DISTRICT OPERATIONS PROMOTIONAL CHARTS

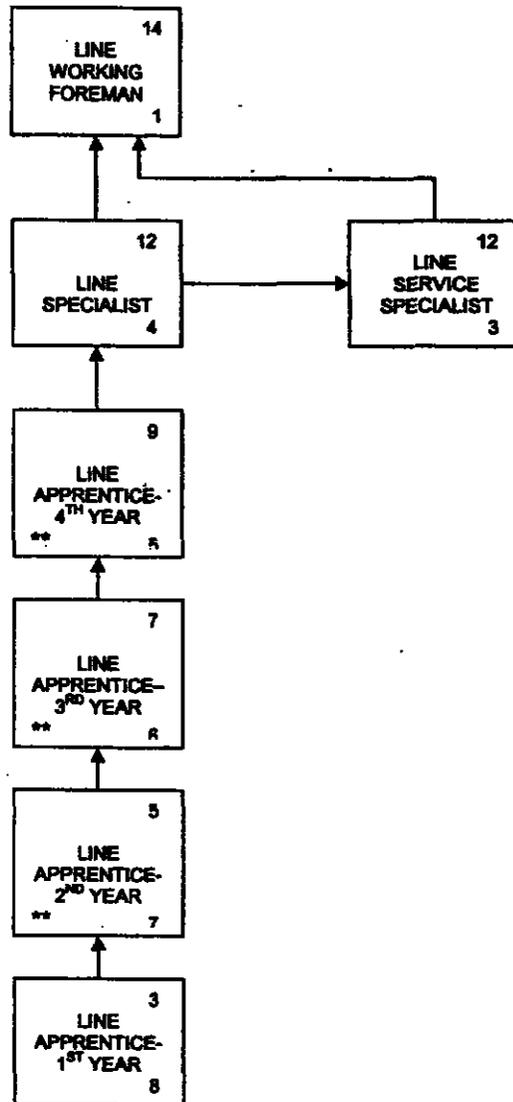
PROMOTIONAL CHART NO. 19

PSI ENERGY, INC.

DISTRICT OPERATIONS

TRANSMISSION OPERATIONS

LINE AND SERVICE



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

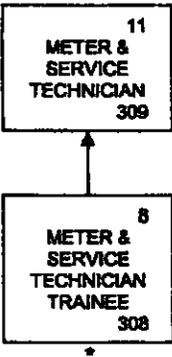
* Beginning Job
** Also Not To Be Posted

PROMOTIONAL CHART NO. 28

PSI ENERGY, INC.

DISTRICT OPERATIONS

METER



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

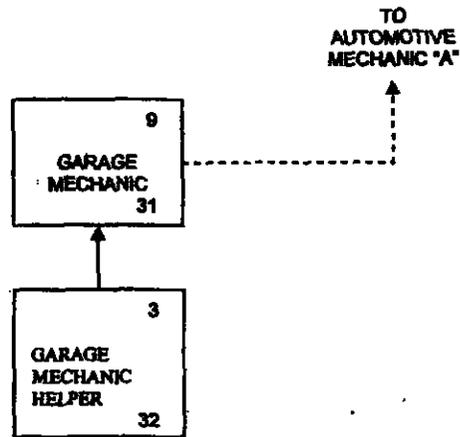
* Beginning Job

PROMOTIONAL CHART NO. 39

PSI ENERGY, INC.

DISTRICT OPERATIONS

GARAGE



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

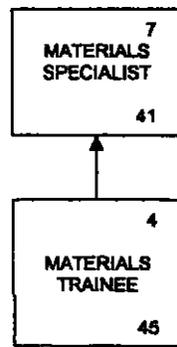
* Beginning Job

PROMOTIONAL CHART NO. 49

PSI ENERGY, INC.

DISTRICT OPERATIONS

STORES



NOTE: Digits in blocks are:
Upper Right – Labor Grade Numbers
Lower Right – Job Specification Numbers

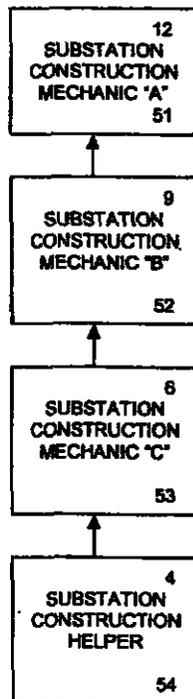
* Beginning Job

PROMOTIONAL CHART NO. 59

PSI ENERGY, INC.

DISTRICT OPERATIONS

SUBSTATION CONSTRUCTION



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

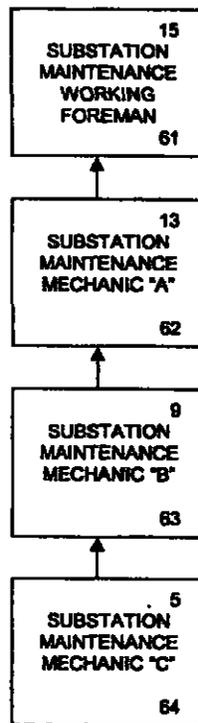
* Beginning Job

PROMOTIONAL CHART NO. 89

PSI ENERGY, INC.

DISTRICT OPERATIONS

SUBSTATION MAINTENANCE



*

NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

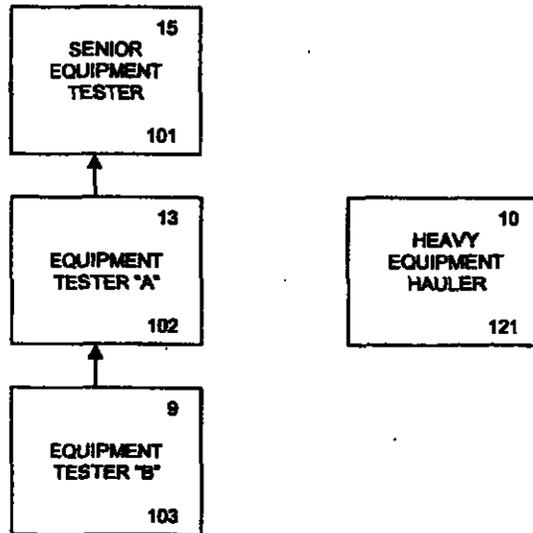
* Beginning Job

PROMOTIONAL CHART NO. 109

PSI ENERGY, INC.

DISTRICT OPERATIONS

MISCELLANEOUS



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

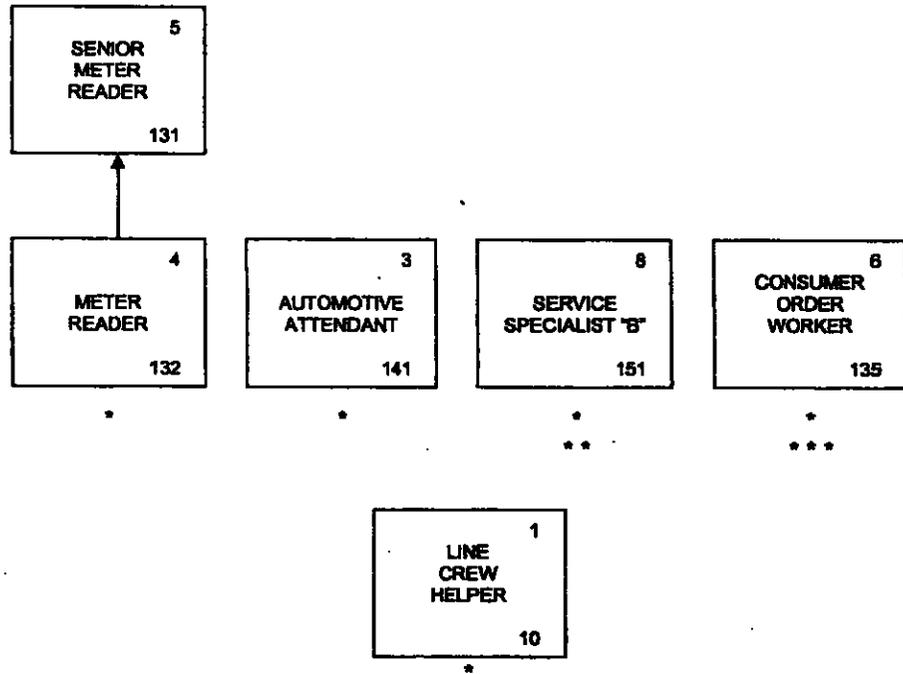
* Beginning Job

PROMOTIONAL CHART NO. 159

PSI ENERGY, INC.

DISTRICT OPERATIONS

MISCELLANEOUS



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

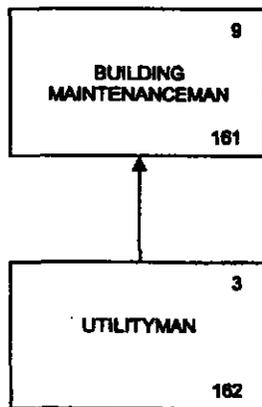
* Beginning Job
** Normally Filled by Disabled Union Employees
*** May Be Filled By Disabled Union Employees

PROMOTIONAL CHART NO. 169

PSI ENERGY, INC.

DISTRICT OPERATIONS

BUILDING MAINTENANCE



*

NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

* Beginning Job

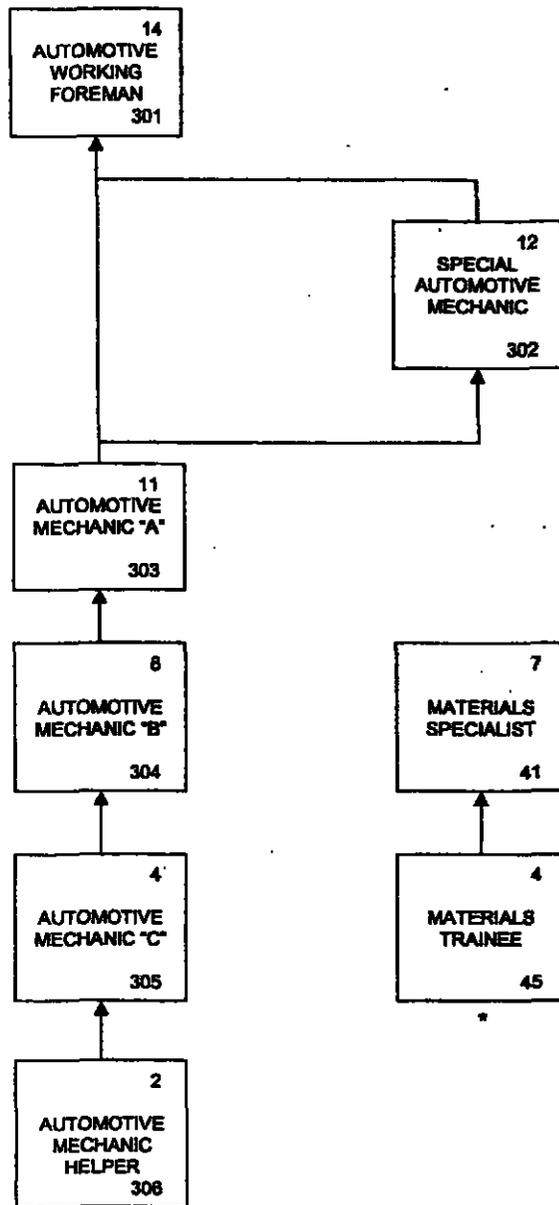
PROMOTIONAL CHART NO. 309

PSI ENERGY, INC.

DISTRICT OPERATIONS

CORPORATE OFFICES

CENTRAL GARAGE



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

* Beginning Job

** Corporate Offices - Central Garage Only

PROMOTIONAL CHART NO. 409

PS&E ENERGY, INC.

GENERAL FOR ALL DEPARTMENTS

DISTRICT OPERATIONS

GENERATING STATIONS

CORPORATE OFFICES

| | |
|--------------------|-----|
| | 0 |
| TEMPORARY LABOR | |
| | 401 |

NOTE: Digits in blocks are:
Upper Right – Labor Grade Numbers
Lower Right – Job Specification Numbers

* Beginning Job

31.2 CORPORATE OFFICES PROMOTIONAL CHARTS

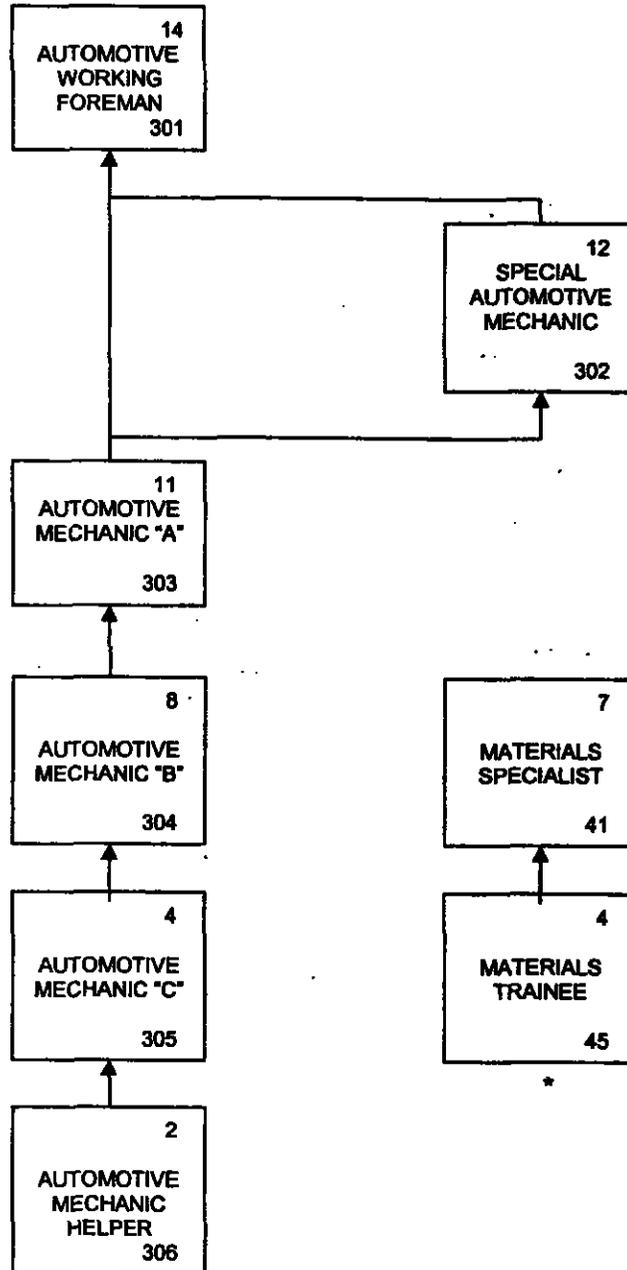
PROMOTIONAL CHART NO. 309

PSI ENERGY, INC.

DISTRICT OPERATIONS

CORPORATE OFFICES

CENTRAL GARAGE

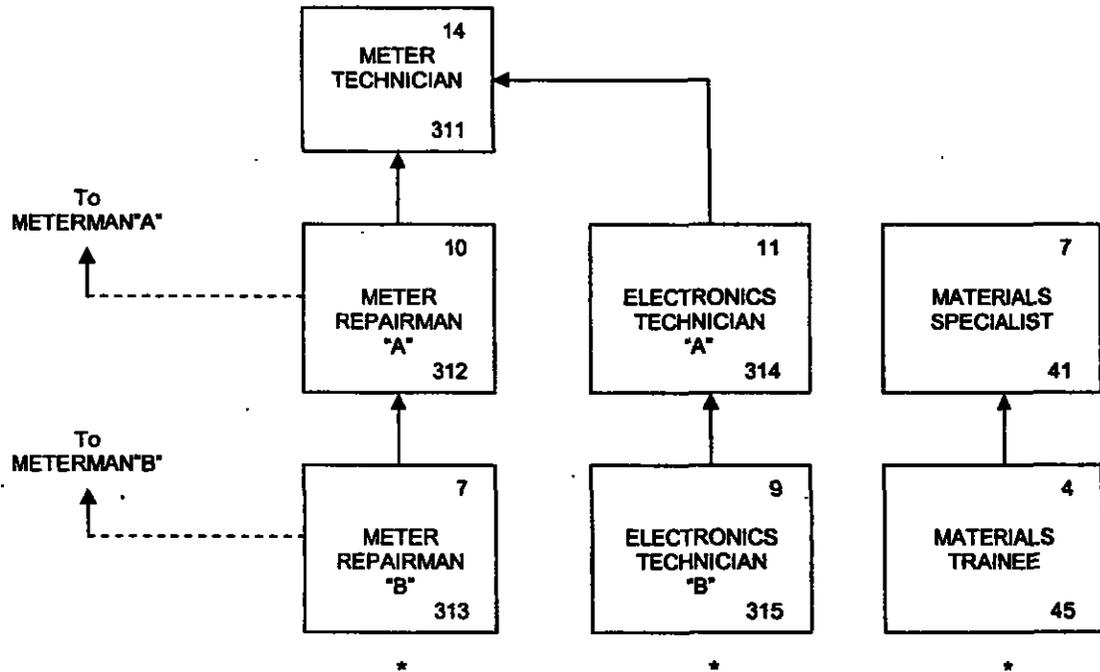


NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

* Beginning Job
** Corporate Offices - Central Garage Only

PROMOTIONAL CHART NO. 319

PSI ENERGY, INC.
CORPORATE OFFICES
METER OPERATIONS



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

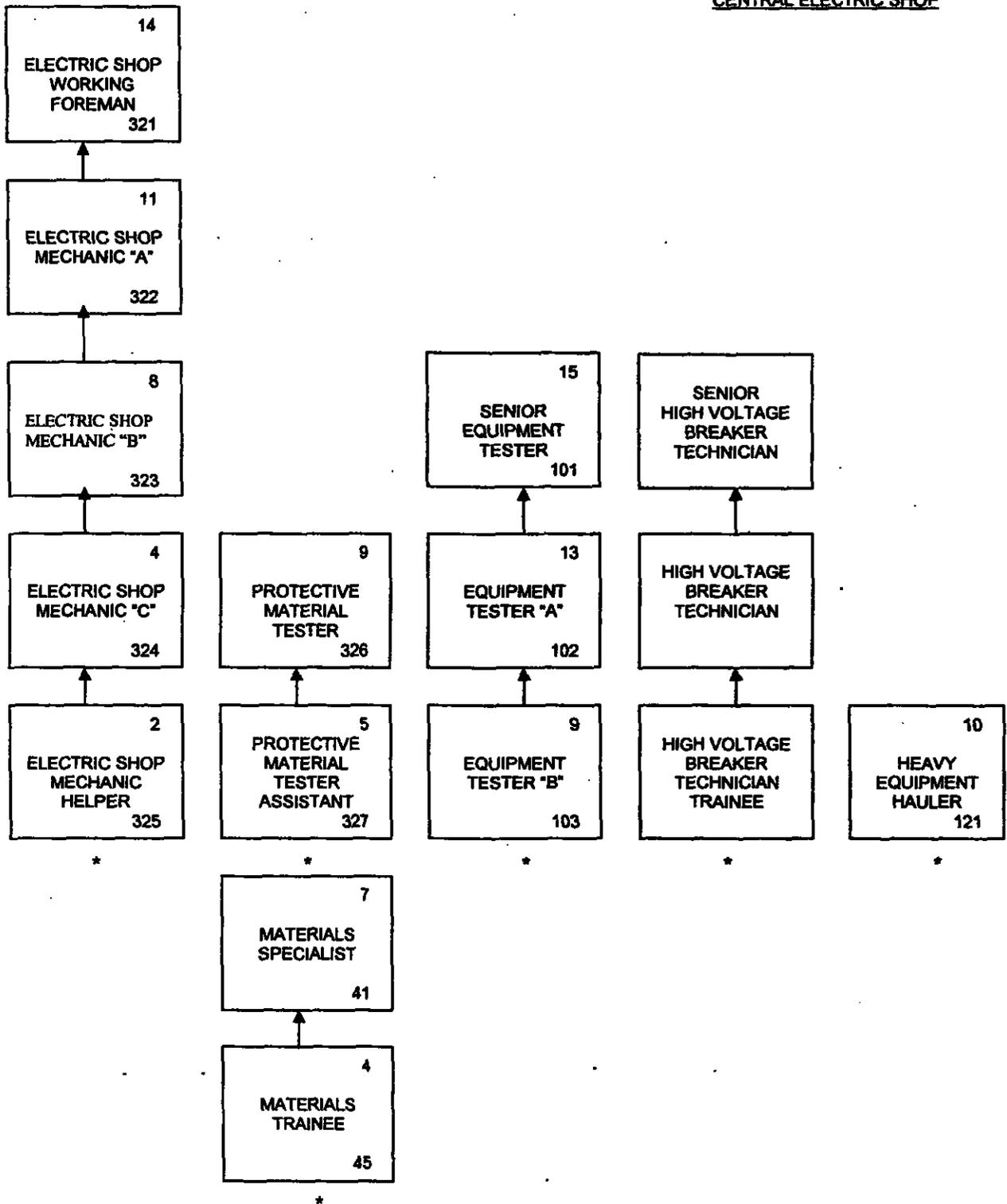
* Beginning Job

PROMOTIONAL CHART NO. 329

PSI ENERGY, INC.

