

**HINES ENERGY COMPLEX  
2017 Memorandum of Changes  
Between Duke Energy Florida, Inc. and  
Local Union 626.1 of the  
International Brotherhood of Electrical Workers  
to Become Effective March 27, 2017 and Extending Through March 21, 2021**

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**ARTICLE II**

**Company-Brotherhood Relations**

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**Item 1 (M-1) Revise Article II, Section 7 as follows:**

**Section 7 – Anti Discrimination Clause**

The terms, conditions and nomenclature throughout this Agreement are applicable to all employees covered hereunder without regard to race, color, religion, national origin, age, sex, disability, or veteran's status as required by applicable city, county, state and federal law. The use in this Agreement of masculine pronouns, e.g., him, his, he, himself, shall be interpreted to include the corresponding feminine pronouns.

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**ARTICLE III**  
**Seniority, Promotions, Demotions, Transfers,**  
**Layoffs and Re-employment**

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**Item 2 (M-3) Revise Article III, Section 4 as follows:**

**Section 4 – Work Assignment Rotation**

(A) Annually, in October, if management determines that adjustments need to be made to shift staffing, it will meet with Union leadership to discuss its needed adjustments. For the purposes of rebalancing, Management will have the right to make involuntary re-assignments between shifts for up to two (2) GPSs. No employee shall be forced to move more than one (1) time every four (4) (four) years.

(B) ~~Bi-Annually~~, in November, each shift will be given the opportunity to rotate work assignments. Those work assignments will be Power Block 1, Power Block 2, Power Block 3, Power Block 4, Tiger Bay, Maintenance and, at managements option, Utility. Management will inform the Union of the staffing requirements needed prior to the selection process. The first four Maintenance assignments will be filled by one GPS from each shift (B Shift, C Shift, D Shift, and E Shift). The work assignment selection will be completed independently on each shift by seniority starting with employees in the senior GPS classification, followed by the GPS2 classification. ~~for that particular shift and continuing down to the GPS with the least seniority on that particular shift.~~ These assignments will be effective the first full pay period after January 1 of the following year. Any changes to this Section must be mutually agreeable to both the Company and the Union on a case by case basis.

(C) When a position is vacated after selection is complete, the position will be offered by seniority on that shift to the first employee not previously offered that position. Subsequent vacancies created by this will be offered in the same fashion until the bottom of the shift seniority list is reached. All assignment changes resulting from this will be completed no later than 30 days from the position being vacated.

Notes:

When fully staffed (all approved rotating shift positions are filled), Management will include Utility as a work assignment as set out in Paragraph B.

Management agrees to honor the previously scheduled “Blue Days” for any employee forcibly moved from one shift rotation to the other for the first year if requested by the employee.

**Item 3 (U-3) Cross Contract Bidding**

**Adjust Main MOA Article III, Section 7(H) to read as follows:**

(H) If no application is received from an employee qualified to fill a job or vacancy during the posting period, the Company shall notify Hines Energy Complex employees of the vacancy. The Company shall award the position to the senior qualified HEC employee. In order to be considered qualified for employment pursuant to this paragraph, an employee must have no active “time off” discipline in his personnel file. Employees hired pursuant to this language will have no bidding rights back to the classifications covered under the Hines MOA for a period of three (3) years. If no application is received from a qualified HEC employee, the Company shall then have the right to fill the job from any available source within a period of one hundred and eighty (180) days after the expiration of the posting period, at which time the Company will notify the Local Unions of the name of the person selected to fill the job permanently. If the job is not filled in the above manner, it will then be reposted.

Notes:

This language will be added.

In addition, this language will be added to the Main MOA during the 2019 negotiations.

**Revise Article III of the Hines MOA to add a new Section 5 as follows:**

**Section 5 – Cross Contract Bidding**

If no application is received from an employee qualified to fill a job or vacancy, the Company shall post for bid the open position for the employees under the Main MOA. The Company shall award the position to the senior qualified employee. In order to be considered qualified for employment, an employee must have no active "time off" discipline in his personnel file and must be deemed qualified by the Hines GPS Review Committee. Employees hired pursuant to this language will have no bidding rights back to the classifications covered under the Main MOA for a period of three (3) years. If no application is received from a qualified employee, the Company shall then have the right to fill the job from any available source.

Note:

The above qualifications and restrictions will be noted on the Main MOA Posting Notice at the time of the posting.

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**ARTICLE IV**

**Holidays**

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**Item 4 (U-4) Revise Article IV, Section 1 as follows:**

**Section 1 – Holiday Policy**

(A) The following days shall be recognized as holidays:

New Year's Day	Veteran's Day (November 11)
Good Friday	Thanksgiving Day
Memorial Day (last Monday in May)	Friday after Thanksgiving
Fourth of July	December 24
Labor Day	Christmas Day
	<u>Two One Floating Holidays</u>

(B) Hines bargaining unit employees will observe the holiday on the day on which it falls.

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**ARTICLE V**  
**Vacations**

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**Item 5 (M-5) Revise Article V, Section 4 as follows:**

**Section 4 – Vacation Pay upon Termination**

~~If an employee's employment is terminated, due to retirement, medical inability to perform work or reduction in force, he shall be granted the vacation pay to which he would have been entitled during the year. This includes any employee retiring on January 1. Notwithstanding anything in Section 1 to the contrary, employees terminating in a particular calendar year who quit or are discharged shall, at the time of their termination, be considered to have earned and will be paid 1/12<sup>th</sup> of the year's vacation for each full or partial month that they work in that calendar year; except that, employees hired after July 1 who terminate in that calendar year shall not be paid such vacation pay. In the year of their termination, for employees who quit or are discharged, who have taken more vacation than they earned to the date of termination, the Company will not seek to recover such unearned vacation taken in the calendar year of termination will be deducted from the employee's final paycheck.~~

Note:

The changes noted above will be effective on and after December 2, 2019.

