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AGREEMENT

Between the

Utility Workers Union of America, AFL-CIO, IUU
Local 600

Cincinnati, Ohio

and

The Cincinnati Gas & Electric Company,
Union Light Heat and Power and
Lawrenceburg Gas Company,

as subsidiaries of Cinergy, Corp.

THIS AGREEMENT is entered into between the Utility Workers Union of America, AFL-CIO, IUU Local 600, hereinafter referred to as the "Union," and The Cincinnati Gas & Electric Company, Union Light Heat and Power and Lawrenceburg Gas Company, as subsidiaries of Cinergy, Corp., hereinafter referred to as the "Company," through and by their duly authorized representatives.

WITNESSETH: Whereas, the parties to the Agreement as are mentioned above are desirous of maintaining collective bargaining between the Employer and its Employees, as are represented by the Union as bargaining agent, and are desirous of stabilizing

employment, eliminating strikes, lockouts, curtailment of employment, and the peaceful settlement of all employer and employee disputes, and of making an honest effort to improve the conditions of both the employer and the employees.

WHEREAS, it is deemed desirable and necessary that definite operations and practices between the Company and the employees of the Company represented by the Union be formally set forth and described, with a desire that uniformity of working conditions exist between the aforementioned Companies and such employees.

WHEREAS, the Company and the Union recognize that in order for the parties to meet the challenge of competition, the need for long term prosperity, and growth, and establish employment security, each must be committed to a cooperative labor management relationship that extends from the bargaining unit members to the executive employees. The Company and the Union agree that employees at all levels of the Company must be involved in the decision making process and provide their input, commitment, and cooperation to improving productivity and helping Cinergy become the lowest cost producer and highest quality provider of energy service.

Employee Representative Team Mission Statement

The Employee Representative Team (ERT) is recognized as a Union/Management partnership whose joint mission is to:

- Make labor relations at the Company a participative effort to oversee relationships between Union and Management personnel.
- Work toward the dissemination of information necessary to make decisions, manage changes, and move decisions to the most effective level possible.
- Develop a total commitment from each Employee to improve the working environment and support the organization's efforts to prosper and grow.

NOW, THEREFORE, the Company and the Union do hereby agree to the following terms and conditions, to-wit:

ARTICLE I
SECTION 1

ARTICLE I

A-14

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Section 1. (a) The Company hereby recognizes the Union during the term of this Agreement as the sole and exclusive representative of all regular full-time and part-time employees of the occupational classifications in the units defined as "The Office, Clerical and Technical Unit" and "The Residual Unit", as described in the Order issued by the National Labor Relations Board dated August 12, 1944 and amended by the National Labor Relations Board Order dated February 24, 1967. The units so defined shall retain jurisdiction over such work as was normally performed by them prior to this Agreement but such jurisdiction shall not be expanded except by mutual agreement of the parties hereto or through due processes under the National Labor Relations Act.

(b) The Company recognizes the Union as the sole bargaining agent of the units contained in the preceding paragraph for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, or other conditions of employment, and the Company agrees to attempt to adjust any and all disputes, and any other matters, arising out of or pursuant to this Agreement, with the Union.

(c) This Agreement shall be final and binding upon the successors, assignees or transferees of the Union and the corporate entity of the Company.

ARTICLE I
SECTION 2

Section 2. (a) The Company agrees not to interfere, restrain, coerce, or discriminate against any of the members of the Union, because of his or her membership in the Union, or because of their activity as a member or officer of the Union. Should reasonable proof of any such interference, restraining, coercion or discrimination by any person in a supervisory capacity against a member of the Union be shown to the Company by the Union, the Company agrees to take immediate corrective action in connection with such complaint. It is further agreed that no member shall be discharged because of his or her service, or lawful activity as a member of the Union, nor will the Company at any time attempt to discourage membership in the Union.

(b) There shall be no discrimination, interference, restraint or coercion by the Company or the Union or their agents against any employee because of race, color, religion, sex, disability, national origin or ancestry or for any other reason. References to the masculine gender are intended to be construed to also include the feminine gender wherever they appear throughout the Agreement.

(c) The Union recognizes that the management of the Company, the direction of the working forces, the determination of the number of men it will employ or retain in each classification, and the right to hire, suspend, discharge, discipline, promote, demote or transfer, and to release employees because of lack of work or for other proper and legitimate reasons are vested in and reserved to the Company.

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ARTICLE I
SECTION 2

(d) The above rights of Management are not all-inclusive, but indicate the type of matters or rights which belong to and are inherent to Management. Any of the rights, powers, and authority the Company had prior to entering this Agreement are retained by the Company, except as expressly and specifically abridged, delegated, granted or modified by this Agreement.

(e) The foregoing two paragraphs do not alter the employee's right of adjusting grievances as provided for in Article VII, Section 1 of this Agreement.

Section 3. Respecting the subject of "Union Security," the parties mutually agree as follows:

(a) All regular employees of the Company as of June 2, 2002, who are not members of the Union, shall not be required as a condition of their continued employment to join the Union. However, after June 3, 2002; all regular employees of the Company within the bargaining unit represented by the Union who are members of the Union, or who may become members of the Union, shall be required as a condition of their continued employment to maintain their membership in the Union in good standing, subject to the annual ten day escape period described in subsection (f) of this Section.

(b) The Union agrees that neither it nor any of its officers or members will intimidate or coerce any of the employees of the Company to join or become members of the Union, nor will said Union or any of its officers

ARTICLE I
SECTION 3

or members unfairly deprive any employee within the bargaining unit represented by the Union of union membership or of any opportunity to obtain union membership if said employee so desires. In this connection the Company agrees that it will not discriminate against any employee on account of activities or decisions in connection with the Union, except as the same may become necessary on the part of the Company to carry out its obligations to the Union under this Agreement.

(c) If a dispute arises as to the actual union status of any employee, at any time, as to whether or not the employee has been unfairly deprived of or denied union membership, the dispute shall be subject to arbitration, in accordance with the arbitration provisions of Article VII of this Agreement.

(d) The Company agrees that after June 3, 2002, and as long as this section of the Agreement shall remain in full force and effect, that all persons, before they are employed as regular employees in any classification within the unit represented by the Union, shall be required to signify, in writing, their voluntary willingness and intention to join the Union 31 days after being employed in a job classification represented by the Union. During new employee orientation, employees hired into job classifications represented by the Union, shall be required to sign the "Membership Application" and the "Payroll Deduction Authorization" cards for the Union, so that enrollment will be effective 1 day after being hired.

ARTICLE I
SECTION 3

(e) Except for those employees mentioned in subsection (d) of this section and subject to all state and federal laws all employees who are not members of the Union shall be required, as a condition of their continued employment, to pay to the Union a service charge as a contribution towards the administration of the Agreement in an amount equal to the dues uniformly required by Union members.

(f) The Union agrees that any present or future employee who is now or may become a member of the Union may withdraw from membership in the Union between September 16th and September 25th inclusive of each year by giving notice by registered mail to the Labor Relations Department of the Company. However, the Union will not impose restrictions, which are prohibited by law, on employees who wish to withdraw from Union membership. The Company will forward a copy of any such withdrawal to the President of the Union. After such withdrawal, an employee shall not be required to rejoin the Union as a condition of continued employment.

(g) The Company agrees to dismiss any employee represented by the Union, at the written request of the Union, for nonpayment of union dues or service charges or to discipline employees represented by the Union in the manner herein provided for violation of this Agreement, if requested to do so, in writing, by the Union. Nothing in this clause, however, shall be construed so as to require the Company to dismiss or

ARTICLE I
SECTION 3

discipline any employee in violation of any state or federal law.

(h) The Company agrees, after receiving proper individual authorizations by means of written individual assignments in a form mutually agreeable to both parties, to deduct Union dues or service charges and initiation fees from employees' pay. This deduction shall be made a mutually agreed upon number of times each year and shall be forwarded to the Treasurer of the Union.

