Collective Bargaining Agreement

between

Midwest Generation EME, LLC

and

International Brotherhood of Electrical Workers Local 15

October 22, 2001

to

December 31, 2005





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THIS AGREEMENT, dated October 22, 2001, is entered into by and between MIDWEST GENERATION EME, LLC and LOCAL UNION 15 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (AFL-CIO)

ARTICLE 1 UNION RECOGNITION AND DEFINITIONS

1.1 Exclusive Bargaining Agreement

Midwest Generation EME, LLC, recognizes Local Union 15 of the International Brotherhood of Electrical Workers, as the exclusive bargaining agent under section 9(a) of the National Labor Relations Act for all operations, maintenance, fuel, material handling, and clerical employees who are employed at the following Illinois generating stations for the purpose of collective bargaining in respect to matters of pay, wages, hours of employment fringe benefits and other terms and conditions of employment:

Collins

Crawford

Fisk

Toliet

Powerton

Waukegan

Will County

Peaker - Bloom

Peaker - Calumet

Peaker - Electric Innction

Peaker - Lombard

Peaker - Sabrooke

This Agreement shall be binding upon the parties and their respective successors and assigns. Subject to the Company obtaining all necessary approval of any governmental authority, the Company shall require such purchaser or transferee to assume the obligations under this Agreement until the expiration of the term of this Agreement.

1.2 Job Classifications

Employees under this Agreement shall include individuals working in the following job classifications:

- a) Unit Operator
- b) Material and Supply Coordinator
- c) Peaker Technician

- d) Clerk
- e) Laborer
- f) Coal Plant Operator
- g) Instrument Mechanic
- h) Maintenance Electrician
- i) Maintenance Mechanic
- j) Equipment Operator
- k) Unit Operator I*
- Boiler Operator *
- m) Switchboard Operator *
- n) Turbine Operator *
- o) Senior Maintenance Electrician*
- p) Senior Instrument Mechanic*
- q) Senior Mechanic*
- r) Senior Coal Plant Operator*
- s) Assistant Boiler Operator*
- t) Assistant Turbine Operator*
- u) Equipment Attendant*
- v) Auxiliary Operator*
- w) Helper*
- x) Coal Plant Operator A, B, C*
- y) Mechanic A, B*
- z) Maintenance Electrician A, B*
- aa) Instrument Mechanic A, B*

1.3 No Exclusive Right to Work

This recognition clause shall not be construed to mean that any Employee or classification of Employees has an exclusive right to any work within the bargaining unit. The Company may assign Employees to perform work as needed.

1.4 Reorganization and Changes to Technology or Classification

- A. The Company reserves the right to i) establish new units, departments, divisions or subdivisions; ii) to determine the location, number and deletion of such units, departments, divisions or subdivisions; and iii) to transfer work from one job classification to another or from one department or operation to another.
- B. The Company will meet and confer with the Union at least 60 days before implementing any planned departmental reorganization or substantial technological change affecting Employees, changes in an existing job classification, or the establishment of new classifications.
- C. Should this discussion result in disagreement, the issue may be subject to the grievance procedure. However, the filing of any grievance shall not delay the implementation of the planned change. Any final determination which affects wage rates shall be retroactive to the date of implementation.

^{*} Closed classifications; see Exhibit B

1.5 Definitions

- (1) The terms "Company" or "Employer" shall mean Midwest Generation EME, LLC
- (2) The term "Union" shall mean Local Union 15 of the International Brotherhood of Electrical Workers.
- (3) The terms "Employee" or "Employees" shall mean only those Employees covered by the terms and conditions of this Agreement.
- (4) Masculine pronouns shall include both the masculine and feminine gender.
- (5) The term "may" is permissive and discretionary and the terms "will", "must", and "shall" are mandatory.
- (6) The term "Party" or "Parties" shall mean the Company and the Union.

ARTICLE 2 UNION AFFAIRS

2.1 Appointment and Authority of Stewards

The Union shall be allowed to appoint a chief steward and a reasonable number of stewards assigned to a specific work group or work groups and in general the jurisdiction of one steward shall not overlap that of any other steward. These individuals shall attempt to adjust disputes or differences referred to them by any of the Employees they have been designated to represent and to participate in the processing of grievances as provided in this Agreement. The Union shall provide the names of such individuals, in writing, to the Company. Thereafter, the Company shall be within its rights to rely on the voluntary actions and commitments of such individuals as agents of the Union.

2.2 Stewards' Use of Company Time

The Union or its agents will not solicit members, engage in organization work or any other Union activities during the working time of Employees or on Company property except for meetings scheduled during working periods at the request and convenience of the Company, including the handling of grievances. When a steward's or chief steward's obligations under this Agreement can be reasonably performed only during working periods, a request for unpaid time off for these duties may not be unreasonably denied.

2.3 Union Visitation Rights

A. The Parties agree that much of the everyday administration of this Agreement can be handled by the stewards and chief stewards. However, a duly authorized non-Employee representative of Local 15 or of the International Union shall have the right to visit the plants during working hours for the purpose of inspecting working conditions and administration of the Agreement.

B. The Company recognizes authorized representatives of the Union as the representatives of the Union and, upon advance notice to the Company, the Union representatives shall have reasonable access to Company property in order to meet with the Employees concerning matters relating to wages, hours, and terms and conditions of employment. When a non-Employee Union representative is present on the property, he will not unreasonably interfere with any Employees in a work status.

2.4 Bulletin Board

Two glass covered, locked bulletin boards may be provided by the Union to be affixed at a convenient location at each plant (one for Peakers) for the posting of notices pertaining to Union business or matters of special interest to the Employees. The Union will be responsible for the reasonable and proper use and upkeep of the bulletin boards. There shall be no other posting of any kind in any other locations at the plant.

2.5. Dues Check Off

Upon presentation of a written check-off authorization from an Employee, the Company will deduct from the Employee's pay and remit to the Union, initiation fees, dues, agency fees and regular and special assessments. The authorization shall be irrevocable for a period of one year, or until the termination of the current Agreement, whichever occurs sooner; and the authorization shall be automatically renewed and shall be irrevocable for successive periods of one year or for the period of each succeeding applicable Agreement between the Company and the Union, whichever shall be shorter, unless written notice of revocation is given by the Employee to the Company and the Union, not more than 30 days and not less than 10 days prior to the expiration of each period of one year, of each applicable Agreement between the Company and the Union, whichever occurs sooner.

