COLLECTIVE AGREEMENT

Between

UNION GAS LIMITED

and

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION



OPERATIONS Local 38 Local 790 Local 795

February 1, 2009 to January 31, 2012 Inclusive 04148 (11)

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THIS AGREEMENT ENTERED INTO this 26th day of March 2009

BETWEEN

UNION GAS LIMITED an incorporated Company under the laws of Ontario, hereinafter called the "Company".

and

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION, LOCAL 790 -Thunder Bay, affiliated with the Canadian Labour Congress, hereinafter called the "Union".

and

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION, LOCAL 795 Timmins, Kapuskasing, Kirkland Lake, Cochrane, Iroquois Falls, affiliated with the Canadian Labour Congress, hereinafter called the "Union".

and

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION, LOCAL 38 Port Hope to Cornwall, affiliated with the Canadian Labour Congress, hereinafter called the "Union".

ARTICLE 1

PURPOSE

1:01 The Company recognizes the Union as the sole bargaining representative for all employees of the Company at Thunder Bay (including Shuniah, Paipoonage, Neebing and McIntyre) save and except Team Leaders and persons above such rank, Sales and Office Staff.

The Company in Timmins recognizes the Union as the sole bargaining representative for all employees of the Company in Timmins, Kapuskasing, Kirkland Lake, Cochrane and Iroquois Falls, save and except Team Leaders, persons above the rank of Team Leader, Sales and Office staff.

The Company recognizes the Union as the sole collective bargaining agent for all employees in its service area from Port Hope to Cornwall except Team Leaders, those above the rank of Team Leader, Sales and Office staff.

1:02 The purpose of this Agreement is to advance the mutual interests of the Company and the employees; to provide for the operation of the service of the Company under methods which will further, to the fullest extent possible, the safety, efficiency and economy of operations; to maintain a continuation of employment under conditions of reasonable hours, compensations and working conditions. It is recognized by this Collective Agreement to be the duty of the Company, the Union and the employees to cooperate fully, both individually and collectively, for the advancement of their mutual interests.

1:03 Notwithstanding that this Agreement is reproduced in a single booklet, the parties agree that there are separate and individual Agreements for each bargaining unit described in Article 1 hereof and that nothing herein shall be deemed to have merged or consolidated the Bargaining Units or the bargaining representatives.

ARTICLE 2

REPRESENTATION

The Company and the Union shall recognize a Committee 2:01 of four (4) in number, two (2) of whom shall be employees of the Company and members of the Union and two (2) of whom shall represent Management, such a Committee to be known as a "Negotiating Committee" with the purpose of concluding recommendations to the parties to the Collective Agreement. The Union and the Company encourage insofar as possible such representation to be from separate departments. This Committee may be expanded by agreement to add additional Company and/or Union personnel.

2:02 The Company agrees to recognize a Grievance Committee of not more than three (3) members, duly elected or appointed by the Local, one (1) of which will be the President of the Local.

2:03 The Union will notify the Company, in writing, of the names of the Officers and Members of the Negotiation and Grievance Committees.

2:04 The Company will pay lost-time basic wages (if any) for two (2) members of the Union/Management Grievance Committee while such employees are attending such meetings held in conjunction with management representatives. The foregoing will also apply to Labour/Management meetings that are mutually agreed to be held during the term of the Collective Agreement. The Company will pay lost-time basic wages combined to a total of up to two hundred and eight (208) hours, for the Negotiating Committee (two (2) employees) during time spent negotiating a renewal or revision to the Collective Agreement at meetings with management representatives, including conciliation. Time periods paid by the Company will not be used when calculating overtime. The Company will not pay for any expenses for

traveling or accommodations for any employee pertaining to such aforementioned Committee work. A member of the Union Negotiating Committee scheduled to work an evening shift on a negotiating day will have his/her shift changed to the day shift on said day. There will be no change of shift penalty for the negotiating team member either going to the altered or returning to the original schedule.

2:05 Applicable to Locals 795 and 38 Only

The Company will arrange for up to four (4) evenings or four (4) Sunday afternoons or any combination of the two in any calendar year for an employee to be relieved of standby duty so that he may attend a regularly scheduled Union meeting. Such arrangements must be requested in writing at least forty-eight (48) hours in advance by the Service Fitter or Utility Services Representative concerned.

ARTICLE 3

STRIKES OR LOCKOUTS

3:01 The Company agrees that there shall be no lockouts and the Union agrees that there shall be no strikes. All disputes between them shall be submitted for settlement in accordance with the Grievance and Arbitration procedure as set forth in this Collective Agreement. The parties acknowledge and agree that in the event maintenance or service of the system and its customers are inconvenienced as a result of a labour dispute not directly involving the parties hereto, efforts shall be made to avoid becoming involved in such a dispute when the employees are performing their work duties.

ARTICLE 4

UNION SECURITY

4:01 All employees covered by the terms of this Collective Agreement and new employees who enter the Company service shall,

as a condition of continued employment, become members of the Union on the completion of thirty (30) calendar days of continued employment and shall remain members in good standing in accordance with the Constitution and By-laws of the Union for the duration of this Collective Agreement.

4:02

(a) The Company agrees to deduct Union dues, assessments, and initiation fees from the first pay period of each month, from all the Union members in the Bargaining Unit. All money so deducted and the list of the employee's names from whom deductions have been made, indicating the amount deducted from each Union member, will be remitted to the Secretary-Treasurer of the local Union not later than the tenth (10th) day of the month following the month when the deductions were made.

(b) The Company agrees to specify the amount of Union dues paid by each employee in the Bargaining Unit for the applicable calendar year on the individual's T4 Income Tax Certificate issued by the Company.

4:03 Neither the Company nor the Union will discriminate against any:

(a) Person in regard to employment, membership, or any term or condition of employment or membership because of sex, marital status, race, creed, colour, nationality, ancestry or place of origin.

(b) In referring to employees in the Agreement, the gender of any adjective, pronoun, adverb, etc. will be interchangeable so that they apply to both sexes unless so stated in the applicable clause. The word "employee" as used in this Agreement may be interpreted to mean "employees" or vice-versa, as the context dictates.

4:04 It is agreed that the employees of the Company not covered by the scope of this Collective Agreement shall not perform the work normally performed by employees in the Bargaining Unit except during an emergency or for training purposes. The Company agrees

that no employee who has established seniority shall be laid off, remain on layoff or be demoted as a result of the Company contracting out work which regularly would have been performed by such employees.

4:05 Applicable to Local 38 Only

The Union, its members and/or its agents, shall not conduct Union activities on Company time, or in Company premises, except as herein expressly provided or on the approval of the Supervisor and his/her Delegates.

ARTICLE 5

MANAGEMENT FUNCTIONS

5:01 The Union agrees that it is the right of the Company to manage the affairs of the Company and to direct the working force, subject to the terms of this Collective Agreement.

5:02 (a) Applicable to Locals 795 and 790 Only

The right to hire, discharge or discipline "for just cause" and to maintain efficiency of employees is the right and responsibility of the Company, except that Union members shall not be discriminated against as such and provided that any decision of management relating to discipline may be appealed through the grievance procedure.

(b) Applicable to Local 38 Only

The Union also recognizes that the right to hire, promote, demote, discipline and transfer, the working force and maintain order and efficiency are the exclusive responsibilities of the Company, provided that a regular employee who has completed his/her probationary period who alleges that he/she has been discharged or disciplined without just cause may submit a grievance as hereinafter provided.

ARTICLE 6

EMERGENCY OPERATIONS

6:01 In the event of a serious disruption of service, breakdown or other emergency, employees shall unite to meet the emergency and shall, until the danger has been brought under control, perform such duties as may be required of them regardless of their occupation.

ARTICLE 7

GRIEVANCE PROCEDURE

7:01 Step One

Should any grievance arise involving the meaning or application of this Agreement, an employee shall, within thirty (30) calendar days from the date the grievance occurred, accompanied by a Steward, meet with and present the grievance in writing, to his / her Management. Management will render a decision, in writing, within seven (7) calendar days following the meeting.

Step Two

If the grievance is not settled in Step One, the Union may request, in writing, a meeting with the Management. Such a request will be made within seven (7) calendar days from the date of the decision in Step One. Management, will, with the Union, arrange to meet within seven (7) calendar days from the date the request was made by the Union. The Union's National Representative (providing such an Officer is available) may be at this meeting upon request of either party. The Company may require the Manager, Labour Relations to participate.

(7) calendar days from the date of the meeting. If the Union is not

satisfied with this decision the grievance may be referred to arbitration as herein provided.

7:02 A grievance shall be deemed to be waived unless the grievance is referred by the employee or the Union to the Company within thirty (30) calendar days from the date of the occurrence of the grievance.

7:03 A grievance affecting more than one (1) employee may be submitted, in writing, by the employees concerned, or the Union, at Step Two of the grievance procedure.

7:04 A grievance by the Company may be submitted to the Union within thirty (30) calendar days from the date of occurrence together with a written request by the Company for a meeting with the Union's Grievance Committee. The meeting will take place within seven (7) calendar days from the date the request was initiated. The Union Grievance Committee will render their decision in writing within seven (7) calendar days from the date of the meeting. If the decision is not satisfactory to the Company, they may take the grievance to arbitration as herein provided.

7:05 Where a grievance is not settled under the preceding Sections of this Article, including the question of whether or not a grievance is arbitrable, or where an allegation is made that this Agreement has been violated, either party may, within thirty (30) calendar days notify the other party, in writing, of it's intention to submit the grievance or allegation to arbitration and the notice shall contain the names of the first party's appointee to the Board. The recipient of the notice shall, within seven (7) calendar days, advise the other party of its appointee to the Board.

7:06 The two (2) appointees so selected shall, within seven (7) calendar days of the appointment of the second of them, appoint a third person who shall be the Chairperson of the Arbitration Board. If the recipient of the notice fails to appoint an Arbitrator or if the two (2) appointees fail to agree upon a Chairperson within the time limits

provided, then the appointment shall be made by the Minister of Labour upon request of either party. The decision of the Arbitration Board shall be final and binding upon both parties.

7:07 A grievance by an employee who claims to have been unjustly discharged shall be submitted, in writing, at Step Two of the grievance procedure within fifteen (15) calendar days from the date of discharge.

7:08 Time limits involving the processing of a grievance may be extended by mutual agreement between the Company and the Union.

7:09 Failure by the Company or the Union to comply with the time limits as provided in this Article or within any agreed upon time extension will result in the grievor or grievers being awarded the grievance if the Company is tardy. If, however, the Union is tardy, the grievance will become null and void.

7:10 Each party shall bear the expense of its own nominee to the Board and one-half $(\frac{1}{2})$ the expense of the Board Chairman.

7:11 An Arbitration Board that is required to rule upon a grievance of an employee who claims to have been unjustly discharged may rule on such a grievance by:

- (a) Confirming the Company's action;
- (b) Reinstating the employee with full compensation in which event there shall be no loss of seniority;
- (c) Any other arrangement the Board may deem as just and equitable.

7:12 Grievances and reprimands shall be in writing and shall state the nature of the violation and the Article(s) and Section(s) on which the grievance(s) or reprimand(s) are based. When the Company processes a written warning or when any other disciplinary

action is recorded against an employee(s) a copy will be given to the Union Secretary.

7:13

(a) Reprimands involving suspension shall be removed from an employee's personnel file providing there have not been any additional offence(s) within a twenty-four (24) month period.

(b) Reprimands not involving suspension shall be removed from an employee's personnel file providing there has not been any additional offence(s) within a twelve (12) month period.

7:14 The Company or the Union may choose to have a Sole Arbitrator instead of the Board of Arbitration as provided for in this Article. The Company and the Union will endeavour to select an Arbitrator and if they are unable to agree upon such Arbitrator within fifteen (15) days after the notice to submit the grievance or allegation to arbitration, then the appointment shall be made by the Minister of Labour upon the request of either party. All other provisions of this article that apply to the Board of Arbitration will be applicable to the Sole Arbitrator referred to herein.

ARTICLE 8

SENIORITY

8:01 Each new employee shall be deemed to be a "Probationary Employee" for the first sixty (60) calendar days of continuous service. Probationary employees will have no seniority rights, but upon completing their probationary period their seniority shall be dated back to the date the employee was last hired by the Company.

8:02 Probationary employees coming within Section 8:01 of this Article hereof shall, during such sixty (60) calendar day period, be on probation and must satisfy the requirements of the Company in all

respects if such employees are to continue in the employ of the Company beyond such a probationary period.

8:03 Periods of absence from work other than those enumerated in Section 8:04 of this Article shall not affect an employee's seniority.

8:04 Loss of Seniority

Seniority shall be lost and employment terminated if an employee:

(a) Voluntarily leaves the employ of the Company;

(b) Is discharged and is not reinstated pursuant to the provisions of this Collective Agreement;

(c) Accepts a position beyond the scope of this Collective Agreement;

(d) Fails to return to work after layoff within ten (10) calendar days of receipt of notification from the Company, by registered mail, to the employee's last known address;

(e) Is laid off for a period in excess of nineteen (19) months if an employee has six (6) months or more of service;

(f) If, however, an employee has less than six (6) months service and is laid off for a period in excess of the length of service since his or her last hire, such an employee's seniority would be lost;

(g) Otherwise ceases to be an employee;

(h) Fails to return from a leave of absence as provided in Article21.

(i) Absence of an employee from work without notice to the Company and without justifiable cause for a period of five (5) consecutive working days.

8:05 Layoff

(a) A layoff for the purposes of this Collective Agreement is defined as a period in excess of three (3) consecutive working days.

(b) A temporary suspension of work for a period of three (3) days or less arising from situations such as floods or other acts or occurrences beyond the direct control of the Company shall not be considered a layoff for the purpose of this Agreement. It is agreed, however, that no employee will lose more than five (5) working days in any calendar year under this Section.

(c) The Company will endeavour to alleviate temporary suspension of work by assigning any available non-related work.

(d) For employees who have one (1) year or more seniority, the Company will consider relocating or retraining of such an employee.

(e) Layoff Procedure

In the event of a layoff, the following procedure will be followed:

(1) All Temporary Employees shall be terminated first.

(2) All probationary employees shall be then be laid off.

(3) Thereafter, employees will be laid off in the reverse order of their seniority provided there are employees who are sufficiently qualified and willing to perform the available work;

(4) Employees with more than three (3) months' seniority with the Company but less than one (1) year service who are to be laid

off due to lack of work shall be given one weeks' written notice, in advance, or two (2) weeks' basic pay in lieu of notice.

(5) Employees with one (1) year or more of seniority with the Company who are to be laid off due to lack of work shall be given two (2) weeks' written notice, in advance, or two (2) weeks' basic pay in lieu of notice.

