

K# 6054

**2007- 2012
LABOR CONTRACT**

Between

**Washington Gas Light Company
Shenandoah Gas Division**



**Washington
Gas**

And



**International Brotherhood of Teamsters
Local 96**

**Effective June 14, 2007
Expires July 31, 2012**

LABOR CONTRACT
Washington Gas Light Company
And
Teamsters Local 96 Shenandoah

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LABOR CONTRACT
Washington Gas Light Company
Shenandoah Gas Division
And
International Brotherhood of Teamsters Local No. 96

AGREEMENT made and entered into by **WASHINGTON GAS LIGHT COMPANY – Shenandoah Gas Division**, Party of the first part, hereinafter referred to as the “Company,” its successors and assigns, with **INTERNATIONAL BROTHERHOOD OF TEAMSTERS, Local No. 96**, party of the second part, hereinafter referred to as the “Union”.

WHEREAS, the parties hereto recognize that the Company is a public utility engaged in the distribution of gas and has obligations to the public and to its shareholders, itself and its employees to operate efficiently and economically, and to maintain adequate and uninterrupted service to the public;

NOW, THEREFORE, THE PARTIES HERETO MUTUALLY AGREE AS FOLLOWS:

ARTICLE I
Union Recognition

The Company recognizes the Union as the sole and exclusive bargaining agent in respect to rates of pay, hours of work, and other conditions of employment, for all employees of the Company who are included in the bargaining unit defined by the National Labor Relations Board in its Notice of Election, providing among other things the time of election as February 7, 1986, and Certification of Representative, dated February 21, 1986.

ARTICLE II
Union Membership, Checkoff

The Company will honor a voluntary written request by a Union eligible employee, as defined in Article I, which authorizes the Company to deduct from that employee’s wages a specified sum of money for monthly Union dues and initiation fees which the Company will remit to a designated Union officer. The deduction for monthly Union dues will be made from the first payday in each month or any subsequent payday within the month if no wages are due on the first payday. Dues deducted shall be remitted (together with the last four digits of the employee’s social security number) to the Secretary-Treasurer of the Union not later than the third Friday of the calendar month in which such dues are deducted and any dues deducted subsequent to the first payday shall be forwarded to the Union on or before the third Friday of the following month. The Union will deliver to the Company all new dues deduction authorizations to become effective in the following month on or before the twentieth day of the current month. (Copy of deduction authorization attached as Annex B.)

The foregoing language of the above paragraph of this Article shall be deemed to be of no force and effect to the extent to which the making or enforcement of such provisions is contrary to the laws of the Commonwealth of Virginia, as to employees who perform work in the Commonwealth of Virginia.

ARTICLE III Union Activity

1. There shall be no discrimination, interference, restraint, or coercion by the Company or any of its agents against members of the Union because of membership therein.

2. Except as provided in Article III, Section 5 and Section 7, Article XVIII, and Article XXI hereof, Union activities shall not be conducted by employees or by the Union on the Company's property on the Company's time, or elsewhere on the Company's time, but may be conducted on the Company's property on employee's time, provided, however, that the Union may not hold mass meetings on the Company's property, and that there shall be no interference with employees on duty.

3. **Shop Stewards:** The Company will recognize a Head Shop Steward and Shop Stewards, duly designated by the Union. The Union will furnish the Company the names of the Head Shop Steward and Shop Stewards and notify the Company in writing of any changes made thereafter at the time such changes are made.

4. **Time Off:** The Company will grant time off without pay for a period not to exceed 240 hours for the term of this Contract without loss of seniority because of such time off to members of the Union for the purposes of attending local and international Union educational meetings and conventions, provided the Union first gives the Company a minimum of three (3) weeks written notice of the period of the time off and the name or names of its members who are requesting such time off. In the event that a union shop steward or other union-eligible employee in the Shenandoah Division bargaining unit becomes an officer or Executive Board member of Teamsters Local 96, time off for union business shall be governed by the leave of absence provisions of Annex UB of this contract. Otherwise, any leave of absence taken by any member of the bargaining unit at Shenandoah Gas for purposes specified in this section shall be from the 240 available hours of leave as specified above.

5. **Labor-Management Conferences:** The Company shall compensate up to two (2) Union representatives attending Labor-Management Conferences called by the Company. The Union will be responsible for compensating (including reasonable travel time) bargaining unit-eligible employees who attend labor/management conferences held at the request of the Union.

The parties agree to meet quarterly, or more often as circumstances may require, to discuss general issues of mutual concern. Each such scheduled meeting shall be considered a Labor/Management Conference held at the request of management. Teamsters Local 96 shall designate 4 members of its Executive Board and one steward from the Shenandoah Gas bargaining unit to attend each general issues meeting. Each party shall create an agenda of issues to be discussed at such meetings and shall transmit such agenda to the other party one week in advance of each meeting.

6. **Bulletin Boards:** The Union shall be permitted to use designated bulletin boards for the purpose of posting notices concerning official Union business, each of which shall bear the seal of the Union. Such notices shall not be of an external political nature and shall not have any derogatory or inflammatory content. Each notice shall be signed by the Secretary of the Union before posting.

7. Civil Rights Committee: The Company agrees to recognize a Civil Rights Committee to be appointed by the Union. Upon request and at mutually convenient times, the Company will meet with such Civil Rights Committee to discuss matters pertaining to the civil rights of employees.

ARTICLE IV Strikes, Lockouts, etc.

1. The Union agrees that during the term of this Contract it shall not engage or participate in, authorize or sanction any strike whatsoever, including any sit down, sit-in, sympathetic strike, walk-out, or any other kind; that it shall not authorize any work stoppages, continuous meetings involving work stoppages, picketing of any of the Company's plants or premises, and no limit on or curtailment of, production of any employee's machine or work, or any interference from the Union in the matter of maximum output per man or woman, or interference in any way with the operation and conduct of the Company's business. It is agreed and understood that the Union shall not be liable for any strike, work stoppage or other interference with the conduct of the Company's business operations as above set forth, or for breach of this Contract, provided that the Union has not authorized or ratified such strike, work stoppage, interference, or other breach.

2. The Company agrees that during the term of this Contract there shall be no lockout of the employees.

3. The Union agrees to use its influence to encourage employees who are members of the Union to perform loyal and efficient work and service, to improve their efficiency and productivity, to utilize their time and all equipment furnished by the Company to the best of their advantage, to protect the Company's property and interest, and to cooperate with the Company and all employees in promoting the welfare of the Company and improving its service.

4. The Union further agrees that should there be any unauthorized work stoppage, wildcat strike, or other interference with production by employees who are members of the Union, the Union will use its best efforts to induce such employees to return to their employment and to discontinue such stoppage, and will notify the Company in writing that such stoppage is not authorized or sanctioned by the Union.

5. Non-Company Related Strikes/Lockouts. When a union-eligible employee encounters a picket line on or near any customer's premises, the employee is not required to cross such picket line to serve a customer when to do so may create an unnecessary safety risk for such employee. However, the parties recognize the long-standing Washington Gas policy that customer, public and employee safety is of paramount importance. Accordingly, the employee should request the assistance of a supervisor in such circumstances or request that the assignment be rescheduled. However, if the circumstances require the assignment to be handled immediately, the company shall require the employee, with the assistance of a supervisor and/or other resources, to complete the assignment without delay.

ARTICLE V

Functions of Management

1. General: The parties agree that the Company must remain competitive while pursuing opportunities for growth in this era of increasing competition in the natural gas industry and that the Company must provide the best energy value – a superior product and quality service at a competitive price. The parties, therefore, agree that the supervision and control of all operations of the Company and the direction of all working forces, including, but not limited to, the power and right to hire, train, suspend, discipline, lay off, promote, demote, transfer, set reasonable performance and production standards for all job classifications, set job proficiency standards in accordance with the position's job description, to assign Company tools, equipment and vehicles for such business purposes that the Company may deem appropriate, and to otherwise maintain discipline and improve efficiency among the employees, are vested solely in the Company. The Company shall also have the exclusive and unrestricted right to: determine the number and qualifications of employees to be employed and to be assigned to specific jobs and to determine the extent and manner of their training and testing. All of the rights, powers, and authority possessed by the Company prior to the signing of the Contract are retained by the Company, except those specifically granted or modified by this Contract.

2. Discharge: (a) The Company may discharge an employee for any just cause including, but not limited to, the following: dishonesty, incompetence, sale, distribution, possession or use of any alcoholic beverage during working hours, working or reporting for work while under the influence of or with any evidence of having partaken of any alcoholic beverage, the selling, distribution, possession or use of illegal drugs on Company property (including Company vehicles or private vehicles being used for Company business purposes) or during working hours, working or reporting for work under the influence of illegal drugs, violation of the Company and Department of Transportation (D.O.T.) "zero tolerance" drug and alcohol testing standard which is attached as Annex D to this Contract, misbehavior in public or on customer or Company premises (includes making threats to commit violence or physical injury against any member of the public, any Company or Contractor employee, or making threats to damage Company facilities or property), insubordination, failure to carry out instructions of supervisors to the best of his/her ability, or refusal to carry out instructions of supervisors, violation of the Company's safety policies and procedures, or violation of any applicable provision of this Contract.

(b) In the event of the discharge of an employee covered by this Contract, the discharged employee shall be given the reason(s) for his/her discharge, and the Company shall notify the employee in the presence of the Head Shop Steward, or if he/she is not available, a Shop Steward, except that when none is available, such notification will be given to the Head Shop Steward and the President of the Union in writing as early as possible. In instances where an employee is notified by letter of his/her discharge, a copy of the letter will be forwarded to the Head Shop Steward and the President of the Union at the same time.

(c) When a discharged employee or the Union believes that his or her discharge was not for sufficient and reasonable cause, the employee or the Union, or both, shall file a grievance in writing with the appropriate department head noting such discharge, the date of same, and the reason and basis for such grievance. Such grievance will then be subject to review and final determination in accordance with the procedure for adjusting controversies provided in

Article XVIII of this Contract. If it is determined, after investigation, that the cause of discharge was insufficient and unreasonable, the Company shall reinstate said employee to his or her former position without the loss of seniority or pay.

(d) Any grievance relative to discharge must be filed in writing as required in Section (c) above within five (5) working days of the time that the Head Shop Steward is notified of the discharge, or the matter will be considered closed. Once closed, neither the employee nor the Union shall have any recourse to the grievance or arbitration process following such discharge.

3. Disciplinary Final Warning of Discharge: If the Company gives an employee a Disciplinary Final Warning of Discharge, the employee shall be given the reason(s) for the Disciplinary Final Warning of Discharge in the presence of a Head Shop Steward, or in the presence of a Union officer, except that when neither is available, such notification will be given to the Shop Steward and the President of the Union shall be notified electronically or telephonically.

4. Suspension: Any loss of working time by disciplinary action shall be considered a suspension. In cases where the Company disciplines an employee by suspension, notice to the employee of the suspension shall be given to such employee in the presence of any shop steward. If a shop steward is not available the Company will notify the Union as soon as reasonably possible. If it is determined after investigation that (a) a suspension was unwarranted, the employee shall be reinstated to his or her former position without loss of seniority and pay, or (b) the length of suspension was unreasonable, the Company shall modify the suspension, with corresponding adjustments in pay. The Company will make every reasonable effort to notify employees suspended pending investigation within three (3) working days of any disciplinary action to be taken, except in cases involving drugs. In drug cases, the Company will make such notifications as soon as reasonably possible.

5. Demotion: The Company may demote any employee for any just cause. This Section shall not be construed to be a limitation upon the Company's right to demote any employee in connection with a layoff, discontinued job classification or excess in classification under Article VI of this Contract.

6. Formal Performance Counseling: When it appears to an employee's supervisor that such employee is at risk for receiving an overall performance appraisal rating that is below "competent," the supervisor shall notify the employee, in the presence of a shop steward, of such risk. The supervisor shall, where possible, also give the employee a reasonable opportunity to correct specific problem(s) before giving the employee his performance appraisal.

7. Probationary Period for New Employees: All new employees shall be considered probationary employees until they have completed ten (10) months of employment without a break in service as defined in Article VI, Section 4. The Company reserves the right to terminate their employment if, in the opinion of the Company, any aspect of the new employee's performance, productivity, behavior or attendance is not satisfactory during such probationary period. Neither the employee nor the Union shall have any recourse to the grievance or arbitration process following such action. The Company shall, where possible, notify the Union

of its intent and/or decision to discharge a probationary employee one (1) workday in advance of such discharge. The provisions of Section 6 above shall not apply to probationary employees.

ARTICLE VI

Seniority and Job Posting

1. Length of Company service within hourly rated job classifications shall govern in all cases of promotions (excluding temporary transfers) and increases of the working force where the employees seeking the promotion or vacancy created by the increase in the working force:

- (a) Meet the job requirements set forth in the applicable job description and have successfully passed the related training/certification requirements, and;
- (b) Are relatively equal in ability, skill, efficiency, and knowledge of assigned and related duties of the job they seek, and;
- (c) Have relatively equal performance appraisals, disciplinary action and attendance records.