2.6 Union Security Clause

Within 30 days of date of hire for new Employees or 30 days following execution of this Agreement for existing Employees, every Employee covered by this Agreement shall, as a condition of employment

- (1) become a member of the Union and maintain membership in the Union in accordance with its Constitution and Bylaws or, in the alternative,
- (2) tender monthly an agency fee as established by the Union in an amount not to exceed the amount of the monthly dues and per capita fees required of a BA member.

ARTICLE 3 MANAGEMENT RIGHTS

3.1 Management Rights

Except to the extent expressly abridged by this Agreement, the Company reserves, retains and has the sole and exclusive right to manage the business and to

take such measures as management may solely determine to be necessary for the orderly, efficient and profitable operation of the business; to establish or continue policies, practices and procedures for the conduct of the business, including but not limited to, rules or policies on prohibited discrimination, drugs, alcohol and smoking and, from time to time, to change or abolish such policies, practices or procedures; to establish quality and quantity standards and to judge them; to institute and maintain a limited duty policy; to direct the working forces, including the right to hire, promote, transfer or demote any Employee; to adopt and enforce disciplinary rules; to suspend or discharge employees for just cause; to install and require punching of time clocks or other attendance-keeping methods and make rules for such; to discontinue any process or operation; and to the extent allowed by law, to terminate, merge, sell or lease the business or any part thereof.

ARTICLE 4 NON-DISCRIMINATION

4.1 Non-Discrimination by the Parties

It continues to be the policy of the Company and Union not to harass, discriminate, or retaliate against any employee on account of race, color, religion, gender, national origin, age, marital status, veterans status, Union status or disability.

ARTICLE 5 SERVICE AND SENIORITY

5.1 Service

Length of employment in the Company shall be "Service". "Service" includes the length of employment with Commonwealth Edison Company ("ComEd") provided that the length of employment qualified as "service" with ComEd and that the Employee directly entered the Company's employ as a "transferring employee" on December 15, 1999 pursuant to the terms of the March 22, 1999 Asset Sale Agreement between the Company and ComEd.

5.2 Identical Service Dates

Service of Employees who have the same number of days of uninterrupted service shall be governed by surname alphabetical order with "A" superior to "Z".

5.3 Seniority

Length of continuous employment in a particular job classification shall be "seniority". "Seniority" includes length of employment in a particular job classification with ComEd provided that the length of employment qualified as "seniority" with ComEd and that the Employee directly entered the Company's employ as a "transferring employee" on December 15, 1999 pursuant to the terms of the March 22, 1999 Asset Sale Agreement between the Company and ComEd.

5.4 Identical Seniority Dates

If two or more Employees are promoted to the same job classification on the same date, their seniority order, as to each other, in their new job classification shall be determined by the seniority they had in the job classifications from which they were promoted. Employees in entry level positions with identical seniority dates shall be governed by length of service.

5.5 Broken Service

Service of Employees shall be broken for the following reasons:

- (1) Voluntary resignation.
- (2) Retirement.
- (3) Discharge for just cause.
- (4) Discharge during the probationary period.
- (5) Failure to return to work after a layoff within 10 days after being notified to do so by telephone, personal contact or by letter having been sent to the Employee's last known address on the Company's personnel records.
- (6) Failure to return to work following a leave of absence.
- (7) Following the expiration of recall rights.

5.6 Return After Broken Service

Except as otherwise expressly provided in this Agreement, any opportunity to return to work after broken service shall be at the Company's sole discretion and the returning Employee shall be hired as a new Employee.

5.7 Service and Seniority List

A service and seniority list will be revised by the Company semi-annually and a copy of each revised list shall be provided to the Union.

5.8 Objections to List

In the absence of an objection by the Union to the new service and seniority list within 30 days of receipt of the new list, such lists will govern.

5.9 Transfer and Promotions Within the Bargaining Unit

- A. Transfers and promotions within the bargaining unit to positions not in a line of progression will be the Company's discretion. An Employee who is promoted will be given not more than 90 days training and qualifying period for determination as to whether or not the Employee can meet the requirements of the job. If the Employee can not perform the work of the new job classification, the Employee will be transferred back to his former job classification. However, Employees shall have included in their seniority the time spent in the higher job classification.
- B. Advancement within a line of progression will be in accordance with Exhibit A.

5.10 Notice to Employee

In the case of a promotion or transfer within the bargaining unit, if the Employee with the highest seniority or service is not selected, the Company will notify that Employee of the reason(s) he was not selected.

5.11 Promotions Outside the Bargaining Unit

The Company at its sole discretion shall have the right to fill positions outside the bargaining unit, including supervisory or other managerial position.

5.12 Filling Vacancies

When filling a vacancy in an existing or newly created job classification by promoting or transferring from within the bargaining unit, the Company will post a notice for a period of 10 days announcing the open position. Employees desiring to be considered must make written application (bid) setting forth their qualifications. Employees who have accepted and completed training for a position shall be deemed to have bid for any openings in that position at his station.

5.13 Transfers and Upgrades

- A. If the Company, at its sole option, returns an Employee to the bargaining unit within 90 days of that Employee's transfer to a non-bargaining unit position, the Employee's service shall not be affected by the time served out of the bargaining unit and his seniority shall be adjusted to reflect the time spent outside the bargaining unit.
- B. Requests for transfers within the bargaining unit shall be granted at the Company's sole discretion and only in unusual circumstances.
- C. When an Employee is temporarily transferred or upgraded to other work, the Employee's seniority will continue to accrue in his regular job classification. When temporarily upgraded to a higher paid position the Employee will be paid at the higher rate. Employees upgraded to a management position will have their hourly wage rate increased by \$2 for all hours worked. If temporarily transferred to a lower paid position, the Employee will continue to be paid at his regular rate of pay.

5.14 Layoffs and Other Curtailments of Employment

The Company has the right to determine the number and classification of Employees required and to lay off Employees for lack of work or other legitimate reasons; to determine the facts of lack of work; and exclusively make the decision as to its existence.