CORPORATE OFFICES

CENTRAL ELECTRIC SHOP



NOTE: Digits in blocks are:
 Upper Right – Labor Grade Numbers
 Lower Right – Job Specification Numbers

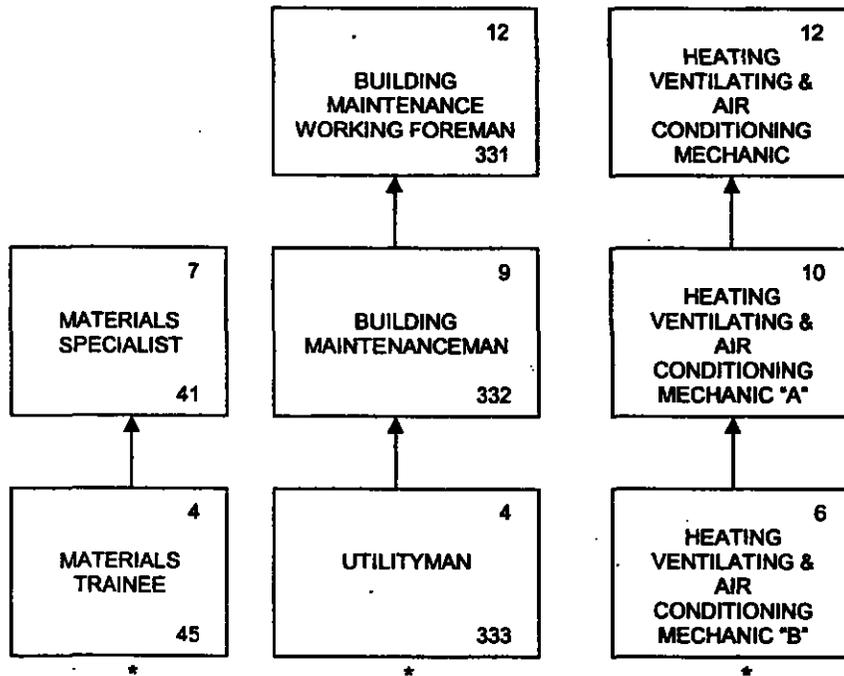
* Beginning Job

PROMOTIONAL CHART NO. 339

PSI ENERGY, INC.

CORPORATE OFFICES

FACILITIES SERVICES



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

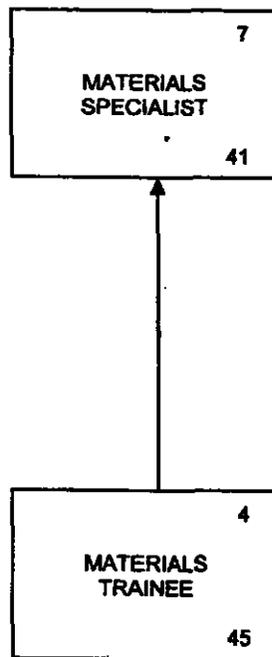
* Beginning Job

PROMOTIONAL CHART NO. 349

PSI ENERGY, INC.

CORPORATE OFFICES

CENTRAL STOREROOM



*

NOTE: Digits in blocks are:
Upper Right – Labor Grade Numbers
Lower Right – Job Specification Numbers

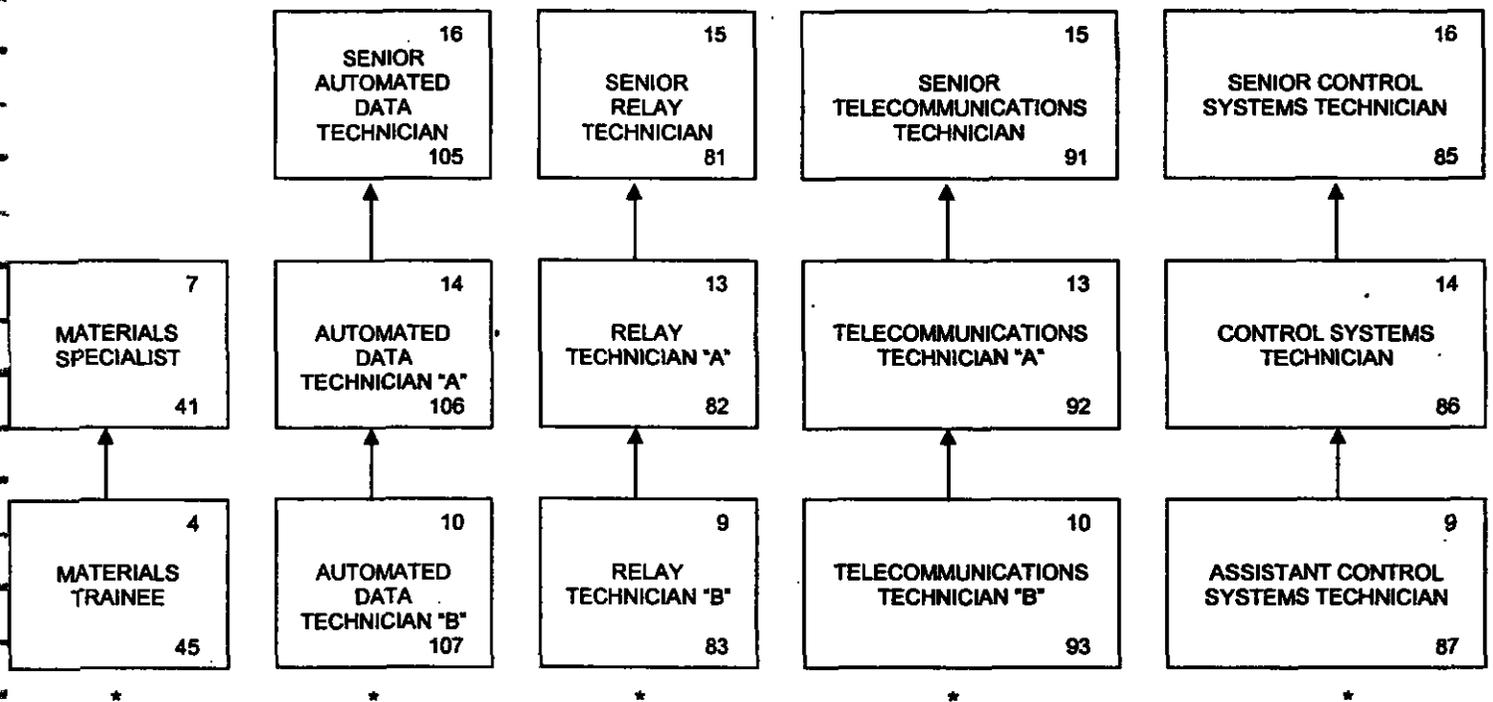
* Beginning Job

PROMOTIONAL CHART NO. 359

PSI ENERGY, INC.

CORPORATE OFFICES

TESTING



NOTE: Digits in blocks are:
Upper Right – Labor Grade Numbers
Lower Right – Job Specification Numbers

* Beginning Job

C-22
C-61
C-62
C-66
C-73
C-97
C-98
C-106
C-109
C-130
C-153

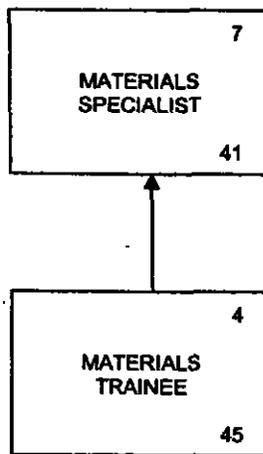
31.3 GENERATING STATIONS PROMOTIONAL CHARTS

PROMOTIONAL CHART NO. 249

PSI ENERGY, INC.

CONSTRUCTION STORES

(GENERATING STATIONS ONLY)



*

NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

* Beginning Job

PROMOTIONAL CHART NO. 269

PSI ENERGY, INC.

GENERATING STATION

DRESSER

| | |
|------------|-----|
| | 4 |
| UTILITYMAN | |
| | 280 |

NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

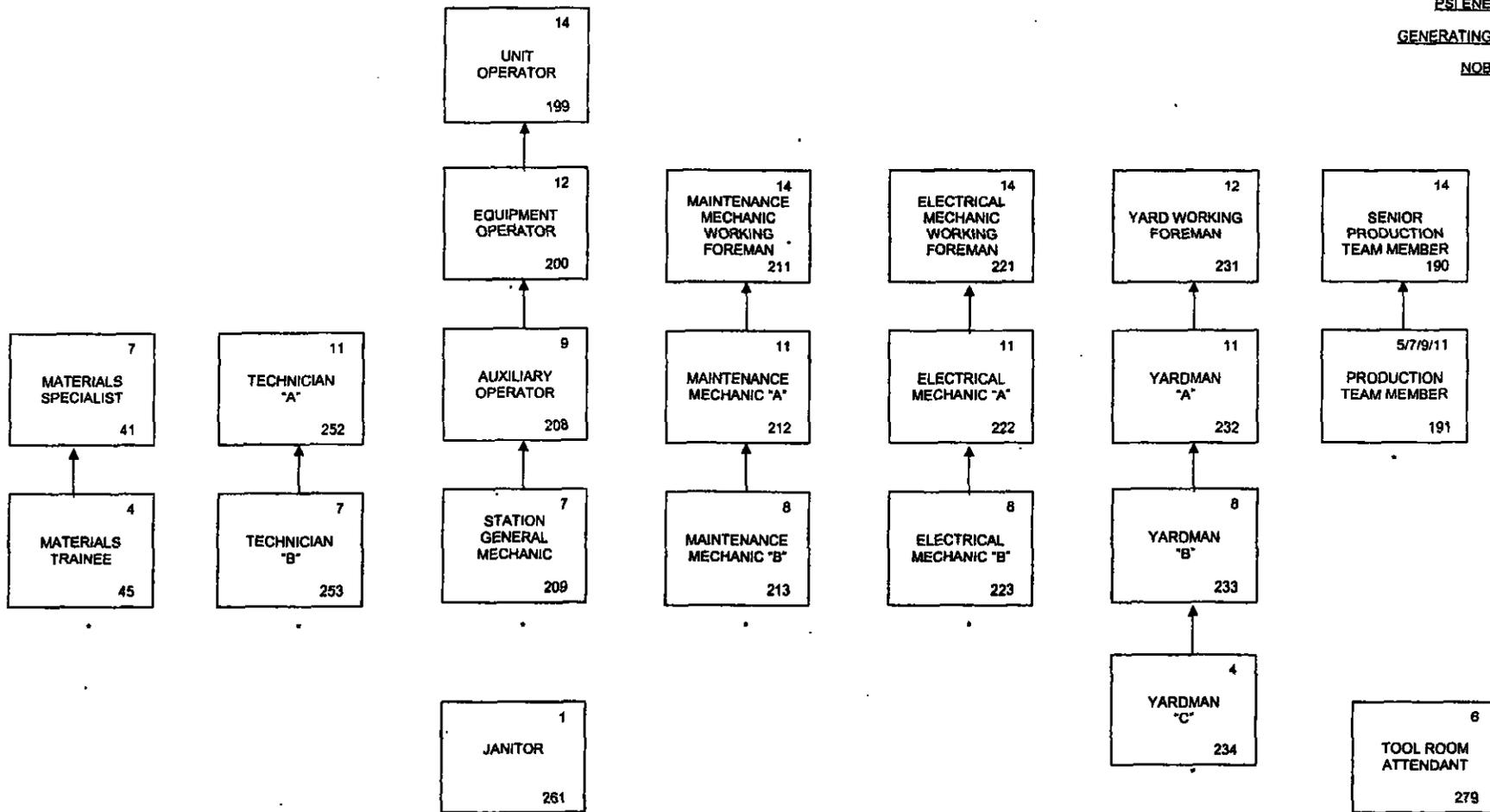
* Beginning Job

PROMOTIONAL CHART NO. 271

PSJ ENERGY, INC.

GENERATING STATION

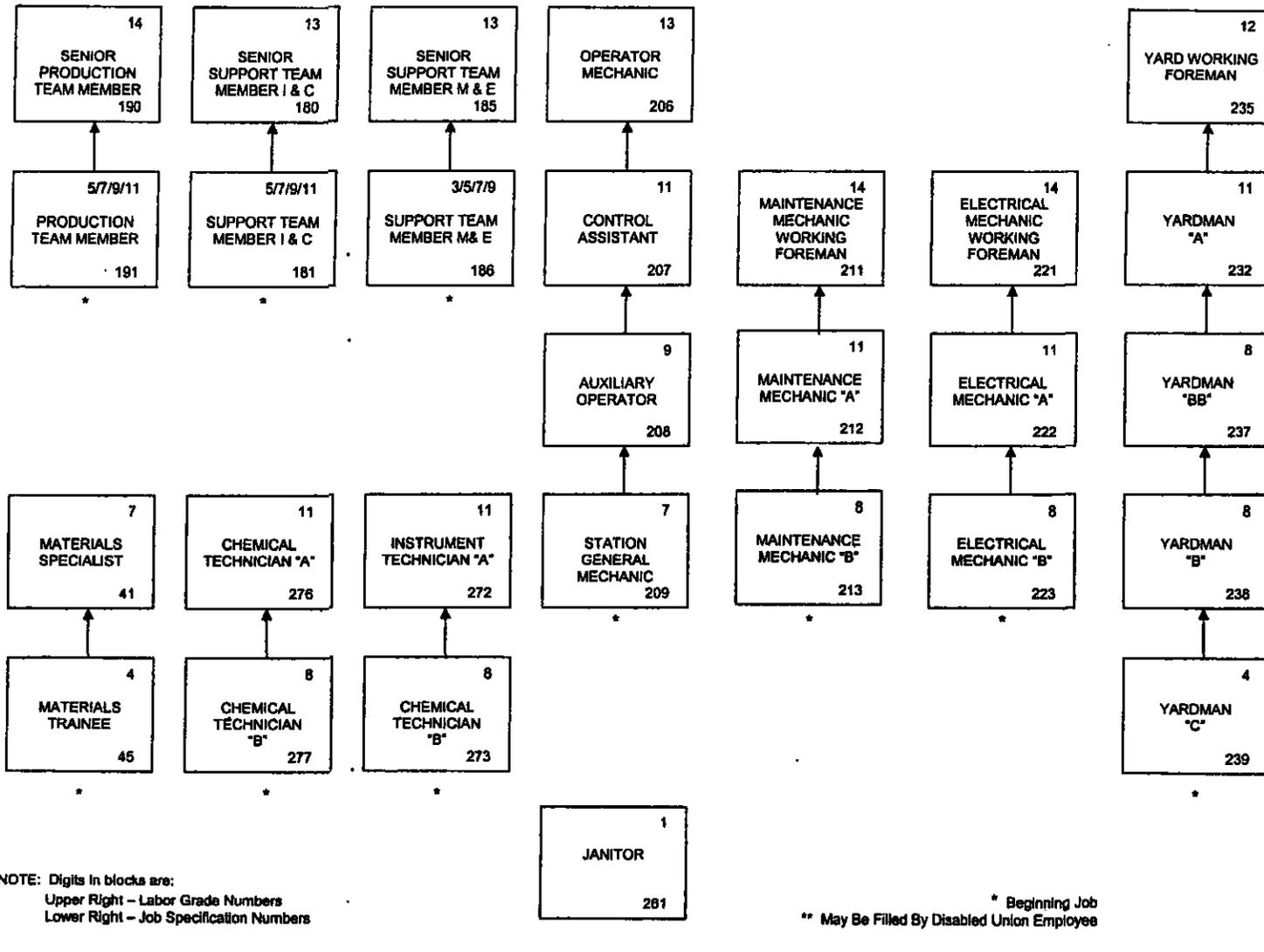
NOBLESVILLE



NOTE: Digits in blocks are:
 Upper Right - Labor Grade Numbers
 Lower Right - Job Specification Numbers

* Beginning Job
 ** May Be Filled By Disabled Union Employee

PSI ENERGY, INC.
 GENERATING STATION
 GALLAGHER



NOTE: Digits in blocks are:
 Upper Right - Labor Grade Numbers
 Lower Right - Job Specification Numbers

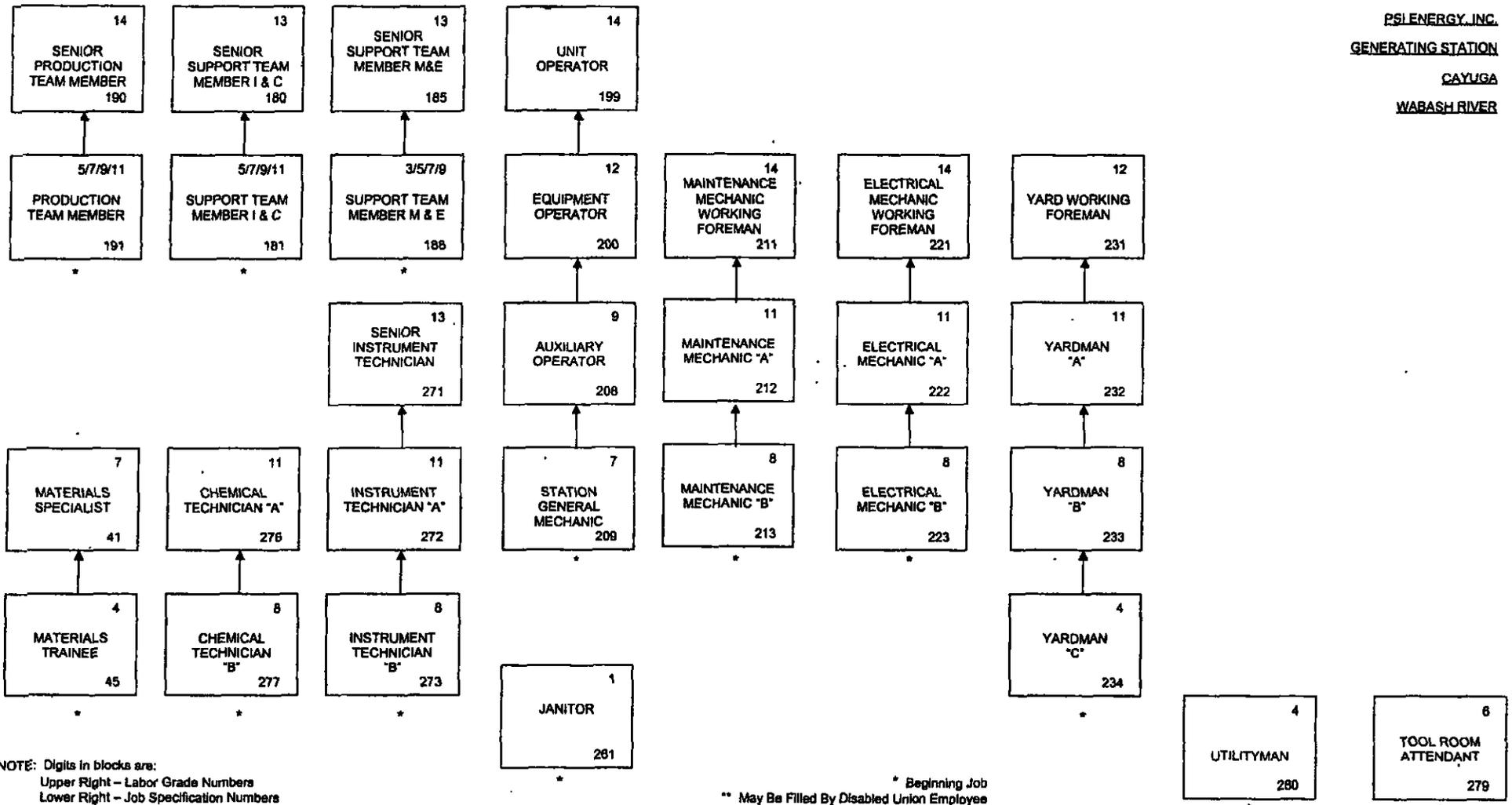
* Beginning Job
 ** May Be Filled By Disabled Union Employee