(i) The Union agrees that in the event of any strike, work stoppage, slowdown, picketing or any other interference to the work or the operations of the Company by any individual employee or group of employees in the bargaining unit represented by the Union this section of the Agreement is then and there and by reason thereof automatically canceled and of no further force and effect; provided, however, that the Company shall upon the presentation of proof satisfactory to the Company, within ten days thereafter, that the Union did not directly or indirectly authorize, permit, endorse, aid or abet said strike, work stoppage, slowdown, picketing or interference referred to, reinstate this section of the Agreement, which section, if reinstated will, from and after the date of reinstatement, be of the same validity, force and effect as if it had not been canceled. In this connection, it is the expressed intention of the parties that for the purpose of making this cancellation provision effective without affecting the other sections of the Agreement, this Agreement is

ARTICLE I
SECTION 3

to be considered a severable agreement. Should the automatic cancellation of this section occur, it is the intention and agreement of the parties that all other sections and provisions of the Agreement remain in full force and effect as therein provided. The Company agrees that it will not deliberately arrange or incite such interference to the work or operations of the Company as are referred to in this section.

Section 4. The Company agrees that it will not attempt to hold the Union financially responsible or institute legal proceedings against the Union because of a strike, slowdown or work stoppage not authorized, abetted or condoned by the Union. The Union agrees that, in the event of an unauthorized work stoppage, it will in good faith and without delay exert itself to bring the work stoppage to a quick termination and insist that the employee(s) involved cease their unauthorized activities. To that end the Union will promptly take whatever affirmative action is necessary. Furthermore, the Union agrees that any employee or employees who agitate, encourage, abet, lead or engage in such a strike, work stoppage, slowdown or other interference with the operations of the Company shall be subject to such disciplinary action as the Company may deem suitable, including discharge, without recourse to any other provision or provisions of the Agreement now in effect.

**ARTICLE II
SECTION 1**

ARTICLE II

Section 1. The Company agrees to designate and authorize a representative or representatives to meet with The General Board of the Union. It is agreed that these meetings shall be held quarterly, at a time mutually agreed upon, and at any other time upon the written request of either party to this Agreement. These meetings will be held within seven days after such request is made.

A-32

Section 2. The Company agrees to meet and confer with any special committee of the Union, duly appointed by the President to administer any activity relating to the welfare of the members of the Union.

ARTICLE III

Section 1. (a) This Agreement and the provisions thereof, shall become effective June 3, 2002 and shall continue in full force and effect until April 1, 2005, and from year to year thereafter unless changed by the parties.

(b) Either of the parties hereto desiring to change any section or sections of this Agreement and/or to terminate this Agreement shall notify the other party in writing of the desired changes at least 60 days prior to April 1, 2005 or any subsequent anniversary date. During this 60 day period conferences shall be held by

A-32

ARTICLE III
SECTION 1

and between the parties hereto, with a view to arriving at a further Agreement, and in all events this Agreement shall remain in full force and effect during the period of negotiations.

(c) In the event agreement is reached on or before April 1, the 2002 - 2005 Agreement will be extended for a mutually agreed number of calendar days. The Union shall have one-half of the mutually agreed number of calendar days immediately following the date an agreement is reached in which to submit the Agreement to its membership for ratification and in case of failure to ratify, in order that the Company shall have the remaining one-half of the mutually agreed number of calendar days as notice before a strike or work stoppage commences. Providing the mutually satisfactory Agreement is ratified by the membership within the first one-half of the mutually agreed number of days following the date an agreement is reached, such Agreement will be made retroactive to the 1st day of April and any agreed upon wage adjustments will be made retroactive to the 4th day of April.

Section 2. It is agreed that this Agreement may be amended or added to at any time by the written consent of both parties hereto.

ARTICLE IV

Section 1. The Company agrees to do nothing to encourage an employee to bargain individually.

ARTICLE IV
SECTION 2

Section 2. The Company agrees that if a matter rightfully termed a Union activity is referred by an employee to his or her representative or delegate, and this is taken up with the supervisor or any one qualified or authorized to act for the Company, such Company representative shall not initiate, negotiate, or discuss this question with the employee without affording the representative or delegate of the division an opportunity to be present.

Section 3. Departmental supervisory personnel will notify the departmental union delegate when a significant change or condition affecting that department or a work group within that department is contemplated by the management of the particular department. When major organizational changes affecting personnel in various departments are contemplated, the Company agrees to notify the Union, in writing, at least fourteen calendar days in advance of the change, and, upon written request by the President of the Union, a meeting shall be arranged between the Company and the Union to discuss such changes.

A-25

Section 4. Copies of bulletins issued by the Company concerning working conditions for any division or department represented by the Union, shall be forwarded to the General Board of the Union.

**ARTICLE V
SECTION 1**

ARTICLE V

Section 1. The principle of seniority is recognized by the Company. There shall be two types of seniority defined as follows:

1. System service shall be based upon the length of time an employee has been continuously employed by the Company, and shall be the governing factor in establishing vacation dates.
2. Classified seniority shall be the length of time worked by an employee on a specific classified job.

It shall be considered a break in system service and seniority when an employee has been off the Company payroll, except when an employee has:

- (1) Been laid off because of lack of work and has not, at any time during the period of layoff or during a period not to exceed three years from the date of layoff, refused to return to work for the Company in a capacity formerly held or comparable to the capacity formerly held, by the employee. However, actual time away will be deducted from the employee's system service.

ARTICLE V
SECTION 1

- (2) Been granted a leave of absence for good cause by consent of the Company, without loss of system service and seniority rights, providing the employees are available whenever necessary for the Company's medical examinations during the leave of absence. However, the employees will receive vacation in accordance with the second paragraph of Article IX, Section 5. Requests for leave of absence and consent hereto shall be in writing.

- (3) Entered the military service of the United States or has been conscripted by the United States Government. No deductions for time away shall be made from the employee's system service and seniority record.

- (4) Resigned voluntarily and subsequently been re-hired. Actual time away will be deducted from the employee's system service and seniority record, and, while previous system service shall be maintained, no classified seniority shall be retained.

Existing system service and seniority records shall not be rearranged to meet the above requirements in exceptions (1), (2) and (3), but they shall be met in all cases beginning March 21, 1983.

ARTICLE V
SECTION 2

A-30 **Section 2.** (a) Job available postings for job classifications covered by this Agreement shall be provided by the Company and posted for a period of seven calendar days on all bulletin boards in the department or division where the opening exists.

A-10 (b) If after the initial posting the job opening has not been filled by a qualified applicant from the department or division, the job available notice will then be reposted for a period of seven calendar days on all bulletin boards throughout the Company where there are employees covered by this Agreement. In certain cases where it is known that there are no qualified applicants within a division or a department, the initial posting may be waived and the job posting will then be initially posted throughout the Company where there are employees covered by this Agreement. However, if applications are received from employees within the department requesting the job opening, these applications will be given consideration before those received from employees in other departments. Furthermore, anytime employees are accepted for a job opening on a lateral or cross bid, they shall not be eligible to laterally or cross bid again for a period of six months from the date of acceptance. The only exception to this six month waiting period is that employees may cross bid to another headquarters within the same bidding area at any time.

**ARTICLE V
SECTION 2**

(c) In those departments where the multiple posting system is in use, employees are permitted to submit their applications for promotions, lateral bids or cross bids in advance of an opening according to the multiple posting administrative procedures of the applicable department.

A-3
A-7

(d) It is agreed that classified seniority will be considered within a department, district or departmental section concerning available advancements, although other qualifications for the particular position will of necessity be considered. All other factors being sufficient, the employee oldest in the point of classified seniority shall be given a reasonable opportunity to qualify for the position.

(e) Should the classified seniority of any two or more employees be equal, the respective seniority position of such employees shall be determined according to the dates of the most recent individual employment application or resume, whichever has the earliest date. If the dates still remain equal, the relative seniority positions shall be determined by lot by the Union and the Company notified of the results, in writing.