5.15 Alternatives to Layoff

Whenever, because of the workload, the Company determines a layoff is necessary, the Company will first meet and confer with the Union to attempt to formulate a program for spreading the work or moving Employees from one group or department to another or other appropriate action. Nothing in this paragraph shall restrict or interfere with necessary layoffs, following such a meeting.

5.16 Layoff Defined

A layoff is a termination of active employment with the right of recall under this Article should, in the Company's sole judgment, conditions warrant.

5.17 Layoff of Temporary and Probationary Employees

Temporary workers and probationary Employees will be laid off first.

5.18 Layoffs and Recalls

Layoffs and recall from layoffs shall be by classification from among qualified Employees based on seniority and then service. In the event of a reduction of forces or the closing of a facility, no chief steward shall be displaced from his location as long as there is a position at that location for which he is qualified.

5.19 Bumping Eligibility

In a layoff situation, an Employee must be fully and immediately qualified for any position into which the Employee seeks to bump. Employees will be presumed to be qualified for any position they previously held and were qualified. This presumption is rebuttable by a failure of the Employee to fully perform in the position in a satisfactory manner within a reasonable period not to exceed 30 days.

5.20 Bumping Process

- A. Using a combined system wide seniority list for each classification, Employees shall bump the least senior Employee at the appropriate location in their classification, with Unit Operators also having the right to bump into the Equipment Operator classification. Employees in all classifications who, as a result of the bumping process, are bumped out of their classification are eligible to bump into the Laborer classification by service.
- B. Any Employee affected by the bumping process who prefers to be laid off may elect to be laid off and shall retain recall rights in accordance with this Article.

Example: 10 Mechanics at a plant are declared excess. Starting with the most senior of these 10 Mechanics they will bump up to 10 Mechanics with the least seniority on a combined seniority list for all plants. Those least senior Mechanics who are bumped may in turn bump Laborers at any location with less service on a combined service list for all plants.

5.21 Recall Rights

Based on service, Employees shall have 18 months during which they are eligible for recall from layoff.

5.22 Failure to Accept Return from Layoff

If, for any reason, an Employee fails to report within 10 days following a notice of recall under these provisions, he shall be terminated effective on the date of the notice of recall. However, an Employee who declines recall into a position outside the line of progression from which the Employee was laid off shall retain the right to recall as defined in the Article.

5.23 Subcontracting

The Company agrees that it will not contract any work which is ordinarily and customarily done by its Employees if, as a result thereof, it would become necessary to lay off or reduce the rate of pay of any such Employees.

5.24 Management Performing Bargaining Unit Work

The Company agrees that management will not perform work which is ordinarily and customarily done by its Employees except in emergencies, when Employees are not available to perform such work, or for purposes of training.

5.25 Training

To the extent that the Company finds it practical to provide such training, taking into account operational needs, the Company will attempt to afford Equipment Operators, and Laborers an opportunity to train for promotion to a higher job classification. Employees accepting training for a promotion must accept a promotion to the position for which they are trained if one is offered and for which the Employee is qualified. Employees who fail to accept a promotional job offer will be ineligible for promotions for the next 2 years. The Company will give preferential consideration to Employees successfully trained for a higher job classification. This training policy will not affect the Company's right to assign any work to any individual at any particular time.

ARTICLE 6 HOURS OF WORK AND OVERTIME

6.1 Work Week Defined

The regular work week shall consist of seven consecutive days as operational considerations require. The basic work week will normally consist of 40 hours and include 2 consecutive regular days off. The basic work day shall normally consist of 8 consecutive hours.

6.2 Schedule and Assignment Changes

Except as expressly set forth immediately below, nothing within this Agreement shall be interpreted as a guarantee of hours in a work week or work day, nor shall anything in this Agreement be interpreted so as to in any way impair the Company's right to schedule work weeks or shifts in any manner which the Company deems necessary and practical or to transfer Employees from one shift to another, from one department to another, or from one job to another.

6.3 Changes to the Work Week or Shift Assignments

- A. The work week or shift assignment for any particular Employee or group of Employees within the Bargaining Unit may vary from that worked by other Employees.
- B. After not less than 48 hours notice to the Union and the affected Employees, the Company may, from time to time, make such changes in the work week or shift assignments as it deems advisable.

- C. If not given this notice, Employees shall be paid at time and one-half their regular base rate on the first day of the new schedule.
- D. If a Relief Shift is established, Employees assigned to a Relief Shift may be rescheduled to fill a vacancy or to supplement a shift with 8 hours notice without penalty.

6.4 Overtime Rates

- A. All work over 40 hours per week shall be paid at time and one-half times the hourly base rate of pay (plus, any other payments required by the Fair Labor Standards Act or state law).
- B. Work on an Employee's 2nd scheduled rest day shall be paid at twice the Employee's hourly base rate.

6.5 Computation of Hours for Overtime

- A. Except as expressly provided in paragraph B immediately below, only hours actually worked are to be counted in computing hours worked for overtime pay.
- B. Computation of overtime shall include paid time off for Vacation, Sick Time, Death in the Family, Jury Duty, Holidays (8-hours) and unpaid Union business. Computation of overtime shall exclude any time already paid at a premium (1-1/2X or 2X). If 40 hours or less are worked under this computation, all hours will be compensated at straight time rates.

6.6 Mandatory Overtime

Every Employee is required to work overtime when asked to do so by a supervisor unless he is excused from doing so by management.

6.7 Authorized Overtime

No overtime will be worked or paid for unless authorized by a supervisor or other management authority.

6.8 Notice of Overtime

While the parties recognize the nature of the business may require short notice overtime, the Company will use all reasonable efforts to give Employees at least 24 hours notice of scheduled overtime.

6.9 16 Hours

An Employee who works 16 or more hours within a 24 hour period will be entitled to an 8 hour rest period. If this rest period extends into the Employees' next scheduled workday, the Employee shall be paid for the hours covered by the rest period without having to work those hours. However, the Employee must work all other scheduled hours on that day to be eligible for such pay. Time in excess of 16 hours in a 24 hour period shall be paid at 2 times the Employee's base rate.

6.10 Call Backs

Employees called back without previous notice for work at any time outside of their regular work schedule shall be paid a minimum of 2 hours at the appropriate rate.

6.11 Reporting Pay

Any Employee instructed to report and reporting for work shall be guaranteed 2 hours pay at the appropriate hourly base rate.