(6) Employees with three (3) years' or more seniority with the Company who are to be laid off due to lack of work shall be given three (3) week's written notice, in advance, or three (3) weeks' basic pay in lieu of notice.

(7) Employees with five (5) year's or more seniority with the Company who are to be laid off due to lack of work shall be given four (4) weeks' written notice, in advance, or four (4) weeks' basic pay in lieu of notice.

(8) Employees with ten (10) years' or more seniority with the Company who are to be laid off due to lack of work shall be given eight (8) weeks' written notice, in advance, or eight (8) weeks' basic pay in lieu of notice.

(9) The aforementioned notices in this Section shall contain the employee's home address and telephone number. A copy of these notices shall be given to the Local's President.

(10) The Company will issue the "Employment and Immigration Canada" Record of Employment Form to a laid off employee within five (5) calendar days of the date of layoff.

8:06 All employees who are notified of a layoff may have bumping rights in accordance with their seniority and qualifications in their home base geographical area before exercising their bumping rights into other geographical areas as set out in Article 1 - Union Recognition.

It is understood that all costs, including accommodations and moving expenses incurred by such employee shall be entirely at their own expense.

Employees who exercise bumping rights into another category or geographic area shall return to their regular job category in their home base area when work becomes available before other employees are recalled or hired.

8:07 Employees who are displaced and laid off as a result of any employee exercising his/her rights under the provisions of Article 8 will be given a period of notice equal to that provided to the Company by the bumping employee, in lieu of the periods of notice or pay as specified in this Article.

8:08 Recall after Layoff

When there is a pending increase in the working force after a layoff, the employees who were laid off and who have retained their seniority will be notified to report for work in the reverse order of seniority providing such employees have the qualifications to perform the work required and are willing to accept the work available.

8:09 Where the Company rehires an employee who has been laid off because of lack of work before successfully completing the probationary period, an adjustment regarding the employee's rate of pay may be granted at a time applicable in respect to prior service, upon mutual agreement between the Company and the Union.

8:10 Seniority Lists

Showing names, classifications, and dates of seniority commencement of employees covered by this Agreement shall be posted on Bulletin Boards accessible to all employees covered by this Agreement. The seniority list, if necessary, shall be revised every four (4) months. A copy of the seniority list will be supplied to the Union. Any protest in regard to seniority standing must be submitted to the Company, in writing, within thirty (30) days from the date the seniority lists are posted. Any errors will be corrected by the Company.

ARTICLE 9

JOB POSTING

9:01 In the filling of vacancies and the making of promotions within the Bargaining Unit the following factors shall be considered by the Company in choosing between employees. If factors (b) and (c) are relatively equal, seniority shall govern:

- (a) Seniority;
- (b) Ability to fill the normal requirements of the job;
- (c) Physical fitness of the individual.

9:02

Except as provided in Section 9:04 of this Article, the (a) Company shall post in the Construction/Maintenance and Customer Service Departments in either Local 790 or 795 or 38, information concerning vacancies (except for the category of Labourer) which occur within the scope of this Collective Agreement so as to give employees, including those on layoff, an opportunity to apply. Upon such posting(s) the President of the Union Local or Delegate will be permitted to notify, by telephone, the on-site Steward(s) of the construction crew(s) assigned away from their home base, of such posting(s). The Company shall notify all laid-off employees of any posted vacancy by mail on the same day of the posting. Such application shall be made in writing within eight (8) calendar days of the posting of the notice after which, if there is no qualified employee to fill the vacancy, the Company may transfer an employee from some other location or may hire a new employee to fill such vacancy.

(b) If an employee is interested in transferring to a position with the Company which would take such an employee from the geographical scope of the employee's present Bargaining Unit of which the employee holds membership, the employee may file an application for such transfer, in writing, to the Company. Providing the vacancy concerned is not filled by an employee locally, the Company will decide if a transfer is acceptable.

9:03 Vacancies shall be filled in accordance with the provisions of Article 9, Sections 9:01 and 9:02.

9:04 Temporary Vacancies not exceeding forty-five (45) calendar days and vacation vacancies may be filled by the Company without posting. For vacancies exceeding this period the Company will post and fill same in accordance with the provisions of this Article.

9:05 Except for periods involving training, employees temporarily assigned to a higher paid position shall be paid the higher rate for all hours worked in excess of one (1) hour while so employed in the higher paid position. Employees temporarily assigned to a lower paid position shall not suffer a reduction in pay rate.

9:06 Copies of job postings and the names of applicants, if any, will be supplied to the Union together with a notification of the name of the successful applicant, if any.

9:07 Moving Expenses

It is understood that all costs, including accommodations and moving expenses, incurred by the employee in his or her effort to fill a vacancy or upon recall after a layoff, shall be entirely at the employee's own expense. Except in the event that the transfer be made at the expressed written request of the Company, then moving of furniture and traveling expenses for an employee and family shall be paid by the Company.

9:08 Wage Rate on Transfer or Job Vacancy

An employee being accepted for a job vacancy will be placed in the new job according to his experience and ability, but shall not be required at the time of transfer to take a decrease in pay greater than 10 percent (10%) of the rate being received at the time of such transfer. Further, an employee receiving such an adjusted rate shall be exempt from any contractual increases until the scheduled job rate exceeds his adjusted rate, at which time he will receive the rate assigned to his then current job or job classification.

ARTICLE 10

BULLETIN BOARDS & COPIES OF THE COLLECTIVE AGREEMENT

10:01 The Company will maintain a bulletin board at each Company office as specified in Section 1:01 of Article 1 where bargaining unit members regularly report for work. All Union notices except a notification of a "General Membership Meeting" must be signed by a Local Union Officer and approved by supervision prior to attaching the notice to such bulletin boards.

10:02 The Company will supply a copy of the Collective Agreement to each employee covered by the Agreement through the Local Union President. In addition, twenty (20) additional copies will be available for the National Representative, upon request. The copies will be in booklet form, saddle stitched, and bearing the Company and Union logos.

ARTICLE 11

CLOTHING, TOOLS AND EQUIPMENT

11:01

(a) Applicable to Locals 795 and 38 Only

The Company agrees during the life of the Collective Agreement to supply appropriate work gloves and rainwear to such employees who, due to the nature of the work they perform and the conditions they are exposed to, reasonably require same.

(b) Applicable to Locals 795 and 38 Only

The Company will supply two (2) pair of overalls every two (2) years, to be replaced if the immediate Supervisor agrees the condition warrants and providing the worn pair is returned.

(c) Applicable to Local 790 Only

The Company agrees during the life of the Collective Agreement to supply appropriate work gloves, rainwear and overalls to such employees who, due to the nature of the work they perform and the conditions they are exposed to, reasonably require same.

11:02

(a) The Company will provide at no cost to Utility Service Representatives and Service Fitters in Locals 38, 790 and 795 and who have established seniority, the following clothing, providing the employee maintains the uniform at the employee's own expense. It is understood that the uniforms will be worn at all times on duty. Temporary Meter Readers (those who work six or less months per calendar year) are excluded from this provision.

- (b) The initial uniform purchase shall consist of:
 - (1) Two (2) toques
 - (2) Two (2) baseball caps
 - (3) Ten (10) shirts (any combination of long / short sleeve, golf shirt, orange t-shirt with striping)

- (4) Two (2) turtlenecks
- (5) Five (5) pants
- (6) One (1) pair of winter overshoes, maximum \$25.00
- (7) One (1) windbreaker
- (8) One (1) winter parka
- (9) One (1) insulated jumpsuit
- (10) Three (3) coveralls
- (11) One (1) vest
- (12) One (1) hooded fleece sweater
- (13) Applicable to Local 38 and 795 only: One (1), three(3) piece nylon rain suit

After the initial uniform clothing is provided, the following replacement clothing will be supplied annually, unless otherwise stated below:

- (1) One (1) coveralls
- (2) Five (5) pants
- (3) Three (3) shirts (any combination)
- (4) One (1) toque
- (5) One (1) turtleneck
- (6) One (1) baseball cap
- (7) One (1) windbreaker
- (8) One (1) vest
- (9) One (1) winter parka (every two years)
- (10) One (1) insulated jumpsuit (every two years)
- (11) One (1) hooded fleece sweater
- (12) One (1) pair of winter overshoes, maximum \$25.00

(c) Applicable to Meter Readers in Locals 795 and 38

- (1) Two (2) baseball style Caps;
- (2) One (1) fur hat (every three (3) years) or one (1) ski cap or two (2) toques;
- (3) Two (2) long sleeve shirts;
- (4) Two (2) short sleeve shirts or two (2) golf shirts;
- (5) Two (2) "V" neck sweaters or three (3) turtlenecks;

- (6) Two (2) winter pants;
- (7) Two (2) summer pants or one (1) summer pants and one (1) pair shorts;
- (8) One (1) parka; (see 11:04)
- (9) One (1) rain suit or one (1) shell jacket (every second issue);
- (10) One (1) bi-swing jacket or one (1) bomber jacket;
- (11) One (1) bib pants every two (2) years.

11:03 The Company will reimburse all employees who have established seniority and are required by law to wear safety footwear up to one hundred and forty dollars (\$140.00) per annum upon receiving a paid receipt.

The aforementioned employees will be subject to a Company reprimand if the available safety footwear is not used when working.

11:04 The Company will provide, at no cost to Construction & Maintenance employees who have two (2) or more years of service, one (1) canvas type parka, and one (1) pair of winter bib style pants. The parka and pants will be supplied every year, providing management agrees the condition of the items warrants replacing. The laid-off employees will return their issue to the Company during temporary layoffs. The Company will dry clean and store these items for re-issue.

In addition, the Company will provide five (5) high visibility tshirts on an annual basis (short and/or long sleeve).

Upon completion of probation, the Company will also provide five (5) pairs of pants which will be replaced when management agrees the condition of the items warrants replacing.

11:05 The Company agrees to supply and replace necessary tools and equipment as required for all employees, at no cost,

providing the employee signs for same. Employees will be required to return all tools and equipment in their possession upon termination of employment.

11:06 Applicable to Local 38 Only

(a) As soon as possible after an employee completes his/her probationary period, he/she shall be issued the provisions as contained in Sections 11:02 and 11:03 of this Article. The employee shall be considered to have received his/her entitlement for that calendar year in which he/she was hired and will receive subsequent issues at the next regular entitlement date as defined in Sections 11:02 and 11:03.

(b) Employees covered by Section 11:02 shall receive their clothing issued on the following basis:

- (i) If they were hired in an even year (e.g. 1978, 1980, 1982) then, on June 1st of each subsequent even numbered year they shall be entitled to their next issue.
- (ii) If they were hired in an uneven year (e.g. 1979, 1981, 1983) then, on June 1st of each subsequent uneven numbered year they shall be entitled to their next issue.

ARTICLE 12

WAGES

12:01 Wage Rates, Job Classifications and Progressions Attached hereto and forming a part of this Collective Agreement is Appendix "C", "Progressions, and Appendix "D", "Job Classifications and Wage Rates".

12:02 Should the Company establish any new classification(s) covered by the scope of this Collective Agreement or should the contents of any position covered by the scope of this Collective Agreement be substantially changed, it will advise the Union of the rate or rates it proposes. In the event the rate(s) are not acceptable, both parties agree to negotiate and failing agreement, the matter shall be referred to an Arbitration Board in the manner prescribed in Article 7. The decision of the Arbitration Board shall be final and binding.

12:03 Employees will be paid on a bi-weekly basis on Thursday, by direct deposit to a bank account designated by the individual.

ARTICLE 13

HOLIDAYS

13:01 The expression "Holiday" whenever used in this Agreement shall mean any of the following:

New Year's Day	Labour Day
Family Day	Thanksgiving Day
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	

13:02 Float Holidays

(a) For full-time employees who have completed their probationary period, the Company will grant float holidays, the dates of which for each employee will be determined by mutual agreement between the Company and the employee:

• One (1) to be recognized within the period February 1 through January 31 in each year of the Collective Agreement

(b) Full-time employees completing their probationary period during the period February 1 through January 31 will be entitled to float holidays for that period only, as indicated below. The dates of the float holidays will be determined by mutual agreement between the Company and the employee.

• One (1) float holiday after four (4) months of continuous active service.

13:03

(a) Where a holiday as listed in Section 13:01 falls on a Saturday, the previous Friday will be observed in lieu thereof and if such holiday falls on a Sunday, the following Monday will be observed in lieu thereof.

(b) Where the municipalities where Bargaining Unit employees regularly report for work observe days other than those laid out in Section 13:01 of this Article, the Company may select such observed days in lieu thereof.

13:04 When Section 13:03 of this Article applies, the observed day for all purposes of this Collective Agreement displaces the actual holiday as listed in this Article.

13:05 All employees who work on a holiday will receive two (2) times their regular basic hourly wage rate for the hours worked on such a holiday, as provided in Article 15, Section 15:02 (b) of this Agreement.

13:06 Employees who qualify as per the requirements of Section 13:07 of Article 13 shall receive eight (8) hours pay or seven and one-half $(7\frac{1}{2})$ hours, as determined by the work schedule, at their regular basic hourly wage. This payment would be in addition to the premiums specified in Section 13:05 of Article 13, when applicable.

13:07 To qualify for holiday pay, an employee must be on duty on the preceding and following scheduled work days and if scheduled to work on such a holiday, must so work. Despite the foregoing, if such employee is requested to work on such a holiday and does so, the employee will be deemed to have qualified. An employee's absence from work on such days due to sickness or injury or reason beyond an employee's control (providing such reasons are acceptable to the Company) shall be deemed as qualifying providing the employee obtains a doctor's certificate of incapacitating illness or injury if the Company requests such proof. Notwithstanding, no employee shall receive pay for a holiday when such a holiday falls during a period of absence from work due to the following reasons:

(a) Absence not authorized by the Company.

(b) Receiving indemnity for the day under the Company's Sickness Plan or after a period in excess of three (3) months from the occurrence of such illness or non-compensable injury.

(c) Receiving Workplace Safety Insurance Board benefits.

(d) Employees on leave of absence, excluding leaves for Union business, who have not worked at least fifteen (15) days during the thirty (30) calendar days preceding the holiday.

13:08 Personal Paid Days

(a) All Seniority Employees shall be entitled to a maximum of five (5) Personal Paid Days, the dates of which will be determined by mutual agreement between the Company and the employee. Five (5) days to be recognized within the period February 1, 2009 to January 31, 2010; five (5) days to be recognized within the period February 1, 2010 to January 31, 2011; and five (5) days to be recognized within the period February 1, 2011 to January 31, 2012.

(b) New hires and seniority employees subject to recall shall be eligible for (a) on a pro-rated basis as follows:

(i) The employee shall be entitled to one (1) Personal Paid Day on date of hire or recall.

