AGREEMENT

BETWEEN

DUKE ENERGY CORPORATION

AND

LOCAL UNION 962
INTERNATIONAL BROTHERHOOD
OF
ELECTRICAL WORKERS

OCTOBER 1, 2018

TO

SEPTEMBER 30, 2020
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AGREEMENT BETWEEN

DUKE ENERGY CORPORATION

AND

LOCAL UNION 962

INTERNATIONAL BROTHERHOOD OF

ELECTRICAL WORKERS

THIS AGREEMENT, made and entered into this 1st day of October, 2018, by and between Duke Energy Carolinas, LLC, a corporation incorporated under the laws of the State of North Carolina, hereinafter called the "Company", party of the first part, and LOCAL UNION 962 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, hereinafter called the "Union", as exclusive collective bargaining representative for all employees of the Company listed in Article I hereof, now or hereafter employed by the Company during the term of this Agreement.

The terms and conditions set forth in this Agreement shall be applied without unlawful discrimination of any kind on account of race, age, sex, color, creed, religion, national origin, veteran, or handicap. Reference made herein to male gender shall be deemed to include female gender.

ARTICLE I

RECOGNITION

The Company recognizes the right of its employees to organize and bargain collectively through representatives of their own choosing. The Union is hereby recognized as the sole collective bargaining representative with respect to rates of pay, hours of work and other conditions of employment for all employees of the Company in the unit, listed below, provided that any individual employee shall have the right at any time to present grievances to the Company; provided further, that the bargaining representative has been given opportunity to be present at such adjustment.

The Union represents the following employees in Duke Energy - Carolinas:
All employees in the Power Delivery (Distribution) Department, including line technicians, appliance technicians, truck drivers, helpers, meter technicians, field service representatives, garage mechanics and attendants, water service and meter technicians, special equipment operators, water plant operators, warehouse aides, janitors, stock handlers, and stock handler helpers, excluding all engineering clerks (operation center), office clerical employees, supervisors as defined in the Act, and all other statutory exclusions.

The Union represents the following employees in the Fossil/Hydro Department:

All operation and maintenance employees at the Allen Steam Station, and Bad Creek and Jocassee Pumped Storage Stations, excluding office clerical employees, guards and supervisors as defined in the Act.

Hydraulic Maintenance, Great Falls, S.C.
Great Falls Labor Crew, Great Falls, S.C.
Substation Operators at Durham, N.C.
Substation Service Technician at North Wilkesboro
Substation Service Technicians at Elkin
Substation Operators at Greenville, S.C.
Substation Service Technicians at Toxaway, S.C.
Substation Service Technicians at Seneca, S.C.
Labor Crew, Spartanburg, S.C.

The Company agrees to meet and deal with the duly accredited officers, committees or representatives of the Union upon all matters covered by the terms of this agreement affecting employees in the above-named units.

ARTICLE II
DUES COLLECTION

The Company agrees that it will deduct Union dues from the earnings of member employees from whom it has received a lawfully executed voluntary written dues deduction authorization. The Company agrees to remit such dues monthly to the appropriate official(s) of the International Brotherhood of Electrical Workers, Local Union 962. The Union will notify the Company in writing
of the exact amount to be deducted, and will indemnify and hold the Company harmless against any claims or liability incurred by reason of such dues deduction.

The Company shall provide the Union with time to discuss with new employees, the Union and the existence of the Collective Bargaining Agreement.

ARTICLE III-A
GRIEVANCES

Section 1. The Company agrees to meet and treat with the duly accredited officers, committees and representatives that are elected or selected by the members of the Union, upon any questions and grievances that may arise thereunder between the parties hereto during the life of this agreement regarding the meaning or operation of any provision of this agreement. While the department heads and officials of the Company will be available and willing to hear and discuss grievances at any appropriate time, insofar as possible grievances shall be considered by and between representatives of members of the Union and the representative of the Company immediately in charge of the operations out of which the controversy arose. Any grievance not presented in writing to both parties within thirty (30) days after its alleged occurrence will not be recognized by either the Company or the Union. Grievances shall be handled locally within thirty (30) days after being filed. If the grievances are not settled locally within thirty (30) days, they will be handled by the Local Union with the General Office. Grievances not presented to the General Office within forty-five (45) days after being filed shall be considered closed and shall not be considered further. The initial conference between the representative of the Union and the Company representative from the General Office shall be held within twenty-one (21) days of receipt by the Company's Manager of Labor Relations of a written request for an initial conference. If the grievance is presented to the General Office, the General Office will furnish the Local Union its decision in writing within fifteen
(15) days after the initial conference between the representative of the Union and the Company representative from the General Office. The initial conference may be by telephone.

Section 2. Any employee covered by this agreement who has been suspended or discharged shall have the right, upon written notice to the Company within twenty (20) calendar days after such suspension or discharge, to have the case taken up by the officers, committees or representatives of the Union with the representatives of the Company; and in such cases where, upon investigation, it is found and mutually agreed to by the representatives of the Union and of the Company that such employee who has been suspended or discharged was not at fault shall be reinstated to the former position and paid the wages entitled to had he/she continued in the Company's employment, during the period of suspension or discharge. Nothing herein shall abridge the right of the Company to relieve or discharge employees from duty because of lack of work or for other proper causes.

Section 3. If settlement of any grievance is not reached within the time limits specified in Sections 1 and 2 of this Article, the grievance may be referred to arbitration in writing by either party within thirty (30) days thereafter; provided however, that if the matter is not referred to arbitration in writing in thirty (30) days, as above provided, the Company and the Union hereby agree that the matter will no longer be arbitrable.

Section 4. Upon agreement, the Company and the Union may extend or vary the time limits herein set out in this Article III-A.

Section 5. When meetings between the aggrieved employee, Union representatives and the representatives of the Company are mutually arranged, employees affected shall not lose their pay for scheduled time lost because of attending such meeting.

Section 6. The authorized representative or representatives of the Union who are employees may discuss with the District or Local Managers general matters pertaining to the interpretation or administration of any terms of this Agreement without having to resort to the grievance procedure.
ARTICLE III-B

ARBITRATION

Any differences arising between the Company and the Union under the provisions of this agreement regarding the meaning or operation of any provision, which the authorized representatives of the Company and the Union are unable to settle, shall be referred to a Board, to consist in each case of four members, two to be selected by the Union and two to be selected by the Company. Each party shall select its members and notify the other party of its selection within thirty (30) days after a grievance has been referred to arbitration under Article IIIA, Section 3 and the other party has received written notice of that fact. This Board will meet as soon as possible following its appointment and will study the evidence in the case and try to reach an agreement. In the event an agreement is reached, it shall be final and binding on both parties hereto. The Company and the Union shall each bear the expenses of their own representatives.

The Union's Business Manager and the Company's Manager of Labor Relations may agree to waive the appointment of the Board referred to in the preceding paragraph. In the event the Union's Business Manager and the Company's Manager of Labor Relations agree to waive the appointment of a Board, the parties shall jointly request the American Arbitration Association to submit a list of seven names of arbitrators, residents of the Southeastern United States (8 states as identified in 1978 by U.S. Department of Labor as Region IV), from which an arbitrator shall be selected by each party, alternately striking one name on the list until only one (1) name is left and this person shall be the arbitrator. The party striking first will be determined by a flip of a coin. The request for a list of the names of arbitrators shall be submitted by the parties to the American Arbitration Association within fifteen (15) days from the date the parties agree to waive the appointment of a Board. The arbitrator selected by the parties shall hear the evidence in the case as promptly as possible and render a decision within thirty (30) days after the close of the evidence, which decision shall be final and
binding on both parties. The arbitrator appointed shall have no power to add to or take from or modify the express terms of the Agreement. The Company and the Union shall bear the expense of their own representatives and the expense of the arbitrator shall be borne equally by the Union and the Company.

In the event the Board named above is unable to settle the matter within thirty (30) days, the party bringing the grievance may refer the matter to the arbitration panel described below. The grievance must be referred to the arbitration panel within forty (40) days of notification to the parties by the Board named above that it is unable to settle the matter or the grievance will be considered closed and will not be considered further. Referral of a grievance to the arbitration panel shall be by written notice to the other party. Should a grievance be referred to the arbitration panel, the parties shall jointly request the American Arbitration Association or the Federal Mediation and Conciliation Service to submit a list of seven names of arbitrators, residents of Southeastern United States (8 states as identified in 1978 by U.S. Department of Labor as Region IV), from which an arbitrator shall be selected by each party, alternately striking one name on the list until only one (1) name is left and this person shall be the arbitrator. The party striking first will be determined by a flip of a coin.

The arbitrator thus selected together with the four members of the Board previously selected shall constitute the arbitration panel. The arbitration panel thus selected shall hear the evidence in the case as promptly as possible and render a decision within thirty (30) days after the close of the evidence, which decision shall be final and binding on both parties hereto. The arbitrators appointed, as hereinbefore provided, shall have no power to add to or take from or modify the express terms of the Agreement. The Company and the Union shall bear the expense of their own representatives and the expense of the arbitrator shall be borne equally by the Union and the Company.
ARTICLE IV

HOURS OF WORK

Section 1. An employee’s FLSA workweek is a fixed and regularly recurring period of 168 hours (seven consecutive 24-hour periods) and does not change from week to week regardless of the schedule worked by the employee. The workweek shall be seven (7) consecutive calendar days beginning at 12:01 a.m. Monday through 12:00 a.m. the following Monday.

Section 2. The regular working hours shall be 40 hours per week, with these 40 hours being worked in five days of eight consecutive hours each, not including a meal period of one hour or less. The Company may establish regular working hours of other than 40 hours per week and work days of other than eight consecutive hours, not including a meal period of one hour or less. A decision to change to a regular work schedule of more than eight consecutive hours per day will be approved in advance by the appropriate Company Department head. The meal period shall be observed as near the midpoint of the work schedule as is reasonably possible. Rest days shall be consecutive insofar as practical.

In the event the Company should elect to establish for any employee(s) covered by this agreement a work schedule of more than eight hours per day, the Company shall administer the benefit provisions of this agreement for all employees for whom such a schedule has been established in such a manner as to ensure that the establishment of the work schedule does not result in a decrease in benefits.

The Company agrees that, upon request, the Manager of Labor Relations will meet with the Union Business Manager to discuss matters related to the administration of this Section and to consider suggestions.

Section 3. Power Delivery management will endeavor to keep Sunday work to a minimum consistent with proper service to the public. When schedules for outage restoration, planned outages
or work to maintain public safety are needed, the company may establish regular Sunday work schedules. Management will first ask for volunteers. If there are not ample volunteers to meet work needs, assignments for the scheduled work may be made on a rotational basis.

Section 4. The working hours shall be scheduled by the Company. Regular schedules of hourly employees will be posted on appropriate bulletin boards. Such schedules either for individuals or for crews may be changed on not less than 24 hours' notice. When an employee's regularly scheduled hours are changed with less than the notice hereinabove required, all hours worked prior to the expiration of the required notice shall be considered off-scheduled hours. Any employee who is given less than the required notice of a change in schedule as provided for above, and who loses regularly scheduled time thereby, will be paid at regular straight-time rates for such time lost until the required notice period has expired. Notice of a change in schedule shall be given by or at the direction of a supervisory employee.

The above provisions do not apply in the event a change in schedule is necessary, due to the absence of an employee. In such cases the Company will give as much notice as possible.

Section 5. All time worked outside of regularly scheduled hours, provided the regularly scheduled hours consist of at least eight hours per day, will be paid for at one and one-half times the regular rates, but in no event shall the Company be required to pay overtime more than once for the same hour or hours.