If two or more employees who are seeking a promotion or vacancy have the same bargaining unit seniority, the employee with the highest test score will be selected for the promotion/vacancy. If no test is involved in the selection process, then the promotion/vacancy will be determined by alphabetical order by last name (then first name if employees have the same last name). In cases other than promotions where there is a conflict relative to seniority, the Company and the Union will examine such cases individually and agree on a basis which will resolve all pertinent factors in a fair and equitable manner.

2. If no bargaining unit-eligible employee in the Company meets the job requirements set forth in the applicable job description, the Company may consider and select (but is not required to select) the best qualified applicant from within the bargaining unit or outside the bargaining unit. In making such selection, the Company does not, with respect to any matter of job selection in the future, waive its right to require employees to meet job requirements set forth in applicable job descriptions and to have successfully passed the related training/certification requirements. The Company shall apply the "relatively equal" criteria set forth in Section 1 (b) – (c) above in making such selections.

3. **Job Posting:** Whenever a vacancy exists (other than a temporary transfer) and the employee with the most seniority is not to be selected, notice of the vacancy will be posted on the bulletin boards for a period of seven (7) calendar days. Also, the Company will, upon request of a Shop Steward and within five (5) work days after such selection, provide each such senior applicant (via the requesting Shop Steward) the reason(s) that such applicant was not selected. A copy of such notification shall be sent to the Union office. A copy of each such posting shall be forwarded to the Union office. By agreement between the Company and the Union, the posting provision may be waived.

Within ten (10) calendar days after the posting period, the Company will notify the Union of any employee selected. Where it is impractical to make a selection within ten (10) days, the Company shall advise the Union when the selection will be made. The same vacancy will not be posted within three (3) months unless the Company determines it shall be posted sooner than

said three (3) months. Any employee absent from work during the posting period shall be permitted to file an application within five (5) calendar days after returning to work for subsequent vacancies in this same job.

4. Break in Service: Continuity of service shall be broken when:

- (a) An employee voluntarily leaves the Company's employ;
- (b) An employee is discharged for cause in accordance with the provision of Article V;
- (c) An employee fails to report for work at termination of leave of absence or PTO and has no reasonable excuse for such failure to report for work;
- (d) An employee is laid off due to lack of work for a period of more than two (2) years.

5. Layoffs: An employee laid off for not more than two (2) years shall be recalled, in direct order of seniority, if a vacancy in a bargaining unit job for which he/she is qualified occurs in the Company. If an employee accepts temporary employment within the Company to avoid an impending layoff, he/she shall have the same recall rights that would have applied had the layoff occurred. Notification of the vacancy will be made by registered letter, return receipt requested, to the employee's last Company-record address and by regular mail to the Union. The employee shall accept such employment recall in writing which shall be delivered to the Company within five (5) days of receipt of such letter by the employee. If the employee fails to properly notify the Company of his/her acceptance or the letter of vacancy is undeliverable, the employee's name shall be removed from the Company's roll and the employee shall have no further recall rights.

6. Discontinued Job Classification/Excess in Classification: Consistent with its Article V right to direct the working force, the parties recognize that the Company has the right to declare an excess in any one or more bargaining unit job classifications. Further, the Company agrees to inform the union of its intention to discontinue any business unit as soon as practicable after the decision to discontinue is made. In the event of the discontinuance of a job classification by the Company or the Company declares an excess in classification, affected employees may exercise bumping rights to another job classification, provided they are qualified within the meaning of Article VI, Sections 1(a) and (b), without loss of the seniority accumulated by them, and at their present rate or the minimum rate for the new job classification whichever is greater, but in no case at a rate exceeding the maximum rate for the job classification to which they have bumped. If an affected employee is qualified for another job classification and a vacancy does not exist in such job classification, provision for such affected employee shall be made by bumping employees out of such affected job classification who have less seniority. Any employee who is bumped out of any classification shall also have bumping rights under this Section.

Employees bumping into lower classifications will be reinstated in the higher classifications in the reverse order in which they were bumped in the event a job vacancy occurs within those classifications during the twenty-four (24) month period immediately following such bumping. Under no circumstances shall any employee be permitted to "bump up."

When an employee exercises a seniority-based bumping right under this section, such right is limited to bump to a job of equal or lower grade.

In cases where two (2) or more employees have the same seniority date, the Company and the Union will examine such cases and agree on a basis which will resolve all pertinent factors in a fair and equitable manner.

7. Temporary Transfers: The Company shall have the right to temporarily transfer (upgrade, lateral or downgrade) qualified available employees within the Company as required by business or operating needs. If the Company continues to fill a temporary transfer position beyond six (6) months, the Company will post such position in accordance with the provisions of this Article.

8. Attendance Rating: Employees must have a current attendance rating of "competent" (see "Annex AG") or above to be eligible for promotion, lateral transfer, TT upgrade or to attend any qualifying school.

ARTICLE VII Hours of Work and Overtime

1. Except as may be provided elsewhere in this Contract, the normal workday shall consist of eight (8) hours and the normal workweek for full-time employees shall consist of five (5) days. The payroll week shall commence at 12:01 AM Monday. The first five (5) scheduled normal workdays in the payroll week (Monday through Sunday) shall constitute the normal workweek for full-time employees.

2. Four 10-Hour Days: The parties recognize that, under some circumstances, the Company or employees may desire a full-time, four-days-a-week, 10-hours-a-day work schedule. For employees working this "four 10s" schedule, the normal workday shall be ten (10) hours and the normal workweek shall be four (4) days. The Company retains the right to determine which employees or operations will be allowed to operate under such schedule. In the event that, following its approval to operate under such schedule, the Company, in its sole discretion, later determines that particular employees or operations will no longer be allowed to work under such schedule, the Company will give reasonable notice that such schedule is suspended or canceled and the affected full-time employee (s) will return to the normal 8-hour workday and normal 5-day workweek schedule. For rules governing the "four tens" schedule, see "Annex FT."

3. The Company agrees to maintain normal workdays and normal workweeks throughout the Company, consistent with its duty as a public utility to provide an adequate and uninterrupted supply of gas and service. Both parties recognize, however that even in the regular operations, the Company may be required to extend workdays and/or workweeks due to factors including, but not limited to, emergencies, shortages of personnel or materials, seasonal demands, unseasonably cold weather, requirements of state or federal regulatory agencies, the need to meet contractor, builder and/or current or future customer requirements, and/or other circumstances which may arise in the course of the business of the Company. Extension of the workday or workweek and assignment of personnel to cover these extensions shall be determined solely by the Company.

4. Recording Work Hours: Employees are to report to work at the beginning of their work shift. Authorized time worked after or before their normal work shift shall be recorded in fifteen (15) minute (1/4 hour) increments and will be recorded when at least five (5) minutes of the quarter hour have been worked.

5. Weekly Overtime: Employees shall be compensated for all hours worked over forty (40) hours in a payroll week at time and one-half. Before any employee may receive weekly overtime, he/she will have actually worked forty (40) regular hours in such payroll week, provided, however, that when any of the following situations occurs in any payroll week, such situation(s) shall be counted as time worked for purposes of this section:

- Holidays not worked.
- Administrative time off after having worked in excess of 16 continuous hours. (employees shall be granted a 10-hour break after having worked 16 or more continuous hours. Any part of their next, regularly scheduled shift that falls within that 10-hour break period shall be considered "administrative time off" and shall be considered "time worked" for purposes of this section.)
- Paid Time Off (PTO) that is scheduled and approved.

6. Distribution of Overtime: Overtime work shall be divided as equally as possible among all employees who normally perform the work which is the subject of overtime.

7. Emergency Work: (a) When an employee is called out from home for emergency work during other than his/her regular working hours, he/she shall be paid for such emergency work at the emergency work rate of time and one-half or double time if he/she reports for work on his/her second unscheduled day of work. Pay shall begin from the time the employee receives the call and shall end at the time the employee returns home after completing the assignment(s). While on such emergency assignment(s), the Company may dispatch the employee to perform additional emergency work and shall continue to pay the employee for all hours actually worked at the rate(s) described above, provided however, that the Company shall pay the employee a minimum of 3 hours pay, including travel time, for each incident of emergency work. An "incident" may include a number of separate assignments and is defined as the time the employee receives the call at home to the time the employee returns home following completion of the emergency assignment(s). The employee is expected to respond promptly and without any unnecessary delay after receipt of the call.

(b) No employee shall be paid both weekly overtime and emergency overtime rates for the same hours of work and no employee shall receive any allowance for travel time when the employee is provided transportation by the Company.

8. Change in Schedule: When a full-time employee's normal workdays are changed with a corresponding change in assigned days off, he has had a change in schedule. When an employee is required to work on scheduled days off without being assigned corresponding days off within the same payroll week, such requirement will result in weekly overtime provided that employee has worked forty (40) hours in the payroll week in accordance with Section 5 of this Article.

Any change in schedule (except as indicated below) for the regular days of work during any week shall be posted, and written notice given to the affected employee, five (5) calendar days prior to the effective date, except in emergencies where twenty-four (24) hours' notice is sufficient. In the event that such change of schedule is not posted, or such notice is not given, the time worked on the new schedule within the notice period shall be paid for at time and one-half. Written notice under this section may be provided by email, CAD, or by delivering such notice to the employee's station mail box or posting same on the station bulletin boards used for such purposes.

Changes in schedule under the following conditions shall not be subject to premium pay of time and one-half regardless of the amount of notice:

- (a) Illness of shift employee(s) requiring rescheduling to provide shift coverage or when a PTC request is made by an employee and granted by a supervisor less than 72 hours before such "unscheduled" PTO is taken.
- (b) Changes requested by employees for their own comfort or convenience, which changes are agreed to by the Company.
- (c) Changes of two (2) hours or less in starting time of a regular schedule.

This Section (Change of Schedule) shall not apply to employees working a flexible work schedule or to part-time employees.

9. On Call: (a) Employees who are scheduled to be on call shall be compensated \$35.00 per day plus the overtime rate for all hours actually worked. Employees who are scheduled to be supervisors on call shall be compensated \$35.00 per day. The overtime rate for all hours actually worked when called out on an emergency shall begin when the employee is called out and shall end when the employee has returned to his/her residence. The overtime rate for such emergency work is time and one-half or double time for work on the second unscheduled day of the payroll week (or double time for the third unscheduled day for an employee working a four (4) 10-hour day schedule). Employees at Grade A who work on call shall be compensated at the minimum Grade B wage rate or at the rate which is next above the employee's regular rate, whichever is higher, when called out on an emergency and while actually performing such on call duties.

(b) Employees will be removed from "On Call" status and pay if illness prevents their responding to emergency calls. Further, the employee "On Call" shall forfeit the daily On-Call pay if he does not meet the Company's requirements for emergency response (unless such failure is beyond his control). In the event of such forfeiture, such employee shall remain in the "On Call" status for the balance of his scheduled "On-Call" week.

(c) A radio equipped vehicle will be provided for transportation when the employee is "On Call." Employees must remain fit for duty at all times when "On Call" and must respond to emergency calls without any unreasonable delay and in a manner consistent with all applicable Company policies and procedures. Employees who fail to comply with these requirements will be subject to discipline, up to and including discharge.

(d). The length of "On Call" schedule is one (1) calendar week beginning at 8:00 a.m. Monday. "On Call" schedules will cover one (1) calendar year and be posted in December of each year.

(e) Sections 7 (a), (b) and (c) of this Article shall not apply to employees when "On Call."

10. Notification of Inability to Report for Work: Employees are expected to report to work every day they are assigned to do so. However, when an employee cannot report for work due to illness or any other cause, the employee shall personally (or through another person only when the employee is incapacitated) notify the immediate supervisor or designated business unit contact in advance and as soon as possible under the circumstances, but in no event less than 1 hour before the start of his/her shift. The employee must notify the supervisor/designated business unit contact in the manner prescribed herein each day the employee is unable to report for work. Real time communication by telephone or voicemail message to the supervisor or designated business unit contact person shall constitute "notification" hereunder.

Whenever any employee is absent, or expects to be absent due to illness or other disability for more than five work days, the employee must directly (or through another person when the employee is incapacitated) inform his/her supervisor or the supervisor on duty at the time the notice is given, where the employee may be reached and the approximate date the employee expects to return to work.

When an employee is able to return to work after an absence due to illness or other cause, the employee shall notify his/her immediate supervisor or designated business unit contact at least 24 hours in advance so that arrangements may be made to discontinue scheduling of substitute coverage. All notifications in this section are mandatory.