(ii) The employee shall earn one (1) additional Personal Paid Day for each four hundred (400) hours worked subject to the maximums outlined in (a).

ARTICLE 14

HOURS OF WORK

14:01 It is recognized by the Union that the natural gas service provided by the Company to its customers is such that the Company must be prepared to operate when necessary on a twenty-four (24) hour basis and that overtime and standby are an inherent part of the operation of the Company.

14:02 Applicable to Locals 790 and 795 Only

The hours of work and days of work as agreed in this Collective Agreement are intended solely as a basis of calculating overtime and shall not be construed as a guarantee of hours of work per day or per week.

14:03 Applicable to Local 38 Only

Availability of Work - The Schedule of hours, days, or weeks in no way guarantees that work will always be available.

14:04 Applicable to Local 38 Only

The normal hours of work for all employees shall be eight (8) hours per day between the hours of 7:00 a.m. and 6:00 p.m. on five (5) consecutive days. Utility Services Representatives will be scheduled five consecutive days between Monday and Saturday. An employee who receives a call out prior to his/her normal starting time

shall be entitled to work his/her full normal shift. It is agreed that shift work on a regular basis may be established by the Company.

14:05 Applicable to Local 790 Only Work Week and Work Days

(a) Service Fitters and Utility Services Representatives where designated by the Company, shall be subject to the following hours and work days.

Service Fitters

- 1. 8:00 a.m. to 4:30 p.m. Shift: Monday through Friday.
- 8:00 a.m. to 4:00 p.m. Shift: Monday through Friday. Four (4) days off and return to work on 4:00 p.m. to 12:00 Midnight shift on Wednesday.
- 3. 4:00 p.m. to 12:00 Midnight Shift: Seven (7) days ending on Tuesday, 12:00 Midnight.
- 4. 8:00 a.m. to 4:30 p.m. Shift: Wednesday, Thursday and Friday off. 8:00 a.m. to 4:00 p.m. shift on Saturday and 8:00 a.m. to 4:00 p.m. shift on Sunday
- 5. The Company will place two (2) Service Fitters on the 4:00 p.m. to 12:00 a.m. shift from the third Wednesday in September to the second Tuesday in April.

Utility Services Representatives

Core hours of work will be between 7:00 a.m. to 6:00 p.m., Monday to Saturday, five consecutive days.

14:06 Applicable to Local 795 Only

(a) The hours of work for all employees covered by this Section shall be seven and one half $(7\frac{1}{2})$ hours per day, normally 8:00 a.m. to 5:00 p.m. with one (1) hour for lunch except for Meter Readers who

will work 8:00 a.m. to 4:30 p.m. with one (1) hour for lunch, seven and one-half $(7\frac{1}{2})$ hours per day.

Applicable to Local 795 Only

(b) Service Fitters and Utility Services Representatives where designated by the Company, shall be subject to the following hours and work days:

Service Fitters

- A. Shift 8:00 a.m. to 5:00 p.m. with one (1) hour for lunch, Monday through Friday.
- B. Shift 8:00 a.m. to 5:00 p.m., Wednesday through Sunday with one (1) hour for lunch, depending on workload.
- C. Shift 1:00 p.m. to 9:00 p.m. Monday through Friday. During the period of May through September, the workload will be analyzed to determine the necessity of the shift.
- D. Shift 8:00 a.m. to 5:00 p.m. Tuesday through Saturday with one (1) hour lunch period, depending on the work load.

Employees assigned to B, C, or D shift will perform standby duty as required to cover the off-shift hours. Standby in Kirkland Lake, Cochrane and Iroquois Falls will be as required by the Company and will be rotated equitably amongst all qualified employees. It is understood and agreed that the Team Lead may be required to perform standby duties.

Utility Service Representatives - core hours of work will be between 7:00 a.m. to 6:00 p.m., Monday to Saturday, five consecutive days.

14:07 Applicable to Locals 790 & 795 Only

(a) **Commencement Day of Work Week**

The work week for employees will normally commence on Monday of each week except that Service Fitters and Utility Service Representatives will be required to work a work week which may commence on a Monday or other than a Monday as provided in 14:05 (a) or 14:06 (b) respectively.

(b) **Commencement of Daily Work Hours**

The daily work hours for employees will normally commence at 8:00 a.m. except that Service Fitters and Utility Service Representatives will be required to work a work day which may commence at 8:00 a.m. or as provided in Section 14:05 (a) or 14:06 (b) respectively.

(c) Rotation of Hours and Standby

The above hours of work in Article 14:05 (a) and 14:06 (b) will be rotated amongst all Service Fitters and Utility Service Representatives and it is understood that standby periods will rotate in conjunction with shifts as it applies to Service Fitters and Utility Service Representatives.

14:08 Work Schedules

Standby periods, shift work and day work schedules for employees so affected shall be posted at least two (2) weeks in advance. Efforts shall be made to project shift work schedules as far in advance as possible.

14:09 Change of Shift

When an employee's days off are changed by the Company or the scheduled hours for commencing work are altered in excess of four (4) hours (except as otherwise provided for in this Collective Agreement) and when such change occurs on an employee's day off, the overtime rate for days off will apply, otherwise, a premium will be paid equal to two (2) times the regular basic pay rate for the first day of the altered shift except in the following circumstances: (a) Employee's absence from work on an authorized Union leave of absence.

(b) An emergency as provided for in Article 6 of this Collective Agreement.

(c) Mutual agreement between the parties to this Collective Agreement.

(d) Employees working in the same classifications being permitted by mutual agreement to exchange shifts and/or standby periods. Such exchange to be subject to approval by the Company.

(e) Absence from work of an employee as a result of injury or sickness of such employee where twenty-four (24) hours notice of the change has been provided.

(f) Despite the foregoing in this Collective Agreement, the Company shall not suffer a penalty for changing scheduled shifts or standby periods where forty-eight (48) hours notice is given by the Company.

(g) The employee or member of their family has an obligation to advise the Company just as soon as possible of the off-the-job sickness or injury of an employee.

14:10 Shift Meal Period

The Company agrees that an employee scheduled for the work shift of eight (8) consecutive hours shall be allowed a thirty (30) minute meal period providing that such employee is available for duty while on such paid meal period.

14:11 Coffee Breaks

(a) The Company will provide two (2) fifteen (15) minute coffee breaks during each work day, one (1) in the morning, and one (1) in

the afternoon. The Supervisor or Delegate will schedule the time for such breaks.

(b) Employees who are authorized and work in excess of two (2) hours overtime in continuity with their regular shift shall be entitled to a fifteen (15) minute coffee break at that time and a similar fifteen (15) minute coffee break every two (2) hours thereafter.

14:12

(a) Shift and Sunday Premiums

Shift and Sunday premiums will not be added to the basic hourly rate when overtime premiums, if any, are applicable. The Company will pay the following shift premium for hours worked during a shift involving Service Fitters and Utility Service Representatives commencing after 10:00 a.m. and Sunday premium for all hours worked on a Sunday shift.

Shift PremiumSunday Premium2.5% of Service11% of ServiceFitter A1 RateFitter A1 Rate

14:13 Applicable to Local 795 Only Normal Work Day and Normal Work Week

Employees required to work beyond 12:30 p.m. or to return to work between 12:00 Noon and 1:00 p.m. will be paid at the applicable overtime rate and be allowed thirty (30) minutes for a meal period.

In lieu of this provision, an employee may elect to take a one (1) hour lunch period. An employee required to work beyond 12:00 Noon to complete an assignment but who completes it before 12:30 p.m. will take a one (1) hour lunch period following completion of the assignment.

ARTICLE 15

OVERTIME

15:01 Overtime Distribution

Overtime will be distributed among the employees who normally perform the work fairly and equitably except as may be provided for in existing or future Governmental regulations. No employee shall be laid off to compensate for overtime worked.

15:02 Overtime as approved by the Company shall be paid under the following conditions:

(a) Two (2) times an employee's regular basic wage rate will be paid for hours worked in excess of eight (8) hours or seven and one-half $(7\frac{1}{2})$ hours in a day as determined by the work schedule.

(b) Two (2) times an employee's regular basic rate for hours worked on a statutory holiday as provided in Article 13.

(c) Two (2) times an employee's regular basic rate will be paid for all hours worked on an employee's first and/or second and/or third scheduled day off in a calendar week as the case may be.

(d) An employee who is required to work overtime and has not had five (5) hours rest in the eight (8) hour period preceding the individual's next regular shift shall be provided time off without loss of regular pay for up to five (5) hours less the employee's actual rest time. Such time off with pay shall be considered as time worked for the purpose of computing overtime.

15:03 Overtime Meal Allowance

Employees will be eligible for participation in the Company's "Overtime Meal Allowance" policy. The Company reserves the sole right and discretion to amend or discontinue this policy. In the event this policy is discontinued, or all Locals request to cease participation in this policy, the "Meal Allowance" language in the Collective Agreement that expired January 31, 2009 will be reinstated.

ARTICLE 16

CALL OUT

16:01 Call out involves a period of work time not scheduled and not in direct continuity with a scheduled period except where an employee is called out and starts work three (3) hours or more before the commencement of his/her regular scheduled shift.

16:02 Employees called out under the provisions of Section 16:01 of this Article shall be paid a minimum of three (3) hours pay at double their straight time hourly rate. When the job that the employee was called out for is completed, such an employee will be permitted to go home. However, if the employee is again called out within the three (3) hour period or any subsequent three (3) hour period for which the employee is receiving premium pay, then any additional call out or work done within such periods will be regarded as the same call out. Time required to complete work beyond any call out period shall be paid for at the applicable overtime rates.

ARTICLE 17

STANDBY

17:01 When employees are on standby they will be paid for such time according to the following schedule:

Reimbursement -

- a) One (1) hour up to and including sixteen (16) hours \$26.00.
- b) In excess of sixteen (16) hours up to and including twentyfour (24) hours - \$36.00.
- c) The standby rate for Statutory Holidays as defined in Article 13 will be seventy-four dollars (\$74.00).

17:02 Applicable to Local 38 Only - Standby Periods

Standby periods shall be scheduled whenever possible for seven (7) day periods and will be compensated for at rates as listed for each period up to and including twenty-four (24) hours. Any hours worked during such periods will be paid for at overtime rates. Provisions for call out will not be applicable during standby periods.

17:03 It is recognized that some customer complaints can be resolved by having the employee on standby contact the customer by telephone. In such cases, the employee will be paid one-quarter $(\frac{1}{4})$ hour's pay at the employee's straight time hourly rate per customer complaint.

17:04 Employees in receipt of standby pay will be paid for all hours worked required to resolve customer complaints not corrected by Section 17:03. For any call out or combination of call outs commencing within any one and one-half hour (1.5) period outside the scheduled work day, the employee will be paid at the greater of the actual hours worked, or a minimum of one and one-half (1.5) hour's pay, at the applicable overtime rate as provided for in Section 15:02 of this Collective Agreement.

ARTICLE 18

PYRAMIDING OF PREMIUM RATES

18:01 There will be no doubling up or pyramiding of premium rates. Any hour or hours worked which have been paid for once at a premium rate shall not again be counted as hours worked for the calculation of premium pay.

ARTICLE 19

WORKPLACE SAFETY INSURANCE BOARD

If an employee is injured in the course of performing work 19:01 duties assigned by the Company and as a result of such injury is in receipt of payment by the Workplace Safety Insurance Board (WSIB) for time lost, the Company shall pay the difference between the amount received by the employee from the WSIB for lost basic wages and the amount the employee would have received for such employee's basic wage had the employee not been injured. Under no circumstances shall the Company continue the make-up of the difference beyond three (3) calendar months from the day the employee became entitled to WSIB payment. Basic pay is defined as the amount received by an employee for eight (8) hours work per day or forty (40) hours per week or, seven and one-half $(7\frac{1}{2})$ hours per day or thirty-seven and one-half (371/2) hours per week, as determined by the work schedule at the time of the injury, excluding shift premiums, overtime and standby compensation. This Article does not apply to probationary employees.

It is understood that any payment by the Company which exceeds an amount greater than the employee's basic wage when such an amount is combined with the employee's WSIB payment, then such excess payment shall be refunded to the Company. **19:02** Employee(s) who become injured during and while performing work duties authorized by the Company will suffer no loss of regular basic pay on the day such an employee(s) was injured. The Company may require, if they feel it is necessary, a report attested to by a medical doctor as to the employee's ability to continue working.

ARTICLE 20

ANNUAL VACATION

20:01 Gross earnings for the purpose of this Article shall be the amount of wages earned and specified on the T4 Income Tax Certificate issued by the Company, less any vacation money received for the year. "Basic pay" shall be calculated at the employee's regular hourly rate in effect immediately prior to the taking of vacation.

20:02

(a) Employees who are terminated with less than one (1) year of service shall receive the vacation entitlement in accordance with the requirements of the vacation section of "The Employment Standards Act" of Ontario.

(b) Employees who are terminated with more than one year of service shall receive the vacation entitlement in accordance with the application of Sections 20:04, 20:05, 20:10, and 20:11 of this Article and their last anniversary date.

20:03

(a) Applicable to Local 790 and 795 Only

Employees with one (1) year but less than two (2) years of service will receive two (2) calendar weeks, ten (10) business days, as time off for vacation. Vacation pay will be four percent (4%) of gross earnings for the previous calendar year or two (2) weeks basic pay, whichever is the greater.

(b) Applicable to Local 38 Only

Employee's with one (1) year but less than two (2) years service will receive two (2) calendar weeks, ten (10) business days, as time off for vacation. Vacation pay will be four percent (4%) of gross earnings for the previous calendar year.

20:04 The following Section 20:04 applies only to employees employed by the company on November 28, 2003.

<u>Completed</u> <u>Vacation Pay</u> <u>Anniversary</u> <u>Years of Service</u>

Two Years of Service Two (2) calendar weeks (ten (10) business days). Vacation pay will be four percent (4%) of employee's gross earnings for the previous year or two (2) weeks basic pay whichever is the greater.

- Three (3) to Eight (8) Years of Service Two (2) calendar weeks ten (10) business days). Vacation pay will be four percent (4%) of employee's gross earnings for the previous year or two (2) weeks basic pay whichever is the greater.
- Nine (9) to Fifteen (15) Years of Service Three (3) calendar weeks (fifteen (15) business days). Vacation pay will be six percent (6%) of employee's gross earnings for the previous year or three (3) weeks basic pay, whichever is the greater.
- Sixteen (16) toFour (4) calendar weeks (twenty (20)Twenty-Four (24)business days).Vacation pay will be

Years of Service	eight percent (8%) of employee's
	gross earnings for the previous year
	or four (4) weeks basic pay,
	whichever is the greater.

Twenty-Five (25)Five (5) calendar weeks (twenty-five
(25) business days). Vacation pay
will be ten percent (10%) of
employee's gross earnings for the
previous year or five (5) weeks basic
pay, whichever is the greater.

