

COLLECTIVE AGREEMENT

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BETWEEN

UNION GAS LIMITED

AND

UNITED STEELWORKERS



uniongas



**LOCAL 2020 (GAS UNIT)
OPERATIONS**

**SUDBURY,
NORTH BAY,
HAILEYBURY,
STURGEON FALLS,
ORILLIA**

04152(09)

June 1, 2006 through May 31, 2009 Inclusive

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THIS AGREEMENT ENTERED INTO THIS

26th DAY OF May, 2006

between

UNION GAS LIMITED

an incorporated Company under the laws of Canada,
hereinafter called the “Company”.

and

UNITED STEELWORKERS

(Local 2020) **Gas** Unit

affiliated with the American Federation of Labour -
Congress of Industrial Organizations and
Canadian Labour Congress,
hereinafter called the “Union”.

PURPOSE

For and in consideration of the mutual benefits likely to be obtained by way of more harmonious relationships between the Company and the Union, and the greater productive efficiency resulting hereof, the parties hereto covenant and agree as follows:

ARTICLE 1

UNION RECOGNITION

1:01 The Company recognizes the Union as the Sole Bargaining Representative for employees of the Company in Sudbury, North Bay, Orillia, Haileybury and Sturgeon Falls, save and except – Team Leaders, Supervisors, persons above the rank of Supervisor, office and sales staff.

1:02 The Company and Union agree that the reference to Sudbury in Section 1:01 shall include Onaping Falls, Rayside-Balfour, Walden, Capreol, Valley East, Nickel Centre, Whitefish, and Markstay. The reference to North Bay in section 1:01 shall include Thorne, Callander, Powassan, South River and Trout Creek. The reference to Sturgeon Falls in Section 1:01 shall include Verner, Cache Bay and Warren. The reference to Orillia in section 1:01 shall include Huntsville, Bracebridge, Gravenhurst, Lagoon City, Atherly, Rama, Cumberland Beach, Sundridge, Burk's Falls, Novar, and Edgar. The reference to Haileybury in Section 1:01 shall include New Liskeard and Cobalt.

1:03 The Company and the Union form this Collective Agreement in order to foster harmonious relations.

1:04 The terms and conditions as set forth in this Collective Agreement shall have full force and effect for both the parties of this Collective Agreement during its term.

ARTICLE 2

REPRESENTATION

2:01 The Company and the Union shall recognize a committee of eight (8) in number, four (4) of whom shall be employees of the Company and members of the Union, and four (4) of whom shall be employees of the Company who shall represent Management, such committee to be known **as** a Negotiating Committee with the purpose of concluding recommendations to the parties to the Collective Agreement. This Committee may be expanded to add additional Company Management and/or International Union personnel.

2:02 The Company will pay lost time basic wage (if any) for any four (4) members of the Union's Negotiating Committee who are employees of the Company during time spent negotiating a renewal or revision to the Collective Agreement at meetings with Management representation to an amount up to but not exceeding a combined cumulative total of four hundred and sixteen (416) hours.

The Orillia member of the Union Negotiating Committee will be paid three (3) hours travel time at his/her straight time hourly rate when commuting between Orillia and Sudbury. Such travel time each way will be deducted from the aforementioned cumulative total.

2:03 Time periods paid by the Company will not be used for calculating overtime.

2:04 If at the end of any negotiation meetings a member of the Union's bargaining committee returns to their own job function during their regular scheduled hours, such an individual will be entitled to overtime beyond their regular scheduled hours on that day.

ARTICLE 3

UNION SECURITY

3:01 All employees covered by the terms of this Collective Agreement and new employees who enter the Company service and new job categories covered by the terms of this Collective Agreement shall, as condition of continued employment, become members of the Union on the completion of thirty (30) calendar days of continuous 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.

3:02 UNION SECURITY

a) The Company shall deduct Union dues including, where applicable, initiation fees and assessments, on a bi-weekly basis, from the total earnings of each employee covered by this Agreement. The amount of dues shall be calculated in accordance with the Union's Constitution.

b) All dues, initiation fees and assessments shall be remitted to the Union forthwith and in any event no later than fifteen (15) days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers, AFL-CIO-CLC, P.O. Box 13083, Postal Station 'A', Toronto, Ontario M5W 1V7 in such form as shall be directed by the Union to the Company along with a completed Dues Remittance Form R-115. A copy of the Dues Remittance Form R-115 will also be sent to the Area Coordinator, USW, 92 Froot Road, 3rd Floor, Sudbury, Ontario P3C 4Z4.

c) The remittance and the R-115 form shall be accompanied by a statement containing the following information:

- i) A list of the names of all employees from whom dues were deducted and the amount of dues deducted;

- ii) A list of the names of all employees from whom no deductions have been made and reasons;
- iii) This information shall be sent to both Union addresses identified in Article 3:02 in such form as shall be directed by the Union to the Company.

d) The Union shall indemnify and save the Company harmless against all claims or other forms of liability that may arise out of any actions taken by the Company in compliance with this Article.

e) The Company, when preparing T-4 slips for the employees, will enter the amount of Union Dues paid by the employee during the previous year.