ARTICLE VIII

Work Force Flexibility

1. In order to achieve optimal flexibility in the direction and employment of all its work forces and/or to efficiently meet business and operating needs, the Company shall have the right to use one or more of the following options in directing its work force: (1) The employment, on a part-time basis (thirty (30) scheduled hours or less per week), of such complement of employees in such job classification(s) as the Company shall determine. The number of part-time employees will not exceed twenty-five percent (25%) of the total number of bargaining unit-eligible positions within the Company. Bargaining unit-eligible employees who are full-time employees as of the date of ratification of this Contract shall not be changed to part-time employees during the term of this Contract unless such employee voluntarily bids or applies for a part-time position; (2) Set up and utilize, on a voluntary basis, flexible work schedules; and (3) use temporary employees to meet short-term (not more than 89 days per temporary employee per calendar year) operating needs; (4) an "emergency flexibility" option in the event of a catastrophic event affecting Company operations at one or more Company facilities (see "Annex EF" for work rules applicable to this option) and, (5) any other options consistent with management rights as set forth in Article V of this Contract or such option(s) as may be required to meet municipal, state or federal laws or regulations.

The selection of one or more of these options (or any combination thereof) shall be the exclusive right of the Company and the Company shall have the right to use such option(s) in such manner and to such extent as the Company, in its sole discretion, shall determine.

2. The Company agrees that it will not lay off any full-time Shenandoah Gas division bargaining unit-eligible employee who is employed by the Company on the date of ratification of this Contract. This subsection does not replace or modify in any way Article XXIII of this Contract.

ARTICLE IX

Wages

1. (a) All employees covered by this Contract shall be compensated, effective upon ratification and signing, in accordance with the basic pay rates set forth in "Annex W", which by this reference is incorporated herein and made part hereof. For the duration of this Contract the hourly rates of pay, wage grades and job classifications for employees eligible for membership in the Union shall not be changed except as provided in this Contract.

(b) Eligibility for any GWI, Lump Sum Payment, Rate Step Increase, Temporary Transfer upgrade and/or ROE Payment requires a performance appraisal rated overall "Competent" or above. An employee who does not receive a general wage increase and/or rate step increase as a result of having received a less than "competent" overall performance appraisal rating will be restored, after having received overall performance appraisal ratings of competent or above for two consecutive future years, to the wage rate and step at which the employee would have been but for the less than competent rating. This provision shall not have any retroactive effect whatsoever and such employee shall not be entitled to any back pay.

(c) The Union agrees that as of the date of this Contract all jobs are properly classified and that there are no inequities with respect to the relationship between existing job classifications.

(d) After the date of this Contract, when new jobs are established, the job classifications and wage grades for such jobs shall be determined by the Company.

(e) In any individual case, the employee or the Union shall have the right to contest a decision made by the Company under the provisions of Subsection (c) of this Section, provided, however, that no such decision shall be submitted to arbitration except after appropriate discussion of such decision by and between the appropriate business unit head and the President of the Union and/or his/her designee.

2. **Rate Steps:** (a) A new employee without previous Company service shall be paid at the starting rate of pay of the grade to which the employee is assigned. Employees promoted shall be paid at the rate step which is next highest above their rate of pay prior to promotion, except that such promotions shall be to a rate step no less than 25 cents per hour above the employee's rate prior to promotion. Thereafter, the employee shall receive increases to the next higher rate step in that classification at the completion of the time intervals as described in Annex W, provided their performance is satisfactory.

(b) When an employee is (1) demoted, (2) reassigned for cause, or (3) transferred to a lower-graded job to give him/her employment, or at his/her request, he/she shall be placed in the highest pay rate step of the lower graded job which is equal to or less than the rate which the employee was being paid in the higher graded job.

(c) The Company reserves the right to hire external candidates in non-progressive jobs, at the appropriate grade and step above the hiring rate, up to and including the 36-month step, for jobs that have specific work experience and/or educational requirements. Filling of vacancies for positions in progressive jobs will be handled by the Union and the Company on a case-by-case basis.

3. Bi-Weekly Pay and Direct Deposit: All employees covered by this Contract will be paid bi-weekly. All employees shall designate a bank, credit union or other financial institution into which their pay will be deposited by direct deposit. The Company shall mail each employee's pay advices directly to his/her home address. If any employee is unable or unwilling to establish a direct deposit account, the Company will mail that employee's paycheck directly to the employee's address of record.

4. Temporary Transfer Pay: (a) An employee who is temporarily transferred to work in a lower-graded job shall not receive any reduction in his/her basic rate of pay during such temporary transfer.

(b) If such temporary transfer is to a higher-graded job and the employee works three (3) or more consecutive hours in such higher-graded job, he/she shall be paid for the entire normal work shift that day at the at the top step of that higher graded job. This provision shall not affect the employee's regular basic wage rate or step progression within such grade. Temporary transfer shall not be considered a promotion for purposes of Section 2(a) of this Article.

During a workday extension, an employee must actually perform work in the higher-graded job classification before he/she will receive pay at the higher grade.

5. ROE Incentive Plan: (a) Eligibility: All full-time employees covered by this Contract shall be eligible to receive a cash payout for each year of the Contract based upon Washington Gas (WG) achieving a predetermined level of Return On Common Equity (ROE).

(b) **Pay-out Determination:** The lump sum cash payment is to be determined each year by the WG Board of Directors, provided, however, that each year, as a condition precedent to such payment, WG's rate of return on average common stock equity (ROE) must exceed a threshold amount predetermined annually by the Board of Directors. When the Board of Directors determines that such ROE threshold has been met, it shall authorize the cash payment, in a lump sum, in an amount to be determined by the Board of Directors. WG shall make such payments not later than December 15 of each year that ROE requirements, as determined solely by the Board of Directors, have been met. For purposes of this Section, the ROE requirements shall be the same as the ROE requirements which trigger payments to WG's executive officers under WG's Executive Incentive Compensation Plan. For rules governing eligibility for the ROE payment, see "Annex ROE."

6. Shift Bonus and Sunday Premium Pay: (a) A shift bonus of \$1.35 an hour will be added to the basic rates for employees working an 8-hour or 10-hour shift starting between 12:00 noon and 7:59 p.m., and between 4:00 a.m. and 5:59 a.m.

(b) A shift bonus of \$1.60 an hour will be added to the basic rates of pay for employees working an 8-hour or 10-hour shift, starting between 8:00 p.m. and 3:59 a.m.

(c) Employees who work shifts on the day of observance of the holidays specified in article 10 shall receive the appropriate shift bonus provided in subsections (a) and (b) of this section.

(d) **Sunday Premium Pay** – Premium pay of \$2.50 an hour shall be paid to all employees who work on Sunday.

(e) **Waiver of Shift Bonus:** Where an employee requests, for his/her own convenience, a change in a starting time that would otherwise result in eligibility for a shift bonus, that employee shall waive entitlement to such shift bonus by executing a form entitled “Employee Request for Modification of Starting Time / Shift and Waiver of Shift Bonus (differential). Such form is attached as “Annex WSB” and incorporated by reference herein.

7. Non-pyramiding: When two (2) or more types of overtime or premium compensation are applicable to the same hours of work, only the higher rate of compensation will be paid. In no case shall overtime or premium compensation be duplicated or pyramided.

**ARTICLE X
Paid Time Off (PTO)**

Effective January 1, 2008, all leave previously considered vacation, personal time off, birthday “holiday,” and funeral leave is now Paid Time Off (PTO) and may be taken in accordance with the following schedule and pursuant to the terms and conditions specified below:

PTO	
Length of Service	Available Time Off
New Employees (\geq 90 days but $<$ 1 year of productive service)	40 hrs
1 yr - $<$ 5 yrs	80 hrs
5 yrs - $<$ 10 yrs	120 hrs
10 yrs - $<$ 20 yrs	160 hrs
20 - $<$ 25 yrs	200 hrs
25+ yrs	240 hrs
PTOA*	
Accrue 8 hrs / month to a maximum of 96 hrs/year	12 days (96 hrs)

PTOA

- Hours to be used for unplanned time off;
- New employees will start accruing time after 90 days of employment;
- Up to seven (7) days may be used for ILL. Up to 40 hours of unused PTOA ill days will be "cashed out" at the end of each calendar year; and
- Five (5) PTOA days used to satisfy the elimination period for transition to Short Term Disability will **not** revert to unused PTO/PTOA

1. (a) PTO pay shall be based on the number of hours per week comprising the workweek scheduled at straight-time rate. If a holiday occurs during the PTO period, an additional day's pay (up to eight hours only) shall be allowed for the holiday, or at the option of the employee, an additional day off at the end of the PTO period shall be granted, provided advance notice is given.

(b) Part-time employees shall accrue PTO benefits on a pro-rata basis consistent with hours scheduled to be worked by such employees. Temporary employees shall not accrue PTO benefits.

2. **Time of PTO:** The normal PTO period shall be from January 1 to December 31. PTO shall, as far as is practicable, be granted at the time selected by the respective employees with selection to be as has been in the past, but the final allotment and approval of PTO periods shall be exclusively reserved to the Company.

It is recognized that the purpose of PTO is to afford an employee rest and recreation in periods of not less than one (1) week; however, PTO may be taken in periods of less than one (1) week with the approval of the employee's immediate supervisor, provided that the employee makes the request at least 72 hours in advance of the requested day(s) off. On a case-by-case basis, the supervisor may waive the 72-hour notice requirement if, in the supervisor's judgment, manpower requirements permit such waiver.

An employee who has scheduled a week(s) (Monday through Friday) PTO will have the weekend (Saturday and Sunday) immediately before and immediately after the PTO week(s) off.

3. **Unused PTO/Vacation:** If an employee cannot be scheduled to commence an entire PTO/vacation or any unused portion thereof by December 31 of the calendar year as a result of the Company's need for the employee's services, the employee shall be paid for such unused PTO/vacation at time and one-half or may take the unused PTO/vacation time during the following calendar year. No employee may accumulate or carry forward more than two (2) weeks PTO/vacation time for any purpose. The premium pay provisions of this Section shall not apply to such accumulated PTO/vacation. Further, no employee may "borrow" PTO/vacation time from any future year's PTO/vacation entitlement for use in a current year.

4. **Termination of Service:** When an employee who has been continuously employed for one (1) year or more is laid off, resigns (provided a two-week notice in writing has been received by the Company), or is given a leave of absence, he/she shall be paid any PTO allowance due him/her under the PTO plan. No PTO allowance shall be paid to any employee

(a) who is discharged for just cause, or (b) who has been continuously employed for less than one (1) year.

5. Return from Leave of Absence or Recall from Layoff: An employee returning from a leave of absence other than a military leave of absence or recalled from a layoff on or before August 15 shall be eligible to take any PTO available to him/her for the current year, provided the employee had been continuously employed for at least one (1) year at the time of leave of absence or layoff began and provided that the employee was not paid a PTO allowance (“cashed out”) for the current year before going on leave or layoff. Such a PTO may not be taken earlier than four (4) months after his or her return from leave of absence or layoff. The premium rate specified in Section 3 above of this Article will not apply to such PTO.

An employee returning from a leave of absence after August 15 shall not receive any PTO for the current year.

6. Return from Military Leave of Absence: An employee returning from military service shall be eligible to take available PTO for the current year as provided by Section 1 of this ARTICLE after combining Company and military service, unless the employee was paid a PTO allowance (“cashed out”) for the current year before going on leave. The premium pay provision of Section 3 of this Article for PTO not taken shall apply only to those veterans returning prior to April 1 of the current year. An employee returning from active military service following an involuntary call to active duty will be given priority to attend training classes to the extent necessary to cover training issues missed while the employee was on active military service.

ARTICLE XI Holidays

1. All full-time employees, regardless of their work schedules, shall be paid a holiday allowance equal to eight (8) hours' pay at the straight time rate for the day of observance of the following holidays, except as stated in Section 2 and 4 below. Part-time and temporary employees shall be paid a holiday allowance equal to the number of hours they would normally have been scheduled to work, but not to exceed 8 hours. Temporary employees are not entitled to a holiday allowance.