Note: Employees eligible for vacation under Section 20:04 with three or more years of service, two percent (2.0%) of the employee's base annual pay (i.e. the value of one week's vacation) has been be added to their Flex Benefit Credit Formula and employees may elect to convert their Flex Credits into one (1) to five (5) additional vacation days and receive vacation pay accordingly.

20:05 The following Section 20:05 applies only to employees hired or re-hired by the company on or after November 29, 2003.

Vacation Pay

<u>Completed</u> <u>Anniversary</u> <u>Years of Service</u>

Two Years of Service Two (2) calendar weeks (ten (10) business days). Vacation pay will be four percent (4%) of employee's gross earnings for the previous year or two (2) weeks basic pay whichever is the greater.

Three (3) to Nine (9)Two (2) calendar weeks ten (10)Years of Servicebusiness days). Vacation pay will be
four percent (4%) of employee's

	gross earnings for the previous year or two (2) weeks basic pay whichever is the greater.
Ten (10) to Seventeen (17) Years of Service	Three (3) calendar weeks (fifteen (15) business days). Vacation pay will be six percent (6%) of employee's gross earnings for the previous year or three (3) weeks basic pay, whichever is the greater.
Eighteen (18) to Twenty-Four (24) Years of Service	Four (4) calendar weeks (twenty (20) business days). Vacation pay will be eight percent (8%) of employee's gross earnings for the previous year or four (4) weeks basic pay, whichever is the greater.
Twenty-Five (25) Years Service or More	Five (5) calendar weeks (twenty-five (25) business days). Vacation pay will be ten percent (10%) of employee's gross earnings for the

Note: Employees eligible for vacation under Section 20:04 with three or more years of service, two percent (2.0%) of the employee's base annual pay (i.e. the value of one week's vacation) has been be added to their Flex Benefit Credit Formula and employees may elect to convert their Flex Credits into one (1) to five (5) additional vacation days and receive vacation pay accordingly.

previous year or five (5) weeks basic

pay, whichever is the greater.

20:06

(a) Applicable to Local 790 and 795 Only

Vacations earned may be taken at any time after the completion of the employee's anniversary year date. An employee

who has two (2) or more years of service and has not been laid off due to a lack of work in the twelve (12) months preceding his or her anniversary date may take vacation earned prior to his or her anniversary date if he or she so wishes with the understanding that an adjustment will be made if he or she should terminate prior to the anniversary date.

(b) Applicable to Local 38 Only

Vacations earned must be taken in the year succeeding the year that vacations were earned, except that employees initially qualifying for third, fourth or fifth week of vacation shall be entitled to such vacation immediately following such employee's anniversary date of hire. Such vacations shall be taken at a time convenient to the fulfillment of the employee's duties.

20:07 Applicable to Local 790 and 795 Only

Subject to Section 20:06 of this Article, vacations shall be taken at a time convenient to the fulfillment of the employee's duties. Employees are urged to take vacations in full consecutive weeks in order to derive maximum benefits. The Company will consider, upon written request by an employee, the carry-over of some of the vacation entitlement to the following calendar year.

20:08 The Company will post the vacation schedule by the first day of February each year. Senior employees, in keeping with the efficient operations of the Company, shall be granted preference regarding vacation dates.

20:09 If a holiday falls on a working day within an employee's annual paid vacation period, such an employee shall receive a one (1) day extension to such a vacation period.

20:10 The following Section 20:10 applies only to employees employed by the company on November 28, 2003.

Construction and Maintenance employees subject to the regular annual layoff (seasonal employees) will receive the following

appropriate percentage of their gross pay in every pay cheque in lieu of the provisions of Section 20:04:

Completed Anniversary Years	<u>Percentage</u>
Up to but not including 3 years 3 Years up to but not including 9 years 9 years up to but not including 16 years 16 years up to but not including 25 year 25 years service or more	

Note: For employees eligible for vacation under Section 20:10 with three or more years of service, two percent (2.0%) of the employee's base annual pay (i.e. the value of one week's vacation) has been be added to their Flex Benefit Credit Formula and the employee may elect to convert their Flex Credits into an additional 2% vacation pay.

Nothing herein shall affect the Company's right to layoff employees not referred to in this Section in accordance with the terms of this Agreement.

20:11 The following Section 20:11 applies only to employees hired or re-hired by the company on or after November 29, 2003.

Construction and Maintenance employees subject to the regular annual layoff (seasonal employees) will receive the following appropriate percentage of their gross pay in every pay cheque in lieu of the provisions of Section 20:05:

Completed Anniversary Years	Percentage
Up to but not including 3 years	4%
3 Years up to but not including 10 years 10 years up to but not including 18 years	4% 6%

18 years up to but not including 25 years	8%
25 years service or more	10%

Note: For employees eligible for vacation under Section 20:11 with three or more years of service, two percent (2.0%) of the employee's base annual pay (i.e. the value of one week's vacation) has been be added to their Flex Benefit Credit Formula and the employee may elect to convert their Flex Credits into an additional 2% vacation pay.

Nothing herein shall affect the Company's right to layoff employees not referred to in this Section in accordance with the terms of this Agreement.

20:12 Applicable to Local 38 Only

Other Employees, who are laid off due to lack of work, will have their vacation entitlement pay pro-rated.

20:13 An employee on disability will continue to accrue vacation for only the first twelve (12) months of such disability.

20:14 If an employee, within his/her vacation period is admitted to a hospital as an "in" patient, then he/she may reschedule his/her vacation for that day and for the remaining days of hospitalization that coincide with the originally scheduled vacation days. Such an employee will be entitled to the provisions of Article 25, Employee Benefits.

20:15 Applicable to Local 38 Only

It is understood that the vacation entitlement must not be pyramided and/or totalized.

ARTICLE 21

LEAVE OF ABSENCE

21:01 Approval of Leave

Any leave of absence application must be submitted to the Company, in writing, for Company approval. No leave approved by the Company shall offset an employee's seniority when such a leave of absence is used for the purpose granted and providing the employee returns to work at the expiration of his or her leave. The Company will consider extending the leave of absence without pay upon a further written or verbal communication with the employee's supervisor.

21:02 Union Leave

Upon written request, containing one (1) week's advance notice from the Union, the Company will grant a leave of absence without pay for one (1) employee. An additional employee will be permitted a leave of absence without pay providing Management determines that there are sufficient, qualified Union employees available to maintain a safe and economically sound operation. Such leave involving the Union business shall not exceed thirty (30) days for each employee in any calendar year. Maintenance and accumulation of benefits will be maintained (normal payroll deductions will apply).

21:03 Bereavement Leave

(a) The Company agrees to allow up to five (5) regularly scheduled working days, without loss of pay, during the period immediately following the day of death of a spouse or child, and up to three (3) regularly scheduled working days, without loss of pay, during the period immediately following the day of death in the employee's immediate family, providing such employee attends the funeral. (Immediate family is defined to include father, mother, father-in-law, mother-in-law, brother, sister, brother-in-law, sister-in-law, daughter-in-law, son-in-law, grandchildren and grandparents).

The Company agrees to allow an employee one (1) regularly scheduled working day, without loss of pay, to attend the funeral in the event of the death of the employee's grandparents-in-law, aunt or uncle.

(b) In the event where bereavement occurs during an employee's scheduled vacation period and provided the employee would have been granted time off with pay in accordance with (21:03 (a)), an equal number of vacation days may be re-scheduled within the same vacation year.

21:04 General Leave

To the extent that in the opinion of the Company and the efficiency of operations permits, the Company agrees, upon written application from the employee concerned, to grant a leave of absence, without pay but with maintenance and accumulation of benefits (normal payroll deductions will apply) for serious illness in an employees immediate family or personal reasons where the Company is satisfied that the circumstances justify such a leave being granted.

21:05 Witness or Jury Duty

Employees who have established seniority and who are called to jury duty or subpoenaed for witness duty shall absent themselves from their work duties only to such extent as to allow them to carry out such jury or witness duties. Employees on jury or witness duty shall be paid the difference, if any, between jury or witness pay and their regular basic pay from the Company subject to the following provisions:

(a) The employee must notify the supervisor, in writing, as soon as possible after receipt of notice of the employee's selection for jury or witness duty. (b) An employee who is so selected but is temporarily excused from court must report for work until such time as the employee is actually involved in such duty.

(c) Employees must furnish a written statement from the appropriate public official showing the dates of time served and the amount of pay from the court that the employee received.

21:06 **Pregnancy and Parental Leave**

The Company will abide by the provisions of the Employment Standards Act, Ontario.

(a) Any application for such leave shall include the requested date for the commencement of such leave and be accompanied by a certificate from the employee's doctor specifying the anticipated delivery date.

(b) Where the employee and the employer agree that the period of leave which follows the date of birth may be less than six (6) weeks, the employee may return to work by providing a certificate from the employee's doctor that resumption of work will not endanger the employee's health. If the employee cannot perform her normal duties the employer can order an extension of the leave as provided in this Article.

(c) An employee to whom such leave has been granted shall be reinstated to her former position or be provided with alternative work of a comparable nature under similar terms and conditions with no loss in the wage rate paid to the employee at the commencement of such leave.

(d) There will be retention of progression to the commencement of such leave with seniority, pension plan credited service and Sick Pay Plan credits continuing to accumulate during such leave.

(e) Management will consider extensions for pre- and postnatal leave in the event of extenuating circumstances.

(f) An employee who has ceased to work and is otherwise entitled to maternity leave shall be granted leave upon providing the Company with a doctor's certificate. Such certificate will be provided within two (2) weeks after she ceased to work, stating that she was unable to perform the duties of her employment because of a medical condition arising from her pregnancy.

(g) Any employee who experiences any pregnancy related disability or illness (whether arising from complications or not) while actively employed shall not be denied any benefits elsewhere described under the terms of this Agreement.

(h) An employee who is unable to return to work at the conclusion of her maternity leave because she is disabled for any reason, she must be paid disability benefits accumulated in respect to her service when the leave began. Such benefits will commence on the date she would otherwise have returned to work.

(i) An employee who is entitled to pregnancy leave, meets the employment criteria and who is the birth mother of a child is entitled to a Supplementary Employment Benefit as per the current company policy.

ARTICLE 22

SAFETY CONDITIONS AND PRACTICES

22:01 The Company and the Union recognize their joint obligation and desire to establish and maintain a high standard of occupational safety and health and to identify and correct all unsafe working conditions and practices.

22:02

(a) Applicable to Local 795 Only

An Occupational Safety and Health Committee will consist of two (2) management and two (2) Bargaining Unit members, one (1) from each of the Timmins Distribution Systems Development and Utility Services Departments.

(b) Applicable to Local 790 Only

An Occupational Health and Safety Committee will consist of two (2) management and two (2) Bargaining Unit members, one (1) from each of the Distribution Systems Development and Utility Services Departments.

(c) Applicable to Local 38 Only

An Occupational Health and Safety Committee will consist of two (2) management and two (2) Bargaining Unit members, one (1) from each of the Kingston Distribution Systems Development and Utility Services Departments.

(d) The Committees will meet not less than every three (3) months to consider all matters pertaining to occupational safety and health and effectively recommend ways and means of improving and maintaining safety standards and safe working procedures for the purpose of preventing occupational injury and illness.

22:03 The Company shall maintain all reasonable and necessary precautions for the health and safety of its employees and continue the following practices.

(a) Providing and maintaining certain equipment and devices for use to protect employees from known hazardous conditions which may exist from time to time.

(b) Providing a training program to insure safe involvement when utilizing the equipment and devices referred to in Section 22:03 (a). (c) Providing first aid treatment supplies.

(d) The Company will pay 100% of the cost of prescription safety glasses and frames (excluding any examination fees) as required by an employee through a vision care program every two calendar years. The frames selected must be from the pre-approved list established by the Company.

If an employee sustains damage to the prescription safety glasses while performing his/her assigned duties, the Company will pay 100% of the cost of repair or replacement of the glasses based on the foregoing provision.

Note:

- Should an employee currently wear progressive bi-focals they will be able to purchase the prescription safety glasses with the same type of lenses;
- When an employee selects their first pair of prescription safety glasses, they will be able to also select a pair of prescription safety sunglasses if they require two sets due to needing clear and shaded lenses safety glasses. This will require managerial approval prior to purchasing the safety glasses;
- An employee who selects both the prescription clear and shaded safety glasses will not be able to select another pair of prescription safety glasses until 36 months have passed unless their current prescription safety glasses have been damaged while performing his/her assigned duties.

(e) Payment of lost time basic wages (if any) for the duly designated safety representative while such employee is attending safety meetings. Such time periods will not be used when calculating overtime.

(f) Giving prompt attention and consideration to the Joint Committee's recommended suggestions.

(g) Maintain, post, and distribute to Committee members minutes approved by the Occupational Health and Safety Committee that shall reflect all matters considered by the Committee.

22:04 The Committee will regularly study and effectively be guided by any applicable health and safety legislation relative to the mutual obligations and responsibilities of the Company and its' employees to provide safe and efficient service to the general public.

ARTICLE 23

PER DIEM COMPENSATION AND TRANSPORTATION

23:01

(a) Employees from the Bargaining Unit who are required to work away from the perimeter of the town or city from which they are normally stationed shall receive for each twenty-four (24) hour period a per diem amounting to reasonable accommodation plus an amount of forty five dollars (\$45).

(b) Applicable to Locals 795, 790 and 38

The Company reserves the right to arrange and pay for suitable accommodations. When overnight accommodation is required to be provided by the Company, employees will be provided with single rooms.

(c) The Company will provide meals in remote work situations. In addition to the per diem, it is agreed that an employee so engaged once every two (2) days or in a situation where it is necessary to increase the number of periods, will be allowed to communicate with the employee's family to an amount not to exceed four dollars (\$4.00) at any one time. Such communication costs shall be charged to the employee's lodging and shown on the receipt. It is understood and agreed that:

- (1) Receipts for accommodation costs are required;
- (2) Any further requirements by law must be strictly adhered to as it relates to expenses.

23:02

(a) Employees directed by the Company to work temporarily in a town or city other than the location they are normally stationed at will be compensated for traveling time and the Company will provide transportation.

(b) If an employee is authorized to use his/her own personal vehicle, the Company will compensate the individual at a rate of twenty cents (\$0.20) per kilometre.

23:03 When an employee is away from his/her home base during a normal meal period and such meal period is not covered by the regular per diem or Article 15, Section 15:03 - Overtime Meal Allowance, then the Company will provide a meal allowance equal to one-third (1/3) of the normal per diem rate.