*
 **

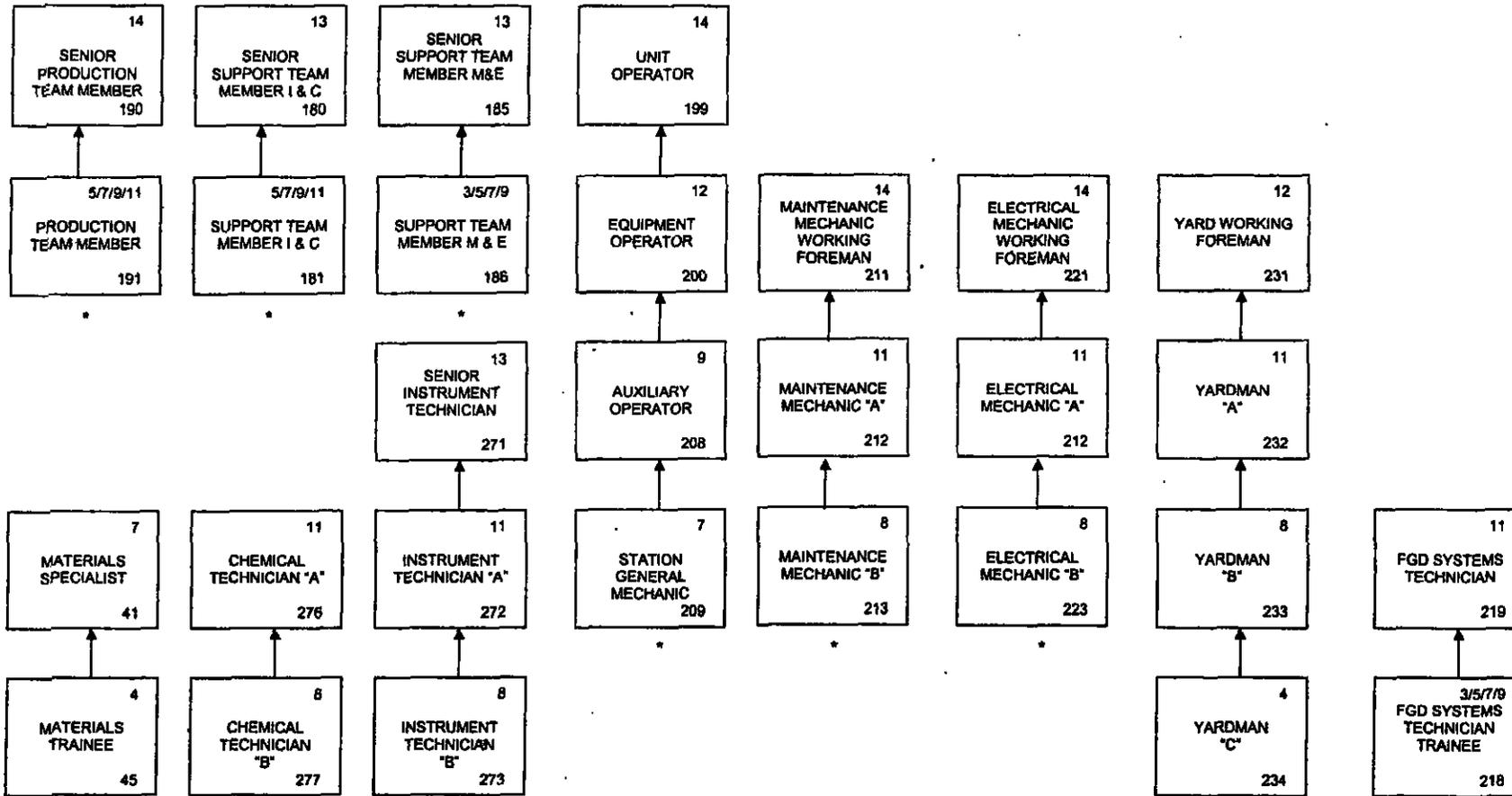
PROMOTIONAL CHART NO. 275

PS ENERGY, INC.
 GENERATING STATION
 CAYUGA
 WABASH RIVER



NOTE: Digits in blocks are:
 Upper Right - Labor Grade Numbers
 Lower Right - Job Specification Numbers

* Beginning Job
 ** May Be Filled By Disabled Union Employee



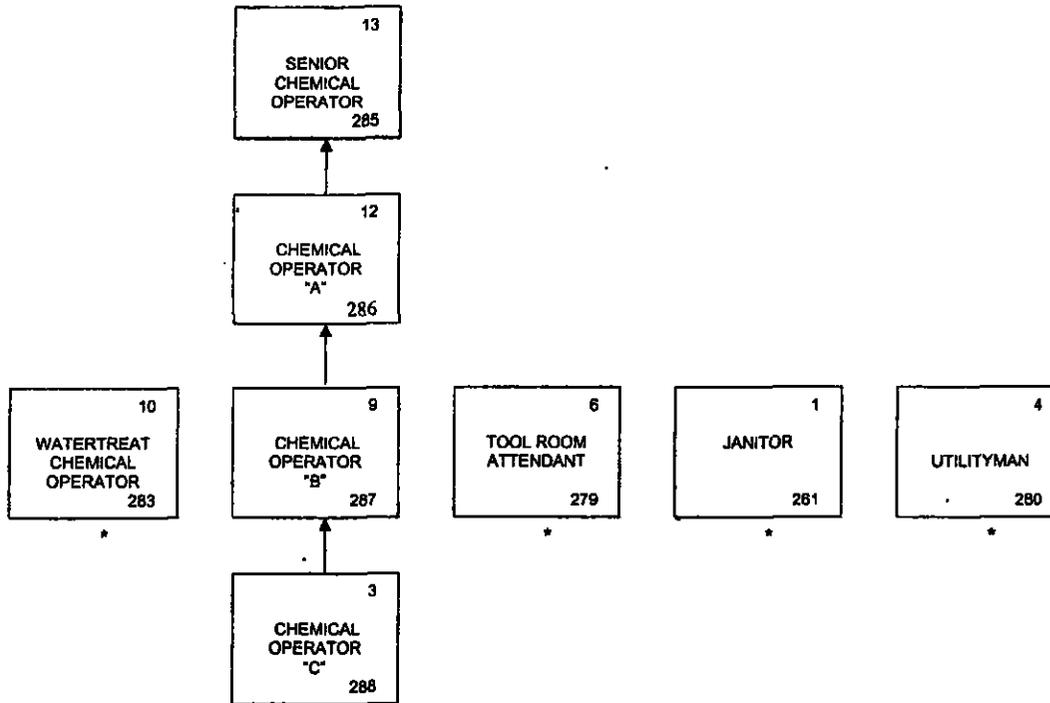
PROMOTIONAL CHART NO. 277

PSI ENERGY, INC.

GENERATING STATION

GIBSON

PAGE 2 OF 2



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

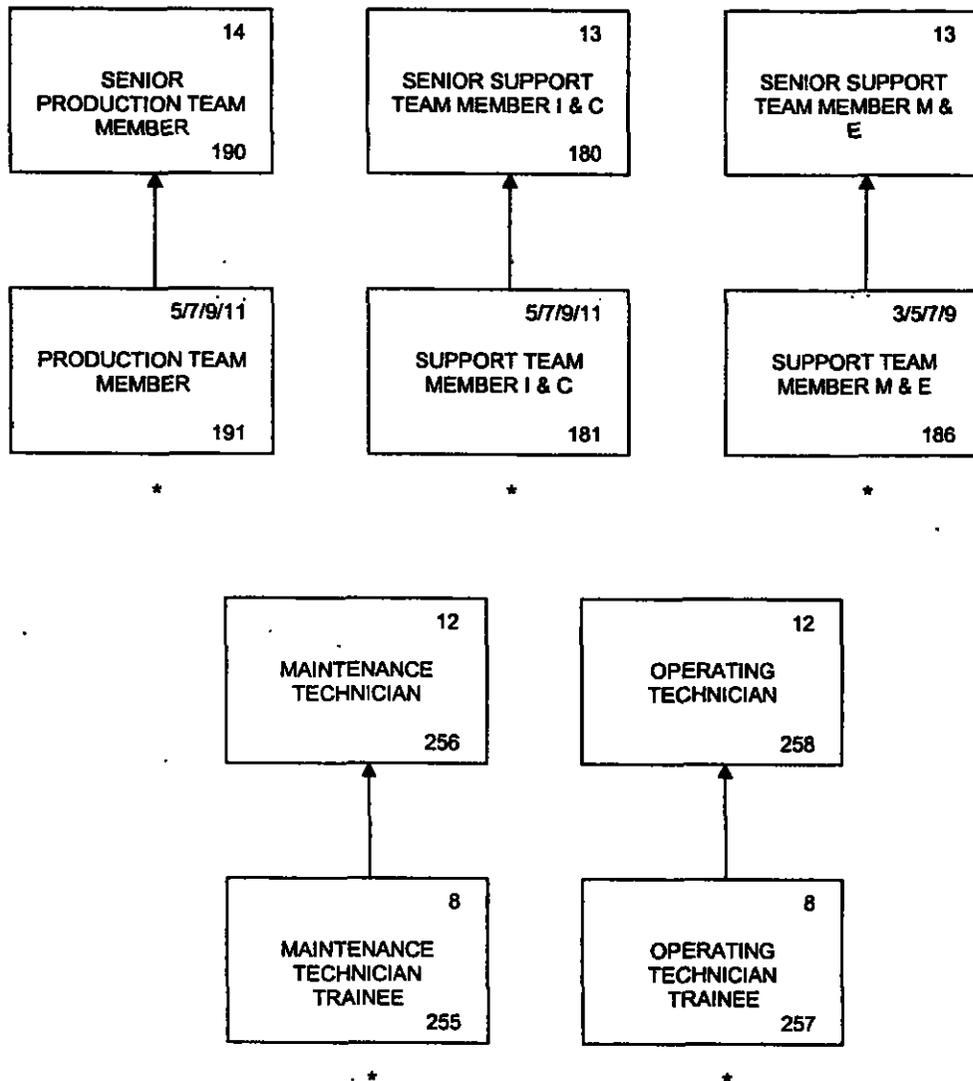
* Beginning Job
** May Be Filled By Disabled Union Employee

PROMOTIONAL CHART NO. 289

PSI ENERGY, INC.

GENERATING STATIONS

WABASH RIVER REPOWERING FACILITY



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

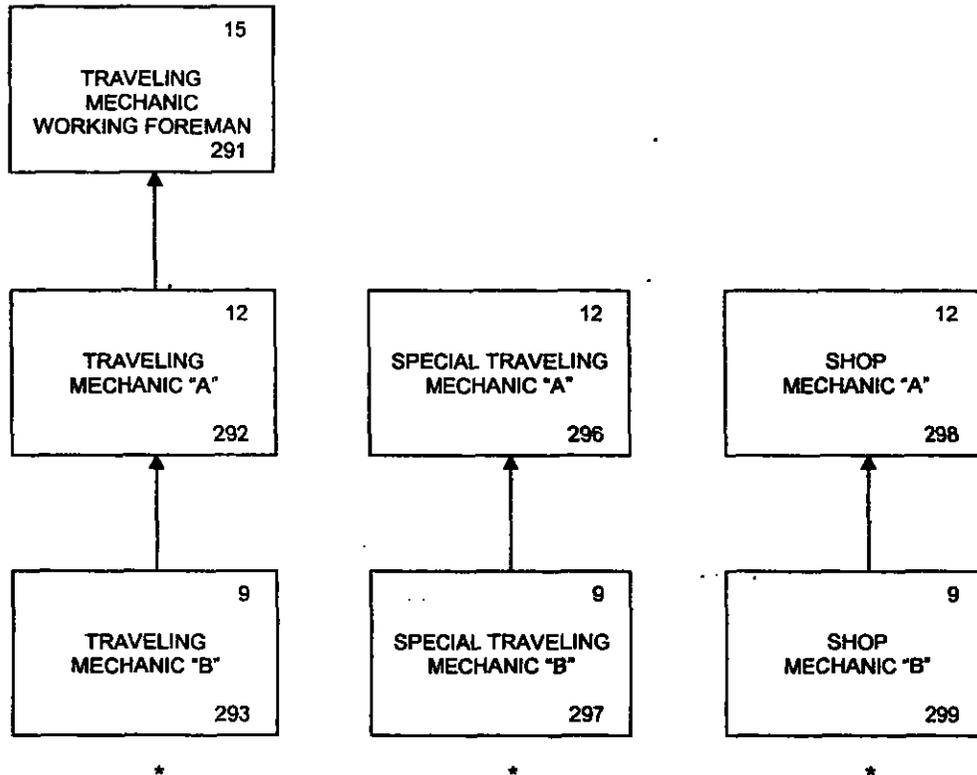
* Beginning Job

PROMOTIONAL CHART NO. 299

PSI ENERGY, INC.

GENERATING STATIONS

TRAVELING MAINTENANCE



NOTE: Digits in blocks are:
Upper Right - Labor Grade Numbers
Lower Right - Job Specification Numbers

* Beginning Job

PROMOTIONAL CHART NO. 409

PSI ENERGY, INC.

GENERAL FOR ALL DEPARTMENTS

DISTRICT OPERATIONS

GENERATING STATIONS

CORPORATE OFFICES

| | |
|--------------------|-----|
| | 0 |
| TEMPORARY LABOR | 401 |

*

NOTE: Digits in blocks are:
Upper Right – Labor Grade Numbers
Lower Right – Job Specification Numbers

* Beginning Job

ARTICLE 32
WAGE SCALE
PSI ENERGY, INC.

Article 32 is amended by adding the following:
Wage Scale rates effective 12:01 a.m. on May 1, 2005, May 1, 2006, May 1, 2007, May 1, 2008, and May 1, 2009
for the respective job classifications for union Employees.

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 3% Effective May 1, 2005 | | | 3% Effective May 1, 2006 | | | 3% Effective May 1, 2007 | | |
|---------------------------------------|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| Districts | | | | | | | | | | | | |
| Automotive Attendant | 00175 | 141 | 3 | 17.74 | 18.55 | 19.44 | 18.27 | 19.11 | 20.02 | 18.82 | 19.68 | 20.62 |
| Automotive Mechanic "A" | 00173 | 303 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Automotive Mechanic "B" | 00176 | 304 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Automotive Mechanic "C" | 00177 | 305 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Automotive Mechanic Helper | 00178 | 306 | 2 | 16.98 | 17.74 | 18.55 | 17.49 | 18.27 | 19.11 | 18.01 | 18.82 | 19.68 |
| Automotive Working Foreman | 00255 | 301 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Building Maintencenceman (Dist Hdq) | 00136 | 161 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Consumer Order Worker | 00117 | 135 | 6 | | 21.13 | 22.11 | | 21.76 | 22.77 | | 22.41 | 23.45 |
| Equipment Tester "A" | 00157 | 102 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Equipment Tester "B" | 00158 | 103 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Garage Mechanic | 00170 | 31 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| Garage Mechanic Helper | 00171 | 32 | 3 | 17.74 | 18.55 | 19.44 | 18.27 | 19.11 | 20.02 | 18.82 | 19.68 | 20.62 |
| Heavy Equipment Hauler | 00190 | 121 | 10 | 23.88 | 25.02 | 26.14 | 24.60 | 25.77 | 26.92 | 25.34 | 26.54 | 27.73 |
| Line Apprentice- 1 st Year | 00106 | 8 | 3 | | | 19.44 | | | 20.02 | | | 20.62 |
| Line Apprentice- 2 nd Year | 00105 | 7 | 5 | | | 21.13 | | | 21.76 | | | 22.41 |
| Line Apprentice- 3 rd Year | 00104 | 6 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| Line Apprentice- 4 th Year | 00103 | 5 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| Line Crew Helper | 01050 | 10 | 1 | 16.22 | 16.98 | 17.74 | 16.71 | 17.49 | 18.27 | 17.21 | 18.01 | 18.82 |
| Line Service Specialist | 00101 | 3 | 12 | | | 28.71 | | | 29.57 | | | 30.46 |
| Line Specialist | 00102 | 4 | 12 | | | 28.71 | | | 29.57 | | | 30.46 |
| Line Working Foreman | 00100 | 1 | 14 | | 29.61 | 30.40 | | 30.50 | 31.31 | | 31.42 | 32.25 |
| Material Specialist | 00125 | 41 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| Material Trainee | 00126 | 45 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Meter & Service Technician | 00167 | 309 | 11 | | | 27.90 | | | 28.74 | | | 29.60 |
| Meter & Service Technician Trainee | 00169 | 308 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Meter Reader | 00131 | 132 | 4 | | 19.44 | 20.26 | | 20.02 | 20.87 | | 20.62 | 21.50 |
| Senior Equipment Tester | 00156 | 101 | 15 | 29.61 | 30.40 | 31.52 | 30.50 | 31.31 | 32.47 | 31.42 | 32.25 | 33.44 |
| Senior Meter Reader | 00130 | 131 | 5 | | | 21.13 | | | 21.76 | | | 22.41 |
| Service Specialist "B" | 00116 | 151 | 8 | | | 23.88 | | | 24.60 | | | 25.34 |
| Special Automotive Mechanic | 00172 | 302 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Substation Construction Helper | 00143 | 54 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Substation Construction Mechanic "A" | 00140 | 51 | 12 | | | 28.71 | | | 29.57 | | | 30.46 |
| Substation Construction Mechanic "B" | 00141 | 52 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| Substation Construction Mechanic "C" | 00142 | 53 | 6 | | | 22.11 | | | 22.77 | | | 23.45 |
| Substation Maint. Working Foreman | 00150 | 61 | 15 | | | 31.52 | | | 32.47 | | | 33.44 |
| Substation Maintenance Mechanic "A" | 00151 | 62 | 13 | | | 29.61 | | | 30.50 | | | 31.42 |
| Substation Maintenance Mechanic "B" | 00152 | 63 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| Substation Maintenance Mechanic "C" | 00153 | 64 | 5 | | | 21.13 | | | 21.76 | | | 22.41 |
| Utilityman (District Headquarters) | 00138 | 162 | 3 | 17.74 | 18.55 | 19.44 | 18.27 | 19.11 | 20.02 | 18.82 | 19.68 | 20.62 |