6.12 Equalization of Overtime

- A. The Company will attempt to assign overtime so that each Employee has a fair opportunity to work overtime. It is recognized that an Employee within a job classification may be skipped for an overtime assignment if he is not yet qualified to perform the assigned work.
- B. An Overtime List will be maintained by classification and updated biweekly for use when assigning overtime.
- C. When an Employee is offered overtime hours and works these hours, management will record the hours as straight time equivalent hours.
- D. Overtime opportunities for all Employees will be zeroed effective the beginning of the first pay period of the year so that, each Employee will start each year with a zero overtime balance. The order of names will be the same as the last pay period. New Employees, Employees moving to a new classification or Employees returning from disability will be averaged with others when the next Overtime List is updated.
- E. Overtime volunteers must sign up in advance for overtime opportunities on a list that will be regularly updated and maintained.
- F. Overtime will be assigned in the following sequence:
 - (1) At management's discretion, holdover on a specific job or shift when it appears the job will take two hours or less to complete.
 - (2) Overtime for a shift worker will be split by the Employees previously scheduled on the shift before, and the shift after the overtime is needed.
 - (3) Overtime will normally be assigned first to the low, qualified volunteer whose overtime rate is at time and one half.
 - (4) Overtime will normally be assigned first to the low, qualified non-volunteer whose overtime rate is at time and one-half
- G. The exclusive remedy for any misassignment under these provisions shall be the assignment of future overtime in a manner to correct the inequity. The Company will award the "skipped" Employee the next opportunity for overtime.

6.13 Funeral Time Off

An Employee shall, on reasonable notice, be granted up to 3 days paid time off for the death of the Employee's parents (including in-laws), children (including stepand grand), siblings (including in-laws), spouse, and grandparents.

6.14 Jury Duty

An Employee shall, on reasonable notice, be paid at his hourly rate those hours compelled to perform jury service.

6.15 Shift Differential

- A. Employees regularly assigned to shift work will receive a shift differential of 5.25% of the top step Equipment Operator rate of pay (\$1.40 (2001), \$1.45 (2002), \$1.50 (2003), \$1.55 (2004), \$1.60 (2005) for each hour worked on a regular scheduled afternoon shift (defined as starting after 12:00 pm) or night shift (defined as starting before 6:00 am).
- B. Employees will not receive shift differential for more than 8 hours for any shift.

6.16 Travel Compensation

When the Company requires an Employee to travel to a location other than his established work base the Employee will be reimbursed for mileage, if not provided a company vehicle, tolls and other incidental travel expenses and travel time as required by law. If required to be away from home overnight, the Company shall provide necessary lodging and meals, and shall furnish the Employee round-trip transportation (or costs) plus travel time as required by law. On reasonable notice, the Company shall advance the Employee money for such expenses.

ARTICLE 7 NO STRIKE/NO LOCK-OUT

7.1 No Strike/No Lock-Out

- A. The Company agrees that it will not lockout Employees during the term of this Agreement. Layoffs due to lack of work, changes in operations, the closing of the plant or any part thereof, the curtailment of any operation or similar actions for business reasons shall not be construed as lockouts.
- B. Similarly, the Union and the Employees will not cause, permit, authorize, sponsor, aid, condone, allow, encourage, participate or engage in any strike, boycott, unfair labor practice strike, sympathy strike, demonstration, walk out, refusal to perform assigned work or duties, slow down, sick out, picketing, patrolling, publication, hand billing; or in any other intentional efforts to interfere with, the work, operations, or business of the Company. Employees will not honor picket lines, boycotts or other activities by other organizations or individuals, when the honoring of such picket line or activity would in any way interfere with the work, operations, or business of the Company.

7.2 Discipline

Any Employee who engages in any activity prohibited by this Article, shall be subject to discipline up to and including discharge. The disciplinary penalty under this paragraph will not be reviewable under the grievance procedure except on the question whether such activity occurred.

ARTICLE 8 REST PERIODS AND MEAL BREAKS

8.1 Rest Periods and Meal Breaks

Employees will receive a scheduled rest and meal period which may change from time to time at the Company's discretion pursuant to operating considerations. Employees whose work requires them to be on duty 8 hours consecutively shall eat at their work locations.

8.2 Meal Allowance

- A. Employees will be offered a meal or paid a meal allowance when required to work more than 2 hours before or after the end of their normal shift.
- B. Unless given at least 8 hour's advance notice, Employees will be offered a meal or paid a meal allowance when required to work an unscheduled shift.
- C. Meal allowances shall be \$7.00 for all meals.
- D. When required to work 16 continuous hours an Employee will be provided a meal. If required to work two or more consecutive 16 hours shifts the employee will be provided 2 meals each 16 hour shift.
- E. Meals provided may be frozen dinners or purchased from restaurants at the Company's sole discretion.

ARTICLE 9 HOLIDAYS

9.1 Pay

Employees shall be granted holiday pay based on scheduled hours not to exceed 8 per holiday at the Employee's hourly base rate.

9.2 Rotating Shifts

Except for nationally designated holidays, Employees on schedules with rotating days off will observe holidays on the day the holiday actually falls.

9.3 Holiday on Scheduled Day Off

If a holiday falls on a scheduled rest day and the Employee does not work, the Employee shall receive holiday pay.

9.4 Holidays Observed

Holiday pay is limited to the following days:

- (1) New Year's Day
- (2) Memorial Day
- (3) Independence Day
- (4) Labor Day
- (5) Thanksgiving Day
- (6) Day After Thanksgiving
- (7) Christmas Eve
- (8) Christmas Day

9.5 Personal Holidays

Employees will be entitled to 4 floating holidays per year to be scheduled similar to vacations. Floating holidays will be prorated for new hires. Employees shall be entitled to use a floating holiday to observe Martin Luther King Jr. Birthday.

9.6 Holiday Overtime

Work on holidays shall be at the rate of 2 times the Employee's hourly base rate of pay in addition to the holiday pay to which the Employee is entitled.

9.7 Mandatory Attendance

Unless excused by management, all Employees scheduled to work on a holiday must work all scheduled hours on the holiday. If non-operating Employees are required to work on a holiday, the work will be assigned by using the overtime list.