ARTICLE 24

CERTIFICATES AND PERMITS

24:01 For employees who have established seniority and are chosen by the Company to perform work which requires certificates or permits by Governmental regulations, the Company agrees that during the term of this Agreement, to pay for the initial issue and annual renewal of Welder, Gas Technician, Industrial Maintenance Technician and Pipeline Inspector certificates or permits upon receiving documentation from the employee that he/she has successfully obtained the initial certificate or has been invoiced for the annual renewal.

24:02 It is agreed that employees required by the Company to obtain a driver's licence of a higher category than "G" would be allowed reasonable time off, with pay, and the required equipment to complete the applicable Government examination.

Furthermore, the Company will pay the examination and medical fees, if any, associated with the obtainment and annual renewal of these licences for the designated employees.

The foregoing payments are based on documented successful completion and obtainment of the required licence.

ARTICLE 25

EMPLOYEE BENEFITS

25:01 "Choices" Benefits

The Company agrees to provide the "Choices" Flexible Benefit Program as described in the Company booklets or other sources, benefit plan documents and policies of insurance for all regular employees of the Bargaining Unit. All of the benefit plans described in the Company booklets or other sources shall be as more particularly described and set forth in the respective benefit plans and policies which plans and policies shall be made available for inspection by the Union.

The Company will bear 100% of the premium costs of any applicable core components of the benefits listed below, as specified in the "Choices Flexible Benefit Program" plan documents, to keep the following policies of insurance in force:

- Extended Health Care Plan
- Dental Plan
- Life Insurance Plan
- Accident Insurance Plan
- Long Term Disability Plan

Employees are then able to use their Flexible Benefits credits, described below, to purchase additional coverage in accordance with the rules in the plan documents.

Employees' Flexible Benefit credits under the "Choices" Flexible Benefit Program will be based upon the following formulas:

The flex credit formula for regular full-time employees will be 1.75% of base straight-time annual wages plus \$969.00. For regular full-time employees with three or more years of continuous company service, the formula will be 3.75% of base straight-time annual wages plus \$969.00.

The flex credit formula for regular part-time employees will be 1.75% of the greater of the employee's regularly straight-time Continuous scheduled Part-time annual earnings, or the employee's actual base straight-time earnings in the preceding twelve calendar months (normally October 1 to September 30), plus \$726.75. For regular Continuous Part-time employees with three (3) or more years of continuous company service, the formula will be 3.75% of the greater of the employee's regularly scheduled straight-time Continuous Part-time annual earnings, or the employee's actual base straight-time earnings in the preceding twelve calendar months (normally October 1 to September 30), plus \$726.75.

Effective for enrolment periods of benefit coverage during the term of the collective agreement the benefit price tags will be adjusted to reflect an 85% employer and 15% employee cost sharing percentage from the prior year's cost.

The Company agrees that there will be no changes to the "Choices" Flexible Benefit Program plan content for the duration of the Collective Agreement. The Company reserves the right to make administrative or insurer changes that do not affect the Plan content during the term of the Collective Agreement.

25:02 Pension

Effective July 1, 2004, the Company agrees to provide the "Pension Choices" Plan as described in the Company booklets or other sources, and pension benefit plan documents for all employees represented by the Bargaining Units. The "Pension Choices" Plan described in the Company booklets or other sources shall be as more particularly described and set forth in the pension plan documents, which plans and policies shall be made available for inspection by the Union.

25:03 Weekly Indemnity

The Company agrees to provide a Weekly Indemnity benefit as described in Company booklets or other sources, benefit plan documents or policies of insurance for the duration of the agreement. The benefit described in Company booklets or other sources shall be as more particularly described and set forth in the respective benefit plans and policies, which plans and policies may be made available for inspection by the Union. The Company will bear 100% of the premium cost of Weekly Indemnity benefit.

25:04 Sick Pay

The Company will, in the event of a regular employee's absence due to a bona fide illness or accident, provide in addition to weekly indemnity provision, sick pay insurance based on a formula of 90% of basic pay as provided herein following. The above provision will apply to all cases of non-occupational accident, and to any illness in excess of five (5) working days' duration supported by a doctor's report of illness. In cases of bona fide illness absence of five (5) working days or less no payment will be made for the first day or partial day of any such absence following the third such absence incident; the first day or partial day and the second day or partial day, the second day or partial day and the third day or partial day following the

fifth incident and any subsequent incident in any calendar year, otherwise the provisions above apply. (For the purpose of this provision part day absences up to and including a maximum of five (5) per calendar year, will not constitute an absence incident, nor will it disqualify him from sick pay benefits providing the employee reports for work at the beginning of his regular scheduled hours). In order to qualify for such sick pay insurance, absent employees must notify the Company prior to the commencement of their work schedule. However, if it is not possible to give notification prior to the commencement of the first work schedule, it must in any event be given within the first working day of such absence.

	<u>90%</u>	<u>75%</u>
Less than six months' service	Nil	26 weeks
After six months' continuous service but less than one year	1 week	25 weeks
After one year's continuous service but less than five years	2 weeks	24 weeks
After five years and before ten years	5 weeks	21 weeks
After ten years and before fifteen years	7 weeks	19 weeks
After fifteen years and before twenty years	9 weeks	17 weeks
After twenty years and before twenty-five years	10 weeks	16 weeks
After twenty-five years and before thirty years	11 weeks	15 weeks
After thirty years and before thirty-five years	12 weeks	14 weeks
After thirty-five years and before forty years	13 weeks	13 weeks
After forty years	14 weeks	12 weeks

The right is reserved by the Company to discipline any employee and/or withhold any sick pay benefit to such employee who is found to be taking undue advantage of the sick pay provision. The right of the Company is further reserved to cancel, suspend, or modify the sick pay provisions at the expiration of this agreement, or any renewal thereof, and in particular should it become evident to the sole satisfaction of Management that employees are taking unwarranted advantage of the arrangement.

25:05 Continuation of Employee Benefits

a) For an employee on lay-off the Company will provide and pay the premiums that are due in the four (4) calendar month period following the month of layoff for all the Employee Benefits as outlined in Article 25 excluding Weekly Indemnity, Sick Pay, Long Term Disability Benefits and Accidental Death and Dismemberment.

b) For an employee in receipt of Weekly Indemnity, Sick Pay, Long Term Disability, or Workplace Safety Insurance Board benefits, the Company will provide and pay the premiums for Life Insurance, Extended Health Care Plan, and the Dental Plan.

25:06 Employee Savings Plan

All Union Gas employees who are members of the Bargaining Unit shall be entitled to participate in the Employee Savings Plan and the employees' participation shall be governed by the rules and regulations of the Plan, effective January 1, 2004.

25:07 Retiree Benefits

Employees retiring on or after January 1, 2006 will be eligible for retiree benefits as presented to the Union Negotiation Committee during discussions for renewal of the Collective Agreements that expired January 31, 2003. The "Early Retirement Benefit" provisions in the Collective Agreement that expired January 31, 2003 will cease effective December 31, 2005.

ARTICLE 26

INCENTIVE PLAN

26:01 Effective January 1, 2003, the basis on which any Incentive Plan payment is calculated will be modified. The modified plan will be based upon a 100% target payout of 2.5%, comprised of 1.75% District / Departmental targets and 0.75% Spectra Energy Earnings Per Share (EPS). Any Incentive Plan payout will be based upon the employee's incentive eligible earnings which includes straight-time earnings, STD, vacation pay, holiday pay, paid personal days, overtime pay, and shift premiums. For clarity, any other forms of payment will not be included in the employee's incentive eligible earnings. The rules and administration and payout formula of the Company's Short Term Incentive Plan will apply to this Incentive Plan.

The Incentive Plan for employees will be calculated on:

Operations District/Departmental targets - a sliding scale based on the achievement of the targets. The sliding scale starts at an achievement level of fifty (50%) percent each calendar year. Achievement below fifty percent (50%) in any calendar year results in no payout under this component of the Incentive Plan.

At one hundred percent (100%) achievement level in a calendar year, the District / Department component of the Incentive Plan payment will be:

• One and three-quarters percent (1.75%) of the employee's incentive eligible earnings in each of the calendar years 2009, 2010 and 2011, or

At the achievement level of one hundred and fifty percent (150%) or more in a calendar year, the maximum District / Department component of the Incentive Plan payment will be:

- 1. Two and five-eighths percent (2.625%) of the employee's incentive eligible earnings in each of the calendar years 2009, 2010 and 2011.
- Spectra Energy Earnings Per Share (EPS) a sliding scale based on the achievement of the target EPS. The sliding scale starts at an achievement level of fifty (50%) percent each calendar year. Achievement below fifty percent (50%) in any calendar year results in no payout under this component of the Incentive Plan.

At one hundred percent (100%) achievement level in a calendar year, the EPS component of the Incentive Plan payment will be:

1. Three-quarters percent (0.75%) of the employee's incentive eligible earnings in each of the calendar years 2009, 2010 and 2011, or

At the achievement level of two hundred percent (200%) or more in a calendar year, the maximum EPS component of the Incentive Plan payment will be:

1. One and one-half percent (1.50%) of the employee's incentive eligible earnings in each of the calendar years 2009, 2010 and 2011.

The District / Department and Spectra Energy Earnings Per Share targets will be established annually by the Company.

Any applicable payment under this Incentive Plan will be paid by March 31, of the following calendar year.

ARTICLE 27

PENSION PLAN

Effective July 1, 2004 the provisions of this Article 27 will be replaced by the provisions of Article 25:02 and the provisions of this Article 27 will be discontinued.

27:01

(a) The Company will provide participating employee pension plan data and recipient of benefit information for members of the Bargaining Unit on an annual basis.

(b) The Company will provide stewardship and actuarial reports every three (3) years.

27:02 The Union Gas Limited Pension Plan - Group 3 (Appendix "A") attached hereto and forming a part of this Collective Agreement) will remain in effect for the duration of the Collective Agreement and shall not be changed except by the mutual consent of the parties.

ARTICLE 28

COST OF LIVING ALLOWANCE

Effective with the base month of February 1989, a cost of living allowance will be paid on the following basis:

28:01 The Consumer Price Index (C.P.I.) for Canada (all items) as published by Statistics Canada with 1971 = 100 shall constitute the controlling index numbers for all calculations re: C.O.L.A.

28:02 The base index figure will be the February 1989 C.P.I. The index for March 1989 and each subsequent month up to and including

December 1989 will have subtracted from it the base index to yield the differential.

28:03 When the differential calculation in Section 27:02 preceding exceeds eight percent (8%) by one (1) full percent or more, then the C.O.L.A. formula will be triggered.

Any allowance in increments of one (1) full percent will be calculated on the employee's wage rate in effect per Appendix "C: and paid as a C.O.L.A. float premium from the first of the month following the month in which the comparison is made.

28:04 The C.O.L.A. premium will be paid on all hours paid up until the final comparison when the amount (if any) applicable from the February, 1989 and December, 1989 calculation will be incorporated into the rates of pay effective January 31, 1990.

ARTICLE 29

EMPLOYEE DEVELOPMENT AND TRAINING

29:01 Development

Employees will be eligible for participation in the Company's "Educational Assistance" policy. The Company reserves the sole right and discretion to amend or discontinue this policy. In the event this policy is discontinued, or all Locals request to cease participation in this policy, the "Development" language in the Collective Agreement that expired January 31, 2003 will be reinstated.

29:02 Training

On-the-job training by the Company with the employees concerned shall be pursued by the Company as vigorously as possible in order to increase the knowledge and skill of the employees in their various job categories.

The Company recognizes the desirability of helping 29:03 employees, who may, when the opportunity arises, wish to change to a different position. For those employees who have indicated, in writing to their Team Leader, that they would wish to involve themselves in training which may be conducted but may not necessarily involve their existing job duties, the Company will consider including them in such training programs at time which will not interfere with the carrying out of their job duties. If an employee wishes to be involved in training sessions which are being conducted after the completion of their working hours, no compensation by the Company would be paid as it would necessarily be on a voluntary basis by the employee concerned. Compulsory training after normal working hours or while an employee is on layoff will be paid by the Further, when an employee on layoff is involved in Company. compulsory training, the provisions of Sections 8:05 and 8:06 do not apply.

ARTICLE 30

TERM OF AGREEMENT

30:01 This Agreement shall be binding on both parties from the 1st day of February 2009 to the 31st day of January, 2012 and thereafter from year to year unless notice is given in writing by either party to the other party, no less than sixty (60) days or more than ninety (90) days before the termination date of this Agreement, of either party's desire to negotiate revisions, amendments or the termination of this Agreement and negotiations will then commence not less than forty-five (45) days before the termination date of this Agreement.

IN WITNESS whereof the parties have caused this Agreement to be executed:

Executed on the 26th day of March, 2009.

FOR THE UNION

FOR THE COMPANY

D. Valente	R. Cadieux
CEPU National Representative	Manager, Labour & Employee Relations
B. Teran	P. Greco
Local 790 Thunder Bay (Operations Unit)	Director, Distribution Const/Mtce Process Improvement
C. Maki	R. Henley
Local 790 Thunder Bay (Office	Manager, Contact Centre
Unit)	Operations
C. Doig	J. McReynolds
Local 38 Kingston (Operations	Manager, Labour Relations
Unit)	
T. Orr	G. Burton
Local 38 Kingston (Operations Unit)	District Manager, Northwest
M. Belliveau	

Local 795 Timmins (Operations Unit)

APPENDIX "A" PENSION PLAN

COVERING UNION GAS EMPLOYEES REPRESENTED BY THE COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION

This Appendix "A" is in effect up to and including June 30, 2004. Effective July 1, 2004, refer to Article 25:02.

1. Replace the existing Basic and Supplemental Plans with a Flat Benefit Plan having a pension benefit rate as determined from the following table. For members who retire after January 1, 1984, the benefit rate as indicated will be multiplied by the years (and fractions of a year) of service after August 1, 1959.

Benefit Rate for Retirements

February 1, 1992 to January 31, 1993	\$31.00
February 1, 1993 to January 31, 1994	\$32.00
February 1, 1994 to January 31, 1995	\$32.50
February 1, 1995 to January 31, 1996	\$33.00
February 1, 1996 to January 31, 1997	\$34.00
February 1, 1997 to January 31, 1998	\$35.00
February 1, 1998 to January 31, 1999	\$36.00
February 1, 1999 to January 31, 2000	\$37.00
February 1, 2000 to January 31, 2001	\$39.75
February 1, 2001 to January 31, 2002	\$42.50
February 1, 2002 to January 31, 2003	\$45.25

2. A revised non-contributory plan to be known as the Union Gas Employees Pension Plan - Group Three, will be established to provide benefits for members of the Communications, Energy and Paperworkers Union Bargaining Units in respect of service after August 1, 1959.