In the event an employee is scheduled to work two (2) contiguous shifts without a break in service, the employee will be paid one and one-half times the regular rate for any such hours that surpass the employee’s first scheduled shift.

Section 5. (a) An employee who has worked 16 hours or more within a 24-hour period, said period beginning with employee's regularly scheduled starting hour, or 16 consecutive hours, shall
be entitled to a ten (10) hour rest period before returning to work except as noted in Section 5 (b), Section 5 (c) and Section 5 (d).

The term "regularly scheduled starting hour" shall in like manner apply to an employee's off-day. If said rest period extends into employee's basic work day, no regularly scheduled time shall be lost thereby.

The above provision shall not prevent an employee from working the regularly scheduled work period if he/she so desires and the supervisor agrees, in which event pay shall be at two times the regular rate for all hours worked until receiving the appropriate rest period except as noted in Section 5 (d).

This section does not apply to operators changing shifts.

Section 5 (b) An employee who is provided a Company vehicle and called out for work from their residence will be paid from the time they leave their residence ready for work until they arrive back at their residence after completing the work assignment. The employee shall receive a rest period of up to eight (8) hours without loss of pay in lieu of the ten (10) hours rest period without loss of pay described in Section 5 (a) and Section 5 (e). If the end of the eight (8) hour rest period coincides with the employee’s regular schedule, the employee will be paid from the time they leave their residence ready for work.

Section 5 (c) Employees working on the Duke Energy - Carolinas System and/or the legacy Progress Energy Carolinas System (as existed prior to July 2, 2012) but away from their home location shall receive a rest period of up to eight (8) hours when employees are paid from the time they leave the place of lodging until they return to the place of lodging. Meals will be provided during paid work time.

Section 5 (d) Employees working away from the Duke Energy – Carolinas System and/or the legacy Progress Energy Carolinas System (as existed prior to July 2, 2012) shall receive
a rest period of up to eight (8) hours and all hours worked shall be paid at 1 ½ times the regular rate of pay. Employees will be paid from the time they leave the place of lodging until they return to the place of lodging. Meals will be provided during paid work time.

Section 5. (e) Employees’ working away from the Duke Energy System, shall be paid double time for all hours worked. Employees will be paid from the time they leave the place of lodging until they return to the place of lodging.

Section 5. (f) When an employee is called out and works at least 3 productive hours past midnight, up to 4 AM, but does not meet the 16-hour rule provisions, he/she shall be permitted to delay their normally scheduled start time in accordance with the following provisions and the examples included in the Memorandum of Understanding within the Contract.

The intent of this provision is to promote safety in the workplace by helping to keep employees physically and mentally prepared to work safely.

This provision may be used regardless of the day on which the call-out occurred. It may be on the employee’s normally scheduled day off, regular workday, or holiday. If the rest period carries over into the employee’s regularly scheduled hours (i.e., his/her next shift), the employee will be paid straight-time rates for the regularly scheduled hours he/she does not work. If there are hours remaining in the employee’s scheduled shift after the rest period ends, the employee is expected to work those remaining hours.

Section 5. (g) It is agreed that Electric Distribution line contractors will not be called out or extended on overtime for outage restorations until Electric Distribution employees at that location who are on call are called and all other employees at that location who have volunteered to be on call are called. It is understood that in some cases, when special equipment is needed, contractors may be called first. It is also understood that a contractor would complete work already assigned at the end of their shift.
Section 6. When an employee is required to remain at headquarters or some other designated post ready for immediate duty, he/she is on "standby", and "standby" time is considered the same as working time for pay purposes.

When an employee is "on call" to take care of duties necessary to maintain customer service, the employee is not required to remain on the employee's premises, but is required to furnish supervision with a telephone number where he/she can be reached should the need arise. "On call" is not considered as time worked and will not be paid for.

When a call-out in the Customer Delivery (Distribution) organization is required after regularly scheduled hours, employees on the call-out list will normally be called first. Employees who are not designated to be "on-call" should be available for the restoration of service during emergencies.

The following applies to employees in the Distribution Line Technician job series who are in the scheduled callout rotation:

Those employees must maintain a minimum number of “overtime hours worked” in a rolling twelve month period, that is equal to or greater than 67% of the average overtime hours worked by employees at that work location (Operations Center), in the scheduled callout rotation.

\[
\text{Average Over Time Hours} = \frac{\text{Total Overtime Hours Worked in Twelve Months}}{\text{Total Employees in the Callout Rotation}}
\]

Overtime hours worked will include all overtime hours worked within the Duke Energy Carolinas service territory. Overtime hours worked outside of the Duke Energy Carolinas service territory, are not included in the calculation.

Hours will be reviewed quarterly based on the prior twelve-month period. If an employee falls below the 67% average OT hours – he/she will be subject to corrective action and may not be permitted to travel on storm response unless approved or designated by the Supervisor.

Example:
A location with 10 employees, the total overtime hours over the last year was 6500 Hours and 1000 of those hours were worked in the Duke Energy Florida service territory.

Average Overtime Hours = \( \frac{5500}{10} = 550 \)

Minimum OT to be maintained is 412.50 hours in a rolling twelve-month period (\( 550 \times 0.67 = 412.50 \))

While progressing through the Distribution Line Technician (DLT) job series up to top pay of a DLT, employees must take all of their weeks of call assigned in a calendar year. Employees can swap with their peers but may not give away weeks of call. For example, if someone is assigned six weeks of call-out in a year, he/she can swap the weeks they work but must ultimately work a minimum of six weeks of call-out during the calendar year.

If the Company determines that the response rate has not sufficiently improved by December 31, 2019, the Company reserves the right to initiate a one-time reopener with the Union solely concerning these overtime guidelines, during the term of the Agreement.

An employee called out during off hours shall be guaranteed minimum pay at the overtime rate on the following basis:

a) Employees reporting for work between 7:00 a.m. and 10:00 p.m. shall be paid a minimum of 2 hours.

b) Employees reporting for work between 10:00 p.m. and 7:00 a.m. shall be paid a minimum of 3 hours.

c) Employees reporting for work on Sunday and holidays shall be paid a minimum of 3 hours.

If another call-out occurs within the original guarantee period, the employee will be paid at the overtime rate for the elapsed time beginning with the original call-out up to the time of another call-out and the guarantee period shall be changed to begin with the starting time of the latest call out.
If the guarantee period for a call-out merges into the employee's scheduled hours of work, pay will be at the overtime rate for the time actually elapsed between reporting for call-out and regular starting time of scheduled work.

All overtime shall be distributed as nearly equally as practicable among the available employees in their respective classifications, consistent with rapid and efficient restoration of service.

Section 7. Shifts may be rotated on a regular schedule of rotation and no liability shall accrue to the Company to pay at the overtime rates for any work done as the result of the rotation of shifts.

Section 8. It is agreed that employees, by mutual agreement and with the consent of the Company, may temporarily exchange work periods between themselves, and that no liability to pay for any work done as the result of such exchange at overtime rates shall accrue to the Company.

Section 9. When employees are called out or perform work outside of scheduled hours and miss a meal thereby, the Company will provide a meal. The Company will provide meals when employees continue to work after the close of the regular day for as much as two hours and at approximately five-hour intervals thereafter until released from duty.

Employees who continue to work one hour or more beyond their entitlement to a meal shall be provided the meal before being released from duty.

The Company will have the following options to provide a meal:

a) Directly purchase the meal and provide it to the employee;

b) Provide a meal allowance at a rate which will be set by the Company and may be unilaterally increased by the Company from time to time.

Section 10. An employee may be temporarily assigned by supervision to work as a substitute in a higher classification. Upon such temporary assignment, an employee shall receive regular pay. If such employee works for eight consecutive working hours or more in the higher classification, pay shall be an additional 50 cents per hour for all time so assigned, including the
first eight consecutive working hours. Upon completion of 60 working days of temporary assignment the employee shall, if qualified, be reclassified on the nearest payroll date to the higher classification. With the mutual consent of the employee and management, the temporary assignment may be extended up to an additional seventy (70) working days. If said employee is not the senior employee, the Local Management will discuss the matter with the Local Union Representative before reclassification. An employee so reclassified may be put back to the former classification upon termination of the assignment. Employees are not to be deliberately shifted from job to job to avoid payment of additional earnings as stated above. The provisions of this paragraph shall not apply in the case of an employee assigned to perform tasks in a higher classification in the rate range progression in which the employee is employed, provided an employee who has progressed to the top of his/her classification and has not progressed to the next higher classification in the rate range due to a vacancy requirement in the rate range will be entitled to receive pay in accordance with this paragraph.

An employee may be temporarily placed by supervision in charge of another employee or employees. The employee so assigned shall, in addition to his/her regular pay, receive an additional One Dollar and 50/100 ($1.50) per hour for all time so assigned. In the event the Company elects to increase the amount of this premium during the term of the 2018-2020 Labor Agreement, the Company will also increase the amount for IBEW 962 represented employees.

Section 11. Employees who work away from headquarters shall provide their lunch and observe a one-half (½) hour lunch period. Buttoning up time or preparations for leaving the work area in a safe manner will not be considered as part of the lunch period.

Section 12. Employees covered by this agreement who are on assignment for which overnight accommodation has been approved by the Company, shall be reimbursed for their expenses by a "per diem" payment for each night of overnight accommodation. The amount of the
payment shall be set by the Company and may be unilaterally increased by the Company from time to time. Employees to whom this provision applies may request an advance per diem payment for each planned night of overnight accommodation. Management may approve reasonable actual expenses in lieu of per diem.

This provision shall not apply to employees for whom lodging and/or meals are provided by the Company (for example, Company training), employees on emergency crews, nor employees for whom one night's accommodation has been approved and who will be away for no or one meal period only. These employees shall be reimbursed for their reasonable actual expenses incurred. The Company may establish a daily limit for such expenses.

ARTICLE V

VACATIONS

Effective January 1 of each year the Company will allow vacations with pay each calendar year to each regular full-time employee as follows.

(a) During the first year of employment, employees will earn 1 day per month up to a maximum of 80 hours. Employees who begin work on the first day of the month through the fifteenth day of the month will accrue a day of vacation that first month. Employees who start on the sixteenth day of the month or thereafter will begin accruing vacation the following month.

(b) Beginning the second calendar year of employment employees will be eligible for vacation as follows:

- Eighty (80) hours vacation during the year of the second anniversary.
- One hundred twenty (120) hours vacation during the year of the fifth (5th) anniversary.
- One hundred sixty (160) hours vacation during the year of the twelfth (12th) anniversary.

- Two hundred (200) hours vacation during the year of the twenty-first (21st) anniversary.

- Employees with 20 years of service as of Jan. 1, 2019 will retain the ability to earn the 6th week of vacation when they reach 32 years of service. New hires and employees with less than 20 years of service as of Jan. 1, 2019 will no longer be eligible to earn a sixth week of vacation after 32 years of service. Employees who have already earned a sixth week of vacation will retain that benefit.

Vacation benefit eligibility is renewed on January 1st of each calendar year. Current year vacation hours are accrued at 1/12 of the current year’s vacation eligibility for every month worked on active payroll. However, an employee may take the entire current year’s vacation eligibility at any time during the year.

Vacation pay shall be 40 hours a week at straight-time rates. Vacation can be taken in no less than 1-hour increments.

Such vacations shall be arranged as mutually agreed upon between the employees and the Company and scheduled at such time as shall least interfere with the operations of the Company. Any vacation in excess of eighty (80) hours not taken in a calendar year shall be forfeited. An employee may carry over from one calendar year to the next unused vacation hours not to exceed more than eighty (80) hours.