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 4% Effective May 1, 2008 | | | 4% Effective May 1, 2009 | | |
|---------------------------------------|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| Districts | | | | | | | | | |
| Automotive Attendant | 00175 | 141 | 3 | 19.57 | 20.47 | 21.44 | 20.35 | 21.29 | 22.30 |
| Automotive Mechanic "A" | 00173 | 303 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Automotive Mechanic "B" | 00176 | 304 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Automotive Mechanic "C" | 00177 | 305 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Automotive Mechanic Helper | 00178 | 306 | 2 | 18.73 | 19.57 | 20.47 | 19.48 | 20.35 | 21.29 |
| Automotive Working Foreman | 00255 | 301 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Building Maintenance (Dist Hdq) | 00136 | 161 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Consumer Order Worker | 00117 | 135 | 6 | | 23.31 | 24.39 | | 24.24 | 25.37 |
| Equipment Tester "A" | 00157 | 102 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Equipment Tester "B" | 00158 | 103 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Garage Mechanic | 00170 | 31 | 9 | | | 27.60 | | | 28.70 |
| Garage Mechanic Helper | 00171 | 32 | 3 | 19.57 | 20.47 | 21.44 | 20.35 | 21.29 | 22.30 |
| Heavy Equipment Hauler | 00190 | 121 | 10 | 26.35 | 27.60 | 28.84 | 27.40 | 28.70 | 29.99 |
| Line Apprentice- 1 st Year | 00106 | 8 | 3 | | | 21.44 | | | 22.30 |
| Line Apprentice- 2 nd Year | 00105 | 7 | 5 | | | 23.31 | | | 24.24 |
| Line Apprentice- 3 rd Year | 00104 | 6 | 7 | | | 25.33 | | | 26.34 |
| Line Apprentice- 4 th Year | 00103 | 5 | 9 | | | 27.60 | | | 28.70 |
| Line Crew Helper | 01050 | 10 | 1 | 17.90 | 18.73 | 19.57 | 18.62 | 19.48 | 20.35 |
| Line Service Specialist | 00101 | 3 | 12 | | | 31.68 | | | 32.95 |
| Line Specialist | 00102 | 4 | 12 | | | 31.68 | | | 32.95 |
| Line Working Foreman | 00100 | 1 | 14 | | 32.68 | 33.54 | | 33.99 | 34.88 |
| Material Specialist | 00125 | 41 | 7 | | | 25.33 | | | 26.34 |
| Material Trainee | 00126 | 45 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Meter & Service Technician | 00167 | 309 | 11 | | | 30.78 | | | 32.01 |
| Meter & Service Technician Trainee | 00169 | 308 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Meter Reader | 00131 | 132 | 4 | | 21.44 | 22.36 | | 22.30 | 23.25 |
| Senior Equipment Tester | 00156 | 101 | 15 | 32.68 | 33.54 | 34.78 | 33.99 | 34.88 | 36.17 |
| Senior Meter Reader | 00130 | 131 | 5 | | | 23.31 | | | 24.24 |
| Service Specialist "B" | 00116 | 151 | 8 | | | 26.35 | | | 27.40 |
| Special Automotive Mechanic | 00172 | 302 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Substation Construction Helper | 00143 | 54 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Substation Construction Mechanic "A" | 00140 | 51 | 12 | | | 31.68 | | | 32.95 |
| Substation Construction Mechanic "B" | 00141 | 52 | 9 | | | 27.60 | | | 28.70 |
| Substation Construction Mechanic "C" | 00142 | 53 | 6 | | | 24.39 | | | 25.37 |
| Substation Maint. Working Foreman | 00150 | 61 | 15 | | | 34.78 | | | 36.17 |
| Substation Maintenance Mechanic "A" | 00151 | 62 | 13 | | | 32.68 | | | 33.99 |
| Substation Maintenance Mechanic "B" | 00152 | 63 | 9 | | | 27.60 | | | 28.70 |
| Substation Maintenance Mechanic "C" | 00153 | 64 | 5 | | | 23.31 | | | 24.24 |
| Utilityman (District Headquarters) | 00138 | 162 | 3 | 19.57 | 20.47 | 21.44 | 20.35 | 21.29 | 22.30 |

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 3% Effective May 1, 2005 | | | 3% Effective May 1, 2006 | | | 3% Effective May 1, 2007 | | |
|--|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| Corporate Offices | | | | | | | | | | | | |
| Assistant Control Systems Technician | 01082 | 87 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Automated Data Technician "A" | 00282 | 106 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Automated Data Technician "B" | 00283 | 107 | 10 | 23.88 | 25.02 | 26.14 | 24.60 | 25.77 | 26.92 | 25.34 | 26.54 | 27.73 |
| Automotive Mechanic "A" | 00257 | 303 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Automotive Mechanic "B" | 00258 | 304 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Automotive Mechanic "C" | 00259 | 305 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Automotive Mechanic Helper | 00260 | 306 | 2 | 16.98 | 17.74 | 18.55 | 17.49 | 18.27 | 19.11 | 18.01 | 18.82 | 19.68 |
| Automotive Working Foreman | 00255 | 301 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Building Maint. Working Foreman | 00180 | 331 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Building Maintenance (CO) | 00181 | 332 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Control Systems Technician | 01083 | 86 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Electric Shop Mechanic "A" | 00271 | 322 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Electric Shop Mechanic "B" | 00272 | 323 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Electric Shop Mechanic "C" | 00273 | 324 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Electric Shop Mechanic Helper | 00274 | 325 | 2 | 16.98 | 17.74 | 18.55 | 17.49 | 18.27 | 19.11 | 18.01 | 18.82 | 19.68 |
| Electric Shop Working Foreman | 00270 | 321 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Electronics Technician "A" | 00268 | 314 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Electronics Technician "B" | 00269 | 315 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Equipment Tester "A" | 00157 | 102 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Equipment Tester "B" | 00158 | 103 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Heating, Ventilating & A/C Mech. "A" | 00184 | 352 | 10 | 23.88 | 25.02 | 26.14 | 24.60 | 25.77 | 26.92 | 25.34 | 26.54 | 27.73 |
| Heating, Ventilating & A/C Mech. "B" | 00185 | 353 | 6 | 20.26 | 21.13 | 22.11 | 20.87 | 21.76 | 22.77 | 21.50 | 22.41 | 23.45 |
| Heating, Ventilating & A/C Mechanic | 00183 | 351 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Heavy Equipment Hauler | 00190 | 121 | 10 | 23.88 | 25.02 | 26.14 | 24.60 | 25.77 | 26.92 | 25.34 | 26.54 | 27.73 |
| High Voltage Breaker Tech. Trainee | 00276 | 100 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| High Voltage Breaker Technician | 00275 | 99 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Material Specialist | 00125 | 41 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| Material Trainee | 00126 | 45 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Meter Repairman "A" | 00266 | 312 | 10 | 23.88 | 25.02 | 26.14 | 24.60 | 25.77 | 26.92 | 25.34 | 26.54 | 27.73 |
| Meter Repairman "B" | 00267 | 313 | 7 | 21.13 | 22.11 | 22.96 | 21.76 | 22.77 | 23.65 | 22.41 | 23.45 | 24.36 |
| Meter Technician | 00265 | 311 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Protective Material Tester | 00277 | 326 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Protective Material Tester Assistant | 00278 | 327 | 5 | 19.44 | 20.26 | 21.13 | 20.02 | 20.87 | 21.76 | 20.62 | 21.50 | 22.41 |
| Relay Technician "A" | 00246 | 82 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Relay Technician "B" | 00247 | 83 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Senior Automated Data Technician | 00281 | 105 | 16 | 30.40 | 31.52 | 33.01 | 31.31 | 32.47 | 34.00 | 32.25 | 33.44 | 35.02 |
| Senior Control Systems Technician | 01084 | 85 | 16 | 30.40 | 31.52 | 33.01 | 31.31 | 32.47 | 34.00 | 32.25 | 33.44 | 35.02 |
| Senior Equipment Tester | 00156 | 101 | 15 | 29.61 | 30.40 | 31.52 | 30.50 | 31.31 | 32.47 | 31.42 | 32.25 | 33.44 |
| Senior High Voltage Breaker Technician | 00279 | 98 | 15 | 29.61 | 30.40 | 31.52 | 30.50 | 31.31 | 32.47 | 31.42 | 32.25 | 33.44 |
| Senior Relay Technician | 00245 | 81 | 15 | 29.61 | 30.40 | 31.52 | 30.50 | 31.31 | 32.47 | 31.42 | 32.25 | 33.44 |
| Senior Telecommunications Technician | 01047 | 91 | 15 | 29.61 | 30.40 | 31.52 | 30.50 | 31.31 | 32.47 | 31.42 | 32.25 | 33.44 |
| Special Automotive Mechanic | 00172 | 302 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Telecommunications Technician "A" | 00254 | 92 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Telecommunications Technician "B" | 00253 | 93 | 10 | 23.88 | 25.02 | 26.14 | 24.60 | 25.77 | 26.92 | 25.34 | 26.54 | 27.73 |
| Utilityman (Corporate Offices) | 00182 | 333 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 4% Effective May 1, 2008 | | | 4% Effective May 1, 2009 | | |
|--|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| Corporate Offices | | | | | | | | | |
| Assistant Control Systems Technician | 01082 | 87 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Automated Data Technician "A" | 00282 | 106 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Automated Data Technician "B" | 00283 | 107 | 10 | 26.35 | 27.60 | 28.84 | 27.40 | 28.70 | 29.99 |
| Automotive Mechanic "A" | 00257 | 303 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Automotive Mechanic "B" | 00258 | 304 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Automotive Mechanic "C" | 00259 | 305 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Automotive Mechanic Helper | 00260 | 306 | 2 | 18.73 | 19.57 | 20.47 | 19.48 | 20.35 | 21.29 |
| Automotive Working Foreman | 00255 | 301 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Building Maint. Working Foreman | 00180 | 331 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Building Maintenance (CO) | 00181 | 332 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Control Systems Technician | 01083 | 86 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Electric Shop Mechanic "A" | 00271 | 322 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Electric Shop Mechanic "B" | 00272 | 323 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Electric Shop Mechanic "C" | 00273 | 324 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Electric Shop Mechanic Helper | 00274 | 325 | 2 | 18.73 | 19.57 | 20.47 | 19.48 | 20.35 | 21.29 |
| Electric Shop Working Foreman | 00270 | 321 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Electronics Technician "A" | 00268 | 314 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Electronics Technician "B" | 00269 | 315 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Equipment Tester "A" | 00157 | 102 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Equipment Tester "B" | 00158 | 103 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Heating, Ventilating & A/C Mech. "A" | 00184 | 352 | 10 | 26.35 | 27.60 | 28.84 | 27.40 | 28.70 | 29.99 |
| Heating, Ventilating & A/C Mech. "B" | 00185 | 353 | 6 | 22.36 | 23.31 | 24.39 | 23.25 | 24.24 | 25.37 |
| Heating, Ventilating & A/C Mechanic | 00183 | 351 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Heavy Equipment Hauler | 00190 | 121 | 10 | 26.35 | 27.60 | 28.84 | 27.40 | 28.70 | 29.99 |
| High Voltage Breaker Tech. Trainee | 00276 | 100 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| High Voltage Breaker Technician | 00275 | 99 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Material Specialist | 00125 | 41 | 7 | | | 25.33 | | | 26.34 |
| Material Trainee | 00126 | 45 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Meter Repairman "A" | 00266 | 312 | 10 | 26.35 | 27.60 | 28.84 | 27.40 | 28.70 | 29.99 |
| Meter Repairman "B" | 00267 | 313 | 7 | 23.31 | 24.39 | 25.33 | 24.24 | 25.37 | 26.34 |
| Meter Technician | 00265 | 311 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Protective Material Tester | 00277 | 326 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Protective Material Tester Assistant | 00278 | 327 | 5 | 21.44 | 22.36 | 23.31 | 22.30 | 23.25 | 24.24 |
| Relay Technician "A" | 00246 | 82 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Relay Technician "B" | 00247 | 83 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Senior Automated Data Technician | 00281 | 105 | 16 | 33.54 | 34.78 | 36.42 | 34.88 | 36.17 | 37.88 |
| Senior Control Systems Technician | 01084 | 85 | 16 | 33.54 | 34.78 | 36.42 | 34.88 | 36.17 | 37.88 |
| Senior Equipment Tester | 00156 | 101 | 15 | 32.68 | 33.54 | 34.78 | 33.99 | 34.88 | 36.17 |
| Senior High Voltage Breaker Technician | 00279 | 98 | 15 | 32.68 | 33.54 | 34.78 | 33.99 | 34.88 | 36.17 |
| Senior Relay Technician | 00245 | 81 | 15 | 32.68 | 33.54 | 34.78 | 33.99 | 34.88 | 36.17 |
| Senior Telecommunications Technician | 01047 | 91 | 15 | 32.68 | 33.54 | 34.78 | 33.99 | 34.88 | 36.17 |
| Special Automotive Mechanic | 00172 | 302 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Telecommunications Technician "A" | 00254 | 92 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Telecommunications Technician "B" | 00253 | 93 | 10 | 26.35 | 27.60 | 28.84 | 27.40 | 28.70 | 29.99 |
| Utilityman (Corporate Offices) | 00182 | 333 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 3% Effective May 1, 2005 | | | 3% Effective May 1, 2006 | | | 3% Effective May 1, 2007 | | |
|--|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| Generating Stations | | | | | | | | | | | | |
| Auxiliary Operator | 00206 | 208 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Auxiliary Operator (Edwardsport) | 00206 | 204 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Boiler Operator | 00201 | 202 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Chemical Operator "A" | 00195 | 286 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Chemical Operator "B" | 00296 | 287 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Chemical Operator "C" | 00197 | 288 | 3 | 17.74 | 18.55 | 19.44 | 18.27 | 19.11 | 20.02 | 18.82 | 19.68 | 20.62 |
| Chemical Technician "A" | 00295 | 276 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Chemical Technician "B" | 00296 | 277 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Control Assistant (Gallagher) | 00202 | 207 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Electrical Mechanic "A" | 00211 | 222 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Electrical Mechanic "B" | 00212 | 223 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Electrical Mechanic Working Foreman | 00210 | 221 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Equipment Operator | 00199 | 200 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| FGD Systems Tech. Trainee - 1 st Year | 00145 | 218 | 3 | | | 19.44 | | | 20.02 | | | 20.62 |
| FGD Systems Tech. Trainee - 2 nd Year | 00146 | 218 | 5 | | | 21.13 | | | 21.76 | | | 22.41 |
| FGD Systems Tech. Trainee - 3 rd Year | 00147 | 218 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| FGD Systems Tech. Trainee - 4 th Year | 00148 | 218 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| FGD Systems Technician | 00144 | 219 | 11 | | | 27.90 | | | 28.74 | | | 29.60 |
| Instrument Technician "A" | 00291 | 272 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Instrument Technician "B" | 00292 | 273 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Janitor | 00228 | 261 | 1 | 16.22 | 16.98 | 17.74 | 16.71 | 17.49 | 18.27 | 17.21 | 18.01 | 18.82 |
| Janitor (Edwardsport) | 00228 | 261 | 1 | 16.22 | 16.98 | 17.74 | 16.71 | 17.49 | 18.27 | 17.21 | 18.01 | 18.82 |
| Maint. Mechanic Working Foreman | 00214 | 211 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Maintenance Mechanic "A" | 00215 | 212 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Maintenance Mechanic "B" | 00216 | 213 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Maintenance Technician | 00203 | 283 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Maintenance Technician Trainee | 00166 | 255 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Material Specialist | 00125 | 41 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| Material Trainee | 00126 | 45 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Operating Technician | 00205 | 258 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Operating Technician Trainee | 00115 | 257 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Operator Mechanic | 00200 | 206 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Operator Mechanic (Edwardsport) | 00200 | 201 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Production Team Member 1 st Year | 01056 | 191 | 5 | | | 21.13 | | | 21.76 | | | 22.41 |
| Production Team Member 2 nd Year | 01055 | 191 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| Production Team Member 3 rd Year | 01054 | 191 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| Production Team Member 4 th Year | 01053 | 191 | 11 | | | 27.90 | | | 28.74 | | | 29.60 |
| Senior Chemical Operator | 00194 | 285 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Senior Instrument Technician | 00290 | 271 | 13 | 27.90 | 28.71 | 29.61 | 28.74 | 29.57 | 30.50 | 29.60 | 30.46 | 31.42 |
| Senior Production Team Member | 01052 | 190 | 14 | | | 30.40 | | | 31.31 | | | 32.25 |
| Senior Support Team Member I&C | 01057 | 180 | 13 | | | 29.61 | | | 30.50 | | | 31.42 |
| Senior Support Team Member M&E | 01062 | 185 | 13 | | | 29.61 | | | 30.50 | | | 31.42 |

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 3% Effective May 1, 2005 | | | 3% Effective May 1, 2006 | | | 3% Effective May 1, 2007 | | |
|--|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| <u>Generating Stations (cont.)</u> | | | | | | | | | | | | |
| Shop Mechanic "A" (Traveling Maintenance) | 00287 | 298 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Shop Mechanic "B" (Traveling Maintenance) | 00288 | 299 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Special Traveling Mechanic "A" | 00285 | 296 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Special Traveling Mechanic "B" | 00286 | 297 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Station General Mechanic | 00208 | 209 | 7 | 21.13 | 22.11 | 22.96 | 21.76 | 22.77 | 23.65 | 22.41 | 23.45 | 24.36 |
| Support Team Member I&C 1 st Year | 01061 | 181 | 5 | | | 21.13 | | | 21.76 | | | 22.41 |
| Support Team Member I&C 2 nd Year | 01060 | 181 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| Support Team Member I&C 3 rd Year | 01059 | 181 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| Support Team Member I&C 4 th Year | 01058 | 181 | 11 | | | 27.90 | | | 28.74 | | | 29.60 |
| Support Team Member M&E 1 st Year | 01066 | 186 | 3 | | | 19.44 | | | 20.02 | | | 20.62 |
| Support Team Member M&E 2 nd Year | 01065 | 186 | 5 | | | 21.13 | | | 21.76 | | | 22.41 |
| Support Team Member M&E 3 rd Year | 01064 | 186 | 7 | | | 22.96 | | | 23.65 | | | 24.36 |
| Support Team Member M&E 4 th Year | 01063 | 186 | 9 | | | 25.02 | | | 25.77 | | | 26.54 |
| Technician "A" | 00231 | 252 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Technician "B" | 00232 | 253 | 7 | 21.13 | 22.11 | 22.96 | 21.76 | 22.77 | 23.65 | 22.41 | 23.45 | 24.36 |
| Technician "C" | 00233 | 254 | 3 | 17.74 | 18.55 | 19.44 | 18.27 | 19.11 | 20.02 | 18.82 | 19.68 | 20.62 |
| Tool Room Attendant | 00191 | 279 | 6 | 20.26 | 21.13 | 22.11 | 20.87 | 21.76 | 22.77 | 21.50 | 22.41 | 23.45 |
| Traveling Mechanic "A" | 00236 | 292 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Traveling Mechanic "B" | 00237 | 293 | 9 | 22.96 | 23.88 | 25.02 | 23.65 | 24.60 | 25.77 | 24.36 | 25.34 | 26.54 |
| Traveling Mechanic Working Foreman | 00235 | 291 | 15 | 29.61 | 30.40 | 31.52 | 30.50 | 31.31 | 32.47 | 31.42 | 32.25 | 33.44 |
| Unit Operator | 00198 | 211 | 14 | 28.71 | 29.61 | 30.40 | 29.57 | 30.50 | 31.31 | 30.46 | 31.42 | 32.25 |
| Utilityman | 00229 | 280 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Wastewater Chemical Operator | 00209 | 283 | 10 | 23.88 | 25.02 | 26.14 | 24.60 | 25.77 | 26.92 | 25.34 | 26.54 | 27.73 |
| Yard Working Foreman | 00220 | 231 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Yard Working Foreman (GA) | 00220 | 235 | 12 | 26.14 | 27.90 | 28.71 | 26.92 | 28.74 | 29.57 | 27.73 | 29.60 | 30.46 |
| Yardman "A" | 00222 | 232 | 11 | 25.02 | 26.14 | 27.90 | 25.77 | 26.92 | 28.74 | 26.54 | 27.73 | 29.60 |
| Yardman "B" | 00224 | 233 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Yardman "B" (GA) | 00224 | 238 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Yardman "BB" (GA) | 00223 | 237 | 8 | 22.11 | 22.96 | 23.88 | 22.77 | 23.65 | 24.60 | 23.45 | 24.36 | 25.34 |
| Yardman "C" | 00225 | 234 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |
| Yardman "C" (GA) | 00225 | 239 | 4 | 18.55 | 19.44 | 20.26 | 19.11 | 20.02 | 20.87 | 19.68 | 20.62 | 21.50 |