ARTICLE 10 VACATIONS AND LEAVES OF ABSENCE

10.1 Vacation Accumulation

Calendar Year in Which an Employee

A. Employees will be granted vacation in accordance with the following:

Days of

Completes the Following Years of Service	Vacation Allowed	
1 to 4 inclusive	11	
5 to 10 inclusive	15	
11 to 14 inclusive	17	
15 to 19 inclusive		
20		
21	22	
22	23	
23	24	
24		
25 and over	30	

10.2 Vacation Scheduling

- A. Because of operational considerations, a limited number of Employees in each classification will be allowed off on vacation at a given time. Vacation scheduling shall be arranged by the Company after consulting with the Employee as to his preferences. The number of employees who will be permitted to take vacations simultaneously will be determined by the Company and are subject to change to meet operating conditions and work requirements.
- B. Vacation selection will normally be completed in December of the preceding year and will be granted according to service and preference. All Employees in a job classification will first select up to 2 weeks (10 vacation days). All remaining days will be selected at one time by each Employee according to service.

10.3 Personal Leave of Absence

- A. Employees may be granted, at the Company's sole discretion, an unpaid leave of absence for personal reasons. No personal leave shall be granted unless the Employee makes the request in writing at least 2 weeks before the date of the beginning of the requested leave (except in situations impossible of prediction), and such request is approved in writing by the Company.
- B. Employees taking personal leaves shall continue to accrue seniority. Employees who accept other employment while on a personal leave or who fail to return at the end of such leave will be deemed to have resigned and their employment shall be deemed to have terminated on the date active employment ceased.

10.4 Unpaid Leaves of Absence for Full Time Union Business Representatives

- A. The Union may appoint no more than 3 Employees to full time positions to represent Company Employees and each shall be granted an unpaid leave of absence and continue to accrue seniority for the term of his absence. Upon termination of such position, the Employee shall be reinstated to his former job, including all seniority rights, provided that his qualifications are at least equal to those previously required.
- B. Such Employee while on leave of absence from duty:
 - (1) may continue to participate in the Company's medical, dental, vision, hearing and life insurance plans, as long as the Employee's contributions are paid;
 - (2) shall continue to participate in the Retirement Plan in accordance with the Plan's provisions; and
 - (3) may contribute to the Stock Savings Plus (401k) Plan in accordance with the Plan's provisions, other than loans.
- C. The Union agrees that to the extent it is required to execute documents as

a participating employer under any of the Company's benefit plans in order for those plans to remain qualified under and compliant with governing law, it will execute said documents promptly upon Company request. In the event the Union fails to timely execute such documents, the Employees covered by this Section 10.4 will immediately cease to participate in the Company's benefit plans.

10.5 Medical Leave for an Employee or Family Member

Medical leave required for an Employee or for the care of a family member shall be governed by the Federal Family and Medical Leave Act. Administration of such leave in any manner consistent with that Act shall be irrefutably deemed to conform with this Agreement.

10.6 Military Leaves

An Employee required to take a military leave to perform training or active military duty shall upon return have the period of absence added to their service and seniority.

ARTICLE 11 ADJUSTMENT OF GRIEVANCES

11.1 Grievance Defined

Should any dispute or difference arise between the Union, or any Employee or Employees covered by this Agreement, and the Company with respect to the interpretation, application or alleged violation of this Agreement the dispute or difference shall be settled through the grievance procedure, provided that no grievance will be considered which is more than 3 weeks old. A dispute as to whether a particular disagreement is a proper subject for the grievance procedure shall itself be treated as a grievance.

11.2 Extension of Time Limits

The time limits set forth in the Grievance and Arbitration Articles of this Agreement may be extended only by mutual consent. Any failure by the moving Party to comply with the time limits will serve to declare the grievance as settled in favor of the other Party and no further action can be taken. Failure of the responding Party to reply shall entitle the grieving Party to advance, in a timely fashion, to the next step in the procedure.

11.3 Procedure

Grievances shall be handled as follows:

Step 1: The dispute or difference shall be presented and first discussed by the Employee concerned and the immediate supervisor and/or Department head. The Employee shall be accompanied by a Steward if the Employee so requests.

Step 2: If the dispute or difference is not satisfactorily settled within 14 days of the Step 1 meeting, it shall be reduced to writing and presented by the Union

to the Station Director. The parties shall meet and discuss the grievance within 21 days of the receipt of the written grievance. The Company will be represented by the Station Director and Human Resources Representative and the Union will be represented by a Union Business Representative and Chief Steward. The Company will give its answer in writing within 14 days after the Step 2 discussion.

Step 3: If the dispute or difference is not satisfactorily settled at Step 2, it may be appealed to the Company's Vice President of Human Resources within 14 days after receipt of the Step 2 answer. The parties shall meet and discuss the grievance within 21 days of receipt of the appeal. The Company will be represented by two Senior Company officials and the Union will be represented by two Senior Union officials. The Company will give its answer in writing within 14 days after the Step 3 discussion.

11.4 Union Authority

At any step in this procedure, the authorized officials of the Union shall have the final authority with respect to any aggrieved Employee to decline to process the grievance further, if in the sole judgment of such officials, the grievance lacks merit, lacks jurisdiction under the terms of this Agreement, or had been adjusted or justified under the terms of this Agreement, or had been adjusted or justified under the terms of this Agreement to the satisfaction of the Union.

11.5 Grievance by Contractual Party

If the grievance originates with the Union or with the Company and not with a particular employee or Employees, the grieving party shall file a written grievance with the other Party's designated representative (Business Manager for the Union or Station Director for the Company, unless otherwise agreed). The grievance will then be heard at the Step Two meeting within 21 days of submission.

ARTICLE 12 ARBITRATION

12.1 Arbitration

A. If the dispute or difference is not satisfactorily settled in Step 3, it may be referred, at the request of either party, to Arbitration within 30 days of the date of Step 3 answer. The appointment of an Impartial Arbitrator shall be made from a list furnished to the parties under the procedures and rules of the Federal Mediation and Conciliation Service (FMCS). The list shall contain the names of 11 arbitrators all of whom are members of the National Academy of Arbitrators (NAA). Either Party shall have, at its sole option, the right to reject the first panel in its entirety and to request the FMCS to furnish a second panel.

B. Within 14 days of the receipt of the list from FMCS, the Union and Company will alternately strike 5 names from the list of arbitrators, with the remaining arbitrator on the list to be the Impartial Arbitrator.