Day of Observance

	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>
<i>New Year's Day</i>		<i>Jan 1</i>	<i>Jan 1</i>	<i>Jan 1</i>	<i>Dec 31</i>	<i>Jan 2</i>
<i>Dr. Martin Luther King's Birthday</i>		<i>Jan 21</i>	<i>Jan 19</i>	<i>Jan 18</i>	<i>Jan 17</i>	<i>Jan 16</i>
<i>Inauguration Day</i>			<i>Jan 20</i>			
<i>Apple Blossom Friday</i>		<i>May 2</i>	<i>May 1</i>	<i>Apr 30</i>	<i>May 6</i>	<i>May 4</i>
<i>Memorial Day</i>	<i>May 28</i>	<i>May 26</i>	<i>May 25</i>	<i>May 31</i>	<i>May 30</i>	<i>May 28</i>
<i>Independence Day</i>	<i>July 4</i>	<i>July 4</i>	<i>July 3</i>	<i>July 5</i>	<i>July 4</i>	<i>July 4</i>
<i>Labor Day</i>	<i>Sept 3</i>	<i>Sept 1</i>	<i>Sept 7</i>	<i>Sept 6</i>	<i>Sept 5</i>	
<i>Veteran's Day</i>	<i>Nov 12</i>	<i>Nov 11</i>	<i>Nov 11</i>	<i>Nov 11</i>	<i>Nov 11</i>	
<i>Thanksgiving Day</i>	<i>Nov 22</i>	<i>Nov 27</i>	<i>Nov 26</i>	<i>Nov 25</i>	<i>Nov 24</i>	
<i>Day after Thanksgiving</i>	<i>Nov 23</i>	<i>Nov 28</i>	<i>Nov 27</i>	<i>Nov 26</i>	<i>Nov 25</i>	
<i>Christmas Day</i>	<i>Dec 25</i>	<i>Dec 25</i>	<i>Dec 25</i>	<i>Dec 24</i>	<i>Dec 26</i>	

2. If a holiday occurs during a period of suspension, the holiday will be counted as a day of suspension.

An employee who has an unexcused absence on his/her scheduled workday immediately preceding a holiday or his/her scheduled workday immediately following the holiday will not be paid the holiday allowance. However, an employee may not be deprived of more than one (1) holiday allowance for any unexcused absence which occurs in a single scheduled workweek.

3. Employees who work on the day of observance of a holiday other than Thanksgiving or Christmas shall be compensated for hours actually worked at time and one-half, in addition to the holiday allowance provided for in Section 1 of this ARTICLE. A list of employees expected to work on a holiday shall be posted at least thirty (30) days in advance of such holiday.

4. Employees who work on Thanksgiving Day or Christmas Day shall be compensated for hours actually worked at double time, in addition to the holiday allowance provided for in Section 1 of this Article

A list of employees expected to work on a holiday shall be posted at least thirty (30) days in advance of such holiday.

5. An employee on Short Term Disability (STD) shall not be eligible for any holiday allowance for any holiday occurring during such period of Short Term Disability.

ARTICLE XII

Long and Faithful Service

An employee with twenty (20) or more years of service with the Company who becomes incapacitated so as to be unable to perform his or her regular work to the satisfaction of the Company may, in the sole discretion of the Company, be reassigned to any lateral or lower-graded position to perform productive work in such position at an appropriate rate of pay. The "appropriate rate of pay" shall be the actual rate of pay for the job to which the employee has been reassigned but not less than the following percentage of the employee's rate in the old job at the time of reassignment under this provision, whichever is greater:

20 up to 25 years of service	80%
25 up to 30 years of service	100%

The employee's rate at the time of reassignment will remain unchanged until the rate for the job the employee is performing equals the rate of pay at the time of reassignment. After that time, the employee will be eligible for general wage increases consistent with this Contract. The Union will be notified of such transfers at the time such transfers are made. Any employee considered long and faithful as of the date of ratification of this Contract shall remain in such status and in his/her current assigned position and rate of pay, and will be eligible for general wage increases consistent with this Contract.

Upon reaching eligibility for normal or early retirement, LTD, or disability retirement, the pay protection under this Article ends and any employee previously covered by this article shall be paid at the appropriate grade and step for work the employee is then performing.

ARTICLE XIII Family Medical Leave

An employee may take family medical leave in accordance with the provisions of the FMLA. Leave under the DCFMLA shall be available only to those employees that are regularly assigned to report to work at a Company location within the District of Columbia.

Employees covered by FMLA or DCFMLA are required to take available PTO or short-term disability while on family medical leave. In accordance with the provisions of the applicable law, employees may continue on FMLA or DCFMLA leave in an unpaid status when paid leave is exhausted.

ARTICLE XIV Dress Code & Uniforms

The Company shall have the right to establish and maintain reasonable standards concerning personal grooming, appearance and the wearing of uniforms. When the Company requires employees to wear uniforms, the Company shall provide the uniform and necessary replacements, due to normal wear, at no cost to the employee. The employee will be responsible to clean, launder and maintain the uniform in good condition.

ARTICLE XV Prohibition on Supervisory Personnel Working

No direct supervisor shall perform bargaining unit work except for the purpose of instructing employees or in the event of an emergency. In the event of an emergency, such supervisor or Section Leader shall be permitted to work until the emergency ceases. The Company shall notify the Union, as soon as practicable, when an emergency exists and its general nature. The Company shall also notify the Union when the emergency ceases. The following are not affected by the Provisions of this Article:

1. Supervisory personnel testing for gas leaks.
2. Supervisory personnel relighting appliances after outages, after gas in main has been turned off, and when gas in service has been turned off for Operations work (leaks, replacements, relocation and reconnects) when the temperature is 32°F or less.

ARTICLE XVI Notice of Changes in Classification

The Company will notify the Financial Secretary Treasurer of the Union and the Head Shop Steward of any changes in the classification or pay of any member of the Union at the time such change is made.

ARTICLE XVII Supervisory Chart

The Company will post on each bulletin board and provide by corporate intranet the supervisory chart applicable to the Company. Such chart will show the names of the complete supervisory force.

ARTICLE XVIII Procedure for Adjusting Controversies

1. General: (a) It is the intent of the parties to this Contract that the procedure hereby established shall serve as the means for a prompt disposition and amicable settlement of all disputes, controversies, and grievances that may arise between the parties hereto, or between the Company and any of its employees entitled to benefits of this Contract, with respect to the application or violation of any provisions of this Contract, except as otherwise provided in this Contract. When any such dispute, controversy, or grievance shall arise, there shall be no suspension or work on that account by the Union or its members and an earnest effort shall be made to effect a satisfactory settlement as set forth in this Article.

(b) In the event the Company or Union regards itself as the aggrieved party in any matter coming within the terms of this Contract, it shall present its grievance in writing to the appropriate representative of the Union or the Company, as the case may be, as provided herein. Failing a satisfactory disposition thereof, the matter may be submitted to arbitration.

(c) Each party agrees to honor the request of the other party for discovery of information and data that is relevant to the proceeding and which may facilitate a mutually satisfactory resolution of the grievance.

(d) The Union agrees that from time to time upon request by the Company, the Union will meet with representatives of the Company and cooperate in the study and development of methods of reducing and eliminating grievances toward the end of achieving a better understanding of working conditions.

(e) The grievant and one Union representative shall be compensated by the Company for all time spent meeting with the Company regarding the grievance. However, such employees shall not be compensated by the Company for time spent in grievance preparation, and/or activities related to arbitration of grievances, or to arbitration of any other Company-Union matters.

2. Grievance Procedure - Period of Limitations Within Which a Grievance Must Be Filed: Any employee (or the Union on behalf of an employee(s)) who believes that he/she has a grievance shall, within thirty (30) calendar days (within five (5) work days in discharge cases) after the cause of the grievance is alleged or known to have taken place, either discuss it informally with his/her immediate supervisor or file a "Formal Step 1" grievance. The employee may have a Shop Steward present during an informal discussion with a supervisor or station manager. (There shall be no informal meeting with a supervisor/station manager in any discharge case.). The supervisor shall, within three (3) workdays after the discussion, notify the employee and steward in writing that the grievance is denied or granted. If the supervisor/station

manager denies a grievance following such "informal" discussion, the Union shall have balance of the original 30-day period within which to file a formal, written grievance. If a supervisor grants or settles a grievance at the "informal" step, he/she must do so in writing and in a manner consistent with the terms of this contract. The supervisor/station manager shall send a copy of the settlement to the appropriate operating department manager and to the Manager, Labor Relations.

However, when the Union reasonably believes that the grievance cannot be effectively presented at the informal step, it may bypass the informal step and, in such cases, the Union shall file a written grievance as a "Formal Step 1" grievance within the 30-day period of limitations (5 days in discharge cases) set forth in this Section. .. Grievances initiated by the Union itself may be presented by any designated Union representative.

3. The written grievance shall explain, in plain language:

(a) the specific claim(s) the Union is making, including the relevant facts surrounding the grievance;

(b) the specific Labor Contract provisions that the Union or the aggrieved employee feels were violated; and

(c) the specific remedy or remedies the Union is seeking with respect to the grievance.

4. Formal Step 1 – As set forth in Section 3 above, the Union may bring a grievance directly to "formal step 1." within 30 days (within 5 days to grieve a discharge) after the cause of the grievance is alleged or known to have taken place. . Within five (5) work days of delivery of the written grievance, the appropriate manager or Director, the grievant and the President of the Union (or his designated representative) shall meet to resolve the grievance. Within one (1) week after that meeting, the appropriate manager or director shall deliver a written answer explaining his/her decision to the President of the Union, with a copy to the appropriate shop steward/union representative and to the Manager, Labor Relations.

5. Formal Step 2 - If the grievance is not resolved in Step 1, the Union shall, within five (5) work days after receipt of the written answer in Step 1, request in writing a meeting with the Vice President of the appropriate Business Unit to resolve the grievance. The Vice President (or his/her designee) shall meet with the grievant, the Union President and up to two union representatives designated by the Union President to resolve the grievance as soon as possible, but not later than seven work days after receiving the written request.

6. Within seven (7) workdays after the meeting, the Vice-President (or his/her designee) shall give a written answer explaining his/her decision to the Union President. If the grievance is not resolved in Step 2, it may be taken to arbitration as provided in Sections 16 and 17 of this Article.

7. Grievance Meetings. The Company will compensate, at the appropriate rate of pay, the aggrieved employee and one person designated by the Union for time spent handling grievances during regular working hours at step 1. The Company will compensate the aggrieved employee

and up to two (2) representatives designated by the Union for time spent handling grievances during regular working hours at step 2. Whenever the Union alleges that a group (2 or more) of employees are aggrieved and the basis for the grievance is substantially the same for all employees in the group, a committee of not more than three persons, (which may be modified by agreement of the Union and the Manager, Labor Relations on a case-by-case basis) which shall include designated Union representative(s) and at least one of the employees from the aggrieved "group" of employees, shall be substituted for the words "employee," "grievant" or "aggrieved employee" wherever such words appear in the Procedure for Adjusting Controversies in this contract.

8. Fees, Costs and Expenses Associated with Arbitration. (a) Each party to an arbitration shall pay one half of the arbitrator's fee, the reporter's (including transcript preparation, if any) fee and any fee for the use of hotel (or other arbitration site) space and services. If only one party requests expedited preparation of the transcript, that party shall bear the entire portion of the cost for such expedited service. If the arbitration is held on the premises of the Company or the Union, the other party shall not incur any cost for the use of such premises. The parties agree that it is desirable to resolve grievances before arbitration where possible. To that end, the parties agree to meet at least thirty (30) days before the scheduled arbitration to discuss specifically a full and final settlement of the grievance.

(b) Any other cost, fee or expense of any kind incurred by either party in connection with any grievance or arbitration including, but not limited to, the cost/expense of any research or the calculation of alleged damages or back pay shall be paid solely by the party incurring such fee, cost or expense.

(c) The Company will not under any circumstances compensate the Union, any Union official, Union-eligible employee, agent for the Union or attorney representing the Union for time spent in preparation for any arbitration, the actual arbitration or any activities related to arbitration of grievances, including, but not limited to, post-arbitration activities related to any award or remedy ordered by the arbitrator except as provided under Section 17 (d) of this Article.

(d) If the arbitrator determines that either party acted in bad faith and engaged in egregious conduct which directly caused the grievance or that either party acted in bad faith and engaged in egregious conduct in advancing its position during the grievance procedure, the arbitrator may order that party to pay the full fee for the services of the arbitrator and the reporter and the costs for hotel space and services. If the arbitrator finds that both parties engaged in such conduct, then the provisions of Section 8(a) of this Article shall apply.

9. Discussion regarding grievances shall be conducted as far as practicable during the employee's working hours. The office of the Manager, Labor Relations shall arrange, upon request by the designated Union representative, for employees to be excused to attend grievance meetings. All employees shall report to their supervisors upon returning to work. An employee representing himself or herself shall arrange to meet directly with his/her supervisor.

10. Grievances brought by the Union or grievances relating to matters which extend beyond a single Department, Division, or Group may originate in the step of the grievance procedure

where management authority to settle the matter exists, but no grievance may be taken to arbitration until it has been presented in Step 2.

11. It is agreed that the grievance procedure time limits may be modified at any time by written agreement of the President of the Union and the Manager, Labor Relations when such action appears to be for good cause. Consent by either party to modify such time limits shall not be unreasonably withheld.

12. The Manager, Labor Relations and the Union may designate others to perform the tasks described in this Article. In such cases, the Union and/or the Company shall inform each other of such designees.