An employee’s vacation will start at the end of their last regularly scheduled working day prior to the scheduled vacation, and shall end at the start of his first regularly scheduled working day following the scheduled vacation. The Company reserves the right to cancel an employee’s
vacation in the event of severe outage events and/or emergency situations, but will give consideration to the employee’s vacation plans before doing so.

No employee shall lose holiday rights due to a holiday falling in his/her vacation period, but shall be entitled to an extra day on account of such holiday.

An employee covered by this agreement who becomes ill or injured prior to the first day of a scheduled vacation period, and while still at the local residence, shall, upon prompt notification to appropriate supervision have the vacation period rescheduled.

If an employee is hospitalized during a scheduled vacation due to a cause other than employment outside the Company, the unused portion of vacation falling within the period of illness shall, upon employee’s request, be rescheduled after recovery if sufficient time remains in the calendar year.

Employees shall choose vacations in accord with their length of service.

An employee whose employment is terminated shall be paid for any vacation due and not taken during the calendar year of the notice of termination of employment subject to the following terms and conditions:

(a) No vacation or vacation pay shall be allowed after discharge for cause.

(b) At the option of the Company, an employee may either be required to take vacation due or paid for vacation due in lieu thereof.

(c) Upon resignation, an employee must give the Company the required two weeks' notice of the quitting date.

(1) When an employee resigns with the proper two weeks notice or retires in accordance with retirement plan provisions, the employee is eligible to be paid for current year unused vacation hours that have accrued as of the month in which the termination occurs.
(2) An employee who has taken vacation in excess of the amount accrued in the current year at the time of termination will not be required to repay the amount in excess of the accrual.

(3) An employee will receive pay for any vacation carried over in accordance with the provisions for vacation carryover.

ARTICLE VI

SENIORITY AND LAYOFFS

Section 1. Length of continuous employment with the Company shall constitute seniority. Where the term "length of service" is used in this agreement, it shall mean "seniority."

Section 2. Seniority shall prevail in the choice of shifts except where shifts are rotated. In promotions other than to supervisory positions, competency being reasonably equal and sufficient, seniority in the seniority unit in which the promotion is being made shall be the controlling factor, it being understood that seniority in a seniority unit shall mean length of continuous employment with the Company. For Distribution employees in Duke Energy – Carolinas, seniority at a location (existing operations center) rather than seniority in an area/zone will be used to determine eligibility for promotions in classifications represented by the Union. In the event the senior employee in a seniority unit represented by the Union is not selected for promotion to positions other than supervisory, the Local Representative having jurisdiction will be notified and given an opportunity to discuss the subject with the Company before any action is taken. Promotions will be made from class to class in seniority units as positions in the higher classes are available and as employees qualify for same, but it is understood that employees, although qualified for higher classifications, will not be moved up until positions in higher classifications are available. When it is determined
by the Union and the Company that an employee is not classified on the basis of the work regularly and customarily performed, the employee shall be reclassified on that basis.

Section 3. Leaves of absence granted in accordance with the articles of agreement shall not interrupt "seniority." Resignations, discharges or failure to report for duty as directed, without reasonable excuse, shall interrupt seniority and abolish all benefits arising out of seniority.

Section 4. (a) Layoffs for one year or less for employees with less than five years of seniority and of two years or less for employees with five or more years of seniority shall not interrupt seniority; however, seniority shall not accumulate during the layoff period.

Section 4. (b) When the Company finds that need exists for such services as laid-off employees can render, the Company will recall laid-off employees to duty in the reverse order of this layoff. It is the responsibility of the employee to keep the Company advised of his/her address. The Company will have discharged its obligation when it has notified this employee by registered mail at the last known address. The employee must notify the Company by registered mail within ten (10) days from date of mailing of recall notice and must report for service within twenty (20) days of the date of mailing of recall notice and must be, with or without reasonable accommodations, physically and mentally qualified for the job to which recalled.

Section 4. (c) When it is necessary to curtail forces because of lack of work, seniority in the seniority unit in which there is a lack of work shall govern. Starting with the classification in which the surplus in the seniority unit exists, those with the least seniority shall be placed in the next lower classification, and if a surplus exists there, then those with the least seniority, excluding those transferred from the higher classification shall be placed in the next lower classification. When the lowest classification is reached and a surplus still exists, those employees with the least seniority in that classification shall be laid off.
The pay of the employee moved to the lower classification in accordance with this section shall be adjusted to the rate of the classification to which moved.

In the event that a layoff is necessary, the Company shall give employees to be laid off two weeks' notice of the fact. And, by the same token, if any employee leaves the employ of the Company, two weeks' notice shall be given the Company of the quitting date.

Section 4. (d) No regular Company employee shall be laid off without just cause while work that his/her department would regularly do is being done by a contractor.

Section 4. (e) The Company will pay the laid-off employee notice pay according to the following schedule:

<table>
<thead>
<tr>
<th>Seniority of Laid-Off Employee as of Date of Lay-Off</th>
<th>Amount of Notice Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 mos. to 2 years</td>
<td>3 weeks</td>
</tr>
<tr>
<td>2 years to 7 years</td>
<td>4 weeks</td>
</tr>
<tr>
<td>7 years to 15 years</td>
<td>5 weeks</td>
</tr>
<tr>
<td>15 years to 24 years</td>
<td>6 weeks</td>
</tr>
<tr>
<td>24 years or more</td>
<td>7 weeks</td>
</tr>
</tbody>
</table>

The notice pay will be paid to the laid-off employee on a biweekly basis after the layoff date until the laid-off employee has received all of the notice pay to which he/she is entitled, provided, however, that in the event the laid-off employee should return to active employment with the Company before he/she has received all of the notice pay to which he/she is entitled under the terms of this section, such notice pay shall cease upon the return to employment.

Section 5. The Company shall furnish Local Union 962 annually with the seniority rating of all employees represented by the Union and a seniority rating of all such employees by the agreed upon seniority units. Effective October 1, 2018 the Seniority Units referred to in this Article are:
*Customer Delivery:
West – Hendersonville, Hickory, Spindale, Marion (NC),
North – Durham, Greensboro, Burlington, Reidsville, Madison, Highpoint,
Kernersville, Lewisville, Rural Hall, Mount Airy, Elkin, North Wilkesboro
Central – Gastonia, Ft Mill, York, Shelby, Lancaster, Chester, Little Rock, Newell,
Matthews, Morrisville, Mooresville, Kannapolis, Salisbury
South – Anderson, Clemson, Greenwood, Simpsonville, Wenwood, Travelers
Rest, Spartanburg, Duncan

ARTICLE VII

TRANSFERRING EMPLOYEES

a. It is understood that in the event the Company desires to permanently transfer to another
branch of the Company any employee covered by this agreement for whom a continuation
of his/her regular work is available, such transfer shall not be made unless acceptable to such
employee; but this provision shall not prevent such employees being sent to other points on
the system for temporary employment in cases of emergency.

b. The provisions of paragraph (a) notwithstanding, it is understood that the Company may
assign a Power Delivery employee whose normal reporting location is one in the group listed
below to any other location within that group. Any such assignment(s) shall be temporary
in nature and shall not exceed a total of six hundred and forty (640) working hours within
any twelve month period, excluding any time spent on assignment in case of emergency. Provided, however, an employee may agree to spend up to an additional one hundred and sixty (160) hours within any twelve month period on temporary assignment(s) under the provisions of this paragraph. All assignments made under the provisions of this paragraph shall be subject to the following conditions:

1) An employee who is being assigned to report to an alternate location under the provisions of this paragraph will be notified of that fact no later than the end of his or her shift immediately preceding the time for reporting to the alternate location.

2) The Company will reimburse at the standard Company rate a temporarily assigned employee who drives a private vehicle to the alternate work location actual round trip mileage driven by the employee which is in excess of the normal mileage between the employee’s residence and the employee’s normal reporting location.

3) No Power Delivery employee will be laid off as the result of the temporary assignment of a Power Delivery employee under the provisions of this paragraph.

4) The employee shall retain his/her seniority in the seniority unit to which permanently assigned.

5) An employee who is on call will not be asked to report to an alternate location while he/she is on call.
GROUPINGS

1. North Wilkesboro/Elkin  
2. Lewisville/Kernersville/Rural Hall  
3. Elkin/Mount Airy  
4. Mount Airy/Rural Hall  
5. Greensboro/High Point/Kernersville  
7. Reidsville/Madison/Greensboro*  
8. Lenoir/Hickory/ Marion*  
9. Mooresville/Kannapolis/Salisbury  
10. Gastonia/Little Rock  
11. Little Rock/Matthews/Newell  
12. York/Ft. Mill/Chester/Lancaster  
13. Newell/Kannapolis/Mooresville  
14. Matthews/Marshville  
15. Little Rock/Fort Mill  
16. Shelby/Gastonia  
17. Ft. Mill/ Matthews  
18. York/Gastonia  
19. Travelers Rest/Wenwood/Simpsonville  
20. Spartanburg/Duncan  
21. Hendersonville/Spindale/Brevard  
22. Greenwood/Anderson  
23. Clemson/Anderson  

* For the Marion/Hickory and Greensboro/Madison groupings, Management will pay additional miles and time above the employee’s normal commute.

ARTICLE VIII
SAFETY

Section 1. It is understood and agreed between the parties hereto that the safety of employees and of the public is of the greatest importance, and both parties dedicate their efforts unceasingly to the end that care shall be exerted at all times to save employees and the public from physical harm. To this end, it is agreed that a Union Committee of three (3) employees selected by the Union may, upon request, meet quarterly with the Manager of Labor Relations, Manager of the Safety Department, and such others as the Company may select, to discuss safety matters and to consider suggestions with respect thereto.
Section 2. Safety tools and equipment necessary for the safe handling of hazardous work, including rain coats, rain hats and rubber boots (that meet the requirements for an employees’ position, i.e. “muck” type boots) as and when required to perform emergency outdoor work in wet weather, and first-aid material shall be furnished by the Company. Employees shall faithfully use such safety tools and other equipment at all times when their use will lessen the hazards of the work to be done and decrease the danger to themselves, their fellow employees and the public. Such safety tools and equipment shall remain in the possession of the Company and shall be used only on the Company’s work.

Section 3. When working on live primaries or equipment of 750 volts or more or in dangerous proximity thereto, there shall be at least two employees one of whom shall have at least the qualifications of an A line technician and one of whom shall have at least the qualifications of a B line technician, and each of whom has the tools and necessary equipment to render assistance if needed and who is close enough to render assistance. This shall not apply to emergency work for the protection of life or the restoration of necessary service except in the case of an employee who has less than 12 months’ service as a Distribution Line Technician.

Field Service Representatives will not be assigned to work on energized equipment of greater than 300 volts. Field Service Representatives will not be assigned to work on equipment of 300 volts or less if such work requires that the Field Service Representative climb a utility pole. Field Service Representatives will not utilize a ladder to access equipment, other than metering equipment, on a utility pole.

Distribution Service Technicians will not be assigned to work on energized equipment of greater than 300 volts. Distribution Service Technicians will not be assigned to work on equipment of 300 volts or less if such work requires that the Distribution Service Technician climb a utility pole.
Anytime an employee decides in his/her judgment that assistance is needed because of the hazardous nature of the work, the Company shall insist that employee request such assistance. The supervisor or superintendent shall see that there are a sufficient number of qualified employees and sufficient protective equipment. It shall be the responsibility of the immediate supervisor and each employee in the work force to see that such equipment is properly used.