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- C. The parties will use their best efforts to schedule the arbitration hearing within 60 calendar days of the date the Arbitrator has been selected. If the Arbitrator is not available, the parties will contact the second to last name on the list to be the Arbitrator.
- D. The Arbitrator shall be governed wholly by the terms of this Agreement and shall have no power to add to or to change its terms.

12.2 Costs of Procedure – Individual

The expenses, wages, and other compensation of any witnesses called before the arbitrator shall be borne by the Party calling such witnesses. Other expenses incurred, such as wages of the participants, preparation of briefs and data to be presented to the arbitrator, shall be borne separately by the respective Parties.

12.3 Costs of Procedure – Shared

The arbitrator's fees and expenses, FMCS fees, the cost of any hearing room and of an original transcript (that shall be the official record of any hearing) shall be borne equally by the Parties.

12.4 Binding Decision

The arbitrator's award will be final and binding upon the Company, the Union, the Grievant(s) and the Employees under this Agreement.

12.5 Mitigation of Damages

The arbitrator's award shall be limited to actual lost wages or benefits. If the arbitrator shall award back wages covering the period of the Employee's separation from the payroll of the Company, the amounts so awarded shall be less any unemployment compensation received. Awards shall be limited to straight-time wages earned during the period. The award shall also be reduced for any period when the Employee would have been otherwise unavailable to work, for example, because of sickness or penal confinement. Moreover, the Employee must meet the ordinarily accepted rules governing mitigation of damages.

12.6 Damages – Time Limitations

No award shall provide relief for a period greater than seven calendar days before the date of filing the grievance in Step One of the grievance procedure.

12.7 Expedited Arbitration Procedure

Upon written consent of the Parties, the following Expedited Arbitration Procedure shall apply where the requested remedy is: (a) less than \$5,000 and (b) the issue involves a disciplinary action less severe than a discharge.

A. In lieu of proceeding to the regular arbitration procedure, the grieving Party may send a written request to the other Party to process the grievance to Expedited Arbitration. The responding Party shall respond in writing within 5 days.

- B. If agreed, the moving Party may request that FMCS furnish the Parties with a panel of seven arbitrators all of whom are members of NAA.
- C. Representatives of the Company and the Union shall meet within ten calendar days of the FMCS's furnishing of a panel of seven arbitrators (including resumes) to select one arbitrator from the list to be the Impartial Arbitrator. The Parties shall alternately strike from the panel (with the first Party to strike determined by a coin flip or other agreeable method).
- D. Upon the selection of the Arbitrator, a joint letter will be immediately sent to the selected Arbitrator to determine his or her availability to conduct the arbitration hearing or at least the first day of the hearing within two months of the date the Arbitrator was selected. If the Arbitrator is not available, then the Parties will send a joint letter to the Arbitrator on the FMCS list who was the last Arbitrator struck as to his or her availability within the following two-month period.
- E. The Parties will agree upon the date and location of the hearing, and shall notify the Arbitrator.
- F. Grievances submitted to Expedited Arbitration shall be heard by the Arbitrator without any briefs or memoranda (pre or post hearing) and without any transcripts or recordings. The Parties may, prior to the arbitration hearing, attempt to agree upon Joint Exhibits and Joint Stipulations.
- G. The hearing will be conducted by the Arbitrator. The order for the presentation of witnesses and evidence will be the same as regular arbitration cases, that is, the Company shall proceed first in discipline cases, and the Union shall proceed first in non-discipline cases. There shall be direct and cross-examination of witnesses and the Parties shall have the right to make an opening statement and a summation to the Arbitrator at the conclusion of the hearing.
- H. The Arbitrator shall issue a one-page Arbitration Award within fifteen calendar days of the hearing. The Arbitrator shall not grant any remedy in excess of \$5,000 cost.
- 1. The Arbitration Award shall be binding on the Company and the Union, but shall not be introduced into any other arbitration in the future.
- J. Paragraphs 12.2 through and including 12.6 shall be applicable to this procedure.

ARTICLE 13 TEMPORARY WORKERS

13.1 Definition

Temporary workers are defined as workers who are informed at the time of their employment that they are being employed on a temporary basis for a set period not to exceed 5 continuous months and which will not result in the loss of regular employment for regular Employees.

13.2 Terms of Employment

Temporary workers will not be eligible to earn vacation or floating holidays and shall only be entitled to those health, welfare, and pension benefits as required by law.

13.3 Union Status

The requirements of Sections 2.5 (Dues Check Off) and 2.6 (Union Security Clause) shall apply to temporary workers. Articles 11 (Adjustment of Grievances) and 12 (Arbitration) shall not apply to the discipline, termination or lay off of temporary workers.

ARTICLE 14 PROBATIONARY EMPLOYEES

14.1 Probationary Period

New Employees shall be probationary for the first 6 months of their employment. During this probationary period, such Employees may be discharged by the Company, with or without cause, for any reason whatsoever. Such terminations shall not be subject to arbitration under this Agreement.

ARTICLE 15 WAGES AND PAYMENT

15.1 Exhibit A

Exhibit A is a schedule showing and explaining job classifications, lines of progression and wages payable to Employees during the term of the Agreement. It is agreed Exhibit A and its contents are a part of this Agreement.

15.2 Wage Increases

Effective on the first full pay period following the ratification of this Agreement, the wages set forth in Exhibit A shall be increased by 4%. Additional wage increase will be implemented the beginning of the first pay period as follows:

2002	3.5%
2003	3.0%
2004	3.0%
2005	3.0%

15.3 Welding Premium

Employees in the Mechanic job classification who obtain and hold a welding certification with no restrictions will have \$.50 per hour added to their base wage rate. The Company will determine the number of Employees who may be so certified. In addition, at the end of each calendar year, anybody who has kept their welding certification for the entire year, shall be given a \$1,000 bonus.

15.4 Direct Deposit

Employees are encouraged to have paychecks delivered by direct deposit to a financial institution chosen by the Employee and approved by the Company. Checks and check statements will be mailed to the Employee's address of record.