**Item 6 (U-7) Revise Article V, Section 1(A) as follows:**

**Section 1 - Vacation Hours and Carryover**

- (A) A regular employee, who has completed his probationary period, shall be given eighty (80) hours vacation. Regular employees who have attained five (5) years or more of service but less than twelve (12) years of service in that calendar year, shall be entitled to one hundred twenty (120) hours of vacation in that year. Regular employees who have attained twelve (12) years or more of service but less than twenty-one (21) years

of service in that calendar year, shall be entitled to one hundred sixty (160) hours of vacation in that year. Regular employees who have attained twenty-one (21) years of service but less than thirty-two (32) years of service shall be entitled to two hundred (200) hours of vacation in that year. Regular employees who have attained thirty-two (32) or more years of service shall be entitled to two hundred and forty (240) hours of vacation in that year and each year thereafter. ~~At the option of the employee, Eighty forty (80 40) hours of vacation may be carried over into the following year. Upon extenuating circumstances, and subject to the sole discretion of the department head with responsibility for the Hines Energy Complex, an employee may be approved to carry over up to an additional forty (40) hours of vacation into the following year.~~

**Item 7 (U-8) Revise Article V, Section 5 as follows:**

**Section 5 – Vacation and Staffing Requirements**

(A) For employees working rotating shifts who have expressed a vacation preference by December 1 for the following year, a minimum of 33% of GPSs who are scheduled during a 24 hour period will be allowed off due to holiday or vacation requests. For employees working rotating shifts who make a holiday or vacation request after December 1, a minimum of 20% of GPSs will be allowed off. Additional requests made pursuant to this paragraph may be granted by Management based on business conditions. ~~Holiday or vacation requests made after December 1 for the following year will be granted upon at least 90 days' notice, not to exceed a minimum of 20% of GPSs who are scheduled during a 24 hour period.~~ All other vacation requests will be handled in accordance with Section 2 above.

(B) For employees working non-rotating shifts who have expressed a vacation preference by December 1 for the following year, a minimum of 33% of GPSs who are scheduled during a 24 hour period will be allowed off due to holiday or vacation requests. For employees working non-rotating shifts who make a holiday or vacation request after December 1, a minimum of 20% of GPSs will be allowed off. Additional requests made

pursuant to this paragraph may be granted by management based on business conditions. All other vacation requests will be handled in accordance with Section 2 above.

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## ARTICLE VI

### Hours of Labor and Overtime

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**Item 8 (M-7) Revise Article VI, Sections 2 as follows:**

#### **Section 2 – Work Week / Schedules of Work**

The regular work week shall consist of eight (8), ten (10), or twelve (12) hour shifts as determined by management. The rotation of the eight (8), ten (10), or twelve (12) hour shifts during the work week will be as follows:

- (A) Eight (8) hours shifts will consist of five (5) consecutive days out of each seven (7) day calendar week.
- (B) Ten (10) hour shifts will consist of four (4) consecutive days out of each seven (7) day calendar week.
- (C) Twelve (12) hour shifts will consist of seven (7) consecutive days out of each fourteen (14) day period. For pay purposes, the seven (7) days can fall back to back in separate weeks within the same pay period.
- (D) No change with regard to the consecutive work days set out in (A), (B), and (C) in this section will be allowed without a two-thirds (2/3) majority approval of the affected work group.
- (E) Notwithstanding anything in paragraphs (A) through (D) above, Management may, for purposes of training for two (2) weeks or more, assign the employees to a 5X8 or 4X10 shift of consecutive days between the hours of 5 a.m. and 6 p.m. This re-assignment will require at least four (4) weeks' notice. If the employee works less than he would

have worked on the employee's regular schedule, the employee may choose not to work and not be paid for those additional hours or may work the hours at a mutually agreeable time within two (2) pay periods.

~~(E)(F)~~ The Company and the Union agree to establish a Maintenance/training/ project/relief shift assignment in accordance with Article III, Section 4. GPS employees on assigned to the Maintenance work assignment shall be scheduled on a 4-10s schedule, Monday through Friday between the hours of 5:00~~6~~ a.m. to 6:00 p.m. ~~or a 7-12s schedule between the hours of 5:00 a.m. and 6:00 p.m.~~, on a schedule to be to be established by management. This work schedule will be established prior to the commencement of the shift personnel selections in Article III, Section 4 to take effect the first full pay period after January 1 of the following year. Seniority will be honored in the assignment of schedule. Any changes to these schedules ~~mid-year~~ must be mutually agreeable to both the Company and the Union. During planned outages, Management will offer employees in the Maintenance assignment extended work hours (e.g. 5X12 or 6X12) of consecutive days between the hours of 5:00 a.m. and 6:00 p.m. Monday through Sunday and outside of planned outages, Management may offer the same extended hours including a 4X12 schedule. Employees will receive redlines for turning down the extended work hours.

~~(F)(G)~~ When GPSs are working the a maintenance/training/project/relief shift assignment, they may be reassigned to regular shifts as required. Reassignment to the day shift at straight time may be made without notice. Reassignment to the operating shift that encompasses the night shift week will only be done for periods of four calendar weeks or more. Such reassignment to the night shift will be at overtime rates for all work included on the first 10 or 12-hour shift worked unless fourteen (14) days' notice is given. All normally scheduled hours that are missed due to the change of schedule shall be paid at the normal rate of pay.