(a) A member's normal retirement date will be the last day of the month following attainment of age 65. The plan will permit early retirement of a member with the consent of the Company after age 55 up to and including age 59 and thereafter at the employee's request with accrued pension subject to a reduction on one-quarter (1/4) of one percent (1%) for each month by which the early retirement date precedes age 62. A member may also, with the consent of the Company, postpone his/her retirement beyond age sixty-five (65) but not beyond age seventy (70) with pension accrued to normal retirement subject to an actuarial increase.

(b) Benefits shall accrue on the basis of credited service after January 1, 1984 based on hours paid (without adjustment for premium rates) on the following schedule:

Hours Paid	Service Credit (Yrs.)
Less than 160 hours	0
160 but less than 320	1/10
320 but less than 480	2/10
480 but less than 640	3/10
640 but less than 800	4/10
800 but less than 960	5/10
960 but less than 1120	6/10
1120 but less than 1280	7/10
1280 but less than 1440	8/10
1440 but less than 1600	9/10
1600 or more	1

(c) Absence of a member due to disability during which benefits are paid under the Company's Sickness and Accident and Long Term Disability Insurance Plan shall be counted as service on the basis of such member's normal work week and benefits shall be determined on the basis in force on the date the member became disabled.

(d) Periods of absence of members authorized by the Company for Union duty or other leave covered by the Bargaining Agreement shall be counted for the purpose of calculating benefits on the basis of such member's normal basic work week.

(e) Vesting of benefits shall be based on the following schedule:

Service Credits for Vesting	Vesting Percentage
Less than 2 years	0
2 or more years	100%

Service credits for vesting shall be service according to an approved seniority list as of January 1, 1984, plus service in accordance with items (b), (c), and (d) after that date.

(f) **Survivor Pension**:

The normal form of Pension for members with a spouse is Joint and Survivor. The surviving spouse of an employee who dies after becoming eligible for any form of Pension Benefit under this plan, (whether he/she is retired or still employed by the Company), shall receive a monthly pension for life equal to sixty percent (60%) of the pension which the deceased employee was receiving, or was entitled to receive, at the time of death.

(g) At retirement the normal form of Pension for members without a spouse will be life only, guaranteeing the return of the employee's required contributions (with interest) to normal retirement date. The Plan will permit the election by members of an optional form of pension of equivalent actuarial value.

(h) The Group Three Pension Plan shall contain provisions for member's optional contributions. This provision for optional contributions will cease effective December 9, 2003.

3. Membership in the new plan will be restricted to Union Gas Limited, employees represented by the C.E.P.U. as specified in the applicable certifications with the Ontario Labour Relations Board.

4. When an employee retires at age sixty-two (62) or more, the Company will continue the current amount of life insurance as stipulated in Article 25:02. This amount will be reduced by twenty-five percent (25%) every twelve (12) months until it reaches a minimum of fifteen hundred dollars (\$1,500.00).

APPENDIX "B"

TEMPORARY EMPLOYEES

WAGES, HOURS OF WORK AND WORKING CONDITIONS

1. Only the following Sections / Articles of this collective agreement, and the provisions in 2. below, apply to Temporary Employees.

A. Deduction of Union Dues, Article 4, Section 4:02

- B. Management Functions, Article 5
- 2. Additional provisions applying to Temporary Employees

A. The Company will notify the Bargaining Unit in writing when a Temporary Employee is to be employed, together with the expected duration of the assignment.

B. In the Operations collective agreement "Temporary Employees" shall mean those employees hired to replace regular full-time employees, in the following positions – Business Development Clerk (Local 790 only), Drafter – Estimator, Utility Service Clerk, Utility Administration Clerk (Local 790 only), Warehouse Clerk, and any inside/office positions that may be created; and those employees hired to work on projects or other assignments, in the same preceding positions. The employment of Temporary Employees hired for replacement purposes will not exceed twelve continuous months from the most recent hire date, and the employment of Temporary Employees hired for projects or other assignments will not exceed ninety (90) working days in a calendar year.

Temporary Employees working on projects or other assignments shall be terminated at the conclusion of 90 days of work in any calendar year, commencing from the date of hire or commencement of employment in such calendar year. Should a Temporary Employee not be terminated, as provided above, he / she shall become a regular employee and the seniority date shall be dated back to the most recent date of hire.

Temporary Employees, who are subsequently hired within a six (6) month period following termination, to fill a vacancy in the regular staff, will have the normal sixty (60) day probationary period reduced by the amount of service completed as a Temporary Employee. For the purpose of establishing the individual's Union seniority date, such employees will be granted a maximum of three (3) months' credit for employment as a Temporary Employee.

C. Rate of Pay

Operations - Temporary Employees will be paid the probationary rate of pay as provided in Appendix "D" of the collective agreement.

D. HOURS OF WORK

Temporary Employees will work in accordance with the hours specified for regular full-time employees as applicable.

E. OVERTIME

The Company will pay overtime rates for Temporary Employees at the applicable overtime rate specified in Article 15:02 of the collective agreement.

F. SHIFT PREMIUM – Operations only

When Temporary Employees are required to work regularly scheduled shift hours for which a shift premium is payable under the collective agreement they will be paid shift premium in accordance with the provisions of Article 14, Section 14:12 of the collective agreement.

G. GRIEVANCE PROCEDURE

Temporary Employees will be entitled to the provisions of Article 7 of the collective agreement providing a grievance and arbitration procedure only in respect to a difference relating to the interpretation, application, or administration of the provisions of this Appendix.

LOCAL 795 - TIMMINS ET AL OPERATIONS LOCAL 790 - THUNDER BAY OPERATIONS LOCAL 38 - PORT HOPE TO CORNWALL OPERATIONS

IT IS UNDERSTOOD AND AGREED:

That if an Employee can in all respects meet the requirements of the Company (including any applicable examinations) and the requirements of the Ministry of Consumer and Commercial Relations, Energy and Safety Branch, such Employee shall progress as follows:

		FROM	<u>T0</u>
1.	SERVICE FITTER		
	After Service of:		
	Probationary		
	Three months in	C3	C2
	Three (3) months in	C2	C1
	After examination and service of:		
	Six (6) months in	C1	B3
	After service of:		
	Six (6) months in	B3	B2
	Six (6) months in	B2	B1
	After examination and service:		
	Six (6) months	B1	A3
	After service of:		
	Six (6) months in	A3	A2
	Six (6) months in	A2	A1

		FROM	<u>T0</u>
2.	MEASUREMENT TECHNICIAN		
	After Service of:		
	Probationary		
	Three months in	C3	C2
	Three (3) months in	C2	C1
	After examination and service of:		
	Six (6) months in	C1	B3
	After service of:		
	Six (6) months in	B3	B2
	Six (6) months in	B2	B1
	After examination and service:		
	Six (6) months	B1	A3
	After service of:		
	Six (6) months in	A3	A2
	Six (6) months in	A2	A1
3.	WELDER - PIPELINE		
	After Service of:		
	Sixty (60) calendar days	Probationary	A3
	Twelve (12) months in	A3	A2
	Twelve (12) months in	A2	A1

4. UTILITY SERVICES

REPRESENTATIVE		
After service of:		
Six (6) months in (includes probation)	C2	C1
After examination and service of:		
Six (6) months in	C1*	B4
After service of:		
Six (6) months in	B4	B3
After examination and service of:		
Six (6) months in	B3*	B2
After service of:		
Six (6) months in	B2	B1
Six (6) months in	B1	A3
Six (6) months in	A3	A2
Six (6) months in	A2	A1

For the Utility Services Representative role, progression from a classification marked with an * is subject to passing written and practical examinations.

An employee in the A2 or A1 classification will complete an assessment to ensure the employee has the knowledge and skills required for the job.

For probationary employees, the first 60 days of the C2 period will be paid at the probationary rate of pay.

		<u>FROM</u>	<u>T0</u>
5.	C&M UTILITY PERSON		
	After examination and service of:		
	Six (6) months in	C1	B3
	After service of:		
	Six (6) months in	B3	B2
	Six (6) months in	B2	B1
	After examination and service of:		
	Six (6) months in	B1	A3
	After and service of:		
	Six (6) months in	A3	A2
	Six (6) months in	A2	A1
•			
6.	Drafter - Estimator	Da	50
	First sixty (60) calendar days in	B3	B2
	Six (6) months in	B2	B1
	After examination and service of:	D /	
	Nine (9) months in	B1	A3
	Nine (9) months in	A3	A2
	After examination and service of:		_
	Nine (9) months in	A2	A1
7.	Business Development Clerk (Thun First sixty (60) colondar days in	• • • •	٨٥

First sixty (60) calendar days in	A4	A3
Twelve (12) months in	A3	A2
Twelve (12) months in	A2	A1

	FROM	<u>T0</u>
Utility Service Clerk First sixty (60) calendar days in Four (4) months in Six (6) months in	A4 A3 A2	A3 A2 A1
Utility Administration Clerk (Thunder First sixty (60) calendar days in Four (4) months in Six (6) months in	Bay Only) A4 A3 A2	A3 A2 A1
METER READER (Applicable to Locals 795 and 38 Only <i>After Service of:</i> Sixty (60) calendar days Six (6) months in <i>After examination and service of:</i> Nine (9) months in	y) Probationary A3 A2	A3 A2 A1
WAREHOUSE CLERK (Applicable to Locals 795 and 38 Or <i>After Service of:</i> Sixty (60) calendar days Twelve (12) months in <i>After examination and service of:</i> Twelve (12) months in	nly) Probationary A3 A2	A3 A2 A1
	 First sixty (60) calendar days in Four (4) months in Six (6) months in Utility Administration Clerk (Thunder First sixty (60) calendar days in Four (4) months in Six (6) months in METER READER (Applicable to Locals 795 and 38 Only After Service of: Sixty (60) calendar days Six (6) months in After examination and service of: Nine (9) months in WAREHOUSE CLERK (Applicable to Locals 795 and 38 Only After Service of: Sixty (60) calendar days Sixty (60) calendar days Twelve (12) months in After examination and service of: 	Utility Service ClerkFirst sixty (60) calendar days inA4Four (4) months inA3Six (6) months inA2Utility Administration Clerk (Thunder Bay Only)First sixty (60) calendar days inA4Four (4) months inA3Six (6) months inA3Six (6) months inA3Six (6) months inA2METER READER (Applicable to Locals 795 and 38 Only)After Service of: Sixty (60) calendar daysProbationary Six (6) months inSix (6) months inA3After examination and service of: Nine (9) months inA2WAREHOUSE CLERK (Applicable to Locals 795 and 38 Only)After Service of: Sixty (60) calendar daysProbationary A3Marce Service of: Sixty (60) calendar daysProbationary A3Marce Service of: Sixty (60) calendar daysProbationaryAfter examination and service of: Sixty (60) calendar daysProbationaryAfter examination and service of:A3

		FROM	<u>T0</u>
12.	CORROSION UTILITY PERSON <i>After service of:</i> Six (6) months in Six (6) months in	A3 A2	A2 A1
13.	LABOURER After service of: Sixty (60) calendar days Nine (9) months in	Probationary Labourer	Labourer CM Utility Person C1
14.	LINE LOCATOR (Applicable to Local 38 Only) <i>After service of:</i> Sixty (60) calendar days Nine (9) months in Eight (8) months in	Probatior A3 A2	nary A3 A2 A1

IT IS FURTHER AGREED:

 An employee when assigned to operate any of the following: (1) A backhoe, (2) a tractor trailer, or (3) stopping/tapping equipment on steel pipe with a nominal pipe diameter of greater than 60.3 mm will not receive less than the C&M Utility Person A2 rate while so engaged. The difference between the employee's current rate and the C&M Utility Person A2 rate will be paid for a minimum of four (4) hours each calendar day the employee is so assigned regardless of whether or not he/she operated such equipment for less than four (4) hours on such day.

2. An employee when assigned to fuse plastic pipe or to operate any of the following: (1) ditching machine, (2) Hiab, (3) bulldozer or (4) side boom shall receive the C&M Utility Person B2 rate while so engaged. The difference between the employee's current rate and the C&M Utility Person B2 rate will be paid for a minimum of four (4) hours each calendar day the employee is so assigned regardless of whether or not he/she operated such equipment for less than four (4) hours on such a day.

3. (a) **C&M Crew Leader:** The Company may temporarily assign any employee as crew leader. The employee would be required to perform his/her normal duties and, in addition, be responsible to the Foreman or Supervisor for the work being performed by the construction and maintenance crew. While so engaged, he/she would receive a premium of one dollar and seventy-five cents (\$1.75) per hour over his/her normal basic rate.

(b) Applicable to Local 38 Only

In any event he/she shall not receive less than the rate of a C&M Utility Person A1 plus the premium. When calculating the overtime rate for a Crew Leader, the premium shall not be used in the calculation but will simply be added to his/her pay rate. Management agrees that a Crew Leader will receive the premium for each hour involved but in any event it would be not less than the equivalent of four (4) hours of the premium regardless of whether or not he/she worked as a Crew Leader for a lesser period.

4. (a) Students will not obtain seniority or complete their probationary period.

(b) Students will receive Summer Student rate as stipulated in Appendix "D" when performing routine tasks such as painting,

basic leak surveys, general clean up in and around the shop and vehicle washing. When performing other duties relating to the Job Classifications in Appendix "C" and "D" they will receive the rate applicable to the job performed in accordance with the Job Classifications and time frames as described in Appendices "C" and "D".

5. A Welder, when fabricating or installing, measuring and/or pressure regulating stations, having a nominal pipe diameter greater than 60.3 mm shall receive fifty cents (\$0.50) per hour in addition to his/her regular rate.

JOB CLASSIFICATIONS & Wage Rates LOCAL 795 - OPERATIONS LOCAL 790 - OPERATIONS LOCAL 38 - OPERATIONS

The following classifications and wage rates are applicable to the Communication, Energy and Paperworkers Union, Local 795, Local 790 and Local 38 Operations.