15.5 Incentive Plan

The Company, at its sole discretion, may, implement an incentive plan for Employees. That plan, if implemented, may be discontinued and/or modified in any and every other manner the Company may from time to time unilaterally decide, without further discussion or negotiation with the Union. No part of this plan shall be subject to grievance or arbitration under this Agreement under any circumstances, except in the limited instance where an Employee contends that he was not paid in accordance with the terms of the Plan applicable to him.

ARTICLE 16 GENERAL PROVISIONS

16.1 Physical Exams

The Company may require medical examination of an Employee. In such cases, the cost of the examination will be paid by the Company.

16.2 Severability Clause

If any provision of this Agreement shall be declared invalid by law or by a tribunal of competent jurisdiction, such invalidity shall not impair the validity or enforceability of the remaining provisions of this Agreement. In the event any provision of this Agreement is declared invalid, the Parties shall meet within thirty days and attempt to negotiate a replacement provision

16.3 Safety Rules

The Parties will cooperate with the Employees so as to insure that reasonable rules and provisions are made for the safety and health of Employees during the hours of their employment. Company changes to these rules will be discussed with the Union before being put into effect.

16.4 Safety Committee

The Parties will cooperate in the establishment of a joint safety committee. This committee will consist of an equal number of Company members selected by the Company and Union members selected by the Union who will meet at regularly scheduled intervals.

In appointing members of a committee to conduct a formal or informal investigation of an accident, the Company may include a representative, designated by the Union, as an official member of the committee.

16.5 Investigations

At the request of the Employee involved, a steward may accompany the Employee when he or she is called before a formal committee investigating an accident.

16.6 Tools and Safety Equipment

Employees will continue to be responsible for providing their own personal tools and the Company will continue to furnish specialized tools, safety devices, and other equipment as are currently being furnished. Employees who are furnished tools, safety devices, and other equipment shall be held responsible for their return in good condition, allowing for ordinary wear and tear. The Company shall provide suitable and safe space for storing personal and Company furnished tools and equipment.

ARTICLE 17 TERM OF AGREEMENT

17.1 Termination and Renewal

The term of the current Agreement shall be from October 22, 2001 to December 31, 2005. The Agreement shall be considered renewed from term to term of one year each at the expiration date of December 31, 2005 and each subsequent December 31st, unless a written notice of desire to amend or terminate the Agreement is given by the Union or Company at least 60 days prior to the expiration of the term of the Agreement or of any renewal period. In the event such written notice expresses a desire to amend the Agreement, such desired amendments shall be set forth in writing and accompany the notice of desire to amend. The Parties agree to commence negotiations on any proposed amendments not less than 40 days prior to the end of the current term, and further agree that if said negotiations are not completed by the expiration date of the then current term of the Agreement, then the terms of the Agreement shall automatically be extended, except that during such negotiations, subsequent to the expiration date, either party on 60 days' notice to the other, may terminate the Agreement.

ARTICLE 18 COMPLETE AGREEMENT

18.1 Complete Agreement

- A. The parties recognize that their agreement regarding non-pension fringe benefits and the defined benefit pension plan is contained in the August 11, 1999 Memorandum of Understanding (paragraphs 4 and 5), and expires according to the terms of the Memorandum of Understanding.
- B. Except for the specific non-pension fringe benefits and defined benefit pension plan agreement explicitly referenced above, this Agreement

supersedes any previous agreements between the Company, its employees and the Union. It is the intent and purpose of the parties that this Agreement between the Company and the Union supersedes and cancels all previous contracts, verbal or written, between the parties; constitutes the entire Agreement between the parties; and shall not be changed or amended during the life of the Agreement except by mutual consent in writing by both parties.

IN WITNESS WHEREOF.

the parties hereto have set their respective hands and seals.

MIDWEST GENERATION, EME, LLC

Mark E. Mikulka Vice President

Human Resources

Barry Seaton

Station Director

Crawford Generating Station

Guy Gorney

Vice President

Operations, Maintenance & Fuels

Bob Duey

Station Director

Waukegan Station

John Long/

Vice President

Technical Services

LOCAL 15 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

William H. Star

President and Business Manager

Local 15 IBEW

Joe Walker

Business Representative

Local 15 IBEW

Thomas H. O'Reilly

Senior Assistant Business Manager

Local 15 IBEW

Joe D'Boyle

Business Representative

Local 15 IBEW

Exhibit A Lines of Progression

- 1. Employees within a job classification will be given the opportunity to learn and are expected to progress and perform all of the jobs for which the classification is responsible. It is the intention of the parties to strengthen the skills, capabilities and accountability of Employees, eliminate rigid distinctions regarding what jobs may be performed within a classification, provide a more rapid progression for Employees to assume the full range of responsibilities and replace multi-job, multi-step progressions with a single job classification.
- 2. To progress to a higher step within a job classification that is based on qualifications, an Employee must have completed the minimum time in the step, have an overall job performance rating of satisfactory by his supervisor, successfully completed any training required for advancement and demonstrated the necessary knowledge and proficiency required for advancement.
- 3. If an Employee is unable to progress to the next higher step after being given a reasonable opportunity to do so (but no longer than 6 months), the Employee, if he is a current incumbent, will be demoted to a Laborer or other job classification for which the Employee is qualified and his rate of pay will not be reduced ("red circled") for 18 months. Employees who are hired after the effective date of this Agreement and who fail to progress, will be demoted or terminated.

Exhibit A
Schedule of Hourly Pay Rates and Progression
(2001)

Laborer	
Rate	Progression
\$13.90	Entry Level
\$14.84	12 months (12 months from entry)
\$15.71	12 months (24 months from entry)
\$16.64	12 months (36 months from entry)

Material & Supply Coordinator

Rate	Progression
\$17.16	Entry Level
\$18.20	6 months upon qualification (6 months from entry)
\$20.28	1 year (12 months from entry)
\$21.32	6 months upon qualification (18 months from entry)
\$23.40	1 year (24 months from entry)
\$24.44	6 months upon qualification (30 months from entry)
\$26.56	1 year (36 months from entry)

Clerk	
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Rate	Progression
\$17.16	Entry Level
\$17.68	6 months upon qualification (6 months from entry)
\$19.14	1 year (12 months from entry)
\$19.66	6 months upon qualification (18 months from entry)
\$21.11	1 year (24 months from entry)
\$21.63	6 months upon qualification (30 months from entry)
\$23.23	l year (36 months from entry)