1) If an employee is reassigned, the employee will earn at least as much as the employee would have earned on the original schedule for that week. If the



difference between the old schedule and the reassignment is four (4) hours or less the employee shall be made whole.

[Remainder of Section 2 to be unchanged except as to Paragraph letters. Section 3 and 4 to remain unchanged.]

**Item 9 (U-10) Revise Article VI to add a new Section 7 as follows:**

**Section 7 – Rollover**

If an employee is required to report on Monday day shift and he is scheduled to work the night shift on the preceding Thursday – Sunday, he can exchange work periods with a co-worker for the entire work period. Failing that, at the Company’s option, Management will reassign him to day shift for the entire work period, or allow him to stay on night shift. In such case, the employee will be made whole for the lost straight time hours on Sunday and will be given the opportunity to make up the lost eight (8) hours of overtime at a mutually agreeable time.

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**ARTICLE VIII**

**General Working Conditions**

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**Item 10 (M-8) Trading Work Periods**

**Note:**

In order for employees to exchange hours of work with one another under the provisions of Article VIII, Section 3, employees are not allowed to exchange work periods with vacant positions.

**Item 11 (U-11) Revise Article VIII, Section 4(G) as follows:**

**Section 4 – Meals**

- (G) For all meals earned under the provisions of this contract, the employee will receive \$15.10 ~~\$14.10~~ per meal on the next regular paycheck, or receive a meal from the Company at the employee's option. Reasonable effort will be made to provide the earned meals to the employee upon request.

**Item 12 (M-9) Revise Article VIII, Section 5(A)(3) and (4) as follows:**

**Section 5 – Safety**

- (3) A Hines Energy Complex (HEC) ~~Health and Safety Committee~~ Event Free Council will be established. At a minimum, ~~t~~The HEC ~~Health and Safety Committee~~ Event Free Council will consist of the System Council U-8 Business Manager (or designee) and at least one representative from the HEC selected by the Union and at least two ~~three~~ representatives selected by the Company. The functions of the HEC ~~Health and Safety Committee~~ Event Free Council, which will meet at least quarterly, will include:
- a) To review safety tools, devices and equipment.
  - b) To review the results of accident investigation teams.
  - c) To review safety orientation and training programs.
  - d) To recommend and review changes to the Company Safety Manual.
  - e) To recommend and review changes to the Switching and Tagging rules.
  - f) To monitor HEC safety targets and indicators.
  - g) To review and assist in improving the HEC Safety Program.
- (4) Whenever an investigation team is appointed by the Company to investigate a lost time accident or significant near miss event involving a regular bargaining unit employee, it shall

include two (2) employees from the bargaining unit familiar with the line of work in issue. Such employees will be selected by the Union Business Manager (or his designee). Bargaining unit employees on an investigating team will not be involved in any disciplinary action that may be taken against any bargaining unit employee. Union representatives on an accident investigation team must agree to all requirements set out for team membership regarding participation, communication of information and confidentiality (if required). The results of all accident investigations, lessons learned and future corrective action, if any, will be timely shared with the HEC ~~Health and Safety Committee~~ Event Free Council and bargaining unit employees.

**Item 13 (M-10) Revise Article VIII, Section 5(C) as follows:**

**Section 5 – Safety**

(C) ~~During rain the only work to be done outside shall be that of an emergency nature or work that must be performed in order to maintain the operation of the unit in a safe manner. It will be the policy of the Company to limit give reasonable consideration to limiting the outside work when inclement weather conditions exist, providing the nature of the work will permit postponement.~~

**Item 14 (M-11) Revise Article VIII, Section 5 to add new Paragraph (D) as follows:**

**Section 5 – Safety**

(D) It is desired, in the interest of employee safety, for an employee to take one day off on an unscheduled work day in a two week period.

**Item 15 (M-12) Revise Article VIII to add a new Section 8 as follows:**

**Section 8 - Flame Retardant Clothing**

The Company shall furnish nine (9) Fire Retardant (FR) shirts and pants and one (1) FR jacket with liner to new employees in the work groups requiring the use of FR clothing. Each year thereafter, every employee working in work groups requiring the use of FR clothing shall be given a FR clothing allowance of \$455.00. Unless provided otherwise, the allowance will be in the form of a credit with the FR clothing provider and is to be used at the employee's discretion to purchase additional clothing or replace damaged or worn out clothing as needed. In the event that an employee's FR clothing is not reasonably wearable (e.g., due to weight gain/loss, medical condition, contamination, or other damage) as determined by management, an allowance for replacement of up to two (2) garments per employee per year will be provided, in addition to the annual allowance.

Note:

Upon implementation of the above language, the Company will furnish all current employees working in the work groups requiring the use of FR clothing with nine (9) FR shirts and pants and one (1) FR jacket with liner.

**Item 16 (M-13) Revise Article VIII to add a new Section 9 as follows:**

**Section 9 – Offsite Training**

From time to time, it may be necessary for employees to receive training away from the Hines Energy Complex. During the days spent in training and traveling to and from such training, the Company will pay actual board and lodging expenses.

- A. Employees choosing to drive in personal vehicles will be paid mileage at the applicable IRS rate and paid for all travel time at regular or overtime rates, as the case may be.
- B. Employees traveling in other than personal vehicles will be reimbursed for the cost of such travel and paid for all travel time at regular or overtime rates, as the case may be.