Distribution line technicians and contract employees shall not work together on the same job without Company supervision present, except when performing emergency work for the protection of life. Distribution line technicians and contract employees may work together on the same job when performing routine distribution work or outage restoration, as long as a Company supervisor or someone designated to replace the supervisor is present on the site.

Section 4. It is agreed that insofar as it is compatible with the needs of public service, employees shall not be required to perform routine scheduled work out of doors during periods of excessive rain, sleet, or snow, it being understood that work during periods of such inclement weather will be confined to emergency situations or to such work as can be done without undue exposure.

Section 5. Personal work gloves and tools, consisting of 2” belt, safety belt, climbers, skinning knife, tool pouch, bolt and nut bag, and common line technician hand tools, shall be furnished by the Company to the line technicians and other employees whose work requires the use of any such line technician equipment. The employee shall keep these in a safe working condition. It shall be the responsibility of the individual to guard against the loss or damage of the equipment so issued. Any lost tools issued by the Company will be replaced by the individual, and worn or damaged tools turned in will be replaced by the Company. The Company will also replace, without cost to the employee, personal work gloves and tools of the employee which are worn out through normal wear and tear in the service of the Company. Personal work gloves and tools of the employee
turned in for replacement by the Company shall become the property of the Company. The Company's obligation to replace personal work gloves and tools of the employee shall be limited to replacement with work gloves and tools of equal quality, and the choice of make, model and branch of such tools shall be in the discretion of the Company. Employee personal tools which are stolen from a Company-secured storage facility, as a result of forcible entry, will be replaced by the Company.

Section 6. (a) A Company representative will review with the Union Business Manager or the Manager's designee each lost time accident investigation report made by the Investigation Committee for the Safety Department that involves injury to any employee covered by this agreement. The representative will furnish a copy of the report to the Business Manager or designee.

Section 6. (b) The Company will furnish the Union and employees a Safety Rule Book and copies of all future changes or amendments thereto.

ARTICLE IX

NO STRIKES OR LOCKOUTS

The members of the Union agree that during the continuance of the agreement there shall be no strikes (including sympathy strikes), sit-downs or walk-outs, or other concerted cessation of work by members of the Union, and the Company on its part agrees that during the continuance of this agreement there shall be no lockouts of the members of the Union, it being the mutual desire of both parties hereto to provide uninterrupted and continuous service to the public. Nothing herein, however, is intended to prevent the resignation or discharge of individuals, discharge being subject to review under the conditions and in the manner hereinbefore provided for.
ARTICLE X

MANAGEMENT

The Union recognizes that the management of the Company, the direction of the working forces, the determination of the number of employees it will employ or retain and the right to hire, suspend, discharge, discipline, promote or transfer, and to release employees because of lack of work or for other proper and legitimate reasons, are vested in and reserved by the Company, subject, however, to the provisions of this agreement and the employees' right of adjusting grievances as provided for herein.

There shall be no discrimination, restraint, interference or coercion by the Company or the Union or any agent of either against any employee because of membership or non-membership in the Union.

ARTICLE XI

SICK LEAVE

Employees unable to work due to illness may be eligible for illness pay.

Effective January 1, 2015, all regular full-time hourly employees who are unable to perform their work due to illness may be eligible for sick pay for the time they would have regularly worked in accordance with such benefits provided to other hourly paid employees in Duke Energy not represented by the Union.

Employees desiring to use sick leave for any doctor’s appointments including routine physical examinations, dental appointments or eye examinations, must notify their supervisor at least forty eight (48) hours prior to the beginning of the work schedule. Each such absence must be certified as bona fide by a licensed practitioner and will be limited to such time as is necessary for such appointments not to exceed 24 hours per calendar year (26 bi-weekly pay periods).
Any employee who abuses the sickness allowance pay or Short-Term Disability benefits by engaging in deceptive behaviors or providing fraudulent documentation will be subject to corrective action by the Company, and if a member of the Union, also by the Executive Board of the Local Union.

The above provisions do not apply to temporary employees who may be hired from time to time.

ARTICLE XII

COMPENSABLE INJURY

Any regular full-time employee who may be unable to perform his/her work on account of an accident resulting in an injury arising out of and in the course of employment under the Workers' Compensation Act shall be paid one half of the difference between what he/she would have received at regular work and the amount received as compensation for such injury, for a period not to exceed 26 weeks. Payments hereunder shall be subject to the following conditions: (a) payments shall begin on the eighth consecutive calendar day following the injury, provided that the employee shall be paid what he/she would have received at regular work for the first seven consecutive calendar days following the injury; (b) for each such incapacity the Company as a condition of any payment hereunder may require the employee to furnish a certificate from a doctor designated by the Company and other evidence of disability satisfactory to the Company; (c) an employee losing a limb while at regular duties will have it replaced with an artificial limb and this, in turn, will be kept in usable condition as long as the employee lives.

PHYSICAL or MENTAL HEALTH ISSUE

If an employee requests an adjustment or modification to his or her job as a result of a physical or mental health issue that is impacting his/her ability to perform his/her assigned job duties, the Company will work with the employee and his/her healthcare provider(s) to determine the
employee’s physical/mental health work capacities. This information along with other relative
information will be used to place the employee in other work, if available, which, in the judgment
of the Company, can be performed by the employee.

The Company will consider:

a) Placement in a position the employee can perform, with or without reasonable job
adjustment and/or modification in his/her current work location for a temporary period, not to exceed six (6) months, without a reduction in the employee's rate of pay.

b) Placement in an existing vacancy at current location in another classification at the rate of pay for that classification, or
c) Placement in an existing vacancy at another location in another classification at the rate of pay for that classification, or
d) Placement in an existing vacancy within a reasonable geographical area, as identified by the Company, in the same classification or another classification at the rate of pay for that classification.

Employees may use absence related paid time and benefits including foregone holidays, vacation, sickness allowance, and other applicable paid time off benefits for any regular work hours missed.

Employees may also be eligible for Long Term Disability (LTD) benefits upon meeting the criteria for those benefits.

Should the Company elect to place an employee in another classification and the employee's rate of pay is reduced as a result, the Company will notify the employee's local Union representative so that the representative may be present when the matter of changing the employee's rate of pay is discussed with the employee.
ARTICLE XIII

HOLIDAYS

The following are authorized holidays: New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Day, another day at Christmas, and three (3) personal holidays which may be taken during regular scheduled hours with supervisory approval. The pay an employee receives for a holiday shall be determined by the employee's regularly scheduled work hours. To be eligible to receive holiday pay, an employee must be on the active payroll and receive pay during the pay period in which the Company observed holiday falls. Eligible employees shall have the following options with regard to holiday pay:

(1) **Actual Holiday.** An employee scheduled to work on an actual holiday (the calendar date on which the holiday falls) may, before the holiday occurs, elect to either work on the holiday and be paid one and one-half (1½) times the employee's straight time rate for all hours worked on the holiday and take another day off for the holiday, or forego the holiday and be paid two and one-half (2½) times the employee's straight time rate for all hours worked on the actual holiday. The employee shall provide his/her supervisor with as much notice as possible of the option he/she prefers, but in no event less than forty-eight (48) hours' notice prior to the holiday. In the event the employee fails to notify his/her supervisor of a choice, the employee shall be paid two and one-half (2½) times his/her straight time rate for all hours worked on the actual holiday and shall not receive another day off for the holiday.

(2) **Designated or Scheduled Holiday.** A "designated holiday" is the work day selected by the Company on which to observe a holiday when the actual holiday falls on a scheduled day off, such as a Saturday or Sunday. A "scheduled holiday" is an
alternate date agreed upon between the supervisor and the employee to be observed as a holiday when an employee has elected to take another day off after working on an actual or designated holiday. An employee scheduled to work on either a designated or a scheduled holiday shall be paid at the straight time rate for all hours worked and may elect to take another day off for the holiday (equal to the hours scheduled for the holiday) or, in lieu of taking another day off, may elect to be paid an additional eight (8) hours’ pay at the employee's straight time rate. The employee must inform his/her supervisor of the option elected before the designated or scheduled holiday occurs.

(3) An employee scheduled to work on a holiday, who elects to take another day off, shall agree upon the day off with his/her supervisor.

(4) Should a Company observed holiday fall on an employee's normally scheduled day off, the employee shall be afforded another day off for the holiday. The employee and his/her supervisor shall agree upon the day off.

(5) An employee shall not lose holiday rights due to a holiday falling within a vacation period.

(6) An employee may elect to take the employee choice holiday at any time during the calendar year, provided that the actual day on which the employee choice day is to be taken shall be subject to management approval. Pay shall be at straight time rates.

(7) Employees who are not scheduled to work on an observed holiday, but who are called out, will be paid for the holiday. In addition, the employee will be paid one and one-half (1½) times the regular rate of pay for hours paid up to the number of hours he/she is paid for the holiday. Additional hours will be paid at two and one-
half (2½) times the straight time rate. The employee shall not have the option of taking a day off later for the holiday.

(8) In lieu of (7) above, employees who are not scheduled to work on a holiday and are called out on the holiday may elect to take another day off rather than be paid a holiday allowance provided work schedules will permit the rescheduling of the holiday in the same calendar year. Hours worked, in this instance, will be at the normal overtime rate.

ARTICLE XIV
WAGES AND SALARIES

The classification and rate ranges applicable to the employees covered by this agreement are shown on the schedules hereto attached.

Section 1. Effective September 24, 2018, the wages and salaries of all employees covered by this Agreement shall be increased by 3%, with the exception of some employees and classifications as designated during the negotiations for this Agreement, such increase to be applied to the top and bottom of each rate range and each step in the automatic progression schedules, with the final calculated hourly rate rounded to the nearest cent.

Section 2. Effective September 24, 2018, the classifications and ranges for automatic progression as shown on the attached schedule shall become effective. Employees who are now paid at a rate above their new classification rate range will continue to receive this pay and will receive the general increase herein agreed upon, with the exception of those individuals discussed during the negotiations for this Agreement.
Section 3. Employees entering employment hereafter shall be automatically progressed on the payroll date nearest the prescribed period for progression calculated from the date of employment.

Section 4. Employees scheduled to work at least eight (8) consecutive hours and who work evening and night shifts shall be entitled to receive effective September 20, 2010, in addition to their regular rate of pay, a shift differential on the following basis:

Where the starting of an employee's regularly scheduled hours falls between the hours of 11:00 A.M. and 5:59 P.M., the employee shall receive a shift differential of .86 cents per hour for all hours actually worked during such shift.

Where the starting of an employee's regularly scheduled hours falls between the hours of 6:00 P.M. and 2:00 A.M., the employee shall receive a shift differential of .96 cents per hour for all hours actually worked during such shift.

No shift differential shall be paid for call-outs or hours not worked except as follows:

(a) non-productive hours earned as a result of change of regularly scheduled hours without 24 hour notice, if shift differential would have been paid on the original regularly scheduled hours.

(b) regularly scheduled hours subject to shift differential missed due to the 16-hour provision set out in Article IV, Section 5(a).

ARTICLE XV

GENERAL

Section 1. In case the Company requires an employee to maintain a telephone at his/her residence, the expense thereof shall be borne by the Company.
When an employee is subject to receiving calls from the public due to residence telephone number being listed in the telephone directory under the Company's name or on a taped recording, the expense of the monthly base rate for a single standard dial telephone shall be borne by the Company.

Section 2. Employees actually performing jury duty will be paid their regular rate for the time lost from their regular work while so serving.