		Apr 12/09	Feb 14/10	Feb 13/11
Service Fitter	A1	\$29.88	\$30.78	\$31.70
	A2	\$28.99	\$29.86	\$30.76
	A3	\$27.95	\$28.79	\$29.65
	B1	\$27.33	\$28.15	\$28.99
	B2	\$26.78	\$27.58	\$28.41
	B3	\$25.54	\$26.31	\$27.10
	C1	\$24.61	\$25.35	\$26.11
	C2	\$23.41	\$24.11	\$24.83
	C3	\$22.64	\$23.32	\$24.02

		Apr 12/09	Feb 14/10	Feb 13/11
Measurement Technician	A1 A2 A3	\$29.88 \$28.99 \$27.95	\$30.78 \$29.86 \$28.79	\$31.70 \$30.76 \$29.65
	B1	\$27.33	\$28.15	\$28.99
	B2	\$26.78	\$27.58	\$28.41
	B3	\$25.54	\$26.31	\$27.10
	C1	\$24.61	\$25.35	\$26.11
	C2	\$23.41	\$24.11	\$24.83
	C3	\$22.64	\$23.32	\$24.02
Welder	A1	\$29.88	\$30.78	\$31.70
	A2	\$28.99	\$29.86	\$30.76
	A3	\$27.95	\$28.79	\$29.65
Utility Services Representative	A1 A2 A3	\$29.66 \$28.95 \$28.23	\$30.55 \$29.82 \$29.08	\$31.47 \$30.71 \$29.95
	B1	\$26.45	\$27.24	\$28.06
	B2	\$25.38	\$26.14	\$26.92
	B3	\$24.67	\$25.41	\$26.17
	B4	\$23.96	\$24.68	\$25.42
	C1	\$23.26	\$23.96	\$24.68
	C2	\$22.90	\$23.59	\$24.30

		Apr 12/09	Feb 14/10	Feb 13/11	
Drafter-Estimator	A1	\$27.07	\$27.88	\$28.72	
	A2	\$26.39	\$27.18	\$28.00	
	A3	\$25.70	\$26.47	\$27.26	
	B1	\$25.02	\$25.77	\$26.54	
	B2	\$23.94	\$24.66	\$25.40	
	B3	\$22.76	\$23.44	\$24.14	
C&M Utility Person	A1	\$28.96	\$29.83	\$30.72	
	A2	\$27.85	\$28.69	\$29.55	
	A3	\$26.51	\$27.31	\$28.13	
	B1	\$25.58	\$26.35	\$27.14	
	B2	\$24.49	\$25.22	\$25.98	
	B3	\$24.02	\$24.74	\$25.48	
	C1	\$23.62	\$24.33	\$25.06	
Corrosion Utility Person	A1 A2 A3	\$26.93 \$25.10 \$23.28	\$27.74 \$25.85 \$23.98	\$28.57 \$26.63 \$24.70	
APPLICABLE TO LOCALS 790 and 38 ONLY					
Warehouse Clerk	A1	\$24.52	\$25.26	\$26.02	
	A2	\$23.34	\$24.04	\$24.76	
	A3	\$22.85	\$23.54	\$24.25	

		Apr 12/09	Feb 14/10	Feb 13/11	
APPLICABLE TO LO	CALS 7	795 and 38 C	ONLY		
Meter Reader	A1 A2 A3	\$25.94 \$23.64 \$22.21	\$26.72 \$24.35 \$22.88	\$27.52 \$25.08 \$23.57	
APPLICABLE TO LO	CAL 38				
Line Locator	A1 A2 A3	\$24.42 \$23.78 \$23.14	\$25.15 \$24.49 \$23.83	\$25.90 \$25.22 \$24.54	
Utility Service Clerk	A1 A2 A3 A4	\$25.89 \$23.85 \$22.50 \$21.82	\$26.67 \$24.57 \$23.18 \$22.47	\$27.47 \$25.31 \$23.88 \$23.14	
APPLICABLE TO LO	CAL 79	0 ONLY			
Utility Admin. Clerk	A1 A2 A3 A4	\$24.87 \$23.08 \$21.88 \$21.30	\$25.62 \$23.77 \$22.54 \$21.94	\$26.39 \$24.48 \$23.22 \$22.60	
APPLICABLE TO LOCAL 790 ONLY					
Business Dev. Clerk	A1 A2 A3 A4	\$26.93 \$25.09 \$23.79 \$22.96	\$27.74 \$25.84 \$24.50 \$23.65	\$28.57 \$26.62 \$25.24 \$24.36	

	Apr 12/09	Feb 14/10	Feb 13/11
Labourer	\$22.94	\$23.63	\$24.34
PROBATIONARY	\$22.54	\$23.22	\$23.92
Student	\$13.20	\$13.20	\$13.20

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November 28, 2003

Re: Relief of Team Leaders / Management Locals 790, 795 & 38 Operations

This letter will confirm that:

"When a Utility Services Representative is assigned as relief for Team Leaders / Management during their absence, the Utility Services Representative will receive, in addition to his / her regular rate, one dollar and seventy-five cents per hour (\$1.75) to a maximum of fourteen dollars (\$14.00) for such a day".

Terry Tippin Manager, Labour & Employment Relations

November 28, 2003

Re: Personal Leave of Absence

A Union employee, who is applying for a leave of absence on the grounds of a medical condition such as substance abuse, may apply directly to the Human Resources Department, c/o the Occupational Health Department or the Manager, Human Resource Services.

This matter will be reviewed with the line Management. In addition, the Union Representative of such an employee will be advised of the request for the leave. Both the employee and Union Representative will be notified on the disposition of the request.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: CEPU Local President

During the course of negotiations to renew the Collective Agreements that were scheduled to expire January 31, 1992, the subject of the Local President involved in a layoff from his/her regular duties was discussed at length.

The Company agrees to pay to any laid-off President of Local 38, 790 or 795, upon return from such layoff, one day's regular wages for each day spent in negotiation meetings with Management, in accordance with Article 2 - Representation, Section 2:04, and the Company letter regarding Travel Time - Negotiations.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

RE: Employee Examinations & Training CEP Local 38, 790 & 795 - Operations

During the course of negotiations between the parties to renew the Collective Labour Agreement scheduled to expire January 31, 1992, the subject of Employee Examination and Training was discussed at length.

- (a) The Training Supervisor will, upon completion and marking of an employee examination, advise the employee's immediate supervisor of the areas in which the employee could stand improvement. This will be extended to successful and unsuccessful examinees.
- (b) The immediate Supervisor will advise the employee of the areas of improvement required and direct him to the sources of information or experience for his development.
- (c) Employee examinations are normally written. Exceptions will be made when written communication is a problem.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: Travel Time - Negotiations Local 790 - Office Locals 38, 790 & 795 - Operations

When an employee is required to participate in sets of negotiation meetings beyond the geographical scope of his collective agreement, the Company will pay lost time basic wages up to a maximum of six (6) hours for travelling time. These hours will be deducted from the cumulative totals stipulated in section 2:04 of the current Collective Agreement.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: Driver's License Suspension

The Company and the Union agree that the suspension of an employee's driver's licence in most cases reduces the employee's ability to perform his or her regular job duties. In such cases, it is expected the employee will immediately report the driver's license suspension to his or her supervisor.

Each case will be reviewed locally, on its own merits, to determine if adjustments to work assignments may be made in an effort to maintain the employee's normal rate of pay, or minimize any pay reduction. However, where it is not practical or reasonable to do so, the Company may assign the employee to other duties if available and the employee's rate of pay will be adjusted to the level of duties being performed.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: Definitions of Home Base -Locals 38, 790 & 795 - Operations

For the purpose of clarifying Section 23:03 or Article 23 - Per Diem Compensation and Transportation of the current Collective agreement for all Construction and Maintenance employees, "Home Base" will be defined to include any work site within a forty kilometre (40 km) radius of the employee's assigned Crew Compound.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: Out of Town Work Only Locals 790, 795 & 38 Operations

In the event, due to weather conditions, a scheduled construction and maintenance work day cannot commence or be completed, the Company shall provide a minimum of four hours of pay at the regular basic hourly rate.

Management's decision to commence or to carry on work during inclement weather shall be discussed with the on-job site steward.

Terry Tippin, Manager, Labour & Employment Relations

March 24, 2009

Re: Employee Savings Plan Suspension or Discontinuation Locals 790, 795 & 38 Operations, Local 790 & 795 Office

In the event that the Employee Savings Plan is suspended or discontinued for more than three months during the term of the agreement, the parties agree to implement:

- 1. The terms of Article 14 Hours of Work as outlined in the Collective Agreement dated February 1, 1990 January 31, 1992 inclusive Locals 790 and 795:
- 2. Re-instate the Letter of Intent regarding the Shift in Local 38:
- 3. Eliminate Article 25:10 (Locals 790, 795, 38 Operations) and 20:10 (Locals 790, 795 Office):
- 4. Eliminate Article 13:08 (locals 790,795, 38 Operations) and 13:08 (Locals 790, 795 Office) Personal Paid Days

Rob Cadieux, Manager, Labour & Employment Relations

RC/pk

November 28, 2003

Re: Modified Work

The Company and the Union agree that where appropriate, the parties will meet locally to determine what opportunities may be available to allow disabled employees to return to work on a modified basis. The intention of any such work modification will be directed towards the employee resuming his or her regular duties as soon as it is practical to do so.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: Loss of Seniority

During the 1996 negotiations for renewal of the existing Collective Agreements, discussion took place regarding the provisions related to loss of seniority.

It was agreed that the existing Collective Agreement provisions would remain unchanged, however, in recognition of the Union's concerns:

- the Company will grant recall rights of nineteen (19) months to an employee who is hired/rehired in three (3) consecutive calendar years, even though the employee may have worked less than six (6) months in any or all of these three (3) consecutive calendar years.
- (ii) an employee given recall rights under the provision of (i) preceding will have his seniority dated to the most recent date of re-hire.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: Banking of Overtime Hours

During the 2000 negotiations, the Union submitted a proposal for "banking overtime". It was agreed the concept of "banked overtime" is to allow employees time off for personal purposes and it is not intended that "banked overtime" be used in conjunction with or will be combined with other forms of time off to increase an employee's vacation period.

It was agreed as part of these negotiations that "banking overtime" as a concept could be implemented on a trial basis in all the CEPU North areas of the company under the following terms and conditions.

- (i) Employees will have the option of being paid for overtime hours worked at the applicable overtime rate, or being paid for overtime hours worked at their regular rate of pay and "banking" an equivalent number of hours.
- (ii) The number of "banked" hours must not exceed twenty-four (24) hours at any time.
- (iii) The unused "banked" hours will be paid out at periods during the calendar year agreed to by both parties (e.g. six month period), or at a minimum at the end of the calendar year. Employees will be paid at their regular rate of pay for these "banked overtime" hours that are paid out.

- 2 -

- (iv) Employees must receive prior management approval to take time off using "banked" overtime hours. Approval will be subject to the Company's operating requirements and when approval is given, the employee will be paid for the scheduled time off at his/her regular rate of pay.
- (v) Management and Local Unit representatives will meet to discuss and mutually agree on the administration of the "banked overtime" process. It is agreed the trial period will be the term of the agreement.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

RE: Alternate Work Schedules

During the 2000 negotiations for the renewal of the existing Collective Agreements that expired January 31, 2000, the Union and the Company discussed alternate work schedules as an alternative to modifying the hours of work language, and as a means to meet customer and business operating requirements and to provide employees with flexibility to meet their personal needs.

In this regard the Union and the Company have agreed to the following:

(i) The "hours of work" section in the Collective Agreements will remain unchanged.

(ii) Alternate work schedules can be jointly developed and agreed to by local union and management representatives.

(iii) Employees working on an alternate work schedule (e.g. 10 or 12 hours) will be paid for recognized holidays, bereavement and jury duty according to the regularly scheduled hours of the alternate work schedule (e.g. 10 or 12 hours).

(iv) For alternate work schedules, the shift premiums contained in the Collective Agreements will only apply to all hours worked on a regularly scheduled alternate shift that ends after 6:00 p.m. (i.e. a shift other than those specified in the Collective Agreement).

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: CEPU Health, Safety & Industrial Relations Training Fund

During the negotiations for renewal of the Collective Agreements that expired January 31, 2000, the Union submitted a proposal to include provision in the Collective Agreement for Company financial support to the CEPU Health, Safety & Industrial Relations Training Fund. This fund provides training and seminars for union members, and, in addition, Company management is invited to participate in some of the programs offered under this fund.

The Company has agreed to continue its financial support to this fund for the term of the renewed Collective Agreement. This financial support will be \$15.00 per quarter for each employee of Union Gas Limited who is represented by the Communications, Energy and Paperworkers Union.

Terry Tippin Manager, Labour & Employment Relations

November 28, 2003

Re: Employment Security

During negotiations for renewal of the Collective Agreements that expired January 31, 2000, the parties discussed the Company's intention to implement a "work management" system. During these discussions, the Union raised employment security issues.

The Union and the Company have historically demonstrated the ability to jointly develop processes that address employment security issues within the workplace. As result of these negotiations, the Company, in conjunction with the Union, reaffirms its commitment to mitigate employee disruption or dislocation in the workplace by considering any or a combination of the following:

- Job sharing opportunities
- Employee retraining
- Unpaid leaves of absence
- Voluntary layoff with recall rights
- Reduced hours per week
- Employment Counselling
- Relocation Assistance
- Commuting Assistance
- Recall rights to former location
- Temporary assignments or project work
- Voluntary severance
- Enhanced layoff notification

Further, the Company and the Union may explore other opportunities that are appropriate to mitigate employee disruption or dislocation.

Terry Tippin, Manager, Labour & Employment Relations

November 28, 2003

Re: Article 4:04 - Meter Readers

The Company hereby withdraws the letter of June 18, 2003, titled "Article 4:04 – Operations and Office Collective Agreements" on a without prejudice or precedent basis.

The parties have discussed this matter further, and it is agreed that the Company will not post any Meter Reader positions that become vacant, and that the work will be contracted out. Employees being laid off will be able to displace contractor meter reading staff, except as noted in the last paragraph of this letter, as long as there remains at least one employee who is regularly classified as a Meter Reader, even if that employee is on layoff.

For example, assume that a Local has two regular employees classified as Meter Reader. If one of these positions becomes vacant, the Company will not post the vacancy and the work will be contracted out, even if there are employees on layoff. When laid off employees are recalled, and then subsequently laid off, the employees being laid off will have the opportunity to displace the meter-reading contractor. When the remaining Meter Reader position becomes vacant, that is there are no longer any employees active or on layoff that are regularly classified as Meter Reader, the position will not be posted and the work will be contracted out, and employees being laid off will no longer have the right to displace the meter-reading contractor, as there are no longer any regular employees classified as Meter Reader.

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The foregoing ability of an employee being laid off to displace a meter-reading contractor will not apply in cases where a Meter Reader has elected voluntary severance, and been replaced by a meter-reading contractor, under the terms of a voluntary severance agreement negotiated during renewal of the Collective Agreements that expired January 31, 2003.

T. Tippin	D. Valente
Manager, Labour & Employment Relations, Union Gas	CEPU National Representative
B. Teran	G. Light
President, Local 790	President, Local 38

M. Belliveau

President, Local 795

July 14, 2006

RE: Travel Time for Training

During the 2003 negotiations for renewal of the Collective Agreements that expired January 31, 2003, it was agreed by the parties that employees would be paid for travel time to attend training sessions on the basis below. In addition, during negotiations for renewal of the Collective Agreements that expired on January 31, 2006 it was agreed to further clarify that this letter applies to job related training and not to other matters such as company meetings and safety meetings / training.