One way travel in excess of two (2) days will require prior management approval.

When traveling on a travel day (i.e., on a day the employee is traveling to or from the offsite location when no training will occur) in a vehicle, personal or otherwise, the employee will not be expected to travel, and will not be paid for, more than a maximum of ten (10) hours.

**Item 17 (M-14) Revise Article VIII to add a new Section 10 as follows:**

**Section 10 - System Maintenance Crew**

It will not be a violation of this Agreement for the Company to utilize employees from the System Maintenance Crew (SMC), whether regular or temporary, and regardless of job classification, to perform turbine work at the Hines Energy Complex during outages. A temporary journeyman on the SMC working at the HEC will be paid at the bottom step of the wage rate set out in Exhibit A of the Main MOA for that classification.

Note: The above language will supersede any Company commitments or agreements made in Grievances 13-15-0183 (Martin), 14-15-0013 (Parra), and 14-15-0069 (Parra).

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**ARTICLE IX**

**Release of Employees for Union Duties**

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**Item 18 (M-15) Revise Article IX, Section 1 as follows:**

**Section 1 – Business Manager**

Should an employee become Business Manager or Assistant Business Manager for the System Council on a full-time basis or accept a position as an International Representative with the International Brotherhood of Electrical Workers (“Union Employee”), ~~he~~ the Union Employee shall be

~~granted a leave of absence without pay from the Company, upon due and timely notice. He will retain his rights to retirement benefits and savings plan. He may continue his benefits under the Employees Life Insurance Plan by paying the full premium on his policy. He will retain his rights to the Medical Plan by paying the full premium. During such leave of absence he shall not lose any seniority and, upon application for reinstatement, if filed within thirty (30) days after the expiration of his leave of absence, he shall be reinstated to his former position, or to one as nearly comparable as possible if his former position has been abolished. It is understood and agreed, however, that such an employee must possess the mental and physical ability to do the work to which he is assigned. It is also understood and agreed, that upon his reinstatement, the employee being displaced by him shall be considered to have rolling rights according to Article III, Section 2 (C). The Union Employee will retain his/her rights to previously earned benefits under the retirement plan and savings plan during the leave of absence, as follows:~~

(A) If they were eligible to participate in a defined benefit retirement plan immediately prior to becoming a Union Employee, they will remain in the defined benefit retirement plan in which they participated prior to their leave of absence, will continue to earn service for the calculation of benefits under the defined benefit retirement plan as if they continued as a full time employee and were not on a leave of absence, with earnings and/or compensation based on their rate of pay with the Company immediately prior to the commencement of the leave of absence plus future negotiated wage increases.

(B) They will remain in the 401(k) defined contribution savings plan in which they participated prior to their leave of absence, and will continue to earn service for vesting (if applicable) under the savings plan, and, during periods when they are not permitted (based on the requirements of the tax code and ERISA) to make elective contributions to the savings plan and receive a Company matching contribution, will receive a Company pay credit to the cash balance defined benefit retirement plan equal to the maximum available Company matching contribution under the Company-sponsored 401(k) plan (currently 6% of pay each calendar year), adjusted for interest credits following the date credited to the plan, based on their rate of pay with the Company immediately prior to the commencement of the leave of absence plus future negotiated wage increases, which credit shall be made at the end of each calendar year.

(C) Eligibility to earn the amounts described above is subject to the requirements of the tax code and ERISA.

(D) They may continue their benefits under the Employees Life Insurance Plan during the leave of absence by paying the full premium on their policy.

(E) They will retain their rights to the Medical Plan during the leave of absence by paying the full premium.

(F) During such leave of absence, they shall not lose any seniority of any kind or for any purpose, including the calculation of retirement benefits regarding years of continuous service (as described above), vacation, bidding or rolling rights, etc. The seniority of the covered employees will continue as if they continued as a full time employee and were not on a leave of absence.

(G) Upon application for reinstatement, if filed within thirty (30) days after the expiration of the leave of absence, they shall be reinstated to their former position, or to one as nearly comparable as possible if their former position has been abolished. It is understood and agreed, however, that such an employee must possess the mental and physical ability to do the work to which he is assigned. It is also understood and agreed, that upon his reinstatement, the employee being displaced by him shall be considered to be able to roll a less senior employee in the same classification or a lower classification.

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## ARTICLE X

### Grievances and Arbitration

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**Item 19 (M-16) Revise Article X, Sections 2 and 3 as follows:**

#### **Section 2 - Grievance Procedure**

(A) If any disagreement or dispute arises between the parties hereto, as to the meaning or interpretation of the terms of this Agreement, or as to the rights of either party

hereunder, the matter shall be handled in the simplest and most direct manner; and unless the procedure, or any part thereof, is waived by mutual consent, the matter shall be taken up as follows:

- (1) The employee concerned and/or his Union representative must discuss the issue with the immediate supervisor ~~within thirty (30) days of the incident which caused the grievance~~ prior to the issue being presented as a grievance. If the parties are unable to resolve the issue through this discussion, the employee and/or his Union Representatives must submit the grievance ~~to the supervisor, in writing, within ten (10) days of the discussion,~~ as a first step grievance to the supervisor and to the Labor Relations department in writing via e-mail within thirty (30) days of the date of the incident giving rise to the grievance. ~~to the supervisor, in writing, within fourteen (14) days of the discussion. The supervisor will respond, in writing, with a copy to the Labor Relations Department, within seven (7) days following receipt of the written first step grievance. If no mutually satisfactory solution is found and the employee or the local Union desires to pursue the grievance, the grievance shall be filed in writing through the U.S. Mail or by utilizing electronic mail (email) to transmit the grievance, to the Labor Relations Department of the Company within seven (7) days after the supervisors written first step response. This step shall not apply to~~ ~~step shall not apply to grievances over the Company's decision to discharge employees.~~ Grievances regarding the discharge of an employee shall be submitted to Labor Relations as a first ~~second~~ step grievance postmarked, no later than thirty (30) days after the date of discharge.
- (2) A meeting will be held within thirty-one (31) days of the receipt of the written grievance by the Company between the Grievance Committee (defined as the Local Union President and two members in good standing from HEC) and at least one member of management from a level above the first-line supervisor. Within twenty-one (21) days after the meeting is held, the Company shall respond to the grievance in writing via e-mail to the Union Business Manager, System Council U-8 with a copy to the Local Union. ~~mail its decision to the~~



~~Grievance Committee, and~~ If the Grievance Committee desires to pursue the grievance then the Grievance Committee shall within twenty (20) days after the ~~postmark~~ electronic date stamp of the Company's response ~~mailing by the Company of its decision,~~ notify the Company via e-mail mail notice to the Labor Relations Department of the Company that the grievance is to be taken to the ~~second~~ third step; then

- (3) A meeting will be held between the System Council Committee (which shall consist of no more than five (5) members) and representatives of the Company within forty (40) days after notice from the Grievance Committee is received. The Labor Relations Department will appoint an appropriate management panel. An International Representative may be present. Within twenty-one (21) days after the meeting is held, the Company shall ~~postmark~~ email its decision to the System Council Business Manager.
  - (4) Should any matter that has been referred to the representatives of the parties as provided in the ~~second~~ third step above not be satisfactorily adjusted, either party may demand arbitration of the matter by giving written notice to the other within ~~ninety (90) one hundred and twenty (120)~~ ninety (90) days of the ~~email postmark~~ email date of the Company's ~~second~~ third step answer.
- (B) In the event one of the parties refuses or fails to comply with the time limits of the above grievance procedure, such party shall be deemed to be in default and shall forfeit its case. Where both parties are so deemed in default, the party initiating the pending step shall forfeit its case.
- (C) ~~For purposes of the Company answering grievances at the second step or third step, and of the Union referring grievances to the third step or arbitration, as set forth in Paragraph (A) (2), (3) and (4) above, a party, at its option in lieu of the U. S. mail, may utilize electronic mail (email) to transmit its grievance answer or referral. The date and time that such email is sent shall be the relevant date for purposes of compliance with the time limits~~

~~in Paragraph (A) (2), (3) and (4). Second and third step grievance responses from the Company shall also be sent via U.S. mail or e-mail to the System Council Business Manager, by Company mail or email to the grievant, and by Company mail or email to the Local Unions. This paragraph deleted in the 2017 Negotiations.~~

### **Section 3 - Selection of the Board of Arbitration**

- (A) After written notice is given by either party requesting arbitration as provided in Section 2 above, the matter shall be referred to a temporary Board of Arbitration. Such Board shall consist of one (1) member designated by the Company and one (1) member designated by the Union, and a third (3<sup>rd</sup>) member to be selected by the Company and the Union. The Company will promptly request the Federal Mediation and Conciliation Service to provide a panel of seven arbitrators who are members of the National Academy of Arbitrators. From such panel the third (3<sup>rd</sup>) member of the Board of Arbitration shall be selected by the Company and the Union, eliminating six (6) of the persons by alternate strikes. Should the initial FMCS panel be deemed unsatisfactory by either the Union or the Company, the Company will request another FMCS panel of arbitrators who are members of the National Academy of Arbitrators. Should that second panel also be deemed unsatisfactory by either party, the Company will request a third panel of arbitrators who are members of the National Academy of Arbitrators. In such case, an arbitrator from the third panel will be agreed to by the parties. The parties will bear equally the costs of obtaining the FMCS arbitrator panels. The decision of the arbitrator shall be final and binding upon the parties. If the grievance is not scheduled to be arbitrated (i.e., a selected date is agreed to with the arbitrator and the parties) within twelve (12) months of the date the grievance was advanced to arbitration, unless an extension is agreed to between the parties, the grievance will be discontinued on a non-precedent setting, non-prejudicial basis. Should the grievance have an agreed-upon extension, it will be placed in abeyance. If the parties are unable to resolve the grievance, either party may remove the grievance from abeyance upon written notice and it shall be scheduled for arbitration within six months of that date or the grievance will be discontinued on a non-precedent setting basis.

- (B) In the event one of the parties refuses or fails to comply with the provisions of the above paragraph, such party shall be deemed to be in default and shall forfeit its case. Where both parties are so deemed in default, the party requesting the arbitration shall forfeit its case.
- (C) Each party shall pay the expenses of its own representative on the Board, together with any expense incurred in presenting its own case. The expense of the third (3<sup>rd</sup>) member of the Board together with necessary incidental expenses shall be borne, share and share alike, by both parties hereto.
- (D) The Board of Arbitration shall be governed wholly by the terms of this Agreement and shall have no power to add to, subtract from or change its terms. Such Board of Arbitration shall not be authorized to pass on matters which have not been properly brought to arbitration by having gone through the grievance procedure set up in this Agreement.