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 4% Effective May 1, 2008 | | | 4% Effective May 1, 2009 | | |
|--|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| Generating Stations | | | | | | | | | |
| Auxiliary Operator | 00206 | 208 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Auxiliary Operator (Edwardsport) | 00206 | 204 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Boiler Operator | 00201 | 202 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Chemical Operator "A" | 00195 | 286 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Chemical Operator "B" | 00296 | 287 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Chemical Operator "C" | 00197 | 288 | 3 | 19.57 | 20.47 | 21.44 | 20.35 | 21.29 | 22.30 |
| Chemical Technician "A" | 00295 | 276 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Chemical Technician "B" | 00296 | 277 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Control Assistant (Gallagher) | 00202 | 207 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Electrical Mechanic "A" | 00211 | 222 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Electrical Mechanic "B" | 00212 | 223 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Electrical Mechanic Working Foreman | 00210 | 221 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Equipment Operator | 00199 | 200 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| FGD Systems Tech. Trainee - 1 st Year | 00145 | 218 | 3 | | | 21.44 | | | 22.30 |
| FGD Systems Tech. Trainee - 2 nd Year | 00146 | 218 | 5 | | | 23.31 | | | 24.24 |
| FGD Systems Tech. Trainee - 3 rd Year | 00147 | 218 | 7 | | | 25.33 | | | 26.34 |
| FGD Systems Tech. Trainee - 4 th Year | 00148 | 218 | 9 | | | 27.60 | | | 28.70 |
| FGD Systems Technician | 00144 | 219 | 11 | | | 30.78 | | | 32.01 |
| Instrument Technician "A" | 00291 | 272 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Instrument Technician "B" | 00292 | 273 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Janitor | 00228 | 261 | 1 | 17.90 | 18.73 | 19.57 | 18.62 | 19.48 | 20.35 |
| Janitor (Edwardsport) | 00228 | 261 | 1 | 17.90 | 18.73 | 19.57 | 18.62 | 19.48 | 20.35 |
| Maint. Mechanic Working Foreman | 00214 | 211 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Maintenance Mechanic "A" | 00215 | 212 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Maintenance Mechanic "B" | 00216 | 213 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Maintenance Technician | 00203 | 283 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Maintenance Technician Trainee | 00166 | 255 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Material Specialist | 00125 | 41 | 7 | | | 25.33 | | | 26.34 |
| Material Trainee | 00126 | 45 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Operating Technician | 00205 | 258 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Operating Technician Trainee | 00115 | 257 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Operator Mechanic | 00200 | 206 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Operator Mechanic (Edwardsport) | 00200 | 201 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Production Team Member 1 st Year | 01056 | 191 | 5 | | | 23.31 | | | 24.24 |
| Production Team Member 2 nd Year | 01055 | 191 | 7 | | | 25.33 | | | 26.34 |
| Production Team Member 3 rd Year | 01054 | 191 | 9 | | | 27.60 | | | 28.70 |
| Production Team Member 4 th Year | 01053 | 191 | 11 | | | 30.78 | | | 32.01 |
| Senior Chemical Operator | 00194 | 285 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Senior Instrument Technician | 00290 | 271 | 13 | 30.78 | 31.68 | 32.68 | 32.01 | 32.95 | 33.99 |
| Senior Production Team Member | 01052 | 190 | 14 | | | 33.54 | | | 34.88 |
| Senior Support Team Member I&C | 01057 | 180 | 13 | | | 32.68 | | | 33.99 |
| Senior Support Team Member M&E | 01062 | 185 | 13 | | | 32.68 | | | 33.99 |

| Job Classifications | Job Code | Job Spec No. | Labor Grade | 4% Effective May 1, 2008 | | | 4% Effective May 1, 2009 | | |
|--|----------|--------------|-------------|--------------------------|-------------|------------|--------------------------|-------------|------------|
| | | | | 6 Months At | 6 Months At | Final Rate | 6 Months At | 6 Months At | Final Rate |
| Generating Stations (cont.) | | | | | | | | | |
| Shop Mechanic "A" (Traveling Maintenance) | 00287 | 298 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Shop Mechanic "B" (Traveling Maintenance) | 00288 | 299 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Special Traveling Mechanic "A" | 00285 | 296 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Special Traveling Mechanic "B" | 00286 | 297 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Station General Mechanic | 00208 | 209 | 7 | 23.31 | 24.39 | 25.33 | 24.24 | 25.37 | 26.34 |
| Support Team Member I&C 1 st Year | 01061 | 181 | 5 | | | 23.31 | | | 24.24 |
| Support Team Member I&C 2 nd Year | 01060 | 181 | 7 | | | 25.33 | | | 26.34 |
| Support Team Member I&C 3 rd Year | 01059 | 181 | 9 | | | 27.60 | | | 28.70 |
| Support Team Member I&C 4 th Year | 01058 | 181 | 11 | | | 30.78 | | | 32.01 |
| Support Team Member M&E 1 st Year | 01066 | 186 | 3 | | | 21.44 | | | 22.30 |
| Support Team Member M&E 2 nd Year | 01065 | 186 | 5 | | | 23.31 | | | 24.24 |
| Support Team Member M&E 3 rd Year | 01064 | 186 | 7 | | | 25.33 | | | 26.34 |
| Support Team Member M&E 4 th Year | 01063 | 186 | 9 | | | 27.60 | | | 28.70 |
| Technician "A" | 00231 | 252 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Technician "B" | 00232 | 253 | 7 | 23.31 | 24.39 | 25.33 | 24.24 | 25.37 | 26.34 |
| Technician "C" | 00233 | 254 | 3 | 19.57 | 20.47 | 21.44 | 20.35 | 21.29 | 22.30 |
| Tool Room Attendant | 00191 | 279 | 6 | 22.36 | 23.31 | 24.39 | 23.25 | 24.24 | 25.37 |
| Traveling Mechanic "A" | 00236 | 292 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Traveling Mechanic "B" | 00237 | 293 | 9 | 25.33 | 26.35 | 27.60 | 26.34 | 27.40 | 28.70 |
| Traveling Mechanic Working Foreman | 00235 | 291 | 15 | 32.68 | 33.54 | 34.78 | 33.99 | 34.88 | 36.17 |
| Unit Operator | 00198 | 211 | 14 | 31.68 | 32.68 | 33.54 | 32.95 | 33.99 | 34.88 |
| Utilityman | 00229 | 280 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Watertreat Chemical Operator | 00209 | 283 | 10 | 26.35 | 27.60 | 28.84 | 27.40 | 28.70 | 29.99 |
| Yard Working Foreman | 00220 | 231 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Yard Working Foreman (GA) | 00220 | 235 | 12 | 28.84 | 30.78 | 31.68 | 29.99 | 32.01 | 32.95 |
| Yardman "A" | 00222 | 232 | 11 | 27.60 | 28.84 | 30.78 | 28.70 | 29.99 | 32.01 |
| Yardman "B" | 00224 | 233 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Yardman "B" (GA) | 00224 | 238 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Yardman "BB" (GA) | 00223 | 237 | 8 | 24.39 | 25.33 | 26.35 | 25.37 | 26.34 | 27.40 |
| Yardman "C" | 00225 | 234 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |
| Yardman "C" (GA) | 00225 | 239 | 4 | 20.47 | 21.44 | 22.36 | 21.29 | 22.30 | 23.25 |

32.1 PSI UNION EMPLOYEES INCENTIVE BONUS – On the first payday on or after March 1, an eligible union Employee shall receive an incentive bonus if annual goals established by the Company for the union Employee for the preceding year have been achieved, as determined by the Company. The amount of the incentive bonus shall be calculated as follows:

32.1.1 ANNUAL INCENTIVE PLAN: All union Employees will receive a bonus lump sum payment on a published sliding scale ranging from .5% of a union Employee's annual straight time pay and overtime pay for attaining the Company's minimum annual financial target, to 1% of a union Employee's annual straight time pay and overtime pay for attaining the Company's maximum annual financial target.

32.1.2 CUSTOMER SATISFACTION: Union Employees working in Corporate Center, the Regulated Business Unit, or Shared Services (except Employees assigned to a storeroom at a generating station) will receive a bonus lump sum payment of .5% of annual straight time pay and overtime pay for attaining the annual customer satisfaction goal.

32.1.3 SAFETY: All union Employees will receive a bonus lump sum payment of .5% of annual straight time pay and overtime pay for attaining the annual safety goal.

32.1.4 PEAK EQUIVALENT AVAILABILITY GOAL: Union Employees working in the Commercial Business Unit (and Employees assigned to a storeroom at a generating station) will receive a bonus lump sum payment of .5% of annual straight time pay and overtime pay for attaining the annual peak equivalent availability goal.

32.1.5 401(k) MATCH: All union Employees will receive up to 1% of annual straight time pay in a 401(k) incentive match for attaining corporate goals, as established by the Company.

**ARTICLE 33
PROBATIONARY WAGE SCALE**

Probationary wage scale rates effective May 1, 2005, to and including April 30, 2010, for the respective labor grades for probationary union Employees excluding those union Employees in the line apprentice job classifications:

| <u>Labor Grade</u> | <u>May 1, 2005</u> | <u>May 1, 2006</u> | <u>May 1, 2007</u> | <u>May 1, 2008</u> | <u>May 1, 2009</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 0 | \$7.84 | \$8.08 | \$8.32 | \$8.65 | \$9.00 |
| 1 | \$10.58 | \$10.90 | \$11.23 | \$11.68 | \$12.15 |
| 2 | \$11.17 | \$11.51 | \$11.86 | \$12.33 | \$12.82 |
| 3 | \$11.64 | \$11.99 | \$12.35 | \$12.84 | \$13.35 |
| 4 | \$12.17 | \$12.54 | \$12.92 | \$13.44 | \$13.98 |
| 5 | \$12.77 | \$13.15 | \$13.54 | \$14.08 | \$14.64 |
| 6 | \$13.35 | \$13.75 | \$14.16 | \$14.73 | \$15.32 |
| 7 | \$13.96 | \$14.38 | \$14.81 | \$15.40 | \$16.02 |
| 8 | \$14.63 | \$15.07 | \$15.52 | \$16.14 | \$16.79 |
| 9 | \$15.23 | \$15.69 | \$16.16 | \$16.81 | \$17.48 |
| 10 | \$15.88 | \$16.36 | \$16.85 | \$17.52 | \$18.22 |

**ARTICLE 34
MISCELLANEOUS**

34.1 DECIMAL NUMBERING SYSTEM - The Company and the Union agree that major topics in this Agreement shall be set forth in Articles, and that sub-divisions of such Articles shall be set forth in Sections and Sub-sections of such Articles and designated by a numbering system using decimal points separating Articles, Sections, and Sub-sections. Reference to an Article or Section in this Agreement shall include reference to all Sections or Sub-sections thereof unless otherwise stated.

34.2 HEADINGS AND TABLE OF CONTENTS - The Company and the Union agree that the headings to the respective Articles, Sections, and Sub-sections of this Agreement, and the Table of Contents, are inserted for convenience of reference only, and are neither to be taken to be any part of the provisions hereof nor to control or affect the meaning, construction or effect of the same.

34.3 SPECIAL PROGRAMS - The Company and the Union agree that during the term of this Agreement, the Company and the Union may develop, implement and evaluate special programs for specified union Employees at certain Company locations. The Company and the Union further agree to establish joint Company/Union committees for the purpose of establishing the details of such programs. Notwithstanding any of the foregoing provisions of this Agreement, the Company's General Manager, Employee Relations and Safety or his designee, and the Union's Business Manager or his designee shall be authorized to implement the programs and to agree to such modifications and interpretations of, and exemptions from, any provisions of this Agreement as they may

deem necessary or desirable for the purpose of the programs, including, but not limited to, hours of work or rates of pay.

34.4 COMMITTEE ON POLITICAL EDUCATION CONTRIBUTIONS - The Company shall make collection of contributions to the International Brotherhood of Electrical Workers, AFL-CIO, Committee on Political Education (hereinafter "C.O.P.E."), by any union Employee who is a member of the Union, through payroll deductions, upon proper authorization in writing signed by such union Employee and delivered to the Company within ten days after its execution; shall pay bi-weekly to C.O.P.E., 1125 Fifteenth Street, N. W., Washington, D. C. 20005, the total amount thus deducted from all union Employees for whom authorizations are in effect. Authorizations by union Employees for such deduction shall be in the form of the sample attached to this Agreement as Appendix "B". Deductions shall be made only from the bi-weekly wages paid to each such Employee during the period such Employee's authorization is in effect. The Union shall indemnify and save 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. The Company shall annually charge the Union for the costs of administration incurred in complying with the provisions of this Section 34.4. Annual charge is to be fixed at \$300 as agreed by the parties.

34.5 UNION VISITATION - During the last hour of a shift at any location, the Union Business Manager and/or Assistant Business Agents, with prior notification to and approval of the Manager, or Supervisor in charge, may visit a location to visit with union Employees.

34.6 COMMERCIAL DRIVERS LICENSE: The Company shall determine which job classifications and the number of employees in such job classifications that shall be required to hold a valid Commercial Drivers License. In the event a union Employee is required to hold a valid Commercial Drivers License, the Company will pay the cost for the initial issue of such license. The Company will also pay the difference between the cost of future renewals of such required Commercial Drivers License and the cost of the renewal of an Operators License at the scheduled renewal time for as long as such license is required.

34.6.1 QUALIFICATION FOR COMMERCIAL DRIVERS LICENSE: In order to obtain or renew a Commercial Drivers License, the following activities shall be available to employees during Regularly Scheduled Work Hours:

- a. Company approved training and study sessions
- b. Company approved practice sessions with appropriate Company vehicle
- c. Required physical examination, the cost of which will be paid by the Company
- d. Required random drug tests
- e. Required driving tests

- f. Required written tests
- g. For the initial issue only, time to visit the Bureau of Motor Vehicles License Branch serving the facility to which the employee is assigned

34.7 DIRECT DEPOSIT: Employees on a volunteer basis may elect direct deposit. Employees hired on or after January 1, 2006, will be required to use direct deposit. Checks will be directly deposited into one or more bank accounts Employees shall designate and authorize. All Employees that have direct deposit shall receive a printed copy of their check stub at their workplace.

ARTICLE 35 TERM OF AGREEMENT

35.1 DEFINITION - Any agreement reached by the Company and the Union during the period of this Agreement shall become a part of said Agreement when reduced to writing and signed by the parties to this Agreement.

C-144 35.2 COMPLETE AGREEMENT - The parties hereto acknowledge that during the negotiations resulting in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not excluded by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after exercise of that right and opportunity are set forth in this Agreement. This Agreement, including the documents listed in Appendix "C", constitutes the sole and complete Agreement between the parties. The parties further agree that any working conditions or work practices that are established through the day to day operations (referred to as "practices") which are not violations of, or in conflict with, this Agreement will be continued during the term of this Agreement but will be limited to the specific location or facility of occurrence; and that such practices will not be applied or considered at other facilities or locations. Issues, disputes, or grievances resulting from such practices will be considered only as they apply to the specific locations or facility where they occur.

35.3 EFFECTIVE DATES AND NOTIFICATION PROVISIONS - This Agreement shall become effective May 1, 2005, and shall remain in full force and effect to and including April 30, 2010, and thereafter for successive one-year periods unless a written notice of desire to amend or terminate this Agreement is given by either party hereto to the other at least 60 days prior to the expiration of the fixed term of this Agreement or of any renewal period. In the event such written notice expresses a desire to amend this Agreement, such desired amendments shall be set forth in writing and accompany the notice of desire to amend. In the event a notice of termination or amendment is given as above provided, the parties hereto agree to commence negotiations no later than 40 days prior to the end of the then current term and further agree that if said negotiations are not completed by the then current expiration date of this Agreement, then such term of this Agreement shall automatically be extended so long as negotiations are in progress.

IN WITNESS WHEREOF the parties hereto have duly executed and delivered eight originals of this Agreement as of the 1st day of May, 2005.

PSI ENERGY, INC.

LOCAL UNION NO. 1393 OF THE
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS

By Kay Pashos
Kay Pashos, President

By Thomas J. Bailey
Thomas J. Bailey, Business Manager
and Financial Secretary

Company Negotiating Committee:

By Caryn Riggs

By Burton N. Myers
Burton N. Myers, President

By John E. Polley

By William C. Lynes

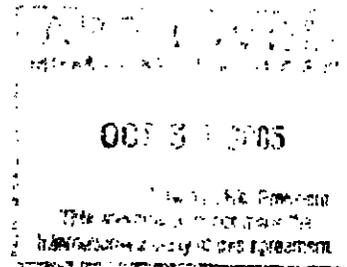
By Marcia A. McClure

By Debra Glesenkamp

By Ray Hoff

By Robert E. Bateman

By Jerry Kinley



PSI ENERGY, INC
DUES DEDUCTION CARD

Print last name, first name and initial

Employee Number

Job Classification

Location

ASSIGNMENT AND AUTHORIZATION FOR PAYROLL DEDUCTION OF UNION DUES PAYABLE TO LOCAL UNION NO. 1393 OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

I hereby certify that I am a member of Local Union No. 1393 of the International Brotherhood of Electrical Workers (hereinafter call the "Union"), and authorize and direct PSI Energy, Inc. (hereinafter called the "Company") to deduct from my pay each month, beginning with the first payday in the month following that in which this authorization is received by the Company, or a payday thereafter in the same month, regular monthly union dues in the amount certified to the Company by the Union and pay the same for me and on my behalf to the Union, in accordance with the provisions of any current agreement between the Company and the Union.

This authorization may be canceled by me upon written notice to the Company given by delivering such notice personally to the Comptroller of the Company or by sending the same, by registered mail, addressed to "The Comptroller for PSI Energy, Inc., 1000 East Main Street, Plainfield, Indiana 46168." Upon receipt of such notice the Company shall discontinue such deductions in the month following that in which such notice is received by the Company.

This deduction may be canceled by the Company either upon my transfer to a job classification not included in the Agreement with the Union or upon the Union's refusal to accept any amount so deducted.

The Company shall make the authorized deduction for monthly dues only on one of the paydays in the month for which the dues are owing. It is understood the Company assumes no responsibility in connection with the above deductions except that of forwarding the amounts deducted for me in my behalf to the Union.

This authorization cancels all prior ones given by me for payroll deductions for union dues.

Date Signed: _____, 20____

Signature of Employee

Date received by Company:

_____, 20____

Agreed to by PSI Energy, Inc.

By _____

APPENDIX B

C.O.P.E. DEDUCTION CARD

Print last name, first name and initial

Employee Number

Job Classification

Location

**ASSIGNMENT AND AUTHORIZATION FOR PAYROLL DEDUCTION OF CONTRIBUTIONS
PAYABLE TO C.O.P.E.**

I hereby authorize and direct PSI Energy, Inc. to deduct from my bi-weekly pay the sum of _____ for each straight time hour paid and to forward that amount bi-weekly to the International Brotherhood of Electrical Workers, AFL-CIO, Committee on Political Education, 1125 Fifteenth St., N. W., Washington, D. C. 20005. This authorization is signed by me voluntarily and with the understanding that the I.B.E.W. C.O.P.E. will use the money to make political contributions and expenditures in connection with Federal, State, and Local Elections and that this voluntary authorization is in response to a joint fund raising effort by the I.B.E.W. and AFL-CIO.