A-20
A-21
A-22
A-24

In the event no fully qualified individual has bid on a Union wide job opening, the previous experience requirement only will be waived, with the exception of positions within the General Clerical sequence, and an employee will not be disqualified for promotion on the basis of not having passed through a lower job in the

ARTICLE V
SECTION 2

promotional sequence if otherwise qualified Employees who have at least one half of the required previous experience and are in the direct promotional sequence of a job opening, posted Union wide, where previous experience has been waived, will be considered for the job before all other non-qualified employees. Any claim of discrimination in this connection may be taken up by the Union as a grievance. In making promotions to any job outside the bargaining unit, first consideration shall be given by the Company to employees with seniority and ability, but it is mutually agreed that seniority shall not be controlling.

(f) An employee may waive his right to promotion, providing such waiver is presented to the Company in writing and does not prevent other employees from acquiring experience in the job held by the employee. When an employee waives his right to promotion, the employee next in seniority, other qualifications being sufficient, shall be entitled to such promotion. When it is necessary to fill an open position, and no employees are willing to promote, the Company may assign the junior qualified employee to promote to the job classification.

(g) If no qualified regular full-time employee has been accepted following the posting procedure and consideration of requests for demotion, second consideration for non-technical job openings shall be given to part-time employees within the bargaining unit based on qualifications as determined by the

ARTICLE V
SECTION 2

Company. For technical job openings, the Company will give second consideration to part-time employees with a technical degree and/or technical expertise based on qualifications as determined by the Company.

(h) Should the job opening not be filled after the posting procedure above, at the discretion of management, consideration may be given to requests for transfer which have been received from employees outside the bargaining unit or may be filled from outside the Company.

(i) If the particular job opening is not filled within 60 days from the expiration date of the bargaining unit-wide posting, the job opening will be reposted in accordance with the job posting procedure outlined above.

(j) The job posting procedure outlined above does not restrict the Company's right to cancel a job posting at any time.

(k) An employee shall not have seniority rights to bid on a demotion but may, in writing by letter or by submitting a bid for a posted job opening, request consideration for a demotion. However, if an employee's request for demotion is granted by the Company, any accumulated classified seniority will be forfeited in job classifications above the job to which he demotes.

ARTICLE V
SECTION 2

(1) The Company and the Union agree that the job posting procedure will be waived for the employment of Co-ops, as probationary employees in job classifications represented by the bargaining unit, providing that the next opening in the same job classification and bidding area is posted and made available to employees within the bargaining unit. If such opening is not filled by a bargaining unit employee, openings in the same job classification and bidding areas will continue to be posted and made available to employees within the bargaining unit until such time that a bargaining unit employee fills one of the openings.

A-31
A-37

Section 3. (a) In the event of any layoffs or curtailments of employment, such layoffs shall be made in accordance with system seniority rights. Within a department, district, or departmental section, it is agreed that an employee, in cases of curtailment of employment with the Company, may of necessity relegate to a job classification, or the present equivalent job classification, he originally held in the course of his employment with the Company within his present department, district, or departmental section. An employee will not have the right to recede to a position because of his system seniority, within his department, that he did not pass through before reaching his present position. For purposes of this paragraph, if an employee is unable to exercise system seniority rights in lower job classifications within his department because he did not pass through those job classifications before reaching his present position, he

ARTICLE V
SECTION 3

will be credited with system seniority in all job classifications lower than his initial job within the department which are in the same direct promotional sequence. Under no circumstances may an employee exercise seniority rights outside his own department or in the selection of a specific job within a classification.

(b) In a department where there have been layoffs and a subsequent increase in employment exists within three years, the Company agrees to recall those employees in the department who have suffered a layoff because of lack of employment, in the reverse order of the dates of their layoffs. It is further agreed that the Company will notify the employee or employees, in writing by registered or certified mail, to report back to work. The Company agrees to send a copy of these letters to the Union at the time of the mailing of the original. If they do not report back to work within a fifteen-day period, the Company shall have the right to recall the next employee in line.

(c) It shall be the duty of all employees, including those on layoff status, to have their proper post office address and telephone number on file with their individual departments and the Human Resources Department of the Company.

(d) The Union may designate a witness to tests given in a departmental section, and shall have the right to review the results of these departmental tests upon request. This does not apply to standard tests

A-4

ARTICLE V
SECTION 3

given by the Staffing Services Division or by outside consultants.

(e) The Company will make an effort to find another job classification for which an employee is qualified if his job is abolished. An employee who, because of this job abolishment, is assigned to a classification having a lower rate of pay, will maintain his existing level of pay until the maximum wage rate of the job classification to which he is assigned is equal to his existing wage rate. This provision does not affect the right of an employee to bid on a future posted job opening for which he may be qualified.

Section 4. (a) Temporary transfers from one department, district, or departmental section to another will not affect an employee's system service or seniority rank and his record will remain posted in the department, district, or departmental section from which he was transferred.

A-2: (b) Permanent transfers from one department, district, or departmental section to another will not affect an employee's system service or classified seniority, which will be used to determine his system service and seniority rank in his new department, district, or departmental section.

(c) When an employee has successfully bid on a posted job and his move to the posted job is delayed, consideration shall be given to the proper adjustment

ARTICLE V
SECTION 4

of the employee's seniority rank so that the employee will not be penalized with respect to future promotions. The employee will receive a seniority date and the wage rate of the job on which he has been accepted no later than the beginning of the third week after the employee is notified that he has been accepted for the new job.

Section 5. (a) All new employees shall be classed as probationary for a period of one year and shall have no system service or seniority rights. After one year's service as a probationary employee, they shall be reclassified and their system service and seniority record shall include their previous employment as a probationary employee.

Section 6. Temporary employees shall be those hired for a specific job of a limited duration, not to exceed six months unless agreed upon by both parties, and shall not acquire system service or classified seniority rights. The Union shall be notified of the hiring of such employees. A-6

Section 7. (a) Part-time employees shall be those hired to perform a continuing specific work requirement that is temporary in nature or less than 40 hours per week. Part-time employees will only be used for part-time applications in order to supplement the regular full-time workforce, unless otherwise agreed. While the intention is for part-time employees, who are non-temporary in nature, to be regularly scheduled to work less than 32 hours per week, the actual hours worked A-23
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SECTION 7

may be greater due to temporary operational needs or trading of hours with other employees. The departments utilizing part-time employees will develop schedules to be worked by such personnel. However, schedules for part-time employees may at times vary according to work needs. These employees will work in bargaining unit positions and will be paid the minimum wage rate for the job classification or at a specially negotiated rate. They shall not acquire system service or classified seniority rights. Part-time employees may be laid off for any reason without recall rights. Such layoffs shall not be subject to the grievance procedure. Benefits for part-time employees shall be on a pro rated basis as agreed to by the parties. Part-time employees may request consideration for other part-time openings.

(b) The overtime provisions of this Agreement including meal compensation, will only apply to part-time employees when they work in excess of their regular scheduled hours per day or eight hours per day, whichever is greater. Part-time employees will not be called out for overtime assignments unless all full-time available employees have been called. The total number of part-time employees, excluding those hired to perform a continuing specific work requirement that is temporary in nature, will not exceed 25% of the total number of full-time employees performing work represented by the Union.

ARTICLE VI
SECTION 1

ARTICLE VI

Section 1. The parties hereto recognizing the importance of safety projects and regulations for the protection of the health, life and limb of all employees, agree to make all reasonable efforts to maintain such rules and regulations conducive to the health and safety of all concerned. The Company will notify the Union leadership of any work related accident resulting in the hospital admission or death of any employee in the bargaining unit.

ARTICLE VII

Section 1. (a) Realizing the importance of avoiding delays in rendering decisions regarding requests or grievances, the following grievance procedure shall be in effect. Avenues of grievance adjustment for employees covered by this Agreement for grievances involving wages, hours of work, conditions of employment, or of any nature arising out of this Agreement shall be as follows: (1) Between the aggrieved employee and his elected union representative and the foreman or supervisor involved; (2) between the grievant, his duly elected delegate and/or representative and the district or departmental section management; (3) between the grievant, a small committee representing the Union and the department management; (4) between the grievant, a small committee representing the Union and representatives of the Company.