[No further changes to Article X]

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## ARTICLE XI

### Wage and Wage Administration

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**Item 20 (M-17) Revise Article XI, Section 1 as follows:**

#### **Section 1 – Wage Rates**

The wages to be paid shall be at the rates stated in the schedule attached hereto, marked Exhibit “A,” and made a part hereof. The effective date of the wage schedules shall be ~~March 31, 2014, March 30, 2015 and March 28, 2016,~~ March 27, 2017, March 26, 2018, March 25, 2019 and March 23, 2020, as indicated in Exhibit “A.” Such wages shall be paid biweekly not later than Friday.

Note:

To be placed in Exhibit “A”

Wages to be calculated using increases noted below:

- Effective March 27, 2017– March 25, 2018-3%
- Effective March 26, 2018– March 24, 2019-3%
- Effective March 25, 2019 – March 22, 2020 and March 23, 2020 - March 21, 2021: Same wage percentage increase as negotiated for employees covered under the Main MOA

**Item 21 (U-12) Revise Article XI, Section 4 as follows:**

**Section 4 – Shift Differential**

A shift differential will be applicable to Generation Process Specialists working the night shift in Exhibit “A”. This is compensation that is added to an employee’s pay rate when he/she works the night shift. These employees who are regularly scheduled on night shift will receive night shift differential of one dollar and five cents (\$1.05) ~~ninety (90) cents~~ per hour. An employee who works more than his/her regularly scheduled hours on a scheduled work day will receive shift differential based on the starting time of his/her regularly scheduled shift regardless of whether the employee reports early or is held over. Shift differential will not be paid for non-productive hours such as Vacation, Holiday, Sick/Dependent Care Pay, Bereavement, etc.

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**ARTICLE XIII**

**Term, Extensions, Modifications**

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**Item 22 (M-18) Revise Article XIII, Section 1 as follows:**

**Section 1 - Duration**

This Agreement shall become effective on March 27, 2017 ~~24, 2014~~, and shall continue in effect, except as provided in Section 2 below, until midnight March 21, 2021, ~~26, 2017~~, and shall continue year to year, unless and until either party shall notify the other party in writing at least sixty (60) days but not more than one hundred and twenty (120) days prior to the expiration of the term (or any extended term) of its desire to terminate or modify.

**Item 23 (M-19) Revise Article XIII to add new Sections 5 and 6 as follows:**

**Section 5 - Policies**

For the term of this Agreement only, any Duke Energy Employment-related policies not specifically discussed in this Agreement shall apply to employees covered by this Agreement on the same basis as the policies that apply to the SCU-8 bargaining unit employees currently covered under the 2016-2019 Memorandum of Agreement between the Company and the Union (“Main MOA Employees”), and if any such policies are amended, modified or terminated in any way for the Main MOA Employees during the term of this Agreement, such change(s) shall also apply to the employees covered under this Agreement at the same time and in the same manner.

**Section 6 - Benefits**

For the term of this Agreement only, the employees covered under this Agreement will participate in the same health and welfare, retirement and other benefit plans and programs as Main MOA Employees on the same basis as applicable to the Main MOA Employees, including, but not limited to, the same eligibility requirements, benefit levels, benefit options, premiums, conditions, limitations and exclusions. If these plans or programs are amended, modified or terminated in any way for the Main MOA Employees during the term of this Agreement, such change(s) shall also apply to the employees covered under this Agreement at the same time and in the same manner.

Note: The HEC Benefits Letter and the HEC Retirement Plan Letter shall be deleted from back of the Hines MOA. The Overtime Rate Letter will be continued, subject to changing the date and addressee, and the date of the Hines labor agreement contained therein.

**Item 24 (U-15) Revise Exhibit "C" as follows:**

**EXHIBIT "C"**

**PROJECTS**

When Management determines to establish one or more Exhibit C Project(s), it will meet with Union leadership and identify the GPS complement to be staffed as follows:

- 1) When possible, the scope of project(s), duration of work, schedule (including time off), and GPS(s) resource(s) needed will be provided approximately five (5) ~~four (4)~~ weeks prior to the start of the project(s). ~~Union officials will be notified in advance, where reasonably possible, of the anticipated work to be performed.~~
- 2) Management will determine the anticipated number of GPS(s) needed for each project established under this Exhibit C. The GPS positions will be staffed via the callout process to attain the necessary GPS volunteers.

The following process will be used:

- A. Approximately four (4) ~~three (3)~~ weeks prior to the start of the project(s), a callout will be performed to staff the position(s) that are needed for the project(s). The Exhibit C callout will be completed no later than 1 week after notification of the Exhibit C project. Notification by phone and text will occur on day 1 and the callout will be done on day 7.
- B. If not enough GPS(s) accept the callout for the required position(s), Management may direct the call out to be forcibly filled.
- C. The timeline reference in Section 2(A) above may not be followed for emergent work as determined by Management. In such cases, Management will proceed to staff the project(s) as expeditiously as reasonably possible.

- D. If additional position(s) are needed, the project(s) will be staffed by callout, including forces, as determined by Management.
- 3) If not enough GPS(s) accept the callout to fully staff the project(s), Management will determine at its option to:
- A. Proceed with the project(s) augmenting the existing GPS(s) with SMC, other craft resources, or outside resources, or;
  - B. Force the GPS(s) to fill the position(s) in order to complete the project(s) work, or;
  - C. Proceed with the project(s) with fewer than the requested GPS(s)
- 4) Additional resources may be used to further supplement the staffing for the project as determined by Management.
- 5) No redlines will be assessed for project position(s) for which a GPS(s) does not accept the callout. Weekly callouts will follow the callout guidelines for red lines.
- 6) GPS(s) on project position(s) will be removed from the call out list for the duration of the project, except that any overtime not associated with the project may be offered to any GPS(s) on a day off after all other GPS(s) not assigned to a project position have been offered the overtime. A GPS on an Exhibit C project will not be eligible for forces. It is the responsibility of the GPS accepting the Exhibit C position to keep the Callout Overtime list up to date with their current schedule.
- 7) All GPS(s) are expected to work all hours accepted or assigned, including all overtime hours, associated with the project, absent extenuating circumstances.