For travel to training in Chatham, outside of an employee's regularly scheduled working hours, employees will be paid as follows:

- Thunder Bay to Chatham, and return up to a maximum of seven (7) hours at the employee's straight-time rate of pay, each way (by air travel)
- Timmins to Chatham, and return up to a maximum of seven (7) hours at the employee's straight-time rate of pay, each way (by air travel)
- Cornwall to Chatham, and return up to a maximum of eight (8) hours at the employee's straight-time rate of pay, each way
- Kingston to Chatham, and return up to a maximum of six (6) hours at the employee's straight-time rate of pay, each way
- Belleville to Chatham, and return up to a maximum of five and one-half (5.5) hours at the employee's straight-time rate of pay, each way

- 2 -

• Cobourg to Chatham, and return – up to a maximum of five (5) hours at the employee's straight-time rate of pay, each way

For all other travel time, to other locations for job related training, outside of regularly scheduled working hours, employees will be paid at the employee's straight-time rate of pay.

Terry Tippin Manager, Labour & Employment Relations

November 28, 2003

RE: Temporary Employees

During the negotiations for renewal of the Collective Agreements that expired January 31, 2003, the parties had discussion about the new provision for Temporary Employees in the Collective Agreements, including the employment of Temporary Employees when regular full-time or regular part-time employees are on layoff.

In the Operations Collective Agreement "Temporary Employees" shall mean those employees hired to replace regular full-time employees, in the following positions – Business Development Clerk (Local 790 only), Drafter – Estimator, Utility Service Clerk, Utility Administration Clerk (Local 790 only), Warehouse Clerk, and any inside/office positions that may be created; and those employees hired to work on projects or other assignments, in the same preceding positions. The employment of Temporary Employees hired for replacement purposes will not exceed twelve continuous months from the most recent hire date, and the employment of Temporary Employees hired for projects or other assignments will not exceed ninety (90) working days in a calendar year.

In the Office Collective Agreement "Temporary Employees" shall mean those employees hired to replace regular full-time and regular part-time employees; and those employees hired to work on projects or other assignments. The employment of Temporary Employees hired for replacement purposes will not exceed twelve continuous months from the most recent hire date, and the employment of Temporary Employees hired for projects or other assignments will not exceed ninety (90) working days in a calendar year.

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Temporary Employees working on projects or other assignments shall be terminated at the conclusion of 90 days of work in any calendar year, commencing from the date of hire or commencement of employment in such calendar year. Should a Temporary Employee not be terminated, as provided above, he / she shall become a regular employee and the seniority date shall be dated back to the most recent date of hire.

It was agreed, that should the Company require a Temporary Employee when regular full-time or regular part-time employees are on layoff, the temporary employment opportunity will first be offered to laid off employees, who are qualified, willing and able to perform the required work, in order of seniority. Any such laid off employee who accepts the temporary employment will be paid according to the work being performed, and the layoff notice provisions of the Collective Agreement will not apply at the end of the temporary employment period.

In the event no laid off employee is qualified, willing and able to perform the duties of the temporary employment, or should no laid off employee accept the temporary employment, the Company may then employ a Temporary Employee under the terms and conditions of the Collective Agreement.

T. Tippin	D. Valente
Manager, Labour & Employment Relations, For Union Gas Limited	CEPU National Representative
FOI UNION Gas LINNeu	For Locals 38, 790, 795

March 22, 2006

RE: Displacement Criteria

During negotiations for renewal of the Collective Agreement that expired January 31, 2006, the Union and the Company agreed that the following qualifications are required for an employee to displace another employee in a full-time job classification shown below. In addition the employee must be willing and able to perform the duties of the position. This Displacement Criteria will terminate upon renewal of the Collective Agreement that expires January 31, 2009.

Service Fitter: a valid Gas Technician 2 licence and employment in this job classification within the past four (4) years, or employment as a Utility Services Representative in the past four (4) years. Any employee displacing a Service Fitter would become a Utility Service Representative.

<u>C&M Utility Person</u>: a valid Pipeline Inspectors certificate and six months employment in this job classification within the past four (4) years, or employment as a Utility Services Representative in the past four years.

Utility Services Representative:

- A valid Gas Technician 2 licence or IMT (Utility Technician) certificate, and
- A valid Pipeline Inspectors certificate, and
- Qualified as a Service Fitter A3 in the past three (3) years or qualified as a C&M Utility Person A3 in the past three years,

OR

• If the junior seniority employee in the Utility Services Representative role has less than one year in the position, he / she may be displaced if the senior employee possesses the entry level qualifications and experience of such junior seniority employee.

<u>Welder</u>: must have the valid government and Union Gas licences / certificates required for this position.

Drafter – Estimator: employment in this job classification for six continuous months within the past three (3) years, or must satisfy the job posting requirements established by the Company for the position.

<u>Measurement Technician; Corrosion Utility Person</u>: One year of employment in this job classification within the past four (4) years.

Business Development Clerk; Utility Services Clerk and Utility Administration Clerk: must satisfy the job posting requirements established by the Company for the position.

Warehouse Clerk; Line Locator; Meter Reader: seniority.

Seasonal Positions: must meet the normal entry-level requirements for the job classification.

Terry Tippin Manager, Labour & Employment Relations

TT/pk

May 12, 2006

RE: Employees on Long Term Disability Prior to April 1, 2004

During the negotiations for renewal of the Collective Agreements that expired January 31, 2006, the Company advised the Union that there are eight (8) employees receiving Long Term Disability (LTD) payments, benefits, and pension accrual, under the provisions in effect prior to the implementation of "Choices" (Benefits) on April 1, 2004, and the implementation of "Pension Choices" on July 1, 2004.

The union has been provided with the names of the eight (8) employees. These employees will continue to receive LTD payments, benefits, and pension accrual, in accordance with the terms and conditions of the plan documents and the Collective Agreement in effect at the time they commenced their LTD payments, for as long as they are entitled to LTD payments. Should any of these eight (8) employees return to work in the future, the employee would enrol in "Choices" (Benefits and Pension) at that time.

Following is the language contained in Article 25:05 Operations and Article 20:05 Office that expired on March 31, 2004:

"Long Term Disability Plan

During a continuous period of disability, members of the bargaining unit will be entitled to a benefit of sixty-five percent (65%) of their basic earnings, at their basic pay rate immediately prior to the enforced absence. Employees will be entitled to a benefit of sixty-six and two-thirds percent (66%) of their basic earnings for enforced absences commencing on or after July 11, 1994. However, any general wage increase during the term of this Collective Agreement occurring during the enforced absence would increase the benefit accordingly. This benefit will begin on the date of the completion of thirteen (13)

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weeks of enforced absence and continue thereafter until recovery from such disability, death, or attainment of age 65. Provisions will be included for the maintenance of pension benefits during such disability based on the disabled member's basic earnings and the provisions of the Pension Plan in effect immediately prior to the member becoming disabled. This benefit would not be applicable to an employee receiving Workplace Safety Insurance Board benefits and would be offset fully by any monies payable by the Canada Pension Plan."

Terry Tippin	Dan Valente
Manager, Labour & Employment Relations, Union Gas Limited	CEPU National Representative

March 24, 2009

Re: "CHOICES" Benefit Plan – Annual Review Meeting

The Company and the Union agree that the current employer/employee cost sharing percentage of 85% employer and 15% employee will be maintained during the life of the collective agreement. A review of the actual costs of the plan will be conducted on an annual basis and any adjustments will be effective at the time of the annual enrolment of the Choices program. A meeting will be held during the second quarter of the year to review the actual costs of the program.

The parties agree there is a shared responsibility to manage the significant increases being experienced in "CHOICES" Benefit Plan costs. To this end the parties have agreed to meet annually during the term of the Collective Agreement (2009 to 2011) for the purpose of:

- Reviewing the previous year's actual benefit costs, employer / employee cost sharing, employee flex credits totals, benefit price tag selections, and enrolment statistics under the "CHOICES" Benefit Plan;
- Discussing cost management opportunities;
- Discussing the content of employee education / information sessions that will be delivered by management, during the term of the Collective Agreement, prior to each annual "CHOICES" Benefit Plan enrolment;
- Reporting to Benefits Management possible changes, cost management opportunities, and education / communication matters related to the "CHOICES" Benefit Plan.

The parties agree that during the annual financial review of each previous year (comparing projected costs to actual cost), if the actual overall employee costs incurred exceeds 15% of the total benefit costs, the company will refund the excess costs to employees in the next annual re-enrolment. The details of how the excess employee costs are refunded will be determined and agreed to during the annual review meeting. Participation in these meetings will be company paid time and expenses.

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Union sign-off by Memorandum of Agreement will be required to implement any changes to the "CHOICES" Benefit Plan content, not including administrative changes and procedures.

The annual meeting will be arranged by the Benefits Department and the participants will include up to two (2) employees representing the CEPU North, the Union's National Representative, and representatives of management.

Robert Cadieux	D. Valente
Manager, Labour & Employment Relations,	CEPU National Representative

July 14, 2006

RE: Utility Service Representative Job Postings

During the negotiations for renewal of the Collective Agreement that expired January 31, 2006, the parties discussed job postings for the Utility Service Representative (USR) classification. The following has been agreed to in regard to Utility Service Representative job postings:

 Vacancies in the Utility Services Representative position that are posted as entry level will be offered to the highest seniority employee in the bargaining unit who applies and who has the posted entry-level qualifications for the position. Successful candidates will be required to successfully progress through all classifications of the job to Utility Services Representative A1.

Notwithstanding the foregoing agreement, the provisions of Article 9:01 will apply in respect to filling of all other job vacancies.

Terry Tippin Manager, Labour & Employment Relations

TT/pk

March 24, 2009

RE: Warehouse Clerk (Part-time)

The following terms and conditions will apply only to the position of Warehouse Clerk (Part-time) in Thunder Bay, Local 790 Operations:

1. Wherever the term "employee" is used in this Collective Agreement the applicable provision is intended to apply to both full-time and part-time employees unless otherwise stated in that provision, elsewhere in the Collective Agreement, or as indicated in this Letter of Intent.

2. The part-time employee will normally work twenty-four (24) hours per week or less except when used as a replacement for another employee, during emergencies or as needed based on operating requirements. Replacements may be for illness, vacation, paid personal days, float holidays, training, project work, etc. In respect to operating requirements, agreement of the Union is required to work a part-time employee more than three (3) continuous months in excess of twenty-four regular scheduled hours per week.

The part-time employee is not entitled to the following provisions:

Article 21	Leave of Absence (except 21:06)
Article 19, Section 19:01	Workplace Safety Insurance Board
Article 20	Employee Benefits

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3. Float Holidays - A maximum of one (1) float holiday during the period February 1, 2009 to January 31, 2010; a maximum of one (1) float holiday during the period February 1, 2010 to January 31, 2011; and a maximum of one (1) float holiday during the period February 1, 2011 to January 31, 2012 - earned after six hundred (600) hours worked in each of these periods.

4. Holidays - If the part-time employee qualifies as per the requirements of Sections 13:07 and 13:08 of Article 13, the part-time shall receive holiday pay calculated on the terms set out by the Employment Standards Act, Ontario. This payment would be in addition to the premiums specified in Section 13:05 of Article 13, when applicable.

5. Personal Paid Days - The part-time employees shall be entitled to a maximum of five (5) Personal Paid Days per calendar year, the dates of which will be determined by mutual agreement between the Company and the employee. Entitlement will be based upon one (1) Personal Paid Day per calendar year plus one (1) additional Personal Paid Day for every four hundred hours worked in the calendar year. If the part-time employee is hired on or after October 1^{st} in any calendar year, he / she will only earn Personal Paid Day entitlement based upon the "hours worked" formula. Payment for each day of entitlement will be seven and one-half (7½) hours at the employee's straight-time rate of pay.

6. Hours of Work:

(a) The hours of work for all part-time employees covered by this Collective Agreement shall be up to seven and one-half $(7\frac{1}{2})$ hours per day. The hours of work will be between 8:00 a.m. to 4:00 p.m., Monday to Friday.

(b) Part-time employees working a shift of five (5) hours or less will be provided with one (1) paid fifteen-minute work break. Part-time employees working greater than a five hour shift will be provided with two paid fifteen-minute work breaks, which may be combined into one break period at the employee's option.

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(c) Work schedules will be at the discretion of management. Work schedules will be posted two weeks in advance for part-time employees. The provisions of Article 14:09 will apply in respect to a change in the work schedule.

7. Overtime and Premium Pay:

(a) Overtime will be paid for all hours worked on a Saturday or Sunday; and for all hours worked in excess of twenty-four per week except when this part-time employee is used as a replacement for the full-time Warehouse Clerk, during emergencies, or when operating conditions require for up to three continuous months, in which case the part-time employee shall receive overtime after thirty-seven and one-half $(37\frac{1}{2})$ hours worked per week, or seven and one-half $(7\frac{1}{2})$ hours worked per day.

(b) If the part-time employee is authorized by the Company to work in excess of nine and one-half continuous hours, he / she shall be given a hot meal or fifteen dollars (\$15.00) in lieu thereof. The Company will pay such cost.

8. Vacation:

(a) The part-time employee's "basic pay" is determined by the employee's regularly scheduled part-time hours of work.

(b) The part-time employee may elect to convert his / her Flex Credits into an additional week of vacation and receive vacation pay accordingly.

9. Employee Benefits - In regard to Article 25, "Employee Benefits", the following modified provisions apply to the part-time employee:

(a) The flex credit formula for the part-time employee will be 1.75% of the greater of the employee's regularly scheduled straight-time part-time annual earnings, or the employee's actual base straight-time earnings in the preceding twelve calendar months (normally October 1 to September 30), plus \$693.75. With three (3) or more years of continuous company
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service, the formula will be 3.75% of the greater of the employee's regularly scheduled straight-time part-time annual earnings, or the employee's actual base straight-time earnings in the preceding twelve calendar months (normally October 1 to September 30), plus \$693.75.

(b) Short-term disability pay for the first two weeks of disability will be according to the employee's posted work schedule. Thereafter short-term disability pay will be according to the employee's regularly scheduled part-time hours.

10. Temporary Employees may be used in the part-time Warehouse Clerk role. The terms and conditions regarding use will be in accordance with the provisions of Appendix "B", "Temporary Employees".

11. Job Progression for the part-time Warehouse Clerk will be as follows:

- Probation to A3 321 straight-time hours worked
- A3 to A2 1950 straight-time hours worked
- A2 to A1 1950 straight-time hours worked

12. The full-time role of Warehouse Clerk may not be declared redundant and turned into a part-time Warehouse Clerk role.

13. Letter of Intent #19, "Displacement Criteria", in respect to the Warehouse Clerk role will apply to the part-time Warehouse Clerk role (i.e. seniority).

Rob Cadieux Manager, Labour & Employment Relations

RC/pk