Section 3. Employees may be allowed up to 5 regularly scheduled, paid work days off within a maximum of 7 calendar days for the death of an immediate family member. Employees may receive up to 3 regularly scheduled, paid work days off within a maximum of 5 calendar days for the death of an extended family member. Bereavement paid time off may be taken in 1 hour increments.

Immediate Family Members include employees’ spouses or domestic partners, parents, siblings and children (including children of domestic partners) as follows:

<table>
<thead>
<tr>
<th>Immediate Family Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spouse</td>
</tr>
<tr>
<td>Domestic Partner</td>
</tr>
<tr>
<td>Parent (natural or adoptive)</td>
</tr>
<tr>
<td>Step-parent</td>
</tr>
<tr>
<td>Child (natural or adoptive)</td>
</tr>
<tr>
<td>Child of Domestic Partner</td>
</tr>
<tr>
<td>Foster Child of Domestic Partner</td>
</tr>
<tr>
<td>Child for whom employee is legal guardian</td>
</tr>
<tr>
<td>Step-Child</td>
</tr>
<tr>
<td>Foster Child</td>
</tr>
<tr>
<td>Sister</td>
</tr>
<tr>
<td>Brother</td>
</tr>
<tr>
<td>Half-Sister</td>
</tr>
<tr>
<td>Half-Brother</td>
</tr>
<tr>
<td>Step-Sister</td>
</tr>
<tr>
<td>Step-Brother</td>
</tr>
</tbody>
</table>
### Extended Family Members

<table>
<thead>
<tr>
<th>Relative of Employee</th>
<th>Relationship to Employee’s Spouse or Domestic Partner</th>
<th>Relationship to Employee’s Spouse’s Brother or Sister</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grandchild of Employee</td>
<td>Employee’s Spouse or Domestic Partner</td>
<td>Spouse’s Brother or Sister</td>
</tr>
<tr>
<td>Grandparent of Employee</td>
<td>Employee’s Spouse or Employee’s Domestic Partner</td>
<td>Brother’s or Sister’s Spouse or Domestic Partner</td>
</tr>
<tr>
<td>Mother/Father In-Law (Spouse’s Parents)</td>
<td></td>
<td>Son or Daughter-in-law</td>
</tr>
<tr>
<td>Mother/Father of Domestic Partner</td>
<td></td>
<td>Son’s or Daughter’s Domestic Partner</td>
</tr>
<tr>
<td>Brother or Sister of Domestic Partner</td>
<td></td>
<td>Step-Parents of Spouse or Domestic Partner</td>
</tr>
<tr>
<td>Step-Brother or Sister of Domestic Partner</td>
<td></td>
<td>Half-Brother or Sister of Domestic Partner</td>
</tr>
<tr>
<td>Niece/Nephew of Employee or Employee’s Spouse or Employee’s Domestic Partner</td>
<td></td>
<td>Aunt/Uncle of Employee, Employee’s Spouse or Employee’s Domestic Partner</td>
</tr>
</tbody>
</table>

The above provisions concerning absence for a family death shall not apply when the employee is off duty due to illness, or injury, or for any other reason when the employee is receiving pay for time not worked. Should the death of any of the aforementioned relatives occur prior to the first day of an employee’s scheduled vacation period, the employee shall, upon prompt notification to appropriate supervision, have the vacation period rescheduled. Should an employee be on vacation when any of the listed family members die, his/her supervisor may designate up to five days of the vacation as bereavement leave provided the employee has notified his/her supervisor about the death as soon as possible.

**Section 4.** An employee serving as an active pallbearer at the funeral for a fellow employee, or retired employee, may be excused for the necessary time, not to exceed one day, without loss of regular pay.

**Section 5.** All new employees shall be classified as probationary employees for a period of one (1) year. If such employees are continuously employed beyond the term of the probationary period, the employee will be classified as a regular employee and seniority will begin as of the date of original employment.

The Company shall have the right to lay off or discharge probationary employees for cause and there shall be no responsibility for re-employment if they are laid off or discharged during the
probationary period. Probationary employees shall have no recourse to the grievance procedure as set forth in Article III-A.

An employee employed in the meter reading classification may be separated from employment at any time with two (2) weeks' notice of the separation or, in lieu of notice, two weeks' pay. A meter reader separated from employment shall not be entitled to the notice pay provided for in Article VI, Section 5(e).

Section 6. Employees who are elected or selected to represent their respective Local Union in union matters, not to exceed 13 in number, shall, after proper notice to their immediate supervisors be allowed time off without pay, not exceeding 7 working days in any calendar year to attend Local Union 962 meetings when not in negotiations and regional or International Conventions of the Union (except that delegates attending the International Convention shall be allowed 5 additional working days), provided that not more than two employees from any location, plus the President of the Local Union, shall be allowed such time off.

Section 7. The Company, upon request of Local Union 962, will grant a leave of absence to any one employee to act as full-time representative for said Local Union. Such leave of absence shall not interrupt seniority or service which shall continue to accumulate during such absence. Upon termination of duties as Union Representative, such employee will be reinstated in former position with all rights and privileges provided then qualified and capable of performing the duties of such job.

Section 8. During the term of this Agreement, the retirement benefit programs (Cash Balance Retirement Program and Retirement Savings Program) that were in effect on April 1, 2015 will not be changed by the Company except in accordance with the changes reviewed by the Company with the Union in negotiations for this Agreement or in accordance with any further changes agreed upon by the Company and the Union.
Employees hired on or before March 31, 2015, will continue to participate in the Duke Energy Retirement Cash Balance Plan, in accordance with its terms. Employees who are hired or rehired on or after March 31, 2015 will not be eligible to participate in the Duke Energy Retirement Cash Balance Plan, and, instead, will be eligible to receive a Company contribution equal to 4% of eligible pay under the Duke Energy Retirement Savings Plan, subject to a three-year vesting requirement. All employees will be eligible to participate in the 401(k) and employer matching contribution provisions of the Duke Energy Retirement Savings Plan in accordance with its terms.

Employees in the bargaining unit will be provided the same enterprise medical, dental, life, sick pay, dependent care pay and disability insurance benefits as those provided to the general non-represented employee population. The Company shall make no changes in the benefits plans without providing at least twenty (20) business days’ notice of any change prior to the effective date of the change. Any changes must apply to both the Union and the general non-represented employee population. The Company will unilaterally implement changes only once in a calendar year and will endeavor to make the changes effective upon the beginning of the following calendar year.

Section 9. Employees covered by this agreement agree that they will perform loyal and efficient work and service; that they will use their influence and best endeavors to protect the property of the Company and its interest; and that they will observe and comply with the instructions and regulations of the Company.

Section 10. The Local Management and the Local Union shall agree upon the use of suitable bulletin boards for the posting of notices of legitimate union business.

Section 11. Any retroactive payments with respect to wages and/or other benefits that may be agreed upon shall be made only to those employees covered by this agreement who are on the Company’s payroll at the time payment is made, except that an employee who retires under the
Company's Retirement Plan or dies shall be entitled to such retroactive payments with respect to wages only up to date of retirement or death.

Section 12. The Company will provide commercial drivers license training to employees who are required by state law to procure a commercial drivers license because of their Company work duties. The Company will reimburse each employee who is required by state law to have a commercial drivers license because of his/her Company work duties, the cost of the initial application fee and the cost of the four year renewal fee.

Section 13. For the term of the current agreement, the Company agrees that it will deduct and transmit to the IBEW Local 962 Political Action Committee (IBEW Local 962 PAC) voluntary contributions to the IBEW Local 962 PAC from the earnings of those employees who voluntarily authorize such contributions on forms provided for that purpose by the IBEW Local 962 PAC, unless the authorization is revoked by the employee. The amount of such deductions and the transmittal of such voluntary contributions shall be as specified in such forms and in conformance with any applicable state or federal statute and regulations. The Union agrees that it will defend, indemnify, and hold the Company harmless against any and all claims made upon or suits initiated against the Company arising out of or resulting from the application of the provisions of this Section. The Union further agrees to reimburse the Company in the cost of this program as provided in the Federal Election Campaign Act.

Section 14. Each employee shall be eligible to take in any calendar year up to ten (10) hours of leave in accordance with the Company’s Excellence in Education and Communities Policy. This leave must be taken in increments of not less than one (1) hour and shall be subject to the approval of the employee's immediate supervisor. An employee desiring to take time off in accordance with this policy should, if possible, notify his/her immediate supervisor of the desire to do so at least twenty-four (24) hours in advance of the time he/she wishes to take the leave. An employee who
leaves employment with the Company for any reason shall not be paid for any Excellence in Education and Communities leave not taken, nor shall any of the time not taken be carried over to the next calendar year.

ARTICLE XVI
TERM, EXTENSION, AND MODIFICATION OF AGREEMENT

1. This agreement when signed by the Company and Local Union 962, shall become effective October 1, 2018, and remain in effect until September 30, 2020, and shall thereafter continue in full force and effect from year to year for successive terms of one year each unless changed or terminated as hereinafter stated. This agreement contemplates an annual re-opener as to wages only, Article XIV, Wages and Salaries, Section 1 and Section 2 only. Any requests by either party to re-open must be made sixty (60) days prior to the anniversary date of this Agreement.

2. Either party desiring to change or terminate this agreement must notify the other in writing at least sixty (60) days prior to the expiration date of this agreement or of any succeeding term thereof. If notice of change is given, notice of the nature of the proposed change(s) must be given to the other party at least thirty (30) days prior to the expiration date of this agreement or of any succeeding term.

3. This agreement shall be subject to amendment at any time by mutual consent of the parties hereto. Such amendment shall be reduced to writing, shall state the effective date of the amendment, and shall be executed in the same manner as this agreement is executed.

IN WITNESS WHEREOF DUKE ENERGY CAROLINAS, LLC and LOCAL UNION 962 have each caused this agreement to be executed in its name and behalf, by its proper officials thereunto duly authorized the year and day first above written.
DUKE ENERGY CORPORATION

By: [Signature]
Jay R. Alvaro
Director, Labor Relations

I. B. E. W. LOCAL UNION 962

By: [Signature]
Terry W. Williams
Business Manager

COMPANY NEGOTIATING COMMITTEE

Jay Alvaro
Lisa A. Gregory
Susan Lippert
Joel Lunsford
Franky Batten

UNION NEGOTIATING COMMITTEE:

Terry Williams
Doug Leath
Benny Hunnicutt
Clarence Miles Bell
Ricky Sain
RATE RANGES (Effective 09/24/18)

DISTRIBUTION DEPARTMENT

<table>
<thead>
<tr>
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<td>33.91</td>
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<td>Distribution Line Technician B</td>
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<tr>
<td>Construction &amp; Maintenance Helper</td>
<td>Single Rate</td>
<td>$23.97</td>
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</tbody>
</table>

Promoted to Line Technician C, unless not qualified.
Distribution Line Service Technician  Single Rate – $34.36

Distribution Service Technician II  Single Rate $28.91

Distribution Service Technician I  Range $21.15 – 27.32

Start 21.15
After 6 mos. 22.35
After 12 mos. 23.59
After 18 mos. 24.83
After 24 mos. 26.11
After 30 mos. 27.32

After 36 months, if a vacancy exists, employee will be reviewed for promotion to Distribution Service Technician II in accordance with Section 2, Article VI, "Seniority and Layoffs.