13. Grievances brought by the Company shall be in writing and shall be mailed or delivered by the Company to the Union President within 15 (fifteen) days after the cause of the grievance is alleged or known to have taken place. The Manager, Labor Relations and the President of the Union shall meet in person or by telephone within 10 days after the Company's written grievance is received at the office of the President of the Union. Within one (1) week after the meeting or telephone call, the President of the Union shall give the Manager, Labor Relations a written determination explaining his/her decision of the Company's grievance. If the grievance is not resolved to the Company's satisfaction, the Manager, Labor Relations shall, within fifteen (15) calendar days of receiving the written determination, give the President of the Union a written notice of intent to arbitrate and a request to select an arbitrator. Thereafter, the procedures stated in Sections 16 and 17 of this Article shall be followed with respect to the arbitration of the Company's grievance.

14. The grievance procedure is applicable to all Union-eligible employees in the bargaining unit, provided, however, that terminations of any probationary employee during the first 10 months of continuous service shall not be the subject of a grievance.

15. (a) Failure to comply with the time limit provisions of this Article by any grievant or Union representative shall bar the grievant and the Union from further pursuing the grievance in question. Failure to comply with the time limit provisions of this Article by Management representatives shall permit the grievance to be advanced to the next Step of the grievance procedure.

(b) Failure by the Company to comply with the time limits in Section 13 with respect to a Company grievance shall bar the Company from further pursuing such grievance. Failure by the Union to comply with Section 13 time limits shall permit the Company's grievance to go directly to arbitration.

16. (a) If a Company or Union grievance is not settled within the time limits stated in this Article or otherwise as prescribed herein, the aggrieved party shall give the other party, within 15 days of the receipt of the written determination of the grievance at "Formal Step 2," a written notice of intent to mediate and/or arbitrate the grievance and a request to proceed to mediation through the Federal Mediation and Conciliation Service (FMCS) and/or to select an impartial arbitrator from the panel of arbitrators. The panel of arbitrators shall be jointly compiled and agreed upon by the parties and shall be updated from time to time by mutual agreement. All matters proceeding to mediation or arbitration shall be scheduled as expeditiously as possible.

Where the parties agree to proceed to mediation, neither party shall be bound by the mediator's recommended resolution of the grievance. Each party shall notify the other party of its acceptance or rejection of the mediator's proposed resolution within ten (10) days of the end of the mediation process. If a grievance is not resolved in mediation, the aggrieved party may take the matter to arbitration as provided in this Article. Statements made by either party in mediation shall not be admissible in any arbitration proceeding and shall not, in any way, be construed as an admission against that party's interest. Similarly, the mediator's proposed resolution shall not be admissible or referred to in any arbitration proceeding. When the parties agree to resolve a grievance in the mediation process, such agreement will be reduced to writing and signed by authorized representatives of each party and the grievant.

In cases proceeding to arbitration, the selection of the arbitrator shall be made from the panel of arbitrators by alphabetical order. However, no arbitrator may hear two cases in a row. For a grievance that it is permitted to proceed to arbitration because of one party's failure to comply with a time limit, a written notice of intent to arbitrate and a request to select an impartial arbitrator shall be given by the other party within fifteen (15) calendar days of the deadline that was not met.

The Company shall not be liable for any damages, including, but not limited to, back pay for any period of delay in scheduling mediation or arbitration, selecting an arbitrator or other delay, caused directly or indirectly by the grievant or by the Union.

In discharge cases, any arbitrator selected must be available to hear the case within 30 days from the date the arbitrator is contacted and notified of his/her selection. If an arbitrator is not available within that period of time, the next arbitrator whose schedule does so permit, in alphabetical order, shall be selected. If no arbitrator can hear a discharge case within 30 days, then the earliest available arbitrator shall hear the case.

A panel of nine (9) arbitrators shall be jointly compiled and agreed upon by the parties and shall be updated from time to time by mutual agreement. During the term of this Contract, either party may, for any reason, strike up to two (2) arbitrators from the panel of arbitrators. If the Company or the Union elects to strike an arbitrator, it must do so not later than 24 hours before the time the arbitration hearing is scheduled to begin. The party striking the arbitrator shall be responsible for the payment of the arbitrator's (and, if applicable, the court reporter's) cancellation and/or per diem fees or charges. Where either party strikes an arbitrator in any case where the arbitration date had been set, both parties agree to reschedule such arbitration as promptly as possible by selecting the first available arbitrator from the remaining panel of arbitrators. Also, the parties shall make every reasonable effort to promptly replace any arbitrator removed from the panel under this Section and reschedule the arbitration.

(b) A representative of each party shall confer within three (3) workdays after the written notice of intent to arbitrate is received by the non-aggrieved party, to identify the impartial arbitrator to be selected by alphabetical order. The arbitration shall then be scheduled for a date and time as soon thereafter as convenient to the schedules of the parties and the impartial arbitrator.

17. (a) The arbitrator shall have jurisdiction and authority to interpret and apply the provisions of this Labor Contract only to the extent necessary to determine and decide the

grievance. The arbitrator shall not have jurisdiction or authority to alter, extend, modify or in any way change the provisions of this Labor Contract or to consider any claim not raised during the grievance procedure or to impose or fashion any remedy inconsistent with or specifically prohibited by this Contract or any remedy not sought by the grievant/aggrieved party or Union during the grievance procedure. Further, the arbitrator may apply (not interpret) federal and state laws, and regulations and requirements that may be imposed by regulatory agencies having jurisdiction over the Company.

The parties shall not be precluded from raising at arbitration any claim or seeking any remedy not previously discussed during the grievance procedure. However, in such cases, the arbitrator shall remand the matter to the final step of the grievance procedure for consideration and determination of such claim/remedy in accordance with this Article before the grievance may proceed to arbitration on such claim/remedy. In such cases, the party raising the new claim/remedy shall pay the arbitrator's fee for that day and, unless the grievance is resolved on remand, the arbitration shall resume at a time mutually convenient to the parties but in no case sooner than 1 week following the remand.

(b) In a job evaluation case, the arbitrator shall apply the "total compensation" standard in the local market (DC, MD, VA) as established in Article IX of this Contract (wages + value of benefits = total compensation). Further, the arbitrator shall judge whether the Company reasonably assigned a wage rate under the "total compensation" standard that comports with market standards for a job with comparable skills. The arbitrator may award only a wage grade and rate step as set forth in the wage rate schedule which appears in Annex W to this Contract. The arbitrator may not consider any market wage or benefit data at arbitration that was not presented to the Company by the Union or by the Company to the Union at the grievance meeting (see Article IX, Section 4).

(c) Performance Appraisal Grievances. Employees shall have the right to redress any grievances regarding their annual performance appraisals. Within 5 days after the employee receives an appraisal, the employee may grieve the appraisal by giving a written explanation of his/her grievance or disagreement with the appraisal on the appraisal form, stating in plain language the specific basis for such grievance and returning the appraisal form to his/her supervisor. If there is insufficient space on the appraisal form for the employee's use, the employee may use a blank sheet of paper upon which to fully state his/her grievance and add such paper(s) to the performance appraisal form. The supervisor shall send a copy of the appraisal containing the grievance to Labor Relations and to the Union office. Within 15 days after the employee grieves the appraisal, the employee shall meet with the Director, Human Resources to discuss and, if possible, resolve the grievance. If the grievance is not resolved at this meeting (or within one week of that meeting), the employee may, within 30 days after receiving the answer of the Director, Human Resources, meet with the appropriate Business Unit Head/Vice President to discuss and, if possible, resolve the grievance. If the grievance is not resolved at this meeting (or within one week of that meeting) the matter shall be considered closed. There shall be no further recourse to the procedures for adjusting controversies and there shall be no arbitration of such grievance, unless the union contends that the overall rating for the appraisal has no basis in fact.

(d) The decision of the arbitrator shall be final and binding upon both parties and the employees involved. The parties acknowledge that either or both parties may seek review of the

arbitrator's decision in court and may pursue all available remedies in such forum, including attorneys' fees and court costs.

ARTICLE XIX
Question of Wages Not a Grievance or Subject to Arbitration

During the life of this Contract, or at the time of renewal or extension of this Contract, basic wage rates, the normal workday and the normal workweek, are not matters to be dealt with as grievances or complaints under ARTICLE XVIII, Procedure for Adjusting Controversies, and are not subject to arbitration.

ARTICLE XX
Amendments, Waivers and Government Regulations

1. Amendments: This Contract may be amended at any time. Any amendment (or other mid-term side agreement) hereto shall be in writing and shall be signed and dated by the Chief Executive Officer of the Company or his designee and by the President of the Union. Such amendment (or mid-term side agreement) shall become a part of this Contract and shall be effective as of the date of said amendment or side agreement for the remainder of the term hereof. Refusal by either party to agree to any amendment (or mid-term side agreement) proposed by the other party shall not constitute a grievance subject to the Article XVIII Procedure for Adjusting Controversies. No amendment or mid-term side agreement shall be valid or enforceable unless it is written, signed and dated as required herein.

2. Waivers: The waiver of any breach of any provision of this Contract by either party shall not constitute a precedent for any future enforcement or waiver of a similar or other breach of such provision.

3. Government Regulations: All provisions of this Contract are subject to laws now or hereafter in effect and to the lawful regulations, rulings and orders of regulatory commissions having jurisdiction, and this Contract shall be modified to conform to such mandatory laws, regulations, rulings and orders.

ARTICLE XXI
Safety

1. The Company agrees that the safety of its employees is a matter of paramount importance to the Company and the Union.

2. Supervisors of the Company shall have the responsibility to see that the work of the employees is performed in a safe manner. The Union agrees that the employees have an individual responsibility for safety, including compliance with all safety related work rules.

3. The Company and the Union agree to continue to cooperate in the best interest of the safety of all employees.

4. The Company agrees to recognize a standing committee on Health, Safety and Workman's Compensation, appointed by the Union. At the request of the Committee, the

Company will furnish the Committee with the names and composition of substances used by it in its operations.

5. Any grievance that may arise concerning any matter that is considered injurious to the health or safety of any employee will be presented to the Company without delay. The Company and the Union agree to make every effort to effect a satisfactory settlement of such a grievance at the earliest possible stage of the grievance procedure set forth in Article XVIII of this Contract.

ARTICLE XXII Employee Benefits

Benefit levels under the Company's Employees' Pension Plan, group insurance, sickness disability and flexible benefits plans which become effective as of the date of ratification of this Contract, or are agreed to begin on a specific date during the term of this Contract, shall continue in effect during the term of this Contract. The parties agree to execute a letter agreement reflecting the agreed-upon level of benefits at the time of ratification of this Labor Contract.

The Company shall have the right to make procedural and administrative changes to these plans. Such procedural and administrative changes shall not affect the benefit levels for any plan participant. Each such procedural or administrative change shall be communicated to the Union at least seven (7) days before the effective date of the change.

All contributions, payments and credits for benefits elected by each plan participant under the Flexible Benefits Plan will be subject to adjustment each plan year and shall continue to be paid by each such participant. All deductibles, co-payments, and other out-of-the-pocket expenses under the group insurance plans will continue to be paid by each plan participant in accordance with the plan provisions in effect as of the date of ratification of this Contract.

Each part-time employee shall be eligible to purchase HMO coverage at his or her own expense at the rates to be determined by each HMO for such coverage.

The Company agrees to recognize a Union Pension Committee consisting of not more than two (2) members of the Union. The Company will meet with such Pension Committee at mutually convenient times for the purpose of informing and explaining to such Committee the operation of the Employees' Pension Plan.

ARTICLE XXIII Outside Contract Work

It is recognized that the Company has the right to have work done by outside contractors. However, work performed, as of the effective date of this Contract, by employees covered by the Contract, will not be contracted out if it will result in the layoff of full-time employees who normally perform such work. The Company will continue to extend to the Union the courtesy of advance notification of "insourcing" or "outsourcing" opportunities.

ARTICLE XXIV
Special Allowances/Reimbursements

1. Meal Allowances: Employees who are required to work ten (10) or more consecutive hours, not including meal periods, shall receive a meal allowance of seven dollars and fifty cents (\$7.50) and employees who are required to work fourteen (14) or more consecutive hours, not including meal periods, shall receive a second meal allowance of seven dollars and fifty cents (\$7.50) except in such cases in which a meal is furnished by the Company. Meal breaks shall not be counted as time worked. For employees working a 4 days a week, 10 hours a day schedule, the meal allowance and second meal allowance as stated above will be paid after the employees work 12 and 16 consecutive hours respectively.

2. Mileage Allowance: An employee(s) authorized by his/her business unit head to use a personal automobile on Company business will be reimbursed at the current rate prescribed by the Internal Revenue Service.

3. Shoe Allowance: The Company will reimburse an employee on a calendar year basis for the actual cost of work shoes up to a \$110.00 maximum. The employee must have the receipt for the purchase initialed by their immediate supervisor indicating the shoes meet Company safety standards keeping in mind the purpose for work shoes is to protect the individual's feet while working. Regular every day shoes that are worn to work are not considered work shoes under this policy.