3:03 The employer agrees to acquaint new employees with the fact that a Union Agreement is in effect, with the conditions of employment set out in the Articles dealing with Union Security and Dues Check-off, and provide such new employees with a copy of the current Collective Agreement on their date of hire.

3:04

(a) Employees who are not covered by the Collective Agreement shall not perform work regularly performed by employees in the Bargaining Unit. The company agrees that no employee who has established seniority shall be laid-off or demoted as a result of the Company contracting out work which regularly would have been performed by such employees.

(b) The Company agrees that the Union has an understandable concern over contracting out by the Company because of its effect upon such matters as job opportunity for regular employees.

(c) The Company will meet with the Union once every quarter to review and discuss information concerning the Company's ongoing operations and this meeting will be known as the

“Labour/Management Meeting”. The Union attendance at such meetings is limited to two (2) employees in the Bargaining Unit who will have any lost time during their regular shifts paid for by the Company at their applicable straight time hourly rate.

3:05 The Company will provide the Union on or about the first of each month with a list of newly hired employees in the preceding month. Such a list will include: names, probationary classification and rate of pay.

3:06 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.

3:07 A representative designated by the Local or Bargaining Unit will be provided up to one hour per month for purposes of conducting the United Steelworkers orientation program. These meetings will be conducted during the probationary period of employees hired to bargaining unit positions and will be held on Company premises. Employees participating in the orientation program will not suffer **loss** of pay for attendance during their regular scheduled hours of work. The program will be conducted by a USW representative working in the location of the probationary employee. The meetings will be scheduled at times agreed to by management giving due consideration to operating requirements. A management representative may attend these orientation sessions as an observer. The Company will provide each employee with a copy of the Collective Agreement.

ARTICLE 4

DISCRIMINATION

4:01 Neither the Company nor the Union will discriminate against any employee in regard to employment, membership or any term or condition of employment or membership on the basis of:

- race
- place of origin
- ethnic origin
- creed
- sexual orientation
- age
- family status
- ancestry
- colour
- citizenship
- sex
- handicap
- marital status
- record of offences

in accordance with and as defined in the parameters dictated in the Ontario Human Rights Code.

4:02 In referring to employees in this Collective 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 Collective Agreement may be interpreted to mean “employees” or vice-versa, as the context dictates.

ARTICLE 5

MANAGEMENT RIGHTS AND DISCIPLINE

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 The right to hire, discharge, or discipline “for just cause” and to maintain discipline and 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.

5:03

(a) Reprimands involving suspension issued to an employee by the Company shall be removed from an employee's personnel file, providing there has not been any additional offence(s) within a twenty-four **(24)** month period.

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

ARTICLE 6

EMERGENCY OPERATIONS

6:01 In the event of an emergency which could endanger the health or safety of the public, 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 Employees of the Company who are members of the Union shall be selected by the Union as Shop Steward. The Union shall advise the Company of the name of the Stewards. The Steward shall assist the aggrieved employee(s) if requested to do so by the employee(s) concerned when the grievance is processed to Management. The Grievor(s) and Steward, if required, will request time from the Supervisor, or his/her delegate as the case may be, to present the grievance. The Supervisor, or his/her delegate, will provide the time required to process the grievance within four **(4)** calendar days. The grievance must be signed by the grievor(s) and

Management and dated as to time of submission. All grievances shall be processed by the aggrieved employee(s) during their regular working hours. Basic pay, if any, **so** lost by the employee and the Steward during meetings with Management shall be paid for by the Company, save and except time involving the processing of the grievance (if necessary) through the arbitration procedures. Should any grievance arise involving the meaning or application of this Collective Agreement, an employee may submit a grievance according to the following procedure:

Step One – The employee, along with his/her Steward if he/she **so** desires, shall submit a grievance in writing and shall meet with the Supervisor, or his/her delegate, to discuss the grievance. The Supervisor, or his/her delegate, will render a decision in writing within seven (7) calendar days following the meeting to the Steward, the Unit Chairperson, and the Gas Unit President.

Step Two – If the grievance is not resolved at “Step One” then the Union may request in writing, within a further ten (10) calendar days, a meeting with Company Management. The Company will arrange to meet with the Union within fourteen (14) calendar days of the Union appealing a grievance to Step 2 of the process.

For the purpose of meeting with Management at “Step Two”, the Union Grievance Committee may consist of the International Union’s Representative or his/her non-Company designate, and up to three (3) Company employees who are members of the Union, two (2) of the three (3) employees may be Stewards. One (1) or two (2) of the said Committee will be the grievor or represent the grievor(s).