METERING

Meter Technician  Range $32.52 – 40.19

Start 32.52
After 6 mos. 33.71
After 12 mos. 34.90
After 18 mos. 36.14
After 24 mos. 37.19
After 30 mos. 38.41
After 36 mos. 40.19

Meter Technician C  Range $25.87 – 30.85

Start 25.87
After 6 mos. 27.25
After 12 mos. 28.61
After 18 mos. 30.08
After 24 mos. 30.85

After 24 months, if a vacancy exists, employee will be reviewed for promotion to Meter Technician in accordance with Section 2, Article VI, "Seniority and Layoffs."

Meter Helper  Range $21.88 – 23.62

Start 21.88
After 3 mos. 22.33
After 6 mos. 22.97
After 9 mos. 23.62
After 12 mos. - Promoted to Meter Technician C, unless not qualified.

Field Service Representative  Range $18.59 – 23.90

Start 18.59
After 6 mos. 19.80
After 12 mos. 21.09
After 18 mos. 22.46
After 24 mos. 23.90

Meter Reader  Range $15.29 – 17.90

Start 15.29
After 6 mos. 16.59
After 12 mos. 17.90

WATER DEPARTMENT

Service & Meter Technician  Range $31.57 – 39.02

Start 31.57
After 6 mos. 32.73
After 12 mos. 33.88
After 18 mos. 35.09
After 24 mos. 36.11
After 30 mos. 37.30
After 36 mos. 39.02

Service & Meter Technician C  Range $25.12 – 29.94

Start 25.12
After 6 mos. 26.44
After 12 mos. 27.78
After 18 mos. 29.20
After 24 mos. 29.94

After 24 months, if a vacancy exists, employee will be reviewed for promotion to Service & Meter Technician in accordance with Section 2, Article VI, "Seniority and Layoffs."

Service & Meter Helper  Range $21.88 – 23.62

Start 21.88
After 3 mos. 22.33
After 6 mos. 22.97
After 9 mos. 23.62
After 12 mos. - Promoted to Service & Meter Technician C, unless not qualified.

<table>
<thead>
<tr>
<th>Position</th>
<th>Range</th>
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<tbody>
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<td>Special Equipment Operator</td>
<td>$25.12 – 29.94</td>
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<tr>
<td>Start</td>
<td>25.12</td>
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<tr>
<td>After 6 mos.</td>
<td>26.44</td>
</tr>
<tr>
<td>After 12 mos.</td>
<td>27.78</td>
</tr>
<tr>
<td>After 18 mos.</td>
<td>29.20</td>
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<tr>
<td>After 24 mos.</td>
<td>29.94</td>
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<th>Range $18.58 – 20.03</th>
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<tbody>
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<td>Janitor</td>
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<tr>
<td>Start</td>
<td>18.58</td>
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<tr>
<td>After 3 mos.</td>
<td>19.04</td>
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<td>After 6 mos.</td>
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<th>Range $18.58 – 20.03</th>
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<td>Warehouse Aide</td>
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<tr>
<td>Start</td>
<td>18.58</td>
</tr>
<tr>
<td>After 3 mos.</td>
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</tr>
<tr>
<td>After 6 mos.</td>
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<td>After 9 mos.</td>
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<tr>
<td>After 12 mos.</td>
<td>20.03</td>
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<table>
<thead>
<tr>
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<th>Range $29.52 – 33.25</th>
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<tbody>
<tr>
<td>Commodities Services Tech III</td>
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<tr>
<td>Start</td>
<td>29.52</td>
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<tr>
<td>After 6 mos.</td>
<td>30.93</td>
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<tr>
<td>After 12 mos.</td>
<td>32.48</td>
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<tr>
<td>After 18 mos.</td>
<td>33.25</td>
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<table>
<thead>
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<td>After 12 mos.</td>
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<td>After 18 mos.</td>
<td>26.78</td>
</tr>
<tr>
<td>After 24 mos.</td>
<td>28.05</td>
</tr>
<tr>
<td>After 30 mos. – Promoted to Commodities Services Tech III, unless not qualified</td>
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<tr>
<td>Position</td>
<td>Range $</td>
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<tr>
<td>--------------------------------</td>
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<tr>
<td>Commodities Services Tech I</td>
<td>21.59 – 23.29</td>
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<tr>
<td>Commodities Distribution Technician</td>
<td>28.48 – 33.88</td>
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<td>FLEET</td>
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</tr>
<tr>
<td>Vehicle Maintenance Technician III</td>
<td>31.57 – 39.02</td>
</tr>
</tbody>
</table>
Vehicle Maintenance Technician I  
Range $21.88 – 23.62

Start  
21.88
After 3 mos.  
22.33
After 6 mos.  
22.97
After 9 mos.  
23.62
After 12 mos. - Promoted to Vehicle Maintenance Technician II, unless not qualified.

Garage Attendant  
Range $18.58 – 20.03

Start  
18.58
After 3 mos.  
19.04
After 6 mos.  
19.36
After 9 mos.  
19.78
After 12 mos.  
20.03

SUBSTATION OPERATORS

Substation Service Technician A  
Range $36.94 – 40.43

Start  
36.94
After 6 mos.  
37.79
After 12 mos.  
40.43

Substation Service Technician B  
Range $31.57 – 34.79

Start  
31.57
After 6 mos.  
32.72
After 12 mos.  
33.78
After 18 mos.  
34.79

If a vacancy exists, employee will be reviewed for promotion to Substation Service Technician A in accordance with Section 2, of Article VI, "Seniority and Layoffs."

Substation Service Technician C  
Range $25.12 – 29.94

Start  
25.12
After 6 mos.  
26.44
After 12 mos.  
27.78
After 18 mos.  
29.20
After 24 mos.  
29.94

After 24 months, if a vacancy exists employee will be reviewed for promotion to Substation Service Technician B in accordance with Section 2, Article VI, "Seniority and Layoffs."
Learner Substation Service

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<tr>
<th></th>
<th>Range</th>
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<tbody>
<tr>
<td>Start</td>
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<tr>
<td>After 3 mos.</td>
<td>$22.33</td>
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<tr>
<td>After 6 mos.</td>
<td>$22.97</td>
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<tr>
<td>After 9 mos.</td>
<td>$23.62</td>
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<tr>
<td>After 12 mos.</td>
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</table>

- Promoted to Service Technician C, unless not qualified.

HYDRAULIC MAINTENANCE

Hydral Maintenance Mechanic III

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<td>Start</td>
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<tr>
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</tr>
<tr>
<td>After 12 mos.</td>
<td>$35.45</td>
</tr>
<tr>
<td>After 18 mos.</td>
<td>$37.21</td>
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<tr>
<td>After 24 mos.</td>
<td>$39.02</td>
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Hydral Maintenance Mechanic II

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<tbody>
<tr>
<td>Start</td>
<td>$25.46</td>
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<tr>
<td>After 6 mos.</td>
<td>$26.66</td>
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<tr>
<td>After 12 mos.</td>
<td>$27.97</td>
</tr>
<tr>
<td>After 18 mos.</td>
<td>$29.30</td>
</tr>
<tr>
<td>After 24 months, promoted to Hydral Maintenance Mechanic III, unless not qualified.</td>
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Hydral Maintenance Mechanic I

<table>
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<tr>
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<td>Start</td>
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<tr>
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<tr>
<td>After 12 months, promoted to Hydral Maintenance Mechanic II, unless not qualified.</td>
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STEAM STATIONS

Fossil Control Operator

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<tr>
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* The Company may assign a Fossil Operations Tech III receiving the twenty four month rate to Fossil Control Operator should the Company determine there is a vacancy and that the employee has the special skills needed for the vacancy.

Fossil Operations Tech III

<table>
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<tr>
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<tbody>
<tr>
<td>Start</td>
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<tr>
<td>After 6 mos.</td>
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<tr>
<td>After 12 mos.</td>
<td>$36.81</td>
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<td>After 18 mos.</td>
<td>$38.65</td>
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<tr>
<td>After 24 mos.</td>
<td>$40.53</td>
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</table>
Fossil Operations Tech II  
Range $26.44 – 30.44

Start  
26.44
After 6 mos.  
27.70
After 12 mos.  
29.05
After 18 mos.  
30.44
After 24 months, promoted to Fossil Operations Technician III, unless not qualified.

Fossil Operations Tech I  
Range $22.72 – 24.02

Start  
22.72
After 6 mos.  
24.02
After 12 months, promoted to Fossil Operations Technician II, unless not qualified.

Fossil Chemistry Tech III  
Range $32.08 – 39.02

Start  
32.08
After 6 mos.  
33.78
After 12 mos.  
35.45
After 18 mos.  
37.21
After 24 mos.  
39.02

Fossil Chemistry Tech II  
Range $25.46 – 29.30

Start  
25.46
After 6 mos.  
26.66
After 12 mos.  
27.97
After 18 mos.  
29.30
After 24 months, promoted to Fossil Chemistry Technician III, unless not qualified.

Fossil Chemistry Tech I  
Range $21.88 – 23.13

Start  
21.88
After 6 mos.  
23.13
After 12 months, promoted to Fossil Chemistry Technician II, unless not qualified.

Fossil Mechanic Tech III  
Range $32.08 – 39.02

Start  
32.08
After 6 mos.  
33.78
After 12 mos.  
35.45
After 18 mos.  
37.21
After 24 mos.  
39.02
Fossil Mechanic Tech II  
*Range $25.46 – 29.30*

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<thead>
<tr>
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<tbody>
<tr>
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<tr>
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<td>After 18 mos.</td>
<td>29.30</td>
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</tr>
<tr>
<td>After 24 months, promoted to Fossil Mechanic Technician III, unless not qualified.</td>
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Fossil Mechanic Tech I  
*Range $21.88 – 23.13*

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<tbody>
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<td>23.13</td>
</tr>
<tr>
<td>After 12 months, promoted to Fossil Mechanic Technician II, unless not qualified.</td>
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Fossil Scrubber Control Operator  
*Single Rate $43.02*

Fossil Scrubber Tech III  
*Range $33.30– 40.53*

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<tbody>
<tr>
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<td>After 18 mos.</td>
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<tr>
<td>After 24 mos.</td>
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Fossil Scrubber Tech II  
*Range $26.44– 30.44*

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<table>
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<tbody>
<tr>
<td>Start</td>
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<tr>
<td>After 6 mos.</td>
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<td>After 12 mos.</td>
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<tr>
<td>After 18 mos.</td>
<td>30.44</td>
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</tr>
<tr>
<td>After 24 months, promoted to Fossil Scrubber Technician III, unless not qualified.</td>
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</table>

Fossil Scrubber Tech I  
*Range $22.78 – 24.02*

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<table>
<thead>
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<tbody>
<tr>
<td>Start</td>
<td>22.72</td>
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<tr>
<td>After 6 mos.</td>
<td>24.02</td>
</tr>
<tr>
<td>After 12 months, promoted to Fossil Scrubber Technician II, unless not qualified.</td>
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Fossil IC&E Tech III  
*Range $33.30 – 40.53*

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<table>
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<tr>
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<tbody>
<tr>
<td>Start</td>
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<tr>
<td>After 6 mos.</td>
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<tr>
<td>After 12 mos.</td>
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<td>After 18 mos.</td>
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</tr>
<tr>
<td>After 24 mos.</td>
<td>40.53</td>
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</table>
Fossil IC&E Tech II

Range $26.44 – 30.44

Start 26.44
After 6 mos. 27.70
After 12 mos. 29.05
After 18 mos. 30.44
After 24 months, promoted to Fossil IC&E Technician III, unless not qualified.

Fossil IC&E Tech I

Range $22.72 – 24.02

Start 22.72
After 6 mos. 24.02
After 12 months, promoted to Fossil IC&E Technician II, unless not qualified.