4. Prescription Safety Glasses. Employees who wear prescription eyeglasses and who are required by Company safety standards to wear safety glasses may obtain such glasses through participation in the current Vision Plan from an "in-network" provider. For the term of this contract only, the Company shall automatically enroll all bargaining unit eligible employees in such plan beginning January 1, 2008.

ARTICLE XXV
Funeral Leave

The Company may require the employee to produce appropriate documentation of the death and the date and place of funeral services.

ARTICLE XXVI
Duration, Reopening and Renewal

This Contract shall remain in full force and effect until the first day of August, 2012 and thereafter from year to year. The Company and the Union shall have the right as of the first day of August of any year after 2012 to cancel this Contract in whole or to request modification of specific provisions, or the insertion of additional provisions, providing such right is exercised by serving appropriate notice in writing upon the appropriate party no later than the first day of June, 2012. In the event that either party shall request, by such written notice, the modification of any Article or any part any Article of this Contract, or the inclusion of any additional provisions, only the related Articles or parts of Articles of this Contract shall be affected and the unrelated Articles and/or parts of Articles shall continue in full force and effect.

ARTICLE XXVII
Identity of Parties and Complete Agreement (Zipper Clause)

It is agreed that in the negotiations leading to the execution of this Contract, each party had full opportunity to propose, present, and discuss all matters concerning relationships between the Company, its employees in the agreed classifications and jobs covered by this Contract, and the Union. Neither party is obligated to bargain collectively on behalf of such employees, with respect to any matter not covered by this Contract, for the life thereof, except as may be specifically permitted by any reopening clause. It is agreed and understood that all side agreements ever reached by and between the parties hereto regarding wages, hours, working conditions or other mandatory subjects of bargaining and all past practices or past shop practices that have evolved over time between the parties are, unless included herein or incorporated by reference herein in Annex ZC, jointly repudiated and are hereby rendered null and void.

Neither party shall have the right, without consent of the other party, to insist upon an addition thereto, change therein or deletion therefrom. Amendments to this Contract may be made, however, and amendments proposed in writing by one party shall be considered by the other and discussed by the parties jointly; but if, as a result of such negotiations, no amendments are agreed to, the disagreement shall not constitute a dispute subject to the Article XVIII Procedure for Adjusting Controversies.

In Witness Whereof, the parties hereto have caused this Contract to be signed by their duly authorized officers and representatives the day and year first above written.

**Washington Gas Light Company
Shenandoah Division**

BY: 
James H. DeGraffenreid, Jr.
Chairman and CEO

6-28-07
Date

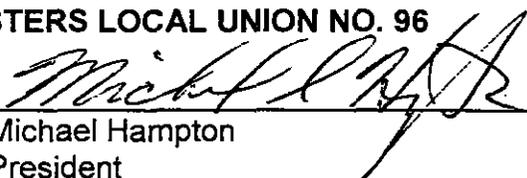

Mark J. Krusec
Director - Human Resources

JUNE 14, 2007
Date

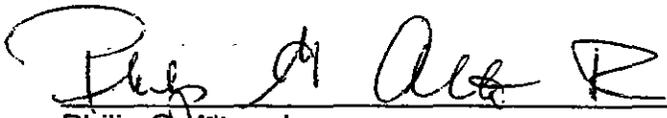

Attest: Douglas V. Pope,
Corporate Secretary

6-29-07
Date

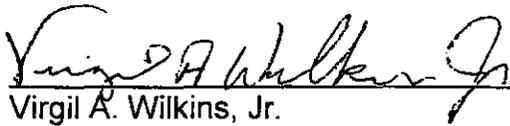
TEAMSTERS LOCAL UNION NO. 96

BY: 
Michael Hampton
President

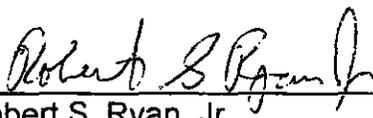
June 13, 2007
Date


Philip G. Alter, Jr.
Secretary/Treasurer

6-13-2007
Date


Virgil A. Wilkins, Jr.
Head Shop Steward

06-13-07
Date


Robert S. Ryan, Jr.
Shop Steward

06-20-07
Date



TEAMSTERS LOCAL UNION NO. 96
AFL-CIO

AFFILIATED WITH THE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
JOINT COUNCIL 55

2424 PENNSYLVANIA AVENUE, N.W., #102, WASHINGTON, D.C. 20037

PHONE (202) 293-4333 FAX (202) 293-0605

ANNEX A

I, _____, whose employee no. is _____
First Middle Last

An employee of **Shenandoah Gas Company**, being represented for purposes of collective bargaining by the **Teamsters Local 96**, hereby request and authorize the Company to deduct from wages due me each month hereafter, an amount equal in value to the amount of monthly union dues, established pursuant to the Constitution and Bylaws of the **Teamsters Local 96**, as this amount may be fixed from time to time, beginning with the month of _____, _____. The amounts deducted pursuant to this shall be paid promptly to the Secretary-Treasurer of the **Teamsters Local 96**.

In the future event that I shall apply for membership in the **Teamsters Local 96**, I request and authorize the Company to deduct from wages due me, an amount equal in value to the amount of the **Teamsters Local 96** initiation fee, as this amount may be established from time to time, provided that the **Teamsters Local 96** shall notify the Company of my application for membership and shall request remittances of the amount of the initiation fee on my behalf. The amount of the initiation fee shall be deducted in full from wages due me for the first full pay period following my application for membership and notice to the Company from **Teamsters Local 96** of my application.

Unless or until such practice is declared by court or governmental authority to be in violation of the Labor-Management Relations Act of 1947, as amended, this authorization shall remain in effect and shall be irrevocable, unless I revoke it by sending written notices to both the **Shenandoah Gas Company** and the **Teamsters Local 96**, by registered mail during a period of five days immediately succeeding (a) the termination date of the collective bargaining agreement between such Company and such Union or, (b) any yearly period subsequent to the date of this authorization, whichever occurs sooner in any year and shall be automatically renewed as an irrevocable check-off from year-to-year until duly revoked as herein provided, except that in the event that Section 302 of the Labor-Management Relations Act of 1947 shall be amended, modified, or repealed in such manner as to legally permit the same, this authorization shall thereupon become irrevocable without any of the limitations hereinabove set forth. This authorization is entirely voluntary on my part.

Employee's Signature

Date

Department

ANNEX AG
Attendance Guidelines

<u>Days</u>	<u>Hours</u>	<u>Rating</u>
Up to 2	0 - 16	O - Outstanding
More than 2, less than or equal to 5	17 - 40	AA - Above Average
More than 5; less than or equal to 7	41 - 56	Competent
More than 7; less than or equal to 10	57 - 80	P - Passable
More than 10	81 or above	U - Unsatisfactory

The twelve-month period for attendance rating purposes shall, effective January 1, 2008 be the calendar year. Beginning calendar year 2008-2009 each employee's attendance shall be rated separately from his/her performance appraisal. Any employee having received an attendance rating below Competent during their 2007 performance appraisal will keep that rating for purposes specified in this Labor Contract for 12 months.

The Company will transition to a fiscal-year-based performance appraisal system with the objective of administering all appraisals within a time frame between on or about October 1 and December 31 of each year. The first such appraisals shall be done in 2008 and will cover the period of October 1, 2007 to September 31, 2008, inclusive. During the transition period, supervisors shall continue to perform appraisals under the current (anniversary date) system.

If an employee does not receive an annual Performance Appraisal in any year(s), the employee will still receive an attendance rating for purposes specified in this Labor Contract. Otherwise, the employee shall be considered to have met the performance standards for that year(s). Lost time while on "short-term disability" shall not be counted against the employee for attendance rating purposes.

ANNEX BP
Break Policy

In general, the Company recognizes that employees are allotted 15 minutes of break time in the morning and 15 minutes in the afternoon.

ANNEX D
WASHINGTON GAS "ZERO TOLERANCE" DRUG AND ALCOHOL TESTING STANDARD

This "Zero Tolerance" Drug and Alcohol standard is applicable to ALL employees.

Testing during Probationary Period for New Employees:

All probationary employees are subject to unannounced drug testing during the probationary period.

Failure of any drug or alcohol test administered during the probationary period under Department of Transportation (DOT) regulations, Company policy or this Annex shall result in immediate discharge of the probationary employee. A refusal by the employee to submit to the

test or failure to submit a urine or breath specimen without valid medical justification shall be considered a failure.

Neither the employee nor the Union shall have any recourse to the grievance or arbitration process following any discharge.

Drug and/or Alcohol Failures Generally – Non-Probationary Employees:

Failure by any non-probationary employee of any drug or alcohol test administered pursuant to either Department of Transportation (DOT) regulations or Company policy shall result in immediate discharge. In the event the Company is notified by the Company's Medical Review Officer that a non-probationary employee has failed any random, pre-employment/pre-assignment, follow-up, post-accident, reasonable cause or return to duty drug test, such employee will be discharged. A refusal to submit to the test or failure to submit a urine specimen without valid medical justification shall be considered a failure.

In the event that the Company is notified an employee has provided a random, follow-up, post-accident, reasonable cause, or return to duty drug or breath alcohol test result, on confirmation with a BAC greater than .005, the employee will be discharged. A refusal to test or failure to provide adequate breath sample to accomplish testing without valid medical justification shall be considered a failure.

Re-employment Considerations:

A former employee, who wishes to be considered for re-employment, must successfully complete an appropriate course of rehabilitation.

The former employee must provide the Company's Employee Assistance Program (EAP) Substance Abuse Professional (SAP) authorization to obtain information from the rehabilitation provider required to determine the appropriateness of and compliance with rehabilitation. Upon authorization by the former employee to the SAP, the SAP will notify the Company when or if the former employee is eligible for reconsideration and the types and frequency of testing required under law should they regain employment.

An employee satisfying the above requirement will be eligible for re-employment consideration for available positions (both externally advertised and posted internally) based on their previous employment record with Washington Gas, exclusive of their drug and/or alcohol failure, subject to all pre-employment background and pre-employment physical requirements.

Any employee who is selected and returns to employment will be subject to unannounced drug and alcohol testing for up to 5 years from the date of their reemployment with Washington Gas in addition to all other drug and/or alcohol testing required by law or Company policy.

Employee Self-Identification:

Employees are encouraged to voluntarily seek assistance with drug and/or alcohol problems before they are selected for testing under the Washington Gas and DOT "Zero Tolerance" Drug and Alcohol Testing Policy. When an employee voluntarily reports a drug

and/or alcohol problem ("self-identification"), the employee will be referred to the Washington Gas Employee Assistance Program for evaluation and a treatment plan. The self-identified employee will be placed on sick leave and will be eligible for rehabilitation under the appropriate medical insurance plan.

Rehabilitation and/or treatment shall be the employee's responsibility and, unless covered under a medical insurance plan, shall be at the employee's expense. When an employee is self-identified, the employee's position will be held for the period of the prescribed treatment up to a maximum of 60 calendar days from the date of self-identification or commencement of treatment, whichever is earlier. During this 60-day period, the self-identified employee must commence and complete all treatment prescribed by the Company's Employee Assistance Program Substance Abuse Professional (SAP).

Return to duty must be authorized by the SAP as required by law and under Company policy. To insure fitness for duty, the returning employee must complete any return to duty testing required by the Company's Medical Review Officer (MRO) or SAP, including drug and alcohol tests.

Upon return to duty, a self-identified employee will be subject to unannounced drug and alcohol testing for up to 5 years from the date of the employee's return to duty in addition to all other drug and/or alcohol testing required by law or Company policy.

In the event that the Company is notified by the SAP at any time following commencement of treatment that a self-identified employee has failed to successfully complete a prescribed treatment plan, regardless of whether the employee has been returned to duty, and that the employee is not fit for duty, the employee will be discharged.

If a self-identified employee is not returned to duty within 60 calendar days from the date of self-identification or commencement of treatment, whichever is earliest, the employee will be discharged.

ANNEX DA Disciplinary Action Guidelines

The actual step (level of action) taken depends on the nature of the current incident as well as the employee's prior record. One or more steps may be skipped depending on the seriousness of the offense or violation. The Company encourages its supervisors to continue to discuss directly with employees any matters relating to their performance as such matters occur. There shall be a single disciplinary track for all misconduct, infractions, violations of rules, policies, procedures, etc., including vehicle infractions (moving [including camera-enforced speeding and red light violations] and parking violations) and avoidable injuries and accidents. The ZAP program is hereby discontinued. Employees must timely notify the Company of any traffic or parking tickets the employee receives in connection with operating or parking a Company vehicle. Employees shall be personally responsible for timely payment of traffic and parking fines incurred in the operation of a Company vehicle. No disciplinary action shall be taken against employees who timely pay fines for parking and moving violations not resulting in property damage or personal injury incidents unless such violation(s) result in loss or suspension of privilege to drive a company vehicle. If the Company is required to pay a fine for a traffic or

parking violation, the Company will identify the driver of the vehicle in question and will deduct the amount of such fine from that employee's next pay check(s).