Coal Plant Operator, Equipment Operator, Instrument Mechanic,

Maintenance Electrician, Maintenance Mechanic*

Rate	Progression
\$17.68	Entry Level
\$18.41	6 months upon qualification (6 months from entry)
\$19.97	1 year (12 months from entry)
\$20.70	6 months upon qualification (18 months from entry)
\$22.26	1 year (24 months from entry)
\$22.98	6 months upon qualification (30 months from entry)
\$24.54	1 year (36 months from entry)
\$25.27	6 months upon qualification (42 months from entry)
\$26.94	1 year (48 months from entry)

^{*} For certified welders see Section 15.3

Peaker Technician

Rate	Progression	
\$27.49	Entry Level	
\$28.53	12 months from entry	

Unit Operator

Rate	Progression	
\$27.49	Entry Level	
\$29.53	12 months from entry	

Exhibit B Transition to New Job Titles and Progression

Senior Job Titles and Employees with Interim Pay Protection Above Top Step "A"

- a) Employees currently in "senior" job classifications will be placed in the appropriate "A" job classification but without the "senior" title. Their seniority in the "A" classification will be adjusted to include the time spent in the "senior" classification.
- b) Employees currently in "senior" job classifications and those who are being paid in excess of the top step "A" rate of pay (currently \$25.90) as a result of interim pay protection provided to certain transferring employees at Date of Transfer (DOT) will not receive a general wage increase until the top step wage rate for the classification they are in reaches the rate of pay they are currently receiving.
- c) All "senior" job classifications will be closed.

2. Operators with a \$.10/hour Adder at Powerton

a) Those employees in operator classifications at Powerton Station who currently receive an additional \$.10/hour will no longer have that amount added to their base rate of pay.

3. Employees with Interim Pay Protection

- a) Employees who, as a result of interim pay protection provided to certain transferring employees at DOT, are being paid above the rate of pay they should otherwise receive for their current skills, knowledge and responsibilities will have their rate of pay increased to the top step "A" rate (currently \$25,90), if their interim rate of pay is below the top step "A" rate.
- b) Such employee will continue to receive general increases.
- c) All such employees receiving interim pay protection (including those being paid above top step "A" rate) will be given the opportunity and be expected to learn and progress within their job classification so as to be able to perform all of the duties for which that job classification is responsible no later than December 31, 2003. If any such employee is unable to perform at the top step level of his classification by December 31, 2003, that employee will be demoted to a Laborer and his rate of pay will not be reduced ("red circled") for 18 months. The company may give any such demoted employee an additional opportunity to return to his former job classification if he can demonstrate his ability to perform at the top step level.

4. Transitioning Regular Employees

a) Other than those employees with interim pay protection, employees in Unit Operator, Peaker Technician, Clerk, and "A" level job classifications who are not currently receiving the top step rate of pay will be transitioned to the top

- step and rate of pay in the new combined job classification. Top step employees will be expected to perform all of the duties for which their job classification is responsible.
- b) Other than those employees with interim pay protection, employees in a current "B" or "C" job classification (and Material & Supply Coordinators currently below step 7) will be transitioned to a step and rate of pay in the new combined job classification commensurate with their current skills, training and experience. In no event will that rate of pay be less than what the employee is currently being paid.
- c) Employees who are currently in a "B" job classification will retain their same seniority order in the new combined job classification so that the most senior "B" will now be junior to the least senior "A" in the new combined job classification. This same seniority blending process will apply to employees transitioning from "C" jobs.
- d) All "B" and "C" level job classifications will be closed.

5. Boiler, Turbine, and Switchboard, Operators and Assistant Operators

- a) Employees currently in Boiler, Assistant Boiler, Turbine, Assistant Turbine, and Switchboard Operator job classifications will be transitioned to the new combined Equipment Operator (EO) job classification at a step commensurate with their current skills, training and experience.
- b) Depending on their individual circumstances, these employees rates of pay will be set in accordance with Paragraphs 1 b), 3 a), and 4 a) above.
- c) Seniority in the new EO classification will include the time spent in their current operator job classification.
- d) All such employees will be given the opportunity and be expected to learn and progress within the EO job classification so as to be able to perform all of the duties for which an EO is responsible no later than December 31, 2003. If any such employee is unable to perform at the top step level of the EO classification by December 31, 2003, that employee will be demoted to a Laborer and his rate of pay will not be reduced ("red circled") for 18 months. The company may give any such demoted employee an additional opportunity to return to the EO job classification if he can demonstrate his ability to perform at the top step level.
- e) Boiler, Assistant Boiler, Turbine, Assistant Turbine, and Switchboard Operator
 job classifications will be closed.

6. Equipment Attendants (EAs) and EOs Performing Coal Cleaning at Powerton

- a) The 12 junior EOs and EAs who are currently assigned coal handling cleaning as a result of the former AOR7 agreement will become part of a separate unit responsible for performing such work (along with Laborers) and will not be part of the regular operating department.
- b) Depending on their individual circumstances, these employees rates of pay will be set in accordance with Paragraphs 1 b), 3 a), and 4 a) above.

- c) All 6 former Maintenance Mechanics in this coal handling cleaning unit will be offered Maintenance Mechanic jobs at Powerton. Any such former Mechanic who declines this offer will be demoted to a Laborer at the top step rate of pay.
- d) Any other employee in the coal handling cleaning unit who is later offered but declines an EO job in the regular operating department at Powerton will be demoted to a Laborer at the then top step rate of pay. An employee who accepts an EO position in the regular operating department will be transitioned to a step in the new combined EO job classification commensurate with his then current skills, training and experience and will be expected to progress in accordance with the requirements of Exhibit A.

7. Unit Operator 1 (UO1)

- a) Employees currently in the UO1 job classification will be given the opportunity and be expected to learn and progress to Unit Operator (UO) so as to be able to perform all of the duties for which a UO is responsible no later than December 31, 2003.
- b) A UO1 may progress to UO whenever he is qualified and capable of performing as a UO.
- c) When a UO1 progresses to UO, he will be paid at the then current top step rate of pay and begin to accrue UO seniority.
- d) If a UO1 is unable to progress to UO by December 31, 2003, that employee will be demoted to an Equipment Operator (EO) at the then current top step EO rate of pay.
- e) The UO1 job classification will be closed when the last UO1 transitions out of the job.