8) As an project requires less GPS(s), they may be released to return to their normal Work Assignment Rotation, and/or allowed to accept a call out on other Exhibit C Project that has not started, as identified by Management.

A. Vacation requests submitted by GPSs while working on long term projects that have been previously approved will be honored as submitted if they are released early from the Exhibit C project, without regard to Article V, Section 2(B).

9) GPS(s) may be reassigned as necessary to meet any emergent needs of the plant. Upon completion of the emergent work, the GPS(s) will be returned to the project.

A GPS who has scheduled time off may volunteer for an Exhibit C project, and subject to operational needs, may be approved my Management to work the Exhibit C project.

**Item 25 (M-20) Revise and replace Item 13 of the 2012 Memorandum of Changes as follows and create new Exhibit “D” in which to place the following document:**

**Exhibit “D”**

**Generation Process Specialist (GPS) Classifications**

~~GPS1: One (1) Journeyman skill specified at initiation job of requisition and two (2) progression skills.~~

GPS2: Two (2) Journeyman skills specified at initiation of job requisition and two (2) progression skills.

GPS: At least ~~Three~~ (3) Journeymen skills, one of which must be an Operations skill, specified at initiation of job requisition or progression from GPS2, and one (1) progression skill.

GPS	1	2	GPS
Wage Rate	\$36.04	\$36.94	\$37.10*



~~\*Current 2011 GPS wage rate prior to any general wage increase for 2012.~~

**~~Note to MOC:~~**

~~Skills training will be provided to assist successful applicants in meeting the minimum qualifications for GPS.~~

Minimum Qualifications for GPS42 Classification

1. Pass the POSS Test; and the MASS Test at the I&C level;
2. Must hold, or have held for at least one (1) year, a Journeymen classification in ~~one (1)~~ two (2) of the following ~~as specified by Management~~ at time of the job requisition:
  - A. Operator (Scrubber Operator not included)
  - B. Mechanic
  - C. Electrician (Production Department/Utility Experience)
  - D. Control Technician
3. Must also possess at least two (2) progression skills in two (2) of the four (4) Journeymen level classifications listed above.
4. A GPS position will be requisitioned with a designation of the specific Journeyman skills required. A candidate determined to be qualified by pre-employment skills assessment and interview process will subsequently be offered a position to be placed into the appropriate GPS position. ~~A qualified candidate subsequently offered a position will be placed into the appropriate GPS position.~~
5. Successful applicants to the ~~GPS1 and/or~~ GPS2 classification shall be required to begin the training for obtaining the required Journeyman and/or progression skills on the following schedule:

~~(A) The GPS1 shall obtain the second Journeyman and/or additional progression skill within twenty-four (24) eighteen (18) months after being awarded the position. Progression to the GPS2 position is required. Additional time to attain the second Journeyman and/or additional progression skill may be allowed if determined to be appropriate by the Hines GPS Review Committee. Management will determine the second Journeyman and/or additional progression skill the employee will attain based upon operational need. Upon successful completion of the second Journeyman and/or additional progression skill requirements, the GPS1 shall become a GPS2.~~

~~(A) Upon successful completion of the skills of a GPS2, Each GPS2 shall be required to ~~progress towards~~ achieve the full GPS classification within twelve (12) ~~eighteen (18)~~ months after the employee's start date without regard to an employee's probationary period being awarded the position. Additional time to attain the third Journeyman skill may be allowed if determined to be appropriate by the Hines GPS Review Committee. Management shall determine the ~~next~~ skill needed for the third Journeyman skill based on operational needs. Upon successful completion of the third Journeyman skill requirements, the GPS2 shall become a full GPS as determined by the Hines GPS Review Committee.~~

6. The Company will provide training for the successful ~~GPS1 and/or~~ GPS2 candidate to advance to the full GPS position. The GPS2 candidate will report on his training progress to the Hines/Tiger Bay PTC (trainer) at least bi-weekly.

7. The Hines GPS Training Program ~~will be similar to the current Exhibit "C" of the main MOA; however, the training will be specific to the needs of the GPS1 for progression to a GPS2, or a GPS2 for progression to the full GPS classification.~~ A tailored training syllabus developed by the Hines GPS Review Committee will be given to the GPS2 no later than 1 month after start date. Evaluations will be given quarterly ~~in six month intervals~~ where continuous progress must be exhibited throughout the training and assessment process. ~~GPS1 or~~ GPS2 candidates who fail to progress and/or achieve the additional ~~progression skill and/or third~~ Journeyman skill within

the schedule requirements of section 5(A) ~~and/or 5(B)~~ above may be issued a 90 day letter and given the opportunity to find employment elsewhere in the Company. If the employee is unable to obtain employment within the 90 days, the employee may be released from employment at the sole discretion of management.