Disciplinary Action Guidelines

1st Step - Written Reprimand

2nd Step - Range: Written reprimand and 1-3 days suspension

3rd Step - Range: Written reprimand and 4-7 days suspension

4th Step - Range: Disciplinary Final Warning of Discharge and 5-15 days suspension

Final Step - Discharge

Guidelines for Progressive Disciplinary Action (since last action)

Infraction occurring under step 1 remains on record for 12 months (6 months for avoidable accident, injury or traffic violation).

Infraction occurring under step 2 remains on record for 24 months (12 months for avoidable accident, injury or traffic violation).

Infraction occurring under step 3 remains on record for 36 months (18 months for avoidable accident, injury or traffic violation).

Infraction occurring under step 4 remains on record for 60 months (30 months for avoidable accident, injury or traffic violation).

An employee with 5 years of safe driving and/or 5 years without an avoidable personal injury will be granted a credit of one incident to be applied against their next avoidable accident/injury.

Note: In cases where an employee is on a Disciplinary Final Warning of Discharge, the circumstances of the present offense/violation may result in a discharge regardless of how long ago the final warning was given.

However, an employee may have such final warning purged from his/her disciplinary record if he/she receives no discipline for sixty (60) months from the date the final warning was imposed (or restated).

When any discipline is imposed, the written warning form will be initialed by the employee concerned as well as by a representative of the Union, prior to the discipline being placed in the employee's personnel file. In the event the employee or the Union representative refuses to initial the discipline form, such refusal will be noted on the discipline form, and the notation shall be initialed by the Union and/or management representative(s) before the form is placed in the employee's file. A copy of the disciplinary form will be supplied to the Union at the time the discipline is placed in the employee's file. The personnel files maintained by the Human Resources Department will be the official Company files.

ANNEX EF Emergency Flexibility

In the event of a catastrophic incident affecting Company operations at one or more Washington Gas facilities, the Company may declare an operating emergency. In order to ensure

the continuity of its operations and service to its customers, the Company, through authorized management personnel, may:

- Direct employees to report to another Company facility, including the Frederick and/or Washington / Springfield (SOC) locations, or to other site(s) as the Company may determine.
- Provide as much notice as possible under the circumstances to employees of any change in reporting locations or schedules to be worked. However, the "change of schedule," "emergency work," shift selection and "normal workday/workweek" provisions of this Labor Contract shall be suspended for the duration of the operating emergency.
- Cancel all scheduled and unscheduled leave, PTO, leaves of absence and/or personal time off unless such leave or time off is for medical purposes. The Company reserves the right to require appropriate medical documentation. The Company shall have the option to pay an employee the amount of any non-refundable deposit the employee has made in connection with a scheduled PTO or allow such employee to take the scheduled PTO.
- Suspend the Procedure for Adjusting Controversies. The Company and the Union agree that any grievances that may arise out of or during the emergency period shall not be filed during such emergency period but may, instead, be filed within 30 days after the emergency is declared to be over by the Company, provided, however, that any discharge grievance shall be filed and heard as expeditiously as possible.
- Declare the emergency period to be over at such time as it is able to resume normal operations.

For the duration of such emergency, the parties agree that employees may be required to:

- Perform work outside their regular job classification, including work normally performed by management or by employees in another bargaining unit (provided they are qualified to do such work and/or they are performing work under the supervision of another qualified person). Work together with employees in management or employees from other bargaining unit(s) and such other persons as the Company may determine.

For the duration of such emergency, the Company and the Union agree that the TT upgrade provisions of this contract shall be observed and that the Company will reimburse affected employees for incremental mileage and reasonable lodging expenses. The Company will pay double time to all company employees called out from home or who are required to work an extended day during any emergency declared under this Annex.

For purposes of this Annex, "catastrophic incident" shall mean any incident resulting in cessation or significant interruption of operations at one or more Company facilities or an incident resulting in the activation of "mutual aid."

**ANNEX FT
(4 DAY – 10 HOUR WORK SCHEDULE)**

The Company and the Union agree that the following terms and conditions shall be applied and followed for the 4 day – 10-hour work schedule.

1. **PTO/Incidental Sick Leave ("ISL")** – If the PTO for sick leave occurs on the first day of the scheduled workweek, that week will be converted to a 5 day / 8 hour schedules. Otherwise, each day of PTO/ISL taken will be recorded as 10 hours of PTO/ISL.
2. **PTO/Vacation** – Each day of PTO/vacation shall count as 10 hours of PTO taken.
3. **Holidays** –Each week in which a holiday occurs will be converted to a 5 day / 8 hour schedule.
4. **Jury duty** – Any week in which jury duty occurs will be converted to a 5 day / 8 hour week. Employees must timely notify their immediate supervisor of jury service dates for scheduling purposes.
5. **PTO/Funeral Leave** – Each day of PTO taken for funeral leave purposes will count as 10 hours of funeral leave, not to exceed hours allowed by the contract.
6. **Meal Allowance** – Will be granted after working 12 hours in the same day (instead of 10 hours).

**ANNEX JC
Shenandoah Job Classifications**

<u>Job Title</u>	<u>Job Code</u>	<u>Grade</u>
Billing Clerk	4596	A
Engineering Aid	2987	B
Engineering Technician-SG	2985	C
General Services Technician	2983	C
Meter Reader	4602	A
Operations Assistant-SG	2991	A
Operations Control Clerk	2988	B
Operations Mechanic-SG	2989	B
Operations Technician-SG	2986	C
Senior Billing Clerk	4595	C
Senior Operations Control Clerk	4635	C
System Planning Technician	2984	C
Team Leader-Construction & Maintenance	2982	D
Team Leader-Customer Accounts	2979	D
Team Leader-Dispatch & Operations	2980	D
Team Leader-Engineering	2978	D
Team Leader-Pressure & Measurement	2981	D

ANNEX PG
Progression Guidelines

Newly hired employees will begin at the hiring rate for the grade where the employee is assigned. Progression between grades will be based upon job description requirements. Any previous equivalent experience will be considered for time requirements. Progression from Grade A to Grade C is time related with training, qualification, and overall "competent" rating on performance appraisals. Promotion to Grade D is based upon seniority, skills and abilities, and position availability. In the meter reader position, every two years spent in the position counts as one year as an Operations Assistant.

Job Progressions:

Meter reader to OA to OM to OT.

Operations Control Clerk to Systems Planning Tech, or Senior Operations Control Clerk.

Engineering Aide to Engineering Tech.

Billing Clerk - to Billing and Administrative Clerk / Billing and Credit Clerk - to Senior Billing Clerk.

Job Descriptions to be modified:

Operations Mechanic – Requires 36 months as an OA or 72 months as a Meter Reader.

Operations Technician – Requires 48 Months or equivalent as an Operations Mechanic.

Systems Planning Clerk – Requires 48 months as an Operations Control Clerk

Engineering Technician – Requires 48 months as an Engineering Aide

Job Descriptions to be created and introduced

Meter Reader – With 2 for 1 Equivalent

Senior Operations Control Clerk -

Senior Billing Clerk

ANNEX PR
Personal Responsibility Policy for
Company Equipment, Materials, etc.

All employees have a duty to protect and preserve Company equipment, materials, uniforms, tools, vehicles and other Company property. In the event it is determined that, through an employee's failure to exercise ordinary care, such Company property is lost, destroyed or damaged (other than normal wear and tear), such employee shall be subject to discipline, up to and including discharge.

If, within 30 days of the imposition of such discipline, the employee pays the Company the full replacement/repair cost for such lost, destroyed or damaged property, the discipline associated with the loss, destruction or damage of such property shall be mitigated or, if the employee has no current disciplinary action record, rescinded and any reference thereto in the employee's personnel file will be adjusted accordingly. The repair or replacement costs for any such property shall in every case be determined by the Company. This policy shall not apply to theft by any employee of Company property and shall not affect the progressive discipline guidelines (Annex DA) contained in the Contract except as specifically noted herein.

ANNEX ROE

The eligibility criteria for any "ROE" payment made per Article IX, Section 1(b) are as follows:

- Return on Equity (ROE) determinations are based on fiscal years October 1 through September 30.
- Individual payments will be pro-rated based on full and partial months of service during the fiscal year except as follows:
- Employees who resigned at any time before payment are not eligible for any payment
- Employees in probationary status at the time of payment of any ROE lump sum payment are not eligible for such payment.
- Part-time employees' base salary will be adjusted to reflect their part-time schedule, i.e., 20 hour schedule = $\frac{1}{2}$ x base salary; 30 hour schedule = $\frac{3}{4}$ x base salary
- Payments for employees who are deceased during the fiscal year will be made to their estates on a pro-rata basis.
- Employees discharged at any time before payment are not eligible for payment.
- Employees must have a current overall "competent" or higher performance appraisal rating.

ANNEX SR

Shift Rotation Guidelines

The purpose of alternate shifts is to maintain the Company's ability to respond to emergencies, system integrity, reliability, safety, compliance and customer satisfaction. These shift rotation guidelines will provide a description of the alternate shifts and procedures that will be utilized to staff the alternate shifts. The company may add or delete shifts or adjust staffing levels assigned to these shifts as needed to meet the requirements of the business.

The composition of the shifts will be as follows:

- Second Shift (or B shift) with work hours of 12:00 noon through 8:00 PM Monday – Friday;
- Imbalanced Shift with work hours of 8:00 AM – 4:00 PM on weekends and standard hours (7:30 AM – 4:00 PM) Monday - Friday. The shifts would be scheduled either Tuesday – Saturday or Sunday – Thursday with the employees having two consecutive days off; and
- Third Shift (or C Shift) with work hours starting after 8:00 PM and ending before 7:00 AM.

The company may modify the working hours of the shift to meet business needs. Affected employees will be given notification in advance of planned schedule changes in accordance with Article 7 of this Labor Contract.

Employees will earn shift bonus payments when assigned to an alternate shift. Refer to Article 8 of the Labor Contract.

Those on shift will have the opportunity to recognize normal paid holidays. Refer to Article 10 of the Labor Contract.

Shifts will be assigned in the following manner:

- Utilizing qualified volunteers, as practical.
- In the event there are more volunteers than available shifts, the shifts will be rotated, with the senior volunteers given the right to select their positions in the rotation.
- In the event there are no volunteers, the shifts will be filled using qualified employees in reverse seniority order.

The opportunity to volunteer for a shift will be posted in November of each calendar year, and the schedule posted in December of each calendar year.

Rotations will last for a minimum of two weeks and a maximum of four weeks unless otherwise agreed upon by the participants.

An individual on shifts B or C may not be the Primary On-Call person. Volunteering for shifts does not preclude an individual's responsibility to work On Call.

In the event there is a short notice (unplanned), short term absence, and Management elects to fill the shift, the company will assign shift duty in the following manner:

- Extend the normal workday. Extended workday assignments will be offered to qualified employees with the lowest amount of recorded overtime.
- If all employees decline the overtime the shift assignment, the qualified employee with the lowest amount of recorded overtime will be required to fill the shift. Declined overtime will be recorded per Article 7 of this Labor Contract.

In the event of a long-term absence, the company will assign shift duty in the following manner:

- Volunteers will be requested.

If no employee volunteers, then the shift will be assigned to the next person in the rotation.

ANNEX U
Provision of Uniforms

- Uniforms will be provided for the following job classifications:

Full Issue

*Operations Assistant	GR A	*Team Leader C&M	GR D
*Operations Mechanic	GR B	*Team Leader P&M	GR D
*General Service Technician	GR C	*Team Leader D&O	GR D
*Operations Technician	GR C		

Partial Issue

Engineering Aide	GR B	Engineering Technician	GR C
“On Call” personnel not in above classifications		Team Leader Engineering	GR D

- Uniforms are required to be worn during working hours. Employees receiving partial issues will wear uniforms when working “on call” orders or when extensive time will be spent in the field and advised by Section Leader that uniforms should be worn.

- The uniform consists of a shirt and jacket.

- The full issue consists of:

7 summer shirts (cotton or golf or combination)
7 winter shirts (cotton)
2 jackets (short or long length or combination)

Positions noted by an asterisk (*) may also be issued 7 tee shirts.

- The partial issue consists of:

3 summer shirts (cotton or golf or combination)
3 winter shirts (cotton)
1 jacket (short or long length)

- Trousers will be provided upon request as follows:

Full issue – 7 trousers
Partial issue – 3 trousers

- A Company logo ball cap will be provided upon request. When required, the Company logo hard hat is to be worn. Other hats may be worn as long as they carry no logo.
- After initial issue, article(s) of clothing may be replaced on an exchange basis. Articles torn beyond reasonable repair and soiled beyond normal cleaning are to be replaced.