This authorization may be canceled by me upon written notice to the Company given by delivering such notice personally to the Comptroller of the Company or by sending the same, by registered mail, addressed to "The Comptroller for PSI Energy, Inc., 1000 East Main Street, Plainfield, Indiana 46168." Upon receipt of such notice the Company shall discontinue such deductions in the month following that in which such notice is received by the Company.

This deduction may be canceled by the Company either upon my transfer to a job classification not included in the Agreement with the Union or upon C.O.P.E.'s refusal to accept any amount so deducted.

It is understood the Company assumes no responsibility in connection with the above deductions except that of forwarding the amounts deducted for me in my behalf to C.O.P.E.

Date signed: _____, 20_____

Signature of Employee

Date received by Company:

_____, 20_____

**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 C are intended only for convenience in administering the Labor Agreement. The index and marginal references are not intended to list every document in Appendix C 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 such Article or Section. No inferences, presumptions, or conclusions shall be drawn by the Company, the Union, or any arbitrator from the index or a marginal reference to, or failure to reference any document listed in Appendix C.

HISTORICAL DOCUMENTS PRESERVED AND
MADE A PART OF THIS AGREEMENT
FOR INTERPRETATION AND APPLICATION
INDEX BY PROVISION

| <u>SECTION</u> | <u>DOC. NO.</u> | |
|----------------|--|-------------------------|
| 1.4 | CREATION OF JOB CLASSIFICATIONS | C-138 C-151 C-168 |
| 1.4.1 | REEVALUATION OF EXISTING UNION JOB CLASSIFICATIONS | C-148 C-151 |
| 2.2 | LOYAL AND EFFICIENT SERVICE | C-54 C-128 |
| 3.2.6 | SENIORITY WHEN TRANSFERRED | C-25 |
| 3.3 | COMPUTATION OF SENIORITY | C-90 |
| 4.1 | INITIAL CONSIDERATION - LABOR GRADES 1-11 | C-137 C-145 C-150 |
| 4.2 | FIVE DAY POSTING – LABOR GRADES 1-11 | C-137 C-145 |
| 4.5 | FACTORS GOVERNING PROMOTION LG 12 & ABOVE | C-41 C-63 C-78 |
| 4.10 | DECLINING OF A PROMOTION OR TRANSFER | C-19 |
| 4.12 | EFFECT ON JOB SERIES SENIORITY | C-15 |
| 4.14 | TEMPORARY ASSIGNMENTS | C-19 C-20 C-93 |
| 4.16 | BEGINNING JOBS | C-99 |
| 5.1 | INITIAL LAYOFFS | C-120 |
| 5.6 | NOTICE OF LAYOFF | C-101 |
| 5.7 | REDUCED WORK AVAILABILITY | C-94 C-110 C-116 |
| 5.11 | AVAILABILITY OF ANOTHER UNION JOB | C-120 |
| 5.12 | RE-EMPLOYMENT OF LAID-OFF REGULAR EMPLOYEE | C-15 C-99 C-120 |
| 6.1 | JUST CAUSE ACTIONS | C-24 C-50 C-162 |

| <u>SECTION</u> | <u>DOC. NO.</u> |
|----------------|--|
| | C-54 |
| | C-87 |
| | C-122 |
| | C-128 |
| | C-146 |
| | C-147 |
| | C-166 |
| | C-167 |
| 7.1 | EMPLOYEE GRIEVANCES |
| | C-80 |
| | C-105 |
| 7.2 | POLICY GRIEVANCES |
| | C-151 |
| 7.3 | ARBITRATION |
| | C-44 |
| | C-54 |
| | C-88 |
| | C-163 |
| 8.3 | NO MEAL BREAK |
| | C-113 |
| 8.4 | GROUP SCHEDULE |
| | C-143 |
| 8.5 | INDIVIDUAL SCHEDULE CHANGES |
| | C-17 |
| | C-29 |
| | C-46 |
| | C-49 |
| | C-60 |
| | C-64 |
| | C-74 |
| | C-95 |
| 8.6 | TRAVELING MAINTENANCE LOCATION CHANGES |
| | C-95 |
| 9.1 | SHIFT PREMIUMS |
| | C-33 |
| 9.3 | EMERGENCY WORK ON FOREIGN UTILITIES |
| | C-160 |
| 10.1 | STRAIGHT TIME |
| | C-4 |
| | C-18 |
| | C-21 |
| | C-28 |
| | C-40 |
| | C-70 |
| | C-75 |
| | C-102 |
| 10.2.c. | OVERTIME: TIME AND ONE-HALF |
| | C-28 |
| | C-49 |
| | C-53 |
| 11.5 | HOLIDAY PAY |
| | C-27 |
| | C-79 |
| 11.6 | HOLIDAY PREMIUM |
| | C-27 |
| 12.1 | TEMPORARY JOB ASSIGNMENTS: QUALIFYING TIME |
| | C-20 |
| | C-27 |
| | C-34 |
| | C-39 |

SECTION

DOC. NO.

| | | |
|--------|--|-------|
| | | C-47 |
| | | C-57 |
| | | C-58 |
| | | C-66 |
| | | C-67 |
| | | C-68 |
| | | C-73 |
| | | C-81 |
| | | C-93 |
| | | C-96 |
| | | C-106 |
| | | C-119 |
| | | C-124 |
| | | C-126 |
| | | C-145 |
| 12.2 | TEMPORARY ASSIGNMENT | C-5 |
| | | C-11 |
| 13.2.1 | CALL-BACK PAY: LEFT PREMISES | C-55 |
| | | C-56 |
| 14.1 | SHIFT EMP.: OVERTIME WORK ASSIGNMENTS | C-26 |
| | | C-31 |
| | | C-42 |
| | | C-47 |
| | | C-85 |
| | | C-96 |
| | | C-107 |
| | | C-109 |
| | | C-117 |
| | | C-119 |
| | | C-130 |
| | | C-170 |
| 14.1.1 | JOB CONTINUATION ASSIGNMENTS | C-164 |
| 14.1.2 | PLANNED OR EMERGENCY OVERTIME ASSIGNMENTS | C-170 |
| 14.2 | NON-SHIFT EMP.: OVERTIME WORK ASSIGNMENTS | C-117 |
| 14.2.1 | JOB CONTINUATION ASSIGNMENTS | C-161 |
| 14.5 | OVERTIME DISTRIBUTION POSTING | C-96 |
| 14.6 | OVERTIME REMEDY | C-86 |
| | | C-89 |
| | | C-91 |
| | | C-129 |
| 14.7 | AVAILABILITY FOR OVERTIME WORK ASSIGNMENTS | C-84 |
| 14.8 | UPGRADED OVERTIME ELIGIBILITY | C-170 |
| 15.1 | SERVICE WATCH: COVERAGE | C-70 |
| | | C-127 |
| 15.2 | SERVICE WATCH: REQUIREMENTS | C-42 |

| SECTION | | DOC. NO. |
|----------|--|---|
| 16.1 | WAGE RATE UPON PROMOTION | C-161 C-15 C-154 |
| 16.2 | CREDIT FOR TEMP. JOB ASSIGNMENTS | C-126 C-146 |
| 17.1 | 16-HOUR RULE: QUALIFICATION | C-39 C-127 C-126 |
| 18.2 | STARTING DATE FOR VACATION | C-28 C-117 |
| 18.7 | PAYMENT IN LIEU OF VACATION | C-101 C-133 |
| 19.1 | FAMILY DEATH | C-37 |
| 20.1 | COURT WITNESS AND JURY DUTY PAY ELIGIBILITY | C-33 |
| 20.2 | LEAVE OF ABSENCE: UNPAID UNION BUSINESS | C-4 |
| 20.5 | ABSENCE DUE TO SICKNESS OR ACCIDENT: ELIGIBILITY FOR ADVANCE PAYMENT | C-25 C-50 C-59 C-122 |
| 20.8 | WORKER'S COMPENSATION | C-134 |
| 20.12.g. | PAY STATUS FOR OTHER TIME NOT WORKED | C-4 |
| 20.12.h. | PAY STATUS FOR OTHER TIME NOT WORKED | C-18 |
| 20.12.i. | PAY STATUS FOR OTHER TIME NOT WORKED | C-122 C-144 |
| 21 | MEALS, LODGING AND TRANSPORTATION | C-149 |
| 21.1 | TRANSPORTATION | C-18 C-40 C-70 C-104 |
| 21.2 | HEADQUARTERS LOCATION | C-76 |
| 21.2.1 | HEADQUARTERS LOCATION FOR GENERATING STATION AND TRAVELING MAINTENANCE EMPLOYEES | C-169 |
| 21.7 | LODGING AND PER DIEM | C-75 C-102 |
| 21.7.1 | ELIGIBILITY: PER DIEM LODGING | C-102 |
| 21.9 | PER DIEM FOR SUBSTATION CONSTRUCTION | C-82 |
| 21.10 | SPECIAL LODGING EXPENSE | C-75 |
| 21.12 | OTHER APPROVED EXPENSE | C-121 |
| 22.1 | INCLEMENT WEATHER - NO LAYOFF | C-110 |
| 22.2 | WORK ASSIGNMENTS DURING INCLEMENT WEATHER | C-6 C-14 C-23 C-44 C-69 C-70 |

| <u>SECTION</u> | | <u>DOC. NO.</u> |
|----------------|--|-----------------|
| 22.3 | INCLEMENT WEATHER - ITEMS FURNISHED: GENERAL | C-30 |
| 23.9 | SAFETY RULES AND POLICIES COMPLIANCE | C-87 |
| 24 | SUPERVISORS DOING UNION WORK | C-7 |
| | | C-8 |
| | | C-9 |
| | | C-10 |
| | | C-26 |
| | | C-36 |
| | | C-38 |
| | | C-48 |
| | | C-52 |
| | | C-131 |
| 25 | SUBCONTRACTING | C-123 |
| | | C-132 |
| 26 | WORKER'S COMPENSATION | C-134 |
| 31.1 | DISTRICT OPERATIONS PROMOTIONAL CHARTS | C-3 |
| | | C-124 |
| 31.3 | GENERATING STATIONS PROMOTIONAL CHARTS | C-22 |
| | | C-61 |
| | | C-62 |
| | | C-66 |
| | | C-73 |
| | | C-97 |
| | | C-98 |
| | | C-106 |
| | | C-130 |
| 32 | WAGE SCALE | C-152 |
| 33 | PROBATIONARY WAGE SCALE | C-165 |
| 35.2 | TERM OF AGREEMENT - COMPLETE AGREEMENT | C-144 |

APPENDIX C

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

| <u>Document Number</u> | <u>Document Date</u> | <u>Section</u> | <u>Description</u> |
|------------------------|----------------------|-------------------|---|
| C- 1 | 1948 | | Foreword to Job Manual - Evaluation Program |
| C- 3 | 12/12/53 | 31.1 | Meterman "A" Re-evaluation |
| C- 4 | 3/ 9/54 | 10.1; 20.2; 20.12 | Informal Meetings |
| C- 5 | 10/ 2/56 | 12.2 | Acting Foreman |
| C- 6 | 7/15/57 | 22.2 | Inclement Weather |
| C- 7 | 9/25/57 | 24 | Control Supervisors-BU Work |
| C- 8 | 10/11/57 | 24 | Storekeepers-Bargaining Unit Work |
| C- 9 | 11/26/57 | 24 | Substation Construction Supervisors-BU Work |
| C- 10 | 12/20/57 | 24 | Line Crew Supervisors-BU Work |
| C- 11 | 12/30/57 | 12.2 | Temporary Assignments - Substation Construction to Substation Maintenance |
| C- 13 | 3/17/59 | 1.1 | REMC Switching |
| C- 14 | 1/26/61 | 22.2 | Inclement Weather |
| C- 15 | 5/12/61 | 4.12; 5.12; 16.1 | Pay Rate |
| C- 17 | 2/ 6/62 | 8.4; 8.10 | Fifth Day of Work |
| C- 18 | 4/23/62 | 10.1; 20.12; 21.1 | Fixed Travel |
| C- 19 | 4/27/62 | 4.10; 4.14 | Accept or Reject Upgrading |
| C- 20 | 11/30/62 | 4.14; 12.1 | Temporary Upgrading |
| C- 21 | 1/ 9/63 | 10.1 | Telephone Call at Home |
| C- 22 | 3/21/63 | 31.3 | Common Work |
| C- 23 | 6/26/63 | 22.2 | Inclement Weather |
| C- 24 | 3/11/64 | 6.1 | Overtime Refusal-Discipline |
| C- 25 | 5/11/64 | 3.2.6; 20.5 | Serviceman "B" |
| C- 26 | 9/ 4/64 | 14.1; 24 | Non-BU Work |
| C- 27 | 6/15/65 | 11.4; 11.5; 12.1 | Holidays-Acting Pay |
| C- 28 | 8/10/65 | 10.1; 10.2; 18.2 | Vacations-Time Worked |
| C- 29 | 9/ 7/65 | 8.4 | Overtime-Individual Schedule |
| C- 30 | 10/ 8/65 | 22.3 | Meter Reader Uniforms |
| C- 31 | 12/21/65 | 14.1 | Station General Mechanic-Overtime |
| C- 33 | 10/12/66 | 9.1; 20.1 | Jury Duty-Shift Schedules |
| C- 34 | 3/ 2/67 | 12.1 | Yardman Upgrade |
| C- 36 | 7/14/67 | 24 | Non-BU-Materials Handling |
| C- 37 | 9/27/67 | 19.1 | Family Death |
| C- 38 | 4/17/68 | 24 | Field Stores Overtime |
| C- 39 | 1/21/69 | 12.1; 17.1 | Rest Period-Upgrade |

| <u>Document Number</u> | <u>Document Date</u> | <u>Section</u> | <u>Description</u> |
|------------------------|----------------------|------------------------|--|
| C- 40 | 2/17/69 | 10.1; 21.1 | Travel Pay |
| C- 41 | 2/17/69 | 4.5 | Above Labor Grade 11 |
| C- 42 | 2/17/69 | 14.1; 15.2 | Interpretation |
| C- 43 | 5/23/69 | | Disabled Traveling Mechanic "A" |
| C- 44 | 5/15/70 | 7.1.3; 22.2 | Inclement Weather-Meter Reading |
| C- 45 | 12/16/71 | 8.1 | Princeton-Time |
| C- 46 | 4/ 5/72 | 8.4 | Schedule Change Form-Notations |
| C- 47 | 8/ 3/72 | 12.1; 14.1 | Downward Relief |
| C- 48 | 12/ 7/72 | 24 | Bargaining Unit Work |
| C- 49 | 1/16/73 | 8.4; 10.2 | Overtime/Premium Pay |
| C- 50 | 1/29/73 | 6.1; 20.5 | Eight Hour Call-in Procedure |
| C- 51 | 5/22/73 | | Red Circle Agreement |
| C- 52 | 8/10/73 | 24 | Halogen Leak Detector |
| C- 53 | 4/ 9/74 | 10.2 | Overtime Compounding |
| C- 54 | 9/12/74 | 2.2; 6.1; 7.3; 19.2 | Prepared Testimony |
| C- 55 | 10/24/74 | 13.2 | Call Back-Travel Limits |
| C- 56 | 1/14/75 | 13.2 | Travel Limits |
| C- 57 | 2/10/75 | 12.1 | Upgrade Pay |
| C- 58 | 5/21/75 | 12.1 | Field Stores-Upgrade |
| C- 59 | 9/16/75 | 20.5 | Illness-Burden of Proof |
| C- 60 | 9/17/75 | 8.4 | Schedule Change Notification |
| C- 61 | 5/12/76 | 31.3 | Janitors-No Driving Off Property |
| C- 62 | 6/ 8/76 | 31.3 | Yard-Control Operation |
| C- 63 | 6/25/76 | 4.5 | Above Labor Grade 11 |
| C- 64 | 12/14/76 | 8.4 | Eight Hour Call-in Procedure |
| C- 66 | 2/ 7/78 | 12.1; 31.3 | Upgrade Pay |
| C- 67 | 4/ 4/78 | 12.1 | Upgrade Pay |
| C- 68 | 5/ 1/78 | 12.1 | Upgrade Pay |
| C- 69 | 8/18/78 | 22.2 | Notice to Read Meters |
| C- 70 | 1/19/79 | 10.1; 15.2; 21.1, 22.2 | Extreme Weather Guidelines |
| C- 73 | 12/12/79 | 12.1; 31.3 | Upgrade Pay |
| C- 74 | 5/ 2/80 | 8.4; 8.10 | Traveling Maintenance-Location Changes |
| C- 75 | 6/ 6/80 | 10.1; 21.4 | Traveling Maintenance-Overtime |
| C- 76 | 9/23/80 | 1.1 | Field Residence Requirements |
| C- 77 | 3/31/81 | 8.3.2 | Edwardsport Operations Schedule |
| C- 78 | 7/23/81 | 4.5 | Above Labor Grade 11 |
| C- 79 | 11/ 5/81 | 11.4 | Holiday Pay |
| C- 80 | 1/25/82 | 7.1 | Off-the-record Settlements |
| C- 81 | 2/10/82 | 12.1 | Upgrade Pay |
| C- 82 | 3/ 4/82 | 21.9 | Substation Construction Addresses |
| C- 83 | 5/24/82 | | Bank Time-First Day Exclusion |
| C- 84 | 6/25/82 | 6.1; 14.7 | Overtime Availability |

| <u>Document Number</u> | <u>Document Date</u> | <u>Section</u> | <u>Description</u> |
|------------------------|----------------------|---------------------|--|
| C- 85 | 7/13/82 | 14.1 | Notification of Overtime Assignment |
| C- 86 | 8/28/82 | 14.6 | Overtime-In Distribution Unit |
| C- 87 | 10/21/82 | 6.1; 23.9 | Safety Refusal Guidelines |
| C- 89 | 1/ 3/83 | 14.6 | Overtime-Outside Distribution Unit |
| C- 90 | 1/21/83 | 3.3 | Common Job Series Seniority |
| C- 91 | 3/18/83 | 14.6 | Overtime-Remedy Agreement |
| C- 93 | 5/16/83 | 4.14; 12.1 | Upgrade Training-Seniority |
| C- 94 | 5/25/83 | 5.7; 8.1 | Reduced Work Hours |
| C- 95 | 6/13/83 | 8.4; 8.6 | Traveling Maintenance-Schedule Change |
| C- 96 | 7/26/83 | 12.1; 14.5 | Overtime-Up In Series For Assignment |
| C- 97 | 11/ 7/83 | 1.1; 31.3 | Classroom Training |
| C- 98 | 12/ 6/83 | 12.1; 31.3 | Upgrade Pay |
| C- 99 | 1/ 3/84 | 4.16; 5.12 | Laid-off-Availability of BU Job |
| C-101 | 4/ 4/84 | 5.6; 18.7 | Vacation-Layoff or Resignation |
| C-102 | 7/16/84 | 10.1; 21.4; 21.4.1 | Fixed Travel Time and Mileage |
| C-103 | 9/6/84 | 1.1; 2.3 | Document C- 103 Replaced by C-153 |
| C-104 | 11/16/84 | 21.1 | Substation Construction- Personal Vehicle Use |
| C-105 | 12/28/84 | 7.1 | Timeliness-Grievance Filing |
| C-106 | 2/28/85 | 12.1; 31.3 | Upgrade Pay |
| C-107 | 4/10/85 | 1.1 | Operation of Borrowed Equipment |
| C-108 | | | |
| C-109 | 6/12/85 | 1.1; 14.1 | Generating Station Residency Requirement |
| C-110 | 6/12/85 | 5.7; 22.1 | Reduced Work Availability, Inclement Weather, Major Overhauls, and Unit Outages |
| C-113 | 6/12/85 | 8.2.5; 8.3 | Eat on the Run Definition |
| C-116 | 6/12/85 | 5.7 | Reduced Work Availability |
| C-117 | 6/27/85 | 14.1; 14.2; 18.2 | Overtime-"C" Day Before Vacation |
| C-118 | 9/ 9/85 | 22.2 | Conducting Safety Meeting |
| C-119 | 10/24/85 | 1.1; 12.1; 14.1 | Resident Power Plant BU Employees-Travel |
| C-120 | 11/ 5/85 | 5.1; 5.11; 5.12 | Layoff |
| C-121 | 11/12/85 | 21.6 | Traveling Maintenance - Telephone/Laundry |
| C-122 | 2/10/86 | 6.1; 20.5; 20.12 | Sick Pay |
| C-123 | 5/12/86 | 25 | Subcontracting |
| C-124 | 6/ 6/86 | 12.1; 31.1 | Temporary Labor-Assignments |
| C-126 | 7/11/86 | 12.1; 16.2; 17.1 | Breaks in Upgrading |
| C-127 | 9/ 5/86 | 15.1; 17.1 | Transmittal of 6/17/86 Settlement |
| C-128 | 9/29/86 | 2.2; 6.1 | Security-Searches |
| C-129 | 11/10/86 | 14.6 | Overtime-Tie Breaking |