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SECTION 1

(b) If a satisfactory settlement cannot be reached before the third phase of the procedure outlined above, the grievance shall be presented in writing to the district or department management as the third step of the procedure. The final disposition of all grievances that are not settled before the third stage as set forth herein shall be made in writing. If a grievance is not resolved after it has been processed through the grievance procedure, it is mutually agreed that the case in dispute may be submitted to arbitration by the Union within 30 days after the postmarked date of the written decision after the fourth step grievance meeting.

(c) The procedure outlined in this section may be altered at the request of the Union in a discharge case by filing the grievance in writing initially at the third step of the grievance procedure.

Section 2. (a) The Union and the Company mutually agree that every effort will be made to peacefully settle through negotiations any and all differences arising out of this Agreement.

(b) Should a mutually agreeable settlement of a difference arising out of this Agreement between the Company and the Union be impossible and either party desires to submit such an issue to arbitration, that party shall notify the other party, in writing, of the issue to be arbitrated and shall also name its arbitrator, and the other party shall name its arbitrator within 10 days after receiving such notice of the desire of the other party to arbitrate. The two arbitrators shall meet within 10 days

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SECTION 2

after their appointment in an attempt to settle the issue referred to them and if they fail to reach a settlement then the two arbitrators selected by the parties shall try to agree on a third and neutral arbitrator. If no agreement can be reached within five days on the selection of the third arbitrator the parties shall jointly request a list of names of persons eligible to act as a third arbitrator from the Director of the United States Mediation and Conciliation Service. In the event of the failure of the two arbitrators to select the third arbitrator from said list of eligible persons, the two arbitrators shall jointly apply to the Director of the United States Mediation and Conciliation Service for additional lists of persons eligible to act as a third arbitrator until the two arbitrators mutually agree upon the selection of the third and neutral arbitrator.

Section 3. Matters referred to the three-man arbitration board shall be settled by the board with reasonable dispatch and decisions rendered by the board shall be final and binding on the parties hereto. The three-man arbitration board shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement. It is also mutually agreed that there shall be no work stoppage or lockouts pending the decisions of the arbitrator or subsequent thereto.

Section 4. In the case of arbitration each party shall bear the expense of its own arbitrator. The neutral arbitrators' and other joint expenses mutually agreed upon shall be borne equally by both parties.

**ARTICLE VIII
SECTION 1**

ARTICLE VIII

Section 1. (a) The parties hereto agree that the wage rate schedules in effect immediately prior to the execution of this Agreement shall be amended as follows:

MAXIMUM WEEKLY WAGE RATES

	As of 06/02/02	Effective 06/03/02	Effective 03/31/03*	Effective 04/05/04**
<u>Non-Manual (Clerical) Maximum Wage Rates</u>				
	Base Increase	2.0%	2.0%	2.0%
	Lump Sum Increase	1.0%	1.0%	1.0%
	Total Increase	3.0%	3.0%	3.0%
N1	\$428.80	\$437.20	\$446.00	\$454.80
N2	\$474.00	\$483.60	\$493.20	\$503.20
N3	\$529.60	\$540.00	\$550.80	\$562.00
N4	\$529.60	\$540.00	\$550.80	\$562.00
N5	\$568.00	\$579.20	\$590.80	\$602.80
N6	\$621.20	\$633.60	\$646.40	\$659.20
N7	\$621.20	\$633.60	\$646.40	\$659.20
N8	\$689.20	\$702.80	\$716.80	\$731.20
N9	\$736.80	\$751.60	\$766.80	\$782.00
N10	\$792.00	\$808.00	\$824.00	\$840.40
N11	\$792.00	\$808.00	\$824.00	\$840.40
N12	\$825.60	\$842.00	\$858.80	\$876.00
N13	\$862.40	\$879.60	\$897.20	\$915.20
N14	\$894.00	\$912.00	\$930.40	\$949.20

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As of	Effective	Effective	Effective
06/02/02	06/03/02	03/31/03*	04/05/04**

Meter Reader Maximum Wage Rates

	Base Increase	2.0%	2.0%	2.0%	
	Lump Sum Increase	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>	
	Total Increase	3.0%	3.0%	3.0%	
MR2	\$534.80	\$545.60	\$556.40	\$567.60	A-29
MR3	\$627.20	\$639.60	\$652.40	\$665.60	
MR4	\$744.00	\$758.80	\$774.00	\$789.60	
MR5	\$800.00	\$816.00	\$832.40	\$849.20	

Customer Projects Resource Specialist Maximum Wage Rate

A5	\$932.80	\$951.60	\$970.80	\$990.40	A-21
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Manual Maximum Wage Rates

	Base Increase	<u>3%</u>	<u>3%</u>	<u>3%</u>
	\$462.00	\$476.00	\$490.40	\$505.20
	\$482.80	\$497.20	\$512.00	\$527.20
	\$550.00	\$566.40	\$583.20	\$600.80
M4	\$578.80	\$596.00	\$614.00	\$632.40
	\$604.40	\$622.40	\$641.20	\$660.40
M5	\$621.20	\$640.00	\$659.20	\$678.80
PJ	\$647.60	\$667.20	\$687.20	\$708.00
M9	\$694.00	\$714.80	\$736.40	\$758.40
	\$721.60	\$743.20	\$765.60	\$788.40
MA & MB	\$753.20	\$775.60	\$798.80	\$822.80
M7 & MD	\$795.60	\$819.60	\$844.00	\$869.20
	\$812.80	\$837.20	\$862.40	\$888.40
	\$858.80	\$884.40	\$910.80	\$938.00

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	As of 06/02/02	Effective 06/03/02	Effective 03/31/03*	Effective 04/05/04**
<u>Technical Maximum Wage Rates</u>				
	Base Increase	3%	3%	3%
T1	\$628.00	\$546.80	\$666.40	\$686.40
T2	\$686.40	\$706.80	\$728.00	\$750.00
T3	\$761.20	\$784.00	\$807.60	\$832.00
T4	\$815.20	\$839.60	\$864.80	\$890.80
T5	\$875.60	\$902.00	\$929.20	\$957.20
T6	\$914.00	\$941.60	\$970.00	\$999.20
T7	\$952.40	\$980.80	\$1,010.40	\$1,040.80
T8	\$988.00	\$1,017.60	\$1,048.00	\$1,079.60
T9	\$1,016.40	\$1,046.80	\$1,078.40	\$1,110.80

Customer Projects Coordinator Maximum Wage Rates

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CP1	\$19.50	\$20.09	\$20.69	\$21.31
CP2	\$23.00	\$23.69	\$24.40	\$25.13
CP3	\$28.03	\$28.87	\$29.74	\$30.63

*The wage increases listed in this column will be further increased (decreased) by 1 cent per hour for each full 0.2% increase (decrease) of more than 4.0% in the U. S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2002 index as the zero base and percentage increases calculated from that base after each quarter. The increase, if any, will be reflected in the payroll period beginning on March 31, 2003, June 30, 2003, September 29, 2003, and January 5, 2004, based on the indexes of January 2003, April 2003, July 2003, and October 2003, respectively.

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****The wage increases listed in this column will be further increased (decreased) by 1 cent per hour for each full 0.2% increase (decrease) of more than 4.0% in the U. S. Revised Urban Wage Earners and Clerical Workers Consumer Price Index published by the Bureau of Labor Statistics, U.S. Department of Labor, with the October, 2003 index as the zero base and percentage increases calculated from that base after each quarter. The increase, if any, will be reflected in the payroll period beginning on April 5, 2004, July 5, 2004, October 4, 2004, and January 3, 2005, based on the indexes of January 2004, April 2004, July 2004, and October 2004, respectively.**

(b) These wage rate increases shall not apply to the minimum wage rates of starting job classifications.

(c) The wage increases mentioned above shall not apply to any employee whose present wage rate is on or above the new maximum wage rate of his job classification, except employees who are on physical retrogressions, who shall receive the increase applicable to their individual wage rate as of the indicated dates of increase.