- The Union emblem may be worn as long as the placement of the emblem does not distract from the uniform.

ANNEX UB
Union Business

In the event any member of the Shenandoah Division bargaining unit becomes President or is otherwise elected / appointed to serve as a business agent of Local 96 during the term of this contract, any leave to conduct union business in such capacity shall be taken pursuant to the terms specified below.

Full Time Leave of Absence for Union-Eligible Shenandoah Division Employee Elected/Appointed to serve as President/Business Agent of Teamsters Local 96

For the term of this labor contract, and for any mutually agreed-upon extensions hereof, the President of the Union, or other such union officer(s) as the President shall designate, shall, if the individual is an employee of Washington Gas – Shenandoah Division, take a leave of absence, without pay, to work full time on Union business, provided that such employees are elected to Union office or appointed by the Union to serve as business agents. Only one such employee/officer from the Shenandoah bargaining unit may be on such leave of absence at any given time. During such leave of absence, such business agent shall continue to accrue seniority with the Company and may, on union time, take all qualifying schools (on a space-available basis) offered by the Company to maintain his/her qualifications, meet licensing requirements for his/her current position or eligibility for temporary transfer rosters. During the leave of absence, the position of such business agent may be filled by the Company on a permanent basis. Upon expiration of such employee's term of office and/or duties as a Union business agent, he/she will be reinstated to his/her former position, and compensated in accordance with the collectively bargained wage schedule, or if such position has been eliminated, to a position as nearly comparable as possible, together with all of his/her seniority rights, provided, however, that the Company will require such employee to have a physical examination by a physician of the Company's choice, before such employee returns to active service with the Company. The Union shall give the Company written notice of the expiration of such business agent's term of office twenty (20) days prior to the date of each such expiration, except in the case of immediate removal or resignation, in which case the Company may require at least one week's notice prior to the business agent's return to work. If the business agent returns to work with the Company on the expiration of the term of Union office and/or duties as a business agent, the Company may declare an excess in the classification to which the employee is returning and procedures set forth in Article VI, Section 10 shall be applied.

(ii) If, upon the expiration of the employee's term of office or duties as a business agent, he/she is eligible to retire and elects to retire instead of returning to active service with the Company, he/she must do so by notifying the Manager, Labor Relations in writing of such election not later than twenty days prior to the expiration of his/her term of office or duties as a business agent, provided, however, that he/she shall return to active employment for a minimum of one day after the expiration of his/her term of office or duties as a business agent for the purpose of submitting to a physical examination by a physician of the Company's choice. Where such employee(s) satisfies the requirement of this Section, he/she shall be eligible for all normal

retirement benefits. If, however, the employee fails to satisfy such requirements, he/she shall be deemed to have resigned from employment with the Company and such resignation shall become effective seven days after the expiration of his/her term of office or duties as a business agent.

(iii) At the request of the Union, such employee(s) will be allowed to participate in one or more of the following benefit programs: medical, including prescription drug benefits; dental; vision care; life insurance; long-term disability; and other benefits under the Company's flexible benefits plans which may be available from year to year as outlined in the Employee Benefits Handbook for Washington Gas Bargaining-Eligible Employees, including any new benefit which may be offered. The full cost, based on applicable "COBRA" rates, for the business agent's participation in these benefit plans shall be borne directly by the Union. The Company will bill the Union for the actual costs of such benefits on a monthly basis, and such bill will be payable not later than thirty (30) days from the date such bill is received by the Union. Where such agreement is necessary, the right of business agents to participate in the Company's flexible benefit plans is contingent upon the agreement of outside insurers, which have contracted with the Company to provide that coverage

(iv) The retirement plan shall continue for any employee on such leave of absence and the employee will accumulate credited service for pension purposes. For the purpose of this Section, the term "Credited Service" shall include credit for vesting, accredited service, annual basic compensation, and final average compensation as those terms are defined in the pension plan. Each business agent on such leave of absence will be assumed for pension calculation purposes to have been compensated at the rate he/she was paid on the last day of work before beginning the leave of absence, as adjusted to be consistent with the collectively bargained wage schedule and rate steps consistent with the business agent's seniority. The granting of Credited Service for such business agents while on leave, as set forth in this Section, is contingent on approval by the Internal Revenue Service of amendments to the Company's retirement plan authorizing the granting of pension service credit and credit for base earnings under such circumstances. The authorization for such business agents on leave of absence to keep open a 401(k) account, without contribution privileges, and repay existing loan balances according to the current payment schedule is also contingent on approval by the Internal Revenue Service of an amendment to the Company's Union Employees' Savings Plan authorizing the maintenance of such accounts and repayment option under such circumstances.

ANNEX UCP LETTER OF AGREEMENT

Consistent with their discussions for a new collective bargaining agreement and for good and valuable consideration of the Company's agreement to provide a general wage increase and 84% differential adjustment in the basic pay rates as set forth in Article IX Wages and Annex W-P and W-C of the labor contract between Washington Gas Light Company (Shenandoah Gas Division) and Teamsters Local 96, effective July 30, 2004, the parties hereby agree as follows:

1. Teamsters Local 96 hereby agrees that it shall withdraw without prejudice the currently pending Unit Clarification Petition filed with Region 5 of the National Labor Relations Board – Case No. 5-UC-390. The Union will execute and submit a Withdrawal Request for approval by the Regional Director on or before August 2, 2004.

2. The Union also agrees that it shall not file another Unit Clarification Petition for a period of 48 months (August 1, 2004 – July 31, 2008) from the effective date of the new collective bargaining agreement.

3. The Company agrees that, in the event that Local 96 files such a petition after July 31, 2008, it shall not raise any procedural objection to the processing of a petition by the National Labor Relations Board.

4. In the event that Local 96 files such a petition after July 31, 2008, the parties agree that the Company shall have the unrestricted right to raise any and all substantive issues regarding the unit clarification petition.

5. The parties shall remain free to raise issues regarding the scope of the collective bargaining unit in negotiations for a successor agreement to the labor contracts covering Washington Gas and the Shenandoah Gas division, effective June 1, 2004 and July 30, 2004, respectively. They recognize, however, that such subject is a permissive subject to bargaining and shall only be discussed upon mutual agreement to do so.

6. The parties further agree that this letter shall be incorporated in the labor contract between Washington Gas Light Company and Teamsters Local 96 covering the Shenandoah Division by reference and as Annex UCP.

7. The agreements and provisions contained in this Letter of Agreement shall also be in effect and enforceable between the parties with respect to the labor contract between Washington Gas Light Company and Teamsters Local 96, effective June 1, 2004.

8. Any dispute or disagreement regarding this Letter of Agreement shall be submitted to arbitration consistent with the procedures established by the American Arbitration Association. The decision of the arbitrator shall be final and binding.

For the Company

Date: _____

For the Union

Date: _____

ANNEX W - P

“Production and Maintenance Group” Wage Grades and Rates
Year 1 Adjustment to Base Wages¹ Effective Day After Ratification/Signing
 Rounded to the nearest cent – for reference only

Year 1 - GWI of 3.0% Effective June 13, 2007						
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon	
AP	14.93	15.71	16.55	17.42	18.34	
BP	17.14	18.04	18.99	19.99	21.04	
CP	18.82	19.81	20.85	21.95	23.11	
DP	19.67	20.71	21.79	22.94	24.15	
Year 2 - GWI of 3.5% Effective August 1, 2008						
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon	
AP	15.46	16.26	17.13	18.03	18.98	
BP	17.74	18.68	19.66	20.69	21.78	
CP	19.48	20.51	21.58	22.72	23.92	
DP	20.35	21.43	22.55	23.75	24.99	
Year 3 - GWI of 3.75% Effective August 1, 2009						
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon	
AP	16.04	16.87	17.77	18.71	19.69	
BP	18.40	19.38	20.39	21.46	22.59	
CP	20.21	21.27	22.39	23.57	24.81	
DP	21.12	22.23	23.40	24.64	25.93	
Year 4 - GWI of 4.0% Effective August 1, 2010						
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon	
AP	16.68	17.55	18.48	19.45	20.48	
BP	19.14	20.15	21.21	22.32	23.50	
CP	21.02	22.13	23.29	24.52	25.81	
DP	21.96	23.12	24.33	25.62	26.97	
Year 5 - GWI of 4.0% Effective August 1, 2012						
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon	
AP	17.35	18.25	19.22	20.23	21.30	
BP	19.91	20.96	22.06	23.22	24.44	
CP	21.86	23.01	24.22	25.50	26.84	
DP	22.84	24.05	25.31	26.65	28.05	

¹ Wage table for the first year only of this 5-year contract includes a 1% *market adjustment* applied prior to the general wage increase.

ANNEX W - C
“Clerical Group” Wage Grades and Rates
Year 1 Adjustment to Base Wages² Effective Day After Ratification / Signing
Rounded to nearest cent / for reference only

Year 1 - GWI of 3.00%		Effective June 13, 2007			
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon
AC	14.62	15.39	16.20	17.06	17.95
BC	16.00	16.84	17.72	18.66	19.64
CC	17.73	18.67	19.65	20.68	21.77
DC	19.51	20.54	21.62	22.76	23.95
Year 2 - GWI of 3.5%		Effective August 1, 2008			
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon
AC	15.13	15.93	16.77	17.65	18.58
BC	16.56	17.43	18.34	19.31	20.32
CC	18.35	19.32	20.33	21.40	22.53
DC	20.19	21.26	22.38	23.55	24.79
Year 3 - GWI of 3.75%		Effective August 1, 2009			
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon
AC	15.70	16.53	17.40	18.31	19.28
BC	17.18	18.08	19.03	20.03	21.08
CC	19.04	20.05	21.10	22.20	23.37
DC	20.95	22.06	23.22	24.43	25.72
Year 4 - GWI of 4.00%		Effective August 1, 2010			
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon
AC	16.33	17.19	18.10	19.05	20.05
BC	17.86	18.80	19.79	20.84	21.93
CC	19.80	20.85	21.94	23.09	24.31
DC	21.79	22.94	24.15	25.41	26.75
Year 5 - GWI of 4.00%		Effective August 1, 2009			
Grade	Starting	12 Mon	24 Mon	36 Mon	48 Mon
AC	16.98	17.88	18.82	19.81	20.85
BC	18.58	19.56	20.58	21.67	22.81
CC	20.59	21.68	22.82	24.01	25.28
DC	22.66	23.86	25.11	26.43	27.82

² Wage table for the first year only of this 5-year contract includes a 1% *market adjustment* applied prior to the general wage increase.

**ANNEX WSB
EMPLOYEE REQUEST FOR MODIFICATION OF
STARTING TIME / SHIFT AND
WAIVER OF SHIFT BONUS (DIFFERENTIAL)**

I _____,
PRINT EMPLOYEE NAME

Employee # _____, hereby request a change in: (initial in appropriate space(s) below)

Starting Time:

Starting Time Requested: _____

Shift: _____

Shift Requested: _____

I am making this request voluntarily and acknowledge that the requested change is for my own convenience. Therefore, I further acknowledge that I am waiving my right to any shift bonus or differential that would normally be payable in accordance with the Labor Contract. I understand that Washington Gas may or may not be able to grant this request and that such decision will be based on Company operating requirements. I also understand that the Company reserves the right to change my starting time and/or shift at any time in accordance with the current Washington Gas and Teamsters Local 96 Labor Contract. In the event this request is not approved, I may not resubmit it sooner than 6 months from the date it is denied.

I also understand that, once approved, this request and waiver will remain in effect until I rescind it. I may exercise my right to rescind this request and waiver by providing notice to my supervisor in writing two (2) weeks in advance that I wish to return to my regular starting time / shift or to such shift the Company may assign in accordance with the Labor Contract.

EMPLOYEE SIGNATURE

DATE

REQUEST: DENIED / APPROVED:
(Supervisor circle one)

IF APPROVED,

NEW STARTING TIME _____ AM/PM

NEW SHIFT _____

ANNEX ZC
Zipper Clause

The Labor Contract supersedes, and the Company repudiates, all prior agreements, mid-term agreements, memoranda of understanding, letter agreements, etc., and past practices/shop practices between the parties except as listed below. To the extent that the following prior agreements and past practices/past shop practices are not consistent with the terms and provisions of the Labor Contract, each such agreement, past practice or past shop practice in effect as of the date of ratification of the Contract shall be incorporated by reference herein. In the event that a dispute arises in the administration of any of the following, the parties agree that specific Labor Contract language shall control, but in the absence of specific language that such dispute shall be resolved in a manner consistent with the Company's need to operate with optimal flexibility, efficiency, productivity and economy. Nothing in Article XXVII or this Annex shall affect existing discipline and no changes to or deletion from personnel jackets shall result solely as a result of Article XXVII or this Annex.

Items included in Zipper Clause are:

1. NONE

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