| <u>Document Number</u> | <u>Document Date</u> | <u>Section</u> | <u>Description</u> |
|------------------------|----------------------|--------------------|--|
| C-130 | 11/19/86 | 14.1; 31.3 | Upgrade Pay |
| C-131 | 12/22/86 | 24 | Central Electric Shop-Battery Equipment |
| C-132 | 12/31/86 | 25 | Subcontracting |
| C-133 | 1/30/87 | 18.7 | Vacation-Strike |
| C-134 | 3/10/87 | 20.8; 26 | Workmen's Compensation-Formula |
| C-137 | 4/29/87 | 4.1; 4.2; 4.10 | Testing Under Labor Grade 12 |
| C-138 | 11/23/87 | 1.4 | Edwardsport Switchboard Operators |
| C-139 | 12/14/87 | | Leadman Premium/Line Working Foreman |
| C-140 | 12/17/87 | | Release of All Claims |
| C-141 | 4/29/88 | | Release of All Claims |
| C-142 | 4/29/88 | | Potential Future Pay Obligation |
| C-143 | 7/ 6/89 | 8.3.1 | Group Scheduling |
| C-144 | 10/29/90 | 20.11; 35.2 | Pay For Time Not Worked |
| C-145 | 9/30/92 | 12.1 | Upgrade Pay |
| C-146 | 9/4/92 | 6.1 | Discharge |
| C-147 | 11/4/94 | 6.1 | Discharge |
| C-148 | 8/17/95 | 1.4.1 | Job Reevaluation |
| C-149 | 1/15/97 | 21 | Per Diem |
| C-150 | 1/15/97 | 4.1 | Initial Posting - Labor Grades 1 through 11 |
| C-151 | 12/14/98 | 1.4; 1.4.1; 7.2 | Creation of New Job Classifications |
| C-152 | 4/16/99 | 32 | Former Unit Operators – Wages |
| C-153 | 4/16/99 | | Training |
| C-154 | 5/5/99 | 16.1 | Pay for Skill |
| C-155 | 6/16/99 | 10.1; 10.2 | C Day |
| C-156 | 8/5/99 | | Alternate Career Path |
| C-157 | 1/27/00 | | HQ Location for Generating Station, TM and Special TM Document C-157 Replaced by C-169 |
| C-158 | 2/24/00 | | Yardman Promotion |
| C-159 | 8/9/00 | | Certified Welder Agreement |
| C-160 | 11/24/00 | 9.3 | Emergency Work on Foreign Utilities |
| C-161 | 10/15/01 | 14.2.1; 15.2 | C.O. W. Job Continuation or Service Watch |
| C-162 | 11/21/01 | 6.1 | Fighting |
| C-163 | 5/1/02 | 7.3 | Rules of Arbitration |
| C-164 | 5/10/96 | 14.1.1 | Job Continuation Overtime Work Assignments |
| C-165 | 6/7/02 | 33 | Probation Rate of Pay – Production Team Member |
| C-166 | 10/16/02 | 6.1 | Discharge |
| C-167 | 12/29/02 | 6.1 | Discharge |
| C-168 | 7/7/03 | 1.4 | Labor Grade Evaluations – Senior Production Team Member and Senior Support Team Member M&E |
| C-169 | 11/13/03 | 21.2.1 | Headquarters Location |
| C-170 | 9/10/04 | 14.1, 14.1.2, 14.8 | Overtime Assignment – Boiler Operator/Auxiliary Operator |

DEFINED TERMS

The following defined terms or derivations thereof are incorporated into and made a part of this Agreement for use in the application and interpretation of this Agreement.

BI-WEEKLY TIME PERIOD: A two week period commencing at 12:01 a.m. on Sunday and ending at 12:00 midnight on Saturday of the following week which is established for the purpose of reporting all time in accordance with established Company procedures.

"C" DAY: A day commencing at 12:01 a.m. and ending at 12:00 midnight which is a Regular Scheduled Day Off in a Regular Scheduled Work Week.

CHANGED INDIVIDUAL SCHEDULE: Regularly Scheduled Work Days, Regularly Scheduled Work Hours and/or "C" Days which are different from a union Employee's currently assigned Individual Schedule. Subject to notice and duration requirements.

EMPLOYEE: Persons working for the Company and occupying job classifications identified in this Agreement. The use of the masculine gender pronoun applies equally to the feminine gender.

FIRST TWO DAYS: The first two consecutive calendar days (12:01 a.m. to 12:00 midnight) of a Changed Individual Schedule without proper notice or duration, or a Location Change without proper notice, which are subject to payment of Straight Time Pay, Schedule Change Penalty Pay, Location Change Penalty Pay, or Overtime Pay.

FLOATING HOLIDAY: A Recognized Holiday which may be requested to be taken by an eligible union Employee on any day during a Regularly Scheduled Work Week during the calendar year, subject to notice and approval requirements.

HOLIDAY PAY: Eight or 10 hours Straight Time Pay due to eligible union Employees meeting qualification requirements whether or not any work is performed on such Recognized Holiday.

HOLIDAY PREMIUM: Pay at time and one-half or double time hourly wage scale rate of pay for any time worked on Recognized Holidays.

LAYOFF: The temporary or indefinite separation of employment status of a union Employee. The affected union Employee retains certain rights after Layoff. The process is governed by seniority.

LINE OF PROMOTION: The anticipated avenue of promotion, demotion or transfer of union Employees from one job classification to another within a job series at a location (indicated by solid connecting lines on promotional charts and described in the job specifications) from a type of job series at one location to the same type of job series at another location or from a specific job classification at one location to a specific job classification at another location (indicated by dashed connecting lines on promotional charts).

LOCATION CHANGE: The result of the assignment of work to Traveling Maintenance union Employees which involves traveling to a new work location over 40 miles from the current work location. Subject to notice requirements.

LOCATION CHANGE PENALTY PAY: The rate of pay which is the greater of one and one-half times the wage scale rates or another rate of pay which Traveling Maintenance union Employees are entitled to under this Agreement for all hours worked during the First Two Days of a Location Change made without the required notice.

OVERTIME MEAL ALLOWANCE: A fixed amount payable for each one-quarter hour worked at Overtime Pay, to provide compensation for food expenses incurred by union Employees working outside Regularly Scheduled Work Hours.

OVERTIME PAY: The rate of pay applicable to work assignments outside Regularly Scheduled Work Hours or in excess of 40 hours in any one work week.

PAID UNION BUSINESS TIME: Paid time at Straight Time Pay spent by union Employees in connection with processing grievances through the second step during Regularly Scheduled Work Hours.

RECOGNIZED HOLIDAYS: Thirteen holidays as designated by this Agreement within a calendar year, subject to eligibility and notice requirements.

REGULAR BEGINNING TIME: The start of the union Employee's Regularly Scheduled Work Hours at one minute past the hour, half-hour or quarter hour, local time.

REGULAR PAY DAY: The Friday following the end of the Bi-Weekly Time Period.

REGULAR QUITTING TIME: The end of the union Employee's Regularly Scheduled Work Hours on the hour, half-hour or quarter hour, local time.

REGULARLY SCHEDULED DAYS OFF: "C" Days.

REGULARLY SCHEDULED WORK DAY: A day commencing at 12:01 a.m. and ending at 12:00 midnight which is not a "C" Day.

REGULARLY SCHEDULED WORK HOURS: Consecutive work hours (only one period permitted) which are worked on a Regularly Scheduled Work Day, local time.

REGULARLY SCHEDULED WORK WEEK: Seven consecutive days commencing on Sunday and ending on Saturday consisting of Regularly Scheduled Work Days and "C" Days.

REST PERIOD PAY: Straight Time Pay for certain hours, excluding holidays and Vacation Days, that fall within the Regularly Scheduled Work Hours on Regularly Scheduled Work Days not worked after the completion of 16 consecutive hours or more of work. Occurs only in application of the 16-Hour Rule.

SCHEDULE CHANGE PENALTY PAY: Payment to a union Employee at one and one-half or double time Straight Time Pay for Regularly Scheduled Work Hours on the First Two Days of a Changed Individual Schedule which such hours are different from those on the union Employee's Group Schedule and such changed hours do not meet the required notice or duration requirements.

SEGMENTED VACATION DAY: A day of vacation scheduled for periods of one to four Regularly Scheduled Work Days.

16-Hour RULE: Except in emergencies, a maximum period of work which may be required and which is subject to Rest Period Pay at its conclusion.

STRAIGHT TIME PAY: The basic hourly wage scale rate of pay applicable to a union Employee in his regular or upgraded (acting) job classification for actual time worked during Regularly Scheduled Work Hours or for the calculation of pay due for time in lieu of work.

TERMINATION: The end of employment of a union Employee with the Company, which may result from voluntary action by the Employee, discharge by the Company, retirement, or death.

UNPAID UNION BUSINESS TIME: Regularly Scheduled Work Hours during which the union Employee is absent for Union business at the Union's request and which do not qualify for Paid Union Business Time.

UPGRADE PAY: Straight Time Pay or Overtime Pay for work assigned to and worked by a union Employee in a job classification in a higher labor grade, subject to satisfying a four consecutive hour minimum.

VACATION PAY: Straight Time Pay of eight or 10 hours for each Segmented Vacation Day or 40 hours for each Vacation Week.

VACATION WEEK: All Regularly Scheduled Work Days during a Regularly Scheduled Work Week which are taken as vacation.

April 18, 2005

Mr. Thomas J. Bailey
Business Manager
Local Union No. 1393
International Brotherhood
of Electrical Workers
1038 E. Washington Street
Indianapolis, Indiana 46202

Re: Employee Benefits

Dear Joe:

With regard to the collective bargaining agreement between PSI Energy, Inc. (the "Company") and Local Union No. 1393 of the International Brotherhood of Electrical Workers (the "Union") due to expire on April 30, 2010 (the "Labor Agreement"), the Company offers the following as to employee benefits:

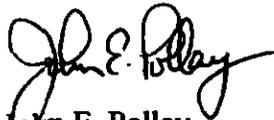
- Effective May 1, 2005 and for the term of the Labor Agreement, the substantive plan design of the Cinergy Corp. Union Employees' Pension Plan and the Cinergy Corp. Union Employees' 401(k) Plan, as in effect on the date of this letter, will not be amended or modified as they apply to the Union Employees (as defined in the Labor Agreement) except (i) as set forth on the attached Exhibit A, and (ii) to reflect operational changes or to secure or maintain qualification as appropriate from the Internal Revenue Service or to comply with applicable laws, regulations or orders. For purposes of clarity, during the term of the Labor Agreement, the Company matching contributions under the Cinergy Corp. Union Employees' 401(k) Plan will be equal to 100% of the first 3% of base pay contributed on a before-tax basis by each eligible employee and 50% of the next 2% of base pay contributed on a before-tax basis by each eligible employee, with a potential 401(k) incentive match that slides with corporate goals.
- Effective May 1, 2005 and for the term of the Labor Agreement, the substantive plan design of the Cinergy Corp. Welfare Benefit Program (excluding post-retirement welfare benefits), as in effect on the date of this letter, which includes the applicable medical plans, the dental plans, the life insurance plans, the long-term disability plan, and the health care and dependent care spending account plan, will not be amended or modified except as permitted under the Labor Agreement, including Article 29.13 Administration; provided, however, that the Company is permitted to amend the medical and dental plans during 2006-2007, 2008 and 2009-2010 in a manner consistent with Exhibit B, Exhibit C and Exhibit D, respectively. Notwithstanding the above, the commitment contained herein shall not require the Company to offer or maintain any particular options (i.e., health insurance providers or administrators) for the provision of benefits under the above-

Mr. Thomas J. Bailey
April 18, 2005
Page 2

mentioned plans; provided, further, that on no date during the 2006-2010 period will the deductibles, co-payments, annual maximums or out-of-pocket maximums applicable to Union Employees under the medical and dental plans available under the Cinergy Corp. Welfare Benefit Program be less favorable than the deductibles, co-payments, annual maximums or out-of-pocket maximums applicable on such date to non-union employees of the Company. Furthermore, if the Company, its parent or any subsidiary thereof, reaches agreement with IBEW Local 1347, UWUA Local 600, USWA Local 5541-06, or USWA Local 12049 (each individually referred to herein as "Other Union") during the 2009-2010 period of the Labor Agreement ("Applicable Period") that provides for deductibles, co-payments, annual maximums or out-of-pocket maximums that are more favorable than those applicable to the Union Employees on such date, then for the remainder of the Applicable Period, only if the Union agrees to modify its Labor Agreement with the Company in the manner required to incorporate (i) the total medical and dental package agreed to by such Other Union and (ii) any other documented concessions that are made in exchange for lower deductibles, co-payments, annual maximums or out-of-pocket maximums agreed to by Other Union, the Union Employees will be provided the same deductibles, co-payments, annual maximums and out-of-pocket maximums as Other Unions' members are provided during the Applicable Period; provided, however, in the event the Union does not agree to either item (i) or (ii) above, then this provision (i.e., this sentence) shall not apply.

- For the term of the Labor Agreement, no later than October 1 of each calendar year, the Company and Union will meet to discuss medical and dental claims and other areas of interest relating to the medical and dental plans.
- The Company will investigate programs that offer employee-paid vision insurance. The Company will discuss any vision coverage program with the Union prior to offering the program to Union Employees.

Sincerely,



John E. Polley
General Manager
Labor Relations

EXHIBIT A¹

I. Cinergy Corp. Union Employees' Pension Plan:

- Effective for Union Members whose Severance from Service Date occurs on or after June 1, 2005, the multiplier under the traditional program shall be increased from 1.4 percent to 1.55 percent for years of Participation in excess of 35.
- Effective for Union Members whose Severance from Service Date occurs on or after January 1, 2006, in the event that the highest average annual Earnings of a Union Member who participates in the traditional program occurs other than during his last 36 months of Participation, which determination shall be made after assuming that Accrued Vacation Pay was received during the month in which the Union Member's Severance from Service Date occurred, the Union Member's Highest Average Earnings shall be calculated as if the Accrued Vacation Pay, if any, that was received by the Union Member was received during the last month that occurs during the period that is used for purposes of determining the Union Member's Highest Average Earnings.
- Effective with respect to each Plan Year (or portion thereof) that occurs during the period commencing on January 1, 2006 and ending on April 30, 2010, the "interest credit percentage" under the Balanced and Investor Formulas shall in no event be less than 3.5 percent.

II. Cinergy Corp. Union Employees' 401(k) Plan:

- Effective January 1, 2006, Union Members who satisfy the applicable eligibility requirements may elect to make Deferred Compensation Contributions (401(k) contributions) from overtime pay. For purposes of clarity, overtime pay will be excluded from the match calculation.
- Subject to other limitations contained in the Cinergy Corp. Union Employees' 401(k) Plan, the cap on annual Deferred Compensation Contributions (401(k) contributions) shall continue to be increased as the limit under Internal Revenue Code Section 402(g) increases (e.g., from \$14,000 to \$15,000 for 2006).
- In the event the Cinergy Corp. Non-Union Employees' 401(k) Plan is amended to allow participants to move matching contributions out of the Cinergy Stock Fund prior to attaining age 50, the Cinergy Corp. Union Employees' 401(k) Plan shall be amended to allow the same.

¹ Capitalized terms contained in this Exhibit A shall have the meanings given to them in the Cinergy Corp. Union Employees' Pension Plan or the Cinergy Corp. Union Employees' 401(k) Plan, as applicable; provided, however, that the term "Union Member(s)" shall refer only to those employees whose terms of employment are governed by the collective bargaining agreement between PSI Energy, Inc. and Local Union No. 1393 of the International Brotherhood of Electrical Workers.

Exhibit B
IBEW 1393 Healthcare Coverage for 2006 and 2007

| | Arnett HMO (Lafayette) | Humana HMO Options 1-4 (Ohio/Kentucky) | Blue Preferred IN HMO Options 1-4 (Indiana) | SIHO HMO (Indiana) | Welborn HMO (Evansville) |
|--|--|--|--|---|---|
| usual and customary limits applied | No | No | No | No | No |
| deductible | None | None | None | None | None |
| copayment or coinsurance | office visit - \$30 emergency room - \$100 hospital admission - \$200 outpatient surgery - \$50 MRI & CAT scans - \$50 | PCP/Specialist visit – Option 1 - \$20/\$20 Option 2 - \$20/\$20 Option 3 - \$30/\$50 Option 4 - \$30/\$50 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 | PCP/Specialist visit – Option 1 - \$20/\$20 Option 2 - \$20/\$20 Option 3 - \$40/\$40 Option 4 - \$40/\$40 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 | office visit - \$20 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 | office visit - \$20 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 |
| out-of-pocket maximum (includes deductible) | None | \$750 per individual/\$1,500 per family | \$750 per individual/\$1,500 per family | \$750 per individual/\$1,500 per family | None |
| lifetime maximum | None | None | None | None | None |
| prescription drugs retail generic/preferred brand/non-preferred (one month supply)** | \$10/\$20/\$35 | Option 1 - \$10/\$20/\$35 Option 2 - \$20/\$40/\$60 Option 3 - \$10/\$20/\$35 Option 4 - \$20/\$40/\$60 | Option 1 - \$10/\$20/\$35 Option 2 - \$20/\$40/\$60 Option 3 - \$10/\$20/\$35 Option 4 - \$20/\$40/\$60 | \$10/\$20/\$35 | \$10/\$20/\$35 |
| prescription drugs mail order generic/preferred brand/non-preferred (3 months supply)*** | \$20/\$40/\$60 | Option 1 - \$20/\$40/\$60 Option 2 - \$40/\$60/\$100 Option 3 - \$20/\$40/\$60 Option 4 - \$40/\$60/\$100 | Option 1 - \$20/\$40/\$60 Option 2 - \$40/\$60/\$100 Option 3 - \$20/\$40/\$60 Option 4 - \$40/\$60/\$100 | \$20/\$40/\$60 | \$20/\$40/\$60 |
| benefits paid out-of-network | No | No | No | No | No |

| | Preferred Provider Organization (PPO) | | | |
|--|--|---|--|--|
| | UnitedHealthcare (UHC) | | | |
| | UHC PPO High | | UHC PPO Medium | |
| | In network | Out of network | In network | Out of network |
| usual and customary limits applied | No | Yes | No | Yes |
| Deductible (applies to coinsurance %) | \$200/\$400 | \$400/\$800 | \$500/\$1,000 | \$1,000/\$2,000 |
| copayment or coinsurance (%) | office visit - \$20 emergency room - \$75 hospital admission - 10%* outpatient surgery - 10%* MRI & CAT scans - 10%* | office visit - 30% emergency room - \$75 hospital admission - 30%* outpatient surgery - 30%* MRI & CAT scans - 30%* | office visit - \$25 emergency room - \$75 hospital admission - 20%* outpatient surgery - 20%* MRI & CAT scans - 20%* | office visit -40%* emergency room - \$75 hospital admission- 40%* outpatient surgery - 40%* MRI & CAT scans - 40%* |
| out-of-pocket maximum (includes deductible) | \$1,200/\$2,400 | \$2,400/\$4,800 | \$1,500/\$3,000 | \$3,000/\$6,000 |
| lifetime maximum | \$2 million total | | \$2 million total | |
| prescription drugs retail generic/preferred brand/non-preferred brand (one month supply)** | \$10/\$20/\$35 | Not covered | \$10/\$20/\$35 | Not covered |
| prescription drugs mail order generic/preferred brand/non-preferred brand (3 months supply)*** | \$20/\$40/\$60 | Not covered | \$20/\$40/\$60 | Not covered |
| benefits paid out-of-network | NA | Not covered | NA | Not covered |

*Deductible applies

**Must be filled at a network pharmacy to receive benefits. Must use mail order for prescriptions that require more than three fills.