Fossil Material Handling Tech III

Range $33.78 – 37.36

Start 33.78
After 6 mos 35.59
After 12 mos 37.36

Fossil Material Handling Tech II

Range $26.81 – 30.86

Start 26.81
After 6 mos 28.08
After 12 mos 29.47
After 18 mos 30.86
After 24 months, promoted to Fossil Material Handling Tech III unless not qualified.

Fossil Materials Handling Tech I

Range $21.88 – 23.13

Start 21.88
After 6 mos 23.13
After 12 months, promoted to Fossil Material Handling Tech II unless not qualified.

PUMPED STORAGE

Geotechnical Instrument Specialist

Range $35.17 – 39.02

Start 35.17
After 6 mos. 37.00
After 12 mos. 39.02

Hydro Civil Tech III

Range $32.32 – 34.79

Start 32.32
After 6 mos. 33.09
After 12 mos. 33.90
Hydro Civil Tech II

<table>
<thead>
<tr>
<th>Duration</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 18 mos.</td>
<td>$34.79</td>
</tr>
</tbody>
</table>

- **Start:** $25.12
- **After 6 mos.:** $26.44
- **After 12 mos.:** $27.78
- **After 18 mos.:** $29.20
- **After 24 mos.:** $29.94

After 30 months, if a vacancy exists, employee will be reviewed for promotion to Hydro Civil Tech III in accordance with Section 2, Article VI, "Seniority and Layoffs."

Hydro Civil Tech I

<table>
<thead>
<tr>
<th>Duration</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 6 mos.</td>
<td>$21.88</td>
</tr>
<tr>
<td>After 12 mos.</td>
<td>$22.97</td>
</tr>
<tr>
<td>After 18 mos.</td>
<td>$26.44</td>
</tr>
</tbody>
</table>

- **Start:** $21.88
- **After 6 mos.:** $22.97
- **After 12 mos.:** - Promoted to Hydro Civil Tech II, unless not qualified.

Hydro IC&E Tech III

<table>
<thead>
<tr>
<th>Duration</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 6 mos.</td>
<td>$35.08</td>
</tr>
<tr>
<td>After 12 mos.</td>
<td>$36.81</td>
</tr>
<tr>
<td>After 18 mos.</td>
<td>$38.65</td>
</tr>
<tr>
<td>After 24 mos.</td>
<td>$40.53</td>
</tr>
</tbody>
</table>

- **Start:** $33.30
- **After 6 mos.:** $35.08
- **After 12 mos.:** $36.81
- **After 18 mos.:** $38.65
- **After 24 mos.:** $40.53

Hydro IC&E Tech II

<table>
<thead>
<tr>
<th>Duration</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 6 mos.</td>
<td>$27.70</td>
</tr>
<tr>
<td>After 12 mos.</td>
<td>$29.05</td>
</tr>
<tr>
<td>After 18 mos.</td>
<td>$30.44</td>
</tr>
</tbody>
</table>

- **Start:** $26.44
- **After 6 mos.:** $27.70
- **After 12 mos.:** $29.05
- **After 18 mos.:** $30.44
- **After 24 months, promoted to Hydro IC&E Technician III, unless not qualified.**

Hydro IC&E Tech I

<table>
<thead>
<tr>
<th>Duration</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 6 mos.</td>
<td>$24.02</td>
</tr>
</tbody>
</table>

- **Start:** $22.72
- **After 6 mos.:** $24.02
- **After 12 months, promoted to Hydro IC&E Technician II, unless not qualified.**
MEMORANDUM OF UNDERSTANDING

It is understood that in the event the Company desires to permanently transfer to another branch of the Company any Field Service Representative or Distribution Service Technician for whom a continuation of his/her regular work is available and/or whose work is not routinely being done by a contractor, such transfer may be made by the Company in accordance with the following provisions of this memorandum of understanding without regard to any other provision of the Agreement between the Company and the Union.

1. Permanent, non-voluntary transfers will be limited to the Region (Northern, Southern, Northwestern, Central) in which the employee(s) is employed.

2. When the Company has determined that there is a need to reduce the number of FSR's and/or DST's at a particular branch and increase the number at another branch within the same Region, the Company will first ask for volunteers to relocate. If sufficient volunteers are found to meet the needs of the Company, those employees will be relocated. If more employees volunteer for relocation than are required, employees will be selected to relocate from those who volunteered in accordance with their seniority.

3. In the event there are not sufficient volunteers to meet the needs of the Company, the least senior employee(s) in the affected classification at the branch designated to reduce numbers will be chosen to relocate. The (those) employee(s) chosen to relocate shall have the option of displacing a less senior employee in the same classification at another branch within his/her seniority unit (14 Electric Distribution seniority units as previously agreed upon between the Union and the Company). An employee having a displacement option must exercise that option within seven days of being notified that he/she must relocate. The displaced employee(s) will in turn have the option of displacing other less senior employees in the same classification at other branches within his/her seniority unit. When displacement options have been fully exercised, the last employee(s) to be displaced will be notified to permanently relocate to the branch of the Company within that region which has been designated to increase its number of employees.

4. Employees who are permanently transferred under the provisions of this memorandum of understanding and who relocate to the branch of the Company designated to increase its workforce shall be entitled to receive reimbursement for actual and reasonable moving expenses up to a maximum of $4,500.00, provided that:
   a. the employee's current home is located farther from the new work location than from the current work location; and
   b. the employee relocates his/her residence at least fifty miles from his former residence; and
   c. the move is completed within one year of the date the employee is notified to report to the new work location.
MEMORANDUM OF UNDERSTANDING

The duties of meter readers, field service representatives, distribution service technicians I and distribution service technicians II include, among others, the following tasks. It is understood that a distribution service technician II may be assigned to perform the tasks of a distribution service technician I, field service representative, or a meter reader, and that a distribution service technician I may be assigned to perform the tasks of a field service representative or a meter reader. Likewise, a field service representative may be assigned to perform the tasks of a meter reader.

<table>
<thead>
<tr>
<th>Meter Reader</th>
<th>Distribution Service Technician I</th>
<th>Distribution Service Technician II</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Read meters.</td>
<td>• Install service risers.</td>
<td>• Use approved/tested hot line tools to operate, maintain, inspect lines and equipment at transformer locations.</td>
</tr>
<tr>
<td>• Check seals.</td>
<td>• Connect/disconnect service at riser.</td>
<td>• Capacitor work limited to inspection and data recording.</td>
</tr>
<tr>
<td>• Site observation.</td>
<td>• Revenue security.</td>
<td>• Regulator work limited to reading, recording, and resetting of meter hands position.</td>
</tr>
<tr>
<td>• Flagging for work zone.</td>
<td>• Service mounted equipment inspections.</td>
<td>• Electronic recloser work limited to data recording and battery replacement.</td>
</tr>
<tr>
<td>• Conduct surveys as needed.</td>
<td>• Repair meter enclosures and HPP Breakers.</td>
<td>• Lighting installation, troubleshooting, repair.</td>
</tr>
<tr>
<td>Field Service Representative</td>
<td>• Locate U/G cable.</td>
<td>• Troubleshoot Radio/TV interference.</td>
</tr>
<tr>
<td>• Read meters.</td>
<td>• Locate fault and repair secondary underground cable.</td>
<td>• Drop/install O/H and U/G services/secondary at pole.</td>
</tr>
<tr>
<td>• Limited non-climbing meter orders-connects, disconnects, load control delinquent accounts (cut-off notices), etc.</td>
<td>• Connect/disconnect U/G service in dead front transformer or secondary pedestal.</td>
<td>• Termination of primary cable in de-energized conditions.</td>
</tr>
<tr>
<td>• Inspect/minor repair of lines, poles, and equipment (i.e., battery replacement, lock installation, and meter sealing).</td>
<td>• Install U/G secondary riser at house.</td>
<td>• A DST may use an insulated hot stick and remove a transformer hot tap or a transformer switch hot tap. (Not to exceed 300 volts).</td>
</tr>
<tr>
<td>• Flagging for work zone.</td>
<td>• Install U/G cable.</td>
<td>• Employees classified as a DST II for one year may operate primary fuse cutouts on single-phase line after having received revised level 5 DST training.</td>
</tr>
<tr>
<td></td>
<td>• Assist with emergency restoration of service as needed within scope of job classification.</td>
<td>• Use aerial device.</td>
</tr>
<tr>
<td></td>
<td>• Flagging for work zone (without use of aerial device).</td>
<td>• Observe/comply with the minimum approach distance requirements.</td>
</tr>
<tr>
<td></td>
<td>• 300 volt or less hands-on service work.</td>
<td>• May be assigned to assist a DLT, DLTB, or DLTC</td>
</tr>
<tr>
<td></td>
<td>• Inspect, maintain lines and equipment within scope of job classification (without use of aerial device).</td>
<td>• Assist DLT or DLTB in splicing primary underground cable that has been previously energized.</td>
</tr>
<tr>
<td></td>
<td>• Report, test, clean up environmental spills.</td>
<td>• Operate a two-man bucket truck, material handler, line truck and other equipment when not in close proximity to energized primary lines above 300 volts.</td>
</tr>
</tbody>
</table>

• A DST assigned to work on two-man bucket trucks, material handlers, or line trucks may perform tasks equal to, or less than, their stated duties.
• A DST will not be assigned as the second person on a two-man crew when it would be in conflict with Article VIII, Safety, Section 3.
• Except in training situations, it is understood that DST's will not be assigned to the above tasks until they have been trained to perform the task which they are assigned.
• DST's will not switch underground primary lines except as part of a Southern Region pilot program as agreed upon by the Union.
• A DST who was a former DLT can perform all DLT job activities except climbing a pole and serving as a second person on a site where another DLT is working primary voltage.
• Training for DST's will be provided by Distribution Line Technicians and other professional training personnel.

10/25/01
Rev 10/1/10
MEMORANDUM OF UNDERSTANDING

The Company and the Union agree that the clothing allowance for represented employees in the flame resistant clothing program will be $455 per year in calendar year 2019. The amount of the clothing allowance will be a subject for negotiations for a wage re-opener at the beginning of the second year of this agreement. In the event the Company elects to increase the amount of the clothing allowance during the term of the 2018-2020 Labor Agreement, the Company will also increase the amount for IBEW 962 represented employees.

It is also agreed that in the event an employee's clothing and/or boots become contaminated with a hazardous substance and it is necessary for such clothing to be confiscated by the Company, management will consider on a case by case basis an allowance for replacement of the contaminated clothing and/or boots. This allowance would be in addition to the allowance spoken to in the previous paragraph.

10/1/2018
MEMORANDUM OF UNDERSTANDING

Power Delivery Meal Stipend Guidelines

The purpose of the meal stipend is to provide an alternative method for providing a “missed” meal. Employees should be considered to have missed a meal and provided a stipend in the following situations:

**Call Out:**

- An employee who is called out should be provided a stipend when he/she works 3 productive hours. The employee should also be paid at the overtime rate for the time needed to eat a meal if he/she elects to do so before being released from work.

- An employee who is called out should be provided an additional stipend for each 5 hour interval of productive overtime work beyond the initial 3 hours of productive overtime work. The employee should also be paid at the overtime rate for the time needed to eat a meal if he/she elects to do so before being released from work.

- An employee should **not** receive a stipend when he/she is called out and returns to work after the end of the regular shift and works for less than three hours.

- An employee should be provided a stipend when he/she is called and reports to work more than 1 hour prior to the start of his/her regular schedule.

**Extension of Schedule (unscheduled)**

- An employee should be provided one stipend when he/she is extended to continue working (unscheduled) for 2 hours – but less than 3 hours - on overtime beyond their regularly scheduled hours before being released from duty.