8. A ~~GPS1 and/or~~ GPS2 will progress ~~to the next position~~ once the GPS<sub>2</sub> is successful in receiving a recommendation from the Hines GPS Review Committee for the attained skills. The Hines GPS Review Committee will consist of five (5) ~~three (3)~~ GPS's appointed by the Business Manager of the Union, a representative from the training department, and three (3) other personnel made up of HEC Supervisors or Managers and/or other designees as determined. A quorum for the purpose of holding a review will include at least two (2) of the appointed GPSs.
9. GPS2s will be expected to perform work they are qualified to do as they progress through the training program. For example, a GPS2 may be assigned to perform activities, on straight-time or overtime, for which they are qualified.
9. ~~Upon ratification of the new HEC Memorandum of Agreement, any GPS employed on or before that date of ratification will be grandfathered in as a fully qualified GPS.~~
10. Any callouts or pre-arranged overtime, including Exhibit C callouts, will be performed by utilizing the GPS classification prior to offering the call to the ~~GPS1 and~~ GPS2 classifications.

Additional Note to MOC:

HEC Management agrees to meet with the Union to review the training program and adjust as determined. Further, Management and the Union agree to meet periodically, or as needed, to address any questions, concerns, and/or suggestions for improvement as brought up by either party to the agreement.

**Item 26 (M-22) Work Control GPS**

**Create new Exhibit “E” in the MOA in which to place the following document:**

**Work Control GPS**

The parties agree to establish a Work Control Center (WCC) function using Exhibit “C”. Unless specifically addressed below, all other terms and conditions of the Memorandum of Agreement (MOA) shall remain in force and effect.

1. For purposes of establishing the work control assignment for each location, the Company will utilize a qualified GPS.
2. The assignment, which will work as a WCC function, shall be referred to as “Work Control GPS” (WC GPS). Nothing will prohibit Management from ending the WC GPS assignment for any reason and returning the WC GPS back to his/her rotating shift.
3. The duties and tasks of the WC GPS will be as set out in the attached Work Control GPS Duty List.
4. The WC GPS assignment will be paid at GPS pay for all hours, including holiday, vacation and sick leave.
5. The WC GPS will be scheduled on an eight (8), ten (10) or twelve (12) hour schedule that is separate and apart from the Operations rotating work schedule as follows:
  - a. One eight (8) or ten (10) hour shift Monday through Friday. This will consist of 4x10s, 5x8s, 5x10s or a combination. Start and stop times will be between the hours of 5:30 am and 10:00 pm.

- b. For outages only, two non-rotating twelve (12) hour shifts. Management may assign a second WC GPS, using Exhibit "C", to the opposite shift for outage prep and/or support. In this situation, the original WC GPS will have the shift preference.
  - c. The WC GPS will be offered a work schedule that includes eight (8) hours of pre-arranged overtime, to be worked in each 80 hour pay period, at a mutually agreeable timeframe within the pay period. If the prearranged overtime is scheduled so that it extends a work day, meals will not be earned for this specific prearranged overtime.
- 6. At Management's option, the WC GPS assignment may be used in conjunction with, or in lieu of, Exhibit "C" to prepare for planned and forced outages, support projects, procedure development, and project support.
- 7. Employees assigned to perform WC GPS job duties may be reassigned to the day operating shift to maintain job specific qualifications and/or proficiency. However:
  - a. The WC GPS will not be reassigned from the WCC to fill vacant shifts, unless the WC GPS assignment is ended as set out in paragraph 2 above, or a vacancy exists on the day shift (only) after calling all employees available for call-out. If no employees respond to the call-out, Management will reassign the WC GPS, if business conditions permit, before resorting to forcing an employee.
  - b. In the event the work load is not sufficient for the WC GPS on any given day, as determined by the supervisor, the WC GPS may be assigned other duties consistent with the employee's classification for the duration of the scheduled work of the WC GPS.
  - c. During any abnormal operation of the plant (i.e., start- up/shutdown, trip and/or any other emergency operation/response), the WC GPS may be requested to support the operating shift until the event has concluded.

8. At Management's option, when the WC GPS is not available for any reason to perform his/her WC GPS duties in durations of less than a week (i.e., vacation, sick leave, training, etc.), Management may elect to assign an available GPS from the day shift to perform the duties of the WC GPS for the duration of the absence. For durations longer than a week, at the Company's option, a GPS may be offered an assignment to perform the WC GPS assignments in accordance with Exhibit "C."
9. If applicable, shift differential will be paid in accordance with Article XI, Section 4, when returned to the rotating shift to maintain qualifications or proficiency.
10. Meal times will be paid during the WC GPS assignment in accordance with Article VIII, Section 4.
11. LOTO duties are an Operations function, not solely a WCC function. LOTO duties are performed by all Operations qualified personnel. Nothing will prohibit qualified personnel from performing the associated tasks as assigned on the employees' shifts, including but not limited to "hands on" LOTO duties such as isolation, restoration, and boundary changes, and providing any necessary assistance to the WC GPS.

**Item 23 Attachment**

**Overtime Rate Letter**



March 27, 2017

~~March 24, 2014~~

Scott M. Demetree

~~Edward A. Mobsby, Jr.~~

Business Manager

International Brotherhood of Electrical Workers

System Council U-8

Dear Mr. Demetree ~~Mobsby~~,

This will confirm the understanding reached in the ~~2014~~ 2017 Hines Energy Complex negotiations as to the payment of overtime.

This letter will supersede the language of the ~~2013-2014~~ 2017-2021 labor agreement covering the Hines Energy Complex with regard to the payment of overtime. Specifically, all non-straight time hours that would otherwise be paid at time and one half (1 ½) or double (2) time will be paid by the Company at the rate of 1.70 times an employee's base rate of pay. All references in the Hines labor agreement to time and one half (1 ½) and double (2) time will be replaced by this rate.

Sincerely,

Richard Krotseng

Director, Labor Relations Florida