***Must use mail order for prescriptions that require more than three fills.

Additionally, a new high deductible plan with an HRA will be available effective 1/1/06.

| | *CIGNA Dental Indemnity | CIGNA Dental PPO | |
|--------------------------------|--------------------------------|--------------------------------|----------------------|
| | | In Network | *Out of Network |
| Deductible** | \$50/\$150 | \$50/\$150 | \$75/\$225 |
| Annual Maximum | \$1,500 | \$1,500 | \$1,000 |
| Orthodontia (to age 19) | 50% up to \$1,500 lifetime max | 50% up to \$1,500 lifetime max | No coverage |
| Preventive Care | 0% | 0% | 10% |
| Basic Service | 20% after deductible | 20% after deductible | 30% after deductible |
| Major Service | 50% after deductible | 50% after deductible | 50% after deductible |

*Subject to usual and customary charges. Usual and customary charges are those fees that are normally charged for similar services and supplies in the same geographic area. Charges above usual and customary charges are your responsibility and are not applied to the deductible.

**Per Person/Per Family

Exhibit C
IBEW 1393 Healthcare Coverage for 2008

| | Arnett HMO (Lafayette) | Humana HMO Options 1-4 (Ohio/Kentucky) | Blue Preferred IN HMO Options 1-4 (Indiana) | SIHO HMO (Indiana) | Welborn HMO (Evansville) |
|--|--|---|---|---|---|
| usual and customary limits applied | No | No | No | No | No |
| deductible | None | None | None | None | None |
| copayment or coinsurance | office visit - \$30 emergency room - \$100 hospital admission - \$200 outpatient surgery - \$50 MRI & CAT scans - \$50 | PCP/Specialist visit -- Option 1 - \$20/\$20 Option 2 - \$20/\$20 Option 3 - \$30/\$50 Option 4 - \$30/\$50 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 | PCP/Specialist visit -- Option 1 - \$20/\$20 Option 2 - \$20/\$20 Option 3 - \$40/\$40 Option 4 - \$40/\$40 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 | office visit - \$20 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 | office visit - \$20 emergency room - \$75 hospital admission - \$100 outpatient surgery - \$50 MRI & CAT scans - \$50 |
| out-of-pocket maximum (includes deductible) | None | \$750 per individual/\$1,500 per family | \$750 per individual/\$1,500 per family | \$750 per individual/\$1,500 per family | None |
| lifetime maximum | None | None | None | None | None |
| prescription drugs retail generic/preferred brand/non-preferred (one month supply)** | \$12/\$24/\$45 | Option 1 - \$12/\$24/\$45 Option 2 - \$20/\$40/\$60 Option 3 - \$12/\$24/\$45 Option 4 - \$20/\$40/\$60 | Option 1 - \$12/\$24/\$45 Option 2 - \$20/\$40/\$60 Option 3 - \$12/\$24/\$45 Option 4 - \$20/\$40/\$60 | \$12/\$24/\$45 | \$12/\$24/\$45 |
| prescription drugs mail order generic/preferred brand/non-preferred (3 months supply)*** | \$24/\$48/\$75 | Option 1 - \$24/\$48/\$75 Option 2 - \$40/\$60/\$100 Option 3 - \$24/\$48/\$75 Option 4 - \$40/\$60/\$100 | Option 1 - \$24/\$48/\$75 Option 2 - \$40/\$60/\$100 Option 3 - \$24/\$48/\$75 Option 4 - \$40/\$60/\$100 | \$24/\$48/\$75 | \$24/\$48/\$75 |
| benefits paid out-of-network | No | No | No | No | No |

| | Preferred Provider Organization (PPO) | | | |
|--|--|---|--|---|
| | UnitedHealthcare (UHC) | | | |
| | UHC PPO High | | UHC PPO Medium | |
| | In network | Out of network | In network | Out of network |
| usual and customary limits applied | No | Yes | No | Yes |
| Deductible (applies to coinsurance %) | \$250/\$625 | \$500/\$1,250 | \$550/\$1,375 | \$1,100/\$2,750 |
| copayment or coinsurance (%) | office visit - \$20 emergency room - \$75 hospital admission - 10%* outpatient surgery - 10%* MRI & CAT scans - 10%* | office visit - 30% emergency room - \$75 hospital admission - 30%* outpatient surgery - 30%* MRI & CAT scans - 30%* | office visit - \$25 emergency room - \$75 hospital admission - 20%* outpatient surgery - 20%* MRI & CAT scans - 20%* | office visit -40%* emergency room - \$75 hospital admission-40%* outpatient surgery - 40%* MRI & CAT scans - 40%* |
| out-of-pocket maximum (includes deductible) | \$1,500/\$3,750 | \$3,000/\$7,500 | \$1,650/\$4,125 | \$3,300/\$8,250 |
| lifetime maximum | \$2 million total | | \$2 million total | |
| prescription drugs retail generic/preferred brand/non-preferred brand (one month supply)** | \$12/\$24/\$45 | Not covered | \$12/\$24/\$45 | Not covered |
| prescription drugs mail order generic/preferred brand/non-preferred brand (3 months supply)*** | \$24/\$48/\$75 | Not covered | \$24/\$48/\$75 | Not covered |
| benefits paid out-of-network | NA | Not covered | NA | Not covered |

*Deductible applies

**Must be filled at a network pharmacy to receive benefits. Must use mail order for prescriptions that require more than three fills.

***Must use mail order for prescriptions that require more than three fills.

Additionally, a new high deductible plan with an HRA will be available effective 1/1/06.

| | *CIGNA Dental Indemnity | CIGNA Dental PPO | |
|-------------------------|--------------------------------|--------------------------------|----------------------|
| | | In Network | *Out of Network |
| Deductible** | \$50/\$150 | \$50/\$150 | \$75/\$225 |
| Annual Maximum | \$1,500 | \$1,500 | \$1,000 |
| Orthodontia (to age 19) | 50% up to \$1,500 lifetime max | 50% up to \$1,500 lifetime max | No coverage |
| Preventive Care | 0% | 0% | 10% |
| Basic Service | 20% after deductible | 20% after deductible | 30% after deductible |
| Major Service | 50% after deductible | 50% after deductible | 50% after deductible |

*Subject to usual and customary charges. Usual and customary charges are those fees that are normally charged for similar services and supplies in the same geographic area. Charges above usual and customary charges are your responsibility and are not applied to the deductible.

**Per Person/Per Family

Exhibit D

IBEW 1393 Healthcare Coverage for 2009 and 2010

| | Arnett HMO (Lafayette) | Humana HMO Options 1-4 (Ohio/Kentucky) | Blue Preferred IN HMO Options 1-4 (Indiana) | SIHO HMO (Indiana) | Welborn HMO (Evansville) |
|--|--|---|---|--|--|
| usual and customary limits applied | No | No | No | No | No |
| deductible | None | None | None | None | None |
| copayment or coinsurance | office visit - \$30 emergency room - \$100 hospital admission - \$200 outpatient surgery - \$75 MRI & CAT scans - \$75 | PCP/Specialist visit – Option 1 - \$30/\$30 Option 2 - \$30/\$30 Option 3 - \$40/\$55 Option 4 - \$40/\$55 emergency room - \$100 hospital admission - \$125 outpatient surgery - \$75 MRI & CAT scans - \$75 | PCP/Specialist visit – Option 1 - \$30/\$30 Option 2 - \$30/\$30 Option 3 - \$45/\$45 Option 4 - \$45/\$45 emergency room - \$100 hospital admission - \$125 outpatient surgery - \$75 MRI & CAT scans - \$75 | office visit - \$30 emergency room - \$100 hospital admission - \$125 outpatient surgery - \$75 MRI & CAT scans - \$75 | office visit - \$30 emergency room - \$100 hospital admission - \$125 outpatient surgery - \$75 MRI & CAT scans - \$75 |
| out-of-pocket maximum (includes deductible) | None | \$1000 per individual/\$2000 per family | \$1000 per individual/\$2000 per family | \$1000 per individual/\$2000 per family | None |
| lifetime maximum | None | None | None | None | None |
| prescription drugs retail generic/preferred brand/non-preferred (one month supply)** | \$18/\$35/\$55 | Option 1 - \$18/\$35/\$55 Option 2 - \$28/\$50/\$75 Option 3 - \$18/\$35/\$55 Option 4 - \$28/\$50/\$75 | Option 1 - \$18/\$35/\$55 Option 2 - \$28/\$50/\$75 Option 3 - \$18/\$35/\$55 Option 4 - \$28/\$50/\$75 | \$18/\$35/\$55 | \$18/\$35/\$55 |
| prescription drugs mail order generic/preferred brand/non-preferred (3 months supply)*** | \$36/\$70/\$90 | Option 1 - \$36/\$70/\$90 Option 2 - \$56/\$75/\$115 Option 3 - \$36/\$70/\$90 Option 4 - \$56/\$75/\$115 | Option 1 - \$36/\$70/\$90 Option 2 - \$56/\$75/\$115 Option 3 - \$36/\$70/\$90 Option 4 - \$56/\$75/\$115 | \$36/\$70/\$90 | \$36/\$70/\$90 |
| benefits paid out-of-network | No | No | No | No | No |

| | Preferred Provider Organization (PPO) UnitedHealthcare (UHC) | | | |
|--|---|--|---|--|
| | UHC PPO High | | UHC PPO Medium | |
| | In network | Out of network | In network | Out of network |
| | | | | |
| usual and customary limits applied | No | Yes | No | Yes |
| Deductible (applies to coinsurance %) | \$275/\$700 | \$550/\$1400 | \$575/\$1400 | \$1150/\$2900 |
| copayment or coinsurance (%) | office visit - \$30 emergency room - \$100 hospital admission - 10%* outpatient surgery - 10%* MRI & CAT scans - 10%* | office visit - 30% emergency room - \$100 hospital admission - 30%* outpatient surgery - 30%* MRI & CAT scans - 30%* | office visit - \$40 emergency room - \$100 hospital admission - 20%* outpatient surgery - 20%* MRI & CAT scans - 20%* | office visit -40%* emergency room - \$100 hospital admission-40%* outpatient surgery - 40%* MRI & CAT scans - 40%* |
| out-of-pocket maximum (includes deductible) | \$1650/\$4200 | \$3300/\$8300 | \$1750/\$4400 | \$3450/\$8600 |
| lifetime maximum | \$2 million total | | \$2 million total | |
| prescription drugs retail generic/preferred brand/non-preferred brand (one month supply)** | \$18/\$35/\$55 | Not covered | \$18/\$35/\$55 | Not covered |
| prescription drugs mail order generic/preferred brand/non-preferred brand (3 months supply)*** | \$36/\$70/\$90 | Not covered | \$36/\$70/\$90 | Not covered |
| benefits paid out-of-network | NA | Not covered | NA | Not covered |

*Deductible applies

**Must be filled at a network pharmacy to receive benefits. Must use mail order for prescriptions that require more than three fills.

***Must use mail order for prescriptions that require more than three fills.

Additionally, a new high deductible plan with an HRA will be available effective 1/1/06.

| | *CIGNA Dental Indemnity | CIGNA Dental PPO | |
|--------------------------------|--------------------------------|--------------------------------|----------------------|
| | | In Network | *Out of Network |
| Deductible** | \$50/\$150 | \$50/\$150 | \$75/\$225 |
| Annual Maximum | \$1,500 | \$1,500 | \$1,000 |
| Orthodontia (to age 19) | 50% up to \$1,500 lifetime max | 50% up to \$1,500 lifetime max | No coverage |
| Preventive Care | 0% | 0% | 10% |
| Basic Service | 20% after deductible | 20% after deductible | 30% after deductible |
| Major Service | 50% after deductible | 50% after deductible | 50% after deductible |

*Subject to usual and customary charges. Usual and customary charges are those fees that are normally charged for similar services and supplies in the same geographic area. Charges above usual and customary charges are your responsibility and are not applied to the deductible.

**Per Person/Per Family

**ADDENDUM TO THE
LABOR AGREEMENT
BETWEEN
PSI ENERGY, INC.
AND
LOCAL UNION NO. 1393 OF THE
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS**

It is agreed by and between PSI Energy, Inc. (hereinafter referred to as the "*Company*") and Local Union No. 1393 of the International Brotherhood of Electrical Workers (hereinafter referred to as the "*Union*") that a post-retirement health reimbursement account (hereinafter referred to a "*HRA*") option (the "*HRA Option*") will be offered to all current, full-time employees represented by the Union as follows:

1. In 2004, all current, full-time employees represented by the Union were offered 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; additionally, in spring 2006, an additional opportunity to enroll in the HRA Option will be offered to all then current, full-time employees represented by the Union who, in 2004, defaulted into the Traditional Option because they did not make an affirmative choice during the 2004 choice period.
2. 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 hereinafter be referred to as a "*HRA Participant*."
3. 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 (Attachment "B").
4. Subject to any collective bargaining obligation set forth in paragraph 6 hereof, 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.

5. 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. Each month, the Company will also credit each eligible HRA Participant's bookkeeping account with an 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 was 5.31%, for 2005, the rate is 5.06%. 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. As with 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:

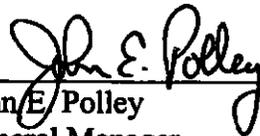
- a. If a HRA Participant retires after attaining age 50 with five (5) years of Service (as defined in the applicable Pension Plan), the amounts credited to the HRAs generally can be used for the qualified medical expenses, as defined in Section 213(d) of the Internal Revenue Code, of the retiree and 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.
 - 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.
6. For the term of the current collective bargaining agreement, the Company agrees not to amend, modify or terminate retiree health care benefits for any active employees covered by the current collective bargaining agreement or any such active employees who retire during the term of the current collective bargaining agreement. 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.

Dated this _____ day of April, 2005.

PSI Energy, Inc.

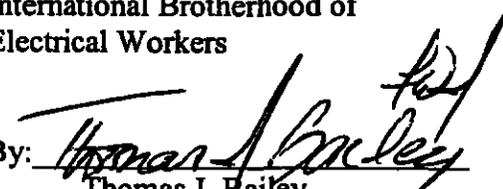
By: _____



John E. Polley
General Manager
Labor Relations

Local Union No. 1393 of the
International Brotherhood of
Electrical Workers

By: _____



Thomas J. Bailey
Business Manager

ATTACHMENT "A"

Frequently asked questions regarding the HRA Option:

1. Will an employee be able to elect the HRA Option upon retirement?
 - A. No. A one-time election took place in 2004. A second choice window will be offered in the spring of 2006 for employees who defaulted into the Traditional Option because they did not make an affirmative choice during the 2004 choice period.

2. 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 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)...”

3. What happens to the HRA balance upon disability or extended leave from the Company?
 - A. See Paragraph 5(e) of the Agreement

4. What happens to the HRA balance in the event of a termination of employment?
 - A. See Paragraph 5 of the Agreement
5. What happens to the HRA balance if I die while actively employed?
 - A. See Paragraphs 5(c) and 5(d) of the Agreement. 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).
6. 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.
7. 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.
8. 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.
9. Who will administer the HRA account balances?
 - A. Currently, Hewitt Associates is administering HRA account balances. The Company reserves the right to change administrator's at any time.
10. 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 Paragraphs 4 and 6 of the Agreement regarding the Company's ability to amend.

11. 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.

12. Would interest on the HRA account continue to accrue after an employee retires?
 - A. No. Interest credits cease upon retirement.

13. If two Cinergy employees are married, can they make different elections with respect to the HRA Option?
 - 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.

ATTACHMENT "B"

Summary of the Traditional Option

Employees hired before January 1, 2005 who elect (affirmatively or by default) the Traditional Option and who retire from the company on or after attaining age 50 with at least five (5) years of Service (as defined under the applicable Pension Plan) may be entitled to a post-retirement health care subsidy from the company dependent on their employer on 1/1/1997, their age on 1/1/1997 and their years of service at retirement.

Subsidy Schedule:

| Years of Service at Retirement | <ul style="list-style-type: none"> • All Employees hired on or after 1/1/1997 • Employees of CG&E on 1/1/1997 (any age) • Employees of PSI as of 1/1/1997 who were age 39 and under (Pre-65 subsidy only) | Employees of PSI as of January 1, 1997 who were in an age range set forth below | | |
|--------------------------------|--|---|--|--|
| | | Age 40 to 49 (Pre-65 subsidy only) | Age 50 to 54 (Pre-65 subsidy only + \$42.60 Medicare Part B Reimb.) & \$5,000 Retiree Life Insurance | Age 55 or Older (Pre-65 and Post-65 subsidy + Medicare Part B Reimb. at 100%) & \$5,000 Retiree Life Insurance |
| 30 | 50% | 70% | 80% | 90% |
| 29 | 45% | 67% | 78% | 89% |
| 28 | 40% | 64% | 76% | 88% |
| 27 | 35% | 61% | 74% | 87% |
| 26 | 30% | 58% | 72% | 86% |
| 25 | 25% | 55% | 70% | 85% |
| 24 | 20% | 52% | 68% | 84% |
| 23 | 15% | 49% | 66% | 83% |
| 22 | 10% | 46% | 64% | 82% |
| 21 | 5% | 43% | 62% | 81% |
| 20 | 0% | 40% | 60% | 80% |
| 19 | 0% | 37% | 58% | 79% |
| 18 | 0% | 34% | 56% | 78% |
| 17 | 0% | 31% | 54% | 77% |
| 16 | 0% | 28% | 52% | 76% |
| 15 | 0% | 25% | 50% | 75% |
| 14 | 0% | 22% | 48% | 74% |
| 13 | 0% | 19% | 46% | 73% |
| 12 | 0% | 16% | 44% | 72% |
| 11 | 0% | 13% | 42% | 71% |
| 10 | 0% | 10% | 40% | 70% |
| 9 | 0% | 10% | 40% | 70% |
| 8 | 0% | 10% | 40% | 70% |
| 7 | 0% | 10% | 40% | 70% |
| 6 | 0% | 10% | 40% | 70% |
| 5 | 0% | 10% | 40% | 70% |



ATTACHMENT

May 1, 2002

Mr. Thomas J. Bailey
Business Manager
Local Union No. 1393
International Brotherhood
of Electrical Workers
1038 E. Washington St.
Indianapolis, IN 46202

Dear Joe:

This will confirm the understanding reached between PSI Energy, Inc., (Company) and Local Union No. 1393 of the International Brotherhood of Electrical Workers, (Union) during the contract negotiations, in April 2002 concerning Storm Damage Service Restoration.

The Company and Union agree that a union Employee assigned to work extended periods of time to perform Storm Damage Service Restoration, as designated by the Company, will be entitled to up to eight hours rest time at Straight Time Pay during each 24-hour period of the assignment, whether the rest time is during or outside the Employee's Regularly Scheduled Work Hours, and one and one-half times Straight Time Pay for all hours worked during the assignment or two times Straight Time Pay as provided for by Section 10.3.

This Agreement will remain in effect until either the Company or the Union provides a written notice to the other party of their intent to terminate the Agreement at least 30 days prior to the effective date.

Sincerely,

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

John E. Polley
General Manager
Labor Relations