(d) Manual employees shall be provided the higher of a \$10.00 promotional increase above the maximum wage rate of the job classification from which they promote, or the minimum wage rate of the job classification to which they promote. Clerical and Technical employees shall be provided the higher of a \$10.00 promotional increase or the minimum wage rate

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SECTION 1

of the job classification to which they promote. This provision will not apply when the maximum wage rate of a job classification is not at least \$10.00 above the maximum wage rate of the job classification from which it promotes.

A-10 (e) Whenever the difference between the minimum and maximum wage rates of a job classification is not divisible by \$4.00, the intermediate wage rates will be by \$4.00 steps, with the exception of the last step to the maximum wage rate of the job. In such case the increase to the maximum wage rate will include the \$4.00 increment plus the odd amount necessary to equal the maximum wage rate, provided, however, that the total amount of this increase is less than \$8.00.

(f) Any employee in the Union who was on or below the maximum wage rate of his job classification as of the indicated dates of increase shall receive the increase applicable to the maximum wage rate of his job classification.

(g) The shift differentials and Sunday premium paid to employees on scheduled shifts on classified jobs will be as follows:

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Shift Differential Cents Per Hour

Day Shift Where the majority of the scheduled hours worked are between 8:00 a.m. and 4:00 p.m.

Current	06/03/02	03/31/03	04/05/04
0	0	0	0

Afternoon Shift Where the majority of the scheduled hours worked are between 4:00 p.m. and 12:00 Midnight

Current	06/03/02	03/31/03	04/05/04
Full-time \$1.15	\$1.20	\$1.25	\$1.30

Part-time \$0.77	\$0.80	\$0.83	\$0.86
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Night Shift Where the majority of the scheduled hours worked are between 12:00 Midnight and 8:00 a.m.

Current	06/03/02	03/31/03	04/05/04
Full-time \$1.20	\$1.25	\$1.30	\$1.35

Part-time \$0.84	\$0.87	\$0.90	\$0.93
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ARTICLE VIII
SECTION 1

When the majority of the hours in a shift are on a Sunday, a Sunday premium will be paid to an employee for all scheduled straight time hours worked on that shift.

Sunday
Premium

Current	06/03/02	03/31/03	04/05/04
Full-time			
\$1.35	\$1.40	\$1.45	\$1.50
Part-time			
\$0.97	\$1.00	\$1.03	\$1.06

(h) The nature of the work involved under each payroll classification shall be defined, as nearly as possible, by the Company and occupational classifications and job descriptions shall be prepared by the Company and be subject to review by the Union.

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(i) The Job Evaluation Committee of the Company will be responsible for evaluating all new or revised job classifications. The evaluation established by this Committee will be used to determine the maximum wage rate for each new or revised job classification. Results of the evaluation will be communicated to the Union at least two weeks before the effective date of the new or revised job classification.

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SECTION 1

(j) The Union shall appoint a Classification Committee consisting of not more than five members who may review the evaluation and wage rate of any new or revised classification. The Union's Committee may, by request, meet with the Company's Committee as soon as possible at a mutually agreeable time, but within 30 days after the Union has been notified by the Company of the proposed new or revised classification, for the purpose of presenting any information relative to the evaluation of a new or revised classification. The Union will be notified after the Company's Committee has reviewed the information presented by the Union. All wage rates so established shall be final and binding and not subject to the grievance and arbitration procedure. However, if any revised wage rates are reduced as a result of the evaluation(s), they will not be placed into effect until the Company and the Union have had an opportunity to negotiate them during full contract negotiations, even though the revised job classification will be in effect. Employees, presently in, or promoting to, such job classifications will continue to receive wage adjustments in accordance with the other provisions of the Agreement just as if the wage rate had remained at the same level until a new Agreement is reached.

(k) When the Union believes that a new or revised job description does not adequately describe the principal duties and minimum qualifications necessary to provide a sufficient basis for evaluating that job description, a letter outlining the Union's suggested

ARTICLE VIII
SECTION 1

changes may be sent to the management of the appropriate department for consideration. However there will be no recourse to the grievance and arbitration procedure because of the language of a job description or the evaluation of a job classification.

(i) Where the Union deems an employee to be improperly classified, it will be considered as a grievance and shall be handled under the grievance procedure described elsewhere in this Agreement.

Section 2. (a) With the exception of shift differential premium, and a holiday occurring during an employee's vacation, it is agreed that under no circumstances shall any Section of this Agreement be interpreted to provide the pyramiding of a benefit or premium payment to employees covered by this Agreement. For example, no employee may claim sick pay while receiving vacation pay or holiday pay while receiving sick pay.

(b) It is further agreed that there shall be no interruption in the payment of one benefit in order that employees may receive payment for another benefit. For example, employees may not interrupt vacation to begin sick leave or interrupt sick leave to include a holiday. The only exceptions to this provision are that an employee's sick pay may be interrupted to include vacation pay and that vacation pay may be interrupted to include death in family pay as set forth in the Agreement.

ARTICLE IX
SECTION 1
ARTICLE IX

Section 1. ABSENCE DUE TO SICKNESS OR ACCIDENT:

(a) Regular employees who are actively working on January 1, regular employees who return to work from an authorized extended absence on or after January 1, probationary employees who become regular employees on or after January 1, shall be paid as gross wages, for absent time due to bona fide illness or injury, a maximum annual amount equal to 40 hours at their regular Straight Time Pay. Such payment shall be made by the Company on the nearest practicable regular pay day following the date such employee becomes eligible.

(b) A part-time employee with nine months of service or a full-time employee has been continuously disabled, subject to medical determination, and unable to return to work for more than seven consecutive calendar days, the employee will receive Short Term Disability consisting of full compensation for up to 26 weeks or until the employee is able to return to work, whichever occurs first.

(c) After an employee has been continuously disabled, subject to medical determination, and is unable to return to work for more than 27 consecutive weeks, and has exhausted Short Term Disability benefits, the employee will receive Long Term Disability benefits as described in the Company's Long Term Disability Plan Description.

ARTICLE IX
SECTION 2

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Section 2. No wages will be paid for illness caused by illegal use of drugs, intoxication, or willful intention to injure himself or others, for the employee's refusal to adopt such remedial measures as may be commensurate with the employee's disability or permit such reasonable examinations and inquiries by the Company as in its judgment may be necessary to ascertain the employee's condition.

Section 3. It is also mutually understood and agreed that the Company shall have the right to investigate and determine for its own satisfaction the bona fide nature of any illness for which pay is requested as well as the duration thereof. In order to facilitate the scheduling of the work forces, employees who will be absent from work are expected to notify the Company as soon as possible, but not later than one hour after their regular starting times and in the case of shift workers, one hour before the start of their shifts. Unless an employee submits a legitimate excuse for not reporting the cause of absence before the end of the first hour of such absence, the employee's claim for sick leave pay shall not begin until such notice is received.

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Section 4. When employees have received all of the disability pay to which they are entitled under this Agreement they shall be granted, upon written request on a form provided by the Company, a "leave of absence" and shall not be eligible for further disability pay benefits until they have returned to steady employment.

ARTICLE IX
SECTION 5

Section 5. (a) Employees leaving the Company's service for any reason shall receive all vacation pay they are entitled to during the current calendar year. Employees returning from military service will receive vacations with pay in the calendar year in which they return as follows:

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Month in which employee returns to Company's employment	Amount of vacation based on system service of employee
Up to and including June	Full
July, August and September	One-Half
After September	None

Employees returning from a layoff who are not eligible for vacation, strictly due to the layoff, will receive one-half of their ensuing year vacation allotment.

(b) In order for an employee to qualify for a vacation, the employee must have been ready, willing and able to work as a full-time regular or probationary employee during the calendar year the vacation is taken.

(c) The anniversary of employment shall determine the employee's vacation status. Every effort will be made to grant vacations at a time suitable to the employee, but should the vacation of an employee

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ARTICLE IX
SECTION 5

handicap the operations of the Company in any way, the Company reserves the right to require the vacation be taken at another time. Normally, preference shall be granted in the selection of vacation dates on the basis of system service.