- An employee should be provided one stipend when he/she is extended to work (unscheduled) for 3 hours on overtime beyond his/her regularly scheduled hours. The employee should also be paid at the overtime rate for the time needed to eat a meal if he/she elects to do so before being released from work.

- An employee should be provided an additional stipend for each 5 hour interval of productive overtime work beyond the initial 3 hours of productive overtime work when he/she is extended to work on overtime beyond the regularly scheduled hours;

**Other Situations**

- An employee should be provided a stipend when he/she is scheduled by supervision to continue to work for more than 2 hours past the regular mid-schedule meal period.

- An employee should **not** be provided a stipend when he/she is provided a substantial meal (bag/box lunch, catered meal, etc.) and has supervisory approval to eat the meal and return
to work without taking a meal period. However, the employee should be paid overtime for working during part of the meal period with prior supervisory approval.

- When an employee attends training for which an overnight stay is required, the Company will provide a meal stipend for meals not provided for during the training. A meal stipend will not be provided to any employee for whom the Company provides a meal.

10/1/2012
MEMORANDUM OF UNDERSTANDING

During the 2014 negotiations, the Company and the Union agreed to memorialize the new Safety Shoe Policy rolled out earlier in the year, describing appropriate footwear to be worn by employees in certain departments as referenced below.

The Company will provide an initial reimbursement for all newly eligible and subsequent new hires as described below for employees to purchase two (2) pairs of boots that meet the requirements for their position.

1. The Company will reimburse eligible employees in Distribution C&M for reasonable expenses associated with the initial purchase of up two pairs of boots not to exceed a total of $600.

2. The Company will provide reimbursement not to exceed $300 for the initial boot purchase for employees in Fleet Services, Supply Chain, and Metering Services.

Going forward, employees in the above referenced groups, will be eligible to receive reimbursement not to exceed $300 every two years for the purpose of replacing worn boots. Employees are expected to manage their boot allowance as they deem best, provided that reimbursement will not exceed $300 every two years.

Employees are expected to purchase footwear from a vendor of their choosing that meets the requirements for the type of work they are required to perform in compliance with departmental requirements. Employees are required to wear compliant footwear at all times when they are working. Individual business units may choose to implement variations of the policy with respect to specific shoe requirements based on the work environment in that department and reimbursement approach.

Prior to any reimbursement, employees are required to provide a copy of the receipt and also proof that the boots meet the departmental standards. It is the Company’s expectation that this reimbursement will be sufficient for employees to maintain protective footwear for work purposes. Employees, who experience legitimate damage to their boots related to work activities, as determined by Management, should contact their supervisor to make arrangements for replacement.
MEMORANDUM OF UNDERSTANDING

Employees hired or rehired on or after July 1, 2016, into any job classification within Carolina Delivery Operations (CDO), must reside within thirty (30) road miles of their assigned Operations Center.

Any employee who transfers headquarters on or after January 1, 2017, into any job classification within CDO, must reside within thirty (30) road miles of their assigned Operations Center.

October 1, 2016
MEMORANDUM OF UNDERSTANDING

When an employee is called out and works at least 3 productive hours past midnight, up to 4 AM, but does not meet the 16-hour rule provisions, he/she shall be permitted to delay their normally scheduled start time in accordance with the following provisions and examples below.

The intent of this provision is to promote safety in the workplace by helping to keep employees physically and mentally prepared to work safely.

This provision may be used regardless of the day on which the call-out occurred. It may be on the employee’s normally scheduled day off, regular workday, or holiday. If the rest period carries over into the employee’s regularly scheduled hours (i.e., his/her next shift), the employee will be paid straight-time rates for the regularly scheduled hours he/she does not work. If there are hours remaining in the employee’s scheduled shift after the rest period ends, the employee is expected to work those remaining hours.

Examples with an 8AM normal work schedule start:

- Employee works from 11PM to 2AM, employee returns at regular scheduled time.
- Employee works from 1AM to 3AM, employee returns at regular scheduled time.
- Employee works from 11PM to 3AM, employee is permitted to return to work at 11AM.
- Employee works from 1AM to 4AM, employee returns at 12PM.
- Employee works from 2AM to 5AM, employee returns at 1PM.
- Employee works from 3AM to 6AM, employee returns at 2PM.
- Employee works multiple callouts and has at least three productive hours worked after 12AM, employee is eligible for up to 8 hours rest.
- Employee is called out on or after 4AM, and no other hours have been worked past 12AM, employee continues to work regular schedule.

Employees shall contact their supervisor (or duty supervisor) if they feel they need more rest. An example of this could be the cumulative effect of the call out week and additional hours worked that did not meet the threshold. The employees’ safety (Fitness for Duty) shall always be the primary consideration when assessing the situation.

October 1, 2018
CORRECTIVE ACTION

The Company employs a progressive system that applies different levels of actions based on the nature of the inappropriate behavior and the employee's conduct record. The levels are verbal warning, written warning, a second written warning, and then, if necessary, discharge. When an employee commits a serious offense, management is not restricted to applying each successive step in the corrective action process. For example, some behavior/conduct may warrant immediate discharge without prior warning.

The primary objectives of this procedure are to outline a general framework for behavior or conduct expectations and to outline the process to correct inappropriate work behavior and conduct. This procedure is not designed to address performance issues (which may be more appropriately handled with a Performance Improvement Plan).

PROCEDURE

I. General Guidelines

The purpose of corrective action is to correct inappropriate behavior, to provide the counseling necessary for the employee to fully understand what is expected, and to provide an opportunity for the employee to choose to correct his/her behavior.

II. Behavior Expectations

In performing the responsibilities of their jobs, employees are expected to:

- Report to work as scheduled and on time.
- Provide advance notice of absences or lateness to supervision.
- Be fit for duty.
- Follow directions of supervision.
- Work safely.
- Use work time wisely to work productively.
- Continually seek to improve products and services.
- Produce quality work.
- Accept responsibility for assignments and the expected results.
- Be honest.
- Refrain from illegal activity.
- Use Company resources wisely.
- Adhere to the Company's ethical and professional standards as outlined in the Code of Business Ethics.
- Treat co-workers with respect.
- Respect Company property and the property of others.
- Keep supervision informed of work activities/situations.
- Work in partnership with supervision and other employees and maintain good working relationships.
- Maintain good customer and public relations.
- Follow location work rules, practices, procedures, and directions.
• Fulfill financial obligations to the Company by paying all accounts due and payable to the Company in a timely manner.

III. Corrective Action Process

The Corrective Action process applies to inappropriate behaviors which do not normally warrant immediate discharge. Corrective action provides employees with an opportunity to correct inappropriate behavior to avoid being discharged.

The following describes the formal corrective action steps and is not intended to cover the informal coaching and counseling which may precede formal corrective action:

• Verbal Warning
• First Written Warning
• Second Written Warning
• Discharge

In most situations, each step is followed in progression (i.e., verbal, first written, second written, and then, if necessary, discharge). However, depending on the severity of the situation, one or more of the steps may be skipped.

Typically, the second written warning contains an action plan that outlines action the employee must take to correct the inappropriate behavior and meet management's expectations. The employee is expected to participate in developing the plan by identifying the actions he/she will take to meet expectations. This discussion should be documented and attached to the Corrective Action Notice.

IV. Discharge

Discharge may occur as a result of the following:

• Inappropriate behavior/conduct when there are two previous written warnings still active. The prior warnings do not have to relate to or be similar to the current inappropriate behavior/conduct.

• Behavior of a serious nature that, in management's view, warrants discharge even without previous warning. The following list offers examples of behaviors/conduct that may result in immediate discharge (no prior warning). This list is not intended to be all-inclusive.
  – Disregarding your safety or the safety of others in such a manner that causes or has the potential to cause serious harm.
  – Refusal to carry out reasonable work-related instructions of a supervisor.
  – Deliberate destruction, damage, waste, or misuse of Company property, data or equipment, or property of other employees or customers in any manner at any time, or the commission of acts likely to cause destruction, damage, waste, or misuse.
- Use or personal possession (e.g., on your person, in a toolbox or locker) of alcoholic beverages during work time, including rest or meal periods, or on Company property.

- Illegal selling, distributing, or manufacturing of alcohol or drugs.

- Use, sale, or personal possession (e.g., on your person, in a toolbox or locker) of illegal drugs or narcotics during work time, including rest or meal periods, or on Company property.

- Personal possession (e.g., on your person, in a toolbox or locker) of firearms, weapons, or explosives during work time, including rest or meal periods, or on Company property unless specifically authorized. (See Management Procedure: Firearms/Weapons Possession for additional information.)

- Unauthorized removal of Company property (including electrical current diversion), or property of other employees and customers.

- Conviction of a felony.

- Providing false and/or intentionally misleading information to the Company, either orally or in writing, including application for employment, time sheets, pay records, legally required records, production reports, quality records, expense records, tests, medical records/claims, or other data requested by or submitted to Company, as well as information or claims requested by or submitted to Company insurance providers.

- Threatening, intimidating, or coercing management, another employee, or customer on Company property, at any time for any reason, or while on Company business.

- Deliberately fighting or striking another employee or customer during work hours, including rest or meal periods, or on Company property, except in self-defense.

- Knowingly concealing or failing to disclose defective work.

- Conducting or participating in organized gambling (e.g., parlay cards, running numbers, or bookmaking) on Company property at any time.

- Unauthorized and/or willful accesses, compromise, disclosure, or use of confidential information or data.

- Verbal or non-verbal harassing actions (e.g., demanding favors as a condition of employment, failure to stop harassment once warned, or gross and flagrant harassment) toward any employee, contractor/vendor employee, or customer of the Company.

- Totality of unacceptable behavior as demonstrated by the following:
 Cumulative written warnings over time which considered separately do not warrant termination, but viewed collectively, represent a pattern of conduct that can no longer be tolerated.

- A number of unacceptable behaviors related to a single incident, which considered separately, may not warrant termination, but which considered collectively creates a situation where termination is warranted.

In reviewing totality of unacceptable behavior/performance, the employee's entire disciplinary history may be reviewed not just for the previous twelve (12) months.

V. **Removal from Service**

An employee will be removed from service when behavior or conduct which may warrant discharge has occurred. The purpose of removing an employee from service is to permit an investigation of the employee's behavior. Except in the circumstances outlined below, if the employee is not discharged, he/she will be paid for any regularly scheduled straight-time hours not worked during the removal from service period. An employee who is not discharged after being removed from service for a felony charge or alcohol/drug rehabilitation will **not** receive pay for the hours not worked during the removal from service period.

VI. **Documentation and Records Retention**

Verbal warnings should be documented and maintained in a supervisor's file along with other informal counseling and performance information.

Written warnings, including dismissals and terminations for cause, should be recorded on the Corrective Action Notice. After obtaining the employee's signature on the form, it should be placed/kept in the employee's personnel file according to the documentation retention schedule. A copy should be sent to the local HR representative for placement in the Employee Relations file. The employee may have a copy of the form for his/her reference.

If the employee refuses to sign the form, the supervisor should indicate on the form that the document was shown to the employee, the information was discussed with the employee, and the employee was asked, but he/she refused to sign the form.

Written corrective action warnings will be retained in an employee's personnel file for a period of no less than twelve (12) months from the date of issue.

After a period of twelve (12) consecutive months, during which no additional warnings have been recorded, the warning becomes inactive and should be removed from the employee's personnel file. However, copies of Corrective Action Notices will be retained in Employee Relations files in accordance with current record retention guidelines.

10/25/01