(d) Employees with less than one year of service with the Company shall be entitled to one day of vacation for each month worked, with a maximum of 10 total days.

(e) Employees with one year of service with the Company shall be entitled to a vacation of two weeks.

(f) Employees with seven or more years of service with the Company shall be entitled to a vacation of three weeks. Should the amount of work or other working conditions be such that the operations of the Company would be handicapped by granting of the third week of an employee's vacation, the Company reserves the right to require an employee to take his third week of vacation at such time that does not interfere with the operations of the Company.

(g) Employees with 15 or more years of service with the Company shall be entitled to a fourth week of vacation or payment of one week's wages (40 hours) at straight time in lieu thereof. The Company may also require such employees to take the fourth week of their vacation at such time as does not interfere with the operations of the Company.

ARTICLE IX
SECTION 5

(h) Employees with 21 or more years of service with the Company shall be entitled to a fifth week of vacation or payment of one week's wages (40 hours) at straight time in lieu thereof. The Company may also require such employees to take the fifth week of their vacation at such time as does not interfere with the operations of the Company.

(i) Employees with 34 or more years of service with the Company shall be entitled to a sixth week of vacation or payment of one week's wages (40 hours) at straight time in lieu thereof. The Company may also require such employees to take the sixth week of their vacation at such time as does not interfere with the operations of the Company.

(j) Retiring employees will receive one-twelfth of their vacation allotment for each full month they are on the payroll in the year in which they retire.

(k) The estates of employees who die will be paid one-twelfth of the vacation they would have received in the following calendar year, up to the beginning of the month of their death, for each month in which they received compensation, other than Short and Long Term Disability pay, for at least one-half of the regularly scheduled working days in the month.

**ARTICLE X
SECTION 1**

ARTICLE X

Section 1. Regular employees entering the armed services of the United States or employees who are conscripted by the United States Government during a period of national emergency shall continue to accumulate full system service and full seniority and may return to their former position or one of equal pay and rank, provided they report for work with a certificate of satisfactory completion of military or governmental service within 90 days after their release from active service.

Section 2. (a) All Company Group Life Insurance carried by employees entering the military service will be canceled the first of the month following the beginning of the employee's leave of absence unless the employee requests to continue his insurance coverage for an additional period of time up to a maximum of 90 days after his leave of absence begins.

(b) Company Group Life Insurance of employees returning to Company service within 90 days after their release from active service will be reinstated without physical examination or waiting period.

Section 3. None of the foregoing provisions in this Article shall apply to those employees who are not eligible for statutory re-employment rights.

**ARTICLE XI
SECTION 1**

ARTICLE XI

Section 1. (a) The following days are observed as regular holidays which will be recognized on the indicated dates. The Company may change the date for recognizing a holiday if the date indicated is changed by legislative enactment or if the prevailing community practice is not consistent with the indicated date.

<u>HOLIDAY</u>	<u>DATE RECOGNIZED</u>
New Year's Day	January 1
Memorial Day	Last Monday - May
Independence Day	July 4
Labor Day	First Monday - September
Thanksgiving Day	Fourth Thursday - November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

(b) If the recognized date of a holiday occurs on a Saturday or Sunday, the Company will have the option of either celebrating that holiday on another date which is consistent with community practice or paying eight hours of regular straight time holiday pay in lieu thereof for the holiday.

(c) Regular employees whose duties do not require them to work on holidays will be paid straight time. Regular employees who are scheduled to work on a

ARTICLE XI
SECTION 1

recognized holiday will be paid at time and one-half for the first eight hours worked in addition to their straight time holiday pay. However, those employees who work less than the eight hours scheduled will have their straight time holiday pay correspondingly reduced.

A-11 (d) Regular employees who are called out to work on a recognized holiday for a period of four hours or less not contiguous with hours worked into or out of the holiday will be paid for four hours at time and one-half in addition to their straight time holiday pay. Employees who are called out to work on a recognized holiday for more than four hours not contiguous with hours worked into or out of the holiday but less than eight hours will be paid for eight hours at time and one-half in addition to their regular straight time holiday pay. Employees who are required to work more than eight hours on a recognized holiday will be paid at the rate of double time for all such work in excess of eight hours. An employee must work either his full scheduled day before, or his full scheduled day after a holiday to be entitled to receive holiday pay. An employee will not be compensated for travel time on a call-out which occurs on a regular holiday.

(e) When a holiday falls within an employee's vacation, the employee shall, at the discretion of the Company, either be allowed an additional vacation day at such time in the same year as shall be mutually agreed upon between the employee and his supervisor or shall receive eight hours additional pay to compensate for the loss of such holiday pay.

ARTICLE XI
SECTION 1

(f) An employee leaving the Company, except due to retirement, will not receive holiday pay for a holiday which occurs after his last day worked. A retiring employee drawing vacation pay will receive eight hours straight time holiday pay in addition to regular vacation pay when a holiday falls within the vacation pay period.

(g) An employee beginning a leave of absence will not receive holiday pay for holidays occurring after the last day worked except when the employee works the full calendar day immediately before a recognized holiday which is in the same pay period.

Section 2. (a) An employee who has completed six months of service with the Company shall be entitled to four compensated personal days off and one compensated Diversity day off each calendar year. Requests for personal/Diversity days must be made at least seven calendar days prior to the date requested and must be approved by management. However, because of extenuating circumstances, a day off with less than a seven calendar-day notification may be approved by an employee's supervisor. Arrangements for all personal/Diversity days must be made with supervision on or before November 1 of each year or it shall be lost. The Company reserves the right to limit the number of employees who can be off on a specific day. If a personal/Diversity day is not used during a year, it shall be lost and no additional compensation shall be granted. Any employee discharged from the Company for any reason shall not receive compensation for any remaining personal/Diversity days.

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ARTICLE XI
SECTION 2

(b) The administration of personal/Diversity days shall be the same as vacation days with the exceptions as outlined in paragraph (a) above and that retiring employees will not receive any pay for personal/Diversity days except those not used in the calendar year they retire.

ARTICLE XII

Section 1. (a) It is agreed that the present establishment of 40 hours per week of the Company will remain in effect, except in those divisions where longer or shorter hours are now being worked, and the Company guarantees employment of not less than 40 hours per week for 52 weeks of each year to all employees represented by the Union as bargaining agent, who are available and ready to work, and who are regular full time employees of the Company, except those on a less than 40 hour basis now. No such employees shall be required to work more than 40 hours in any one week, consisting of seven days, nor more than eight hours in any one day except as hereinafter provided.

(b) Nothing in this section will affect in any manner the right of the Company to make temporary or permanent reductions in forces when considered necessary by the Company.

ARTICLE XII
SECTION 1

(c) Nothing in this Agreement shall be deemed to require the Company or the Union to commit an unfair labor practice or other act which is forbidden by, or is an offense under, existing or future laws affecting the relations of the Company with the employees bargained for by the Union.

Section 2. (a) The work week of an employee for payroll purposes and for determining off-days shall consist of seven consecutive days with a minimum of two scheduled off days and be from midnight Sunday to midnight the following Sunday. Employees working on a shift beginning two hours or less before midnight will be considered as having worked their hours following midnight.

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(b) Regular scheduled hours of work per day will be at straight time for regular scheduled work days, time and one-half for the employee's first scheduled off-day in the work week, double time for the employee's second scheduled off-day in the work week and time and one-half for any additional scheduled off-days in the work week. Any time in excess of the employee's regular scheduled hours per day will be paid at the rate of time and one-half except the employee's second scheduled off-day worked which will be paid at double time.

(c) Employees required to work more than 16 consecutive hours will be paid double time for all time worked in excess of, and contiguous with, the 16 consecutive hours.

ARTICLE XII

SECTION 2

(d) Schedules for all employees will be based on the time prevailing in the City of Cincinnati.

(e) In no case will an employee be forced to take time off in lieu of overtime pay. The Company shall be the sole judge as to the necessity for overtime work, and the employee shall be obligated to work overtime when requested to do so. When overtime occurs in a group or department, where more employees are qualified and available to work than are necessary at the moment, the Company agrees to establish a system of selecting the employees who are to work, in a sincere effort to equalize overtime work. The employees will be notified in advance, whenever possible, when they are required to work overtime.

Section 3. (a) The Union recognizes the need for shift work and weekend work in order to provide for continuous operation, and overtime rates will apply as set forth in Article XII, Section 2.

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(b) An employee who is transferred from his regular shift to another shift shall be notified of said transfer at least 24 hours prior thereto.

Section 4. (a) Employees called out for other than planned overtime shall be paid a minimum of four hours at the appropriate overtime rate. Travel time of one-half hour each way will be allowed on a call-out when such call-out exceeds four hours of continuous work that is not contiguous with a regular scheduled shift. Employees will not be compensated for any travel time

ARTICLE XII
SECTION 4

for planned overtime; or on a call-out when the employee is not released from work before his regularly scheduled shift; nor will travel time be allowed when overtime is worked continuously at the end of a regularly scheduled shift.

(b) Planned overtime shall be defined as time worked upon notice to an employee given before leaving his headquarters or place of reporting, or in case of an off-day, during or before what would have been his scheduled hours on that day, that he is to report outside of his regular schedule on any succeeding day. Such time worked shall be paid for at the appropriate overtime rate but not for less than four hours unless such planned overtime extends into or directly follows the employee's regularly scheduled work day, when it shall be paid for at the appropriate overtime rate for the actual hours worked.

Section 5. (a) Employees working two hours or more in excess of their normal work day, shall receive a meal, or compensation in lieu thereof, and an additional meal, or compensation in lieu thereof, after each additional five hours of continuous overtime work over and above the original two hours mentioned above.

(b) Employees called out on either their scheduled off day, or four or more hours before his regularly scheduled starting time, shall be furnished a meal, or compensation in lieu thereof, for each contiguous five hour interval worked even though he works into his regularly scheduled work day.

ARTICLE XII
SECTION 5

(c) The meal compensation allowance referred to above shall be as follows:

Effective	Effective
06-03-02	04-05-04
\$9.25	\$9.50

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Section 6. It is further agreed by the Company that any manual employee temporarily advanced to a higher classification shall receive the minimum rate of pay applicable to that classification if such work is for four hours or more. If such work is for more than four hours the employee shall receive the minimum rate of pay applicable to that classification for the remainder of the normal day worked. In the administration of this Section of the Agreement, a temporary assignment shall be construed to mean any job assignment which is not expected to continue for more than 90 consecutive days.

Section 7. (a) Employees in this bargaining unit temporarily assigned to a supervisory position outside the bargaining unit for four hours or more, shall receive \$1.25 per hour above the maximum rate of pay of either their job classification, or the highest rated job classification they supervise, whichever is greater.

(b) Employees promoted to a job outside the bargaining unit and who return to the bargaining unit within six months, shall retain all classified seniority accumulated up to the date of their promotion. If employees who were in a job outside the bargaining unit

ARTICLE XII
SECTION 7

for more than six months, return to the bargaining unit, they will receive a classified seniority date behind all incumbent employees in the job classification from which they originally promoted. No employee may return to a bargaining unit job classification, if as a result, an employee represented by the Union would be laid off.

ARTICLE XIII

Section 1. (a) The Company agrees that upon his or her return to work from illness or disability, consideration will be given to the employee's physical condition, and, if possible, a less vigorous type of work will be granted at no reduction in the employee's regular pay for a temporary period to be determined by the employee's and the Company's physicians.

(b) If an employee with 25 or more years of service becomes physically unable to satisfactorily and safely perform the regular duties of his classification; an effort will be made by the Company to find work of a less strenuous nature for which he is qualified and to which the employee will be retrogressed. The employee's wage rate will be reduced by \$4.00 per week at the time of the assignment to a job of a lower classification and at six months' periods will be reduced by \$4.00 steps until the employee's wage rate is equal to the maximum wage rate of the job classification to which he has been retrogressed.

ARTICLE XIII
SECTION 1

(c) If an employee with 20 to 24 years of service becomes physically unable to satisfactorily and safely perform the regular duties of his job classification, he may request a demotion to a lower classification requiring work of a less strenuous nature for which he is qualified to perform. If such a demotion is granted by the Company, the employee will be assigned to a lower classification and will have his wage rate red-circled until it is equal to the maximum wage rate of the job classification to which he has been demoted. Employees whose wages have been red-circled and who subsequently achieve 25 years of service will become retrogressed in accordance with paragraph (b) above.

(d) If an employee with less than 20 years of service becomes physically unable to satisfactorily and safely perform the regular duties of his job classification, he may request a demotion to a lower classification requiring work of a less strenuous nature for which he is qualified to perform. If such a demotion is granted by the Company, the employee will be assigned to a lower classification and will have his wage rate established at the maximum wage rate of the job classification to which he has been demoted.

Section 2. Injured employees who are unable to work because of an industrial accident will be paid a supplement in an amount equal to 100% of their weekly wage (40 hours), less the state mandated compensation. This supplemental industrial accident compensation will begin after the initial seven calendar day waiting period and will continue for not more than 26 weeks of

ARTICLE XIII
SECTION 2

continuous disability. If, however, an industrial accident disability continues for two or more weeks the employee will receive this supplemental industrial accident compensation for the initial seven day waiting period.

Section 3. Upon the death of the designated relatives of an employee, the employee, upon request, may be entitled to the stipulated maximum number of calendar days off for which the employee is entitled to receive regular pay for not more than the indicated number of consecutive working days, including the day of the funeral. If prior arrangements are made, an employee may include a maximum of one day following the funeral as one of the consecutive working days off, and in the case of a spouse, child, mother, father, brother or sister, two days following the funeral. No pay will be granted for regular scheduled off days.

<u>Relationship</u>	<u>Maximum Consecutive Calendar Days Off</u>	<u>Maximum Consecutive Working Days Off With Pay</u>
Spouse or Domestic Partner	7	5
Child	7	5
Mother	7	5
Father	7	5
Brother	7	5
Sister	7	5

ARTICLE XIII
SECTION 3

In-laws (father, mother, brother, sister, son or daughter)	5	3
Grandchild	5	3
Grandparent/ Spouse's Grandparent	4	2

If an employee has worked four hours or more and is notified of a death in the family, and leaves the job, the day will not be charged as one of the consecutive working days. If, however, the employee has not worked four hours, the day will be charged as one of the consecutive working days for which the employee is entitled to receive regular pay.

ARTICLE XIV

Section 1. The Company agrees to erect bulletin boards at locations to be selected by the Union and the Company. The use of these boards is restricted to the following: notices of Union meetings, notices of Union elections, notices of changes within the Union affecting its membership, and any other notices issued on the letterhead of the Union and signed by the President and Secretary of the General Board. There shall be no other general distribution or posting by the members of the Union of pamphlets, or political literature of any kind, except as herein provided.

**ARTICLE XV
SECTION 1**

ARTICLE XV

Section 1. Any member or members not to exceed three members elected or employed by the Union whose duties for the Union require their full time shall be granted a leave of absence by the Company for six months and additional six months' periods thereafter, providing that each member is from a different promotional sequence or that the Company has granted permission for two members to be from the same promotional sequence. On return to the employ of the Company, such employees shall be employed at their previous classification or other higher classification within this unit for which they may be qualified.

ARTICLE XVI

Section 1. (a) The Company agrees to notify the Union of the contemplated hiring of any outside contractors to do work normally performed by regular employees covered by this Agreement. Such notification will be given if it is contemplated that the work will be in excess of 2,000 man-hours.

(b) It is the sense of this provision that the Company will not contract/outsouce any work which is ordinarily done by its regular employees if as a result thereof, it would become necessary to lay off any such employees.

ARTICLE XVI
SECTION 2

Section 2. (a) Each employee shall have a specific headquarters for reporting for work. However, the right of the Company to effect transfers and reassignments to properly run its business is recognized.

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(b) When it is necessary to temporarily assign employees to a headquarters other than their own or to a job site reporting location that is further from their home than their regular headquarters, these employees will be paid mileage at the prevailing rate based on the additional round trip mileage employees are required to drive. No mileage compensation will be paid for the temporary assignment if the other reporting location is closer to the employee's home. Employees reassigned (non-temporary assignment) to a different headquarters will be paid mileage compensation during the first fourteen calendar days of the reassignment.

(c) When an entire work group is assigned to a new headquarters, paragraph (b) of this Article shall not apply.

(d) Job site reporting and other temporary assignments will be offered on a voluntary basis. If there is an insufficient number of volunteers, assignments will be made on a junior qualified basis. When assigning the junior qualified, unusual or extenuating circumstances will be taken into consideration.

ARTICLE XVI
SECTION 2

(e) Employees may be assigned to drive Company vehicles from and to the job site from home or sites close to home. If Company vehicles are used in such a manner the mileage provisions for job site reporting are not applicable. An option to the mileage provision is that employees may, during a job site reporting assignment, pick up and return a Company vehicle to their regular headquarters, provided travel is on their own time.

ARTICLE XVII

Section 1. Witness Fees. Regular pay and reasonable or required expenses will be allowed employees who may be summoned or requested to testify for the Company.

Section 2. (a) Employees required to serve on a jury shall be compensated on the basis of their regular salary. Employees must report to work during the working hours when they do not need to be present for jury duty.

(b) An employee working on either a night or afternoon shift at a time when he is scheduled for jury duty, who is unable to postpone the jury duty until a time when he will be working on a day shift, may request the Company to assign him to a day shift schedule. Such a request must be made at least seven working days before the jury duty service is scheduled to begin. When the term of jury duty for such an

ARTICLE XVII

SECTION 2

employee has ended, he shall return to his normal working schedule.

ARTICLE XVIII

Section 1. Retirement Income Plan: (a) Employees represented by the Union are entitled to the benefits of the Retirement Income Plan as contained in the Company's publication "Cinergy Corp. Union Employees' Retirement Income Plan," with the latest amended date of January 1, 1999.

(b) In consideration of the additional benefits incorporated in the Retirement Income Plan, the parties to this Agreement agree that the Company will not reduce the benefits and the Union will not request any change in the Retirement Income Plan until the expiration of the Agreement which becomes effective on June 3, 2002.

ARTICLE XIX

Section 1. The Company will provide each employee with Term Life Insurance in the amount of two times the employee's straight time annual salary.

ARTICLE XX

Section 1. (a) Health Care coverage will consist of alternative medical and dental plans. Employees will pay

ARTICLE XX
SECTION 1

10% of the total regular premium furnished by the carrier for the medical and dental coverage they select, with the Company paying the remainder.

(b) The Company's part of the above premium will continue to be paid while an employee is receiving illness or accident compensation provided the employee was covered by such a contract immediately prior to their sickness or industrial accident.

ARTICLE XXI

Section 1. The level of benefit coverage within the medical, dental, flexible spending accounts, basic and additional life, long term disability, and pension plans will remain substantially equivalent to the coverages mutually agreed upon during negotiations.

ARTICLE XXII

Section 1. (a) The Company agrees to establish and maintain an employee savings plan, subject to the provisions of the appropriate federal legislation and regulation governing such plans, to be known as "Cinergy Corp. Union Employees' Savings Incentive Plan", hereinafter called the "Savings Incentive Plan".

ARTICLE XXII
SECTION 1

(b) The Savings Incentive Plan is contained in the Company's publication "Cinergy Corp. Union Employees' Savings Incentive Plan", which includes highlights of the Plan, complete text of the Plan, and complete text of the Trust Agreement.

(c) The Company hopes and expects to continue the Savings Incentive Plan indefinitely but it must reserve the right to alter or amend it or to discontinue Company contributions to it at any time. However, under no circumstances shall any part of the corpus or income held by the Trustee of the Savings Incentive Plan be recoverable by the Company or be used for or diverted to any purposes other than for the exclusive benefit of the employee participants or their beneficiaries as provided in the Savings Incentive Plan.

IN WITNESS WHEREOF, the Utility Workers Union of America, AFL-CIO, IUU Local 600, Cincinnati, Ohio and The Cincinnati Gas & Electric Company and Subsidiaries do hereby, by their duly authorized agents, execute and sign this Agreement in duplicate on this 7th day of February, 2003.

FOR THE UNION

Mary L. Harthun
James Anderson
Patty Memering
Phillip Malone
Suzan Venable
Larry Miller
Lori Stamper
Walt Dobbins
Dianna Grimes
Mary Turner
Mike Hiltenbeitel
Sam Trammel
Donald Opatka

FOR THE COMPANY

**THE CINCINNATI GAS & ELECTRIC
COMPANY AND SUSIDIARIES**

James L. Turner

Michael J. Cyrus

Frederick J. Newton

Timothy J. Verhagen

John E. Polley

Patrick P. Gibson

APPENDIX A

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

<u>Document Number</u>	<u>Document Date</u>	<u>Article</u>	<u>Subject</u>
A-1	12/22/1971	IX, 5(c)	Vacation Selection
A-2	7/16/1974	V, 4(b)	Inter-department Transfers
A-3	3/28/1977	V, 2(c)	Multiple Posting System in Property Department
A-4	3/28/1977	V, 3(d)	Testing Procedures When Employees Promote
A-5	4/10/1986	IX, 4	Leaves of Absence
A-6	4/18/1989	V, 6	Hiring Co-ops - Union Notification
A-7	4/18/1989	V, 2(c)	Multiple Posting System - Electric Operations
A-8	4/18/1989	IX, 5(c)	Partial Day Vacations
A-9	4/18/1989	I, 2(c)	Falsification and Tampering with Company Records
A-10	3/14/1991	V, 2(b) VIII, 1(e)	Job Enrichment
A-11	4/16/1992	IX, 1(d)	Holiday call-out
A-12	4/16/1992	IX, 2(a)	Flextime
A-13	4/16/1992	XII, 3(b)	24 Hour Notice - Change of Shift
A-14	4/16/1992	I, 1(a)	Reorganization of Distribution Operations Division

A-15	4/16/1992	XVI, 2(b)	Out-of-town Work c Training
A-16	4/16/1992	IX, 2	Substance Abuse
A-17	4/16/1992	IX, 2(a)	4-10 hour day fact sheet
A-18	4/16/1992	VII, 1(a)	Personal Attorneys
A-19	5/26/1994	I, 1(a)	Collecting Funds b Field Personnel
A-20	7/19/1994	V, 2(e)	Gas Operations Tr.
A-21	1/11/1998	V, 2(e) VIII, 1(a)	Customer Projects Resource Speciali
A-22	9/15/2000	V, 2(e) VIII, 1(a) VIII, 1(i)	CPC Letter
A-23	1/3/2001	V, 7(a)	Gap Update
A-24	9/17/2001	V, 2(e)	CPC Letter
A-25	5/29/2002	IV, 3	Notice of Organizat and Working Condi Changes
A-26	5/29/2002	VII, 1(a) VII, 2(b)	Grievance and Arbitration Procedu
A-27	5/29/2002	XII, 6	Temporary Upgrad in Clerical and Technical Jobs
A-28	5/29/2002	IX, 2(a)	Consecutive Off Dæ
A-29	5/29/2002	V, 7(a) VIII, 1(a)	Part-time Meter Readers

A-30	5/29/2002	V, 2(a)	Journey Person Job Sequence
A-31	5/29/2002	V, 3(a)	Interplant Bidding Rights
A-32	5/29/2002	II, 1 III, 1(b) VII, 1(a) VII, 2(b)	Time Off for Union Duties/Business
A-33	5/29/2002	IX, 2	Treatment for Substance Abuse
A-34	5/29/2002	XI, 2(a)	Personal/Diversity Day Requests
A-35	5/29/2002	IX, 5(a)	Vacation Carryover
A-36	5/29/2002	V, 7(a)	East Call Center
A-37	5/29/2002	V, 3(a)	Job Elimination Situations