The Management, as a result of the meeting, shall render a decision in writing within a further seven (7) calendar days, copies of which will be given to the Steward(s) involved, the Unit Chairperson, the Gas Unit President, and also to the Union’s International Representative. If the Union is not satisfied with the results of the meeting, the grievance may be referred to Arbitration as herein provided within thirty (30) calendar days from the date of the decision given by the Company.

7:02 A grievance shall be deemed waived unless the matter is processed by the Union to the Company within twenty (20) calendar days from the date the misunderstanding arises, as long as the employee or Union had a reasonable opportunity to learn of the infraction.

7:03

(a) The Union shall have the right to initiate a group grievance (that is a grievance involving a group of employees as a result of similar circumstances) or a policy grievance (that is a grievance of a general nature with no individual remedy) by submitting and processing it in accordance with “Step Two” in Section 7:01 of this Article.

(b) The Company shall have the right to initiate a grievance(s) relating to any difference in interpretation, application or administration of the Agreement, including any question whether a matter is arbitrable, or where an allegation is raised that the Agreement has been violated, under “Step Two” preceding.

7:04 In the event of a claim by an employee that he/she has been unjustly discharged, the claim in the form of a grievance may be processed at “Step Two” of the grievance procedure within seven (7) calendar days from the date that the discharge took place. The grievance may be settled by the parties to the Collective Agreement or failing to do so by the Arbitration Board or Sole Arbitrator by (a) confirming the Management’s decision of discharging the employee; or (b) reinstating the employee with full compensation for the lost time; or (c) any other arrangement which is agreed to by the conferring parties or by the Board of Arbitration or Sole Arbitrator. Despite the foregoing in this Section 7:04, any compensation which may be decided on shall not exceed the employee’s normal basic rate of pay for any time lost.

7:05 Should the Union fail to carry on a grievance within the time limits set out in this Article, or agreed upon, then the grievance shall be deemed to be abandoned. Should the Company fail to answer a

grievance within the time limits set out in this Article, or agreed upon, then the grievance shall be awarded to the grievor or grievors concerned.

7:06 Members of the Grievance Committee will not lose pay for time spent during regularly scheduled working hours attending scheduled meetings with Management Representatives except for time spent on Arbitration.

7:07 A Shop Steward involved in processing a grievance or wishing to discuss matters involving the Collective Agreement must first obtain permission from his/her Supervisor, or his/her Delegate, before leaving work. The Supervisor or Delegate will endeavour as promptly as possible to provide a reasonable time period in order that the Shop Steward may perform such functions. The Shop Steward shall not suffer a **loss** of pay for the time **so** spent during the regular working hours.

7:08 Where a grievance is not settled under the preceding Sections of this Article, including the question of whether or not a matter is arbitrable, or where an allegation is made that this Collective Agreement has been violated, either of the parties may notify the other party in writing of its desire to submit the grievance or allegation to arbitration within thirty (30) calendar days from the date of Management's answer at "Step Two".

7:09 Where a difference arises between the parties relating to the interpretation, application or administration of this Collective Agreement, including any question as to whether a matter is arbitrable, or where an allegation is made that this Collective Agreement has been violated, either of the parties may, after exhausting any grievance procedure established by this Collective Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration. The notice shall contain the name of the first party's appointee to an Arbitration Board; a list of at least three (3) names, any one of which is acceptable to the first party

as a Sole Arbitrator; and its preference for either an Arbitration Board or Sole Arbitrator.

The recipient of the notice shall, within five (5) days, advise the other party of its appointee to an Arbitration Board or within ten (10) days agree mutually with the Union on the appointment of a Sole Arbitrator.

7:10 If the application of Section 7:09 results in a desire to constitute an Arbitration Board, the ~~two~~ (2) appointees ~~so~~ selected shall within five (5) days of the appointment of the second of them, appoint a third person who shall be Chairman. If the recipient of the notice fails to respond within the time limit, or if the ~~two~~ (2) appointees fail to agree upon a Chairman within the time limit or if the parties fail to agree on a Sole Arbitrator within the time limit, then the appointment of a Chairman or Sole Arbitrator shall be made by the Minister of Labour upon the request of either party. The Arbitration Board or Sole Arbitrator shall hear and determine the difference or allegation and shall issue a decision which shall be final and binding upon the parties and upon any employee affected by it. In the case of a Board, the decision of the majority shall be the decision of the Arbitration Board, but if there is no majority, the decision of the Chairman shall govern.

7:11 No person may be appointed as an Arbitrator who has been involved in an attempt to negotiate or settle the grievance. Each of the parties hereto will bear the expense of its appointee to an Arbitration Board and the parties will jointly bear the expenses, if any, of the Chairman of the Arbitration Board or Sole Arbitrator. The proceedings of the Arbitration Board or Sole Arbitrator will be expedited by the parties

7:12 The Arbitration Board or Sole Arbitrator is not authorized, nor is there any jurisdiction to alter, amend, change, add to or modify any part or provision of this Collective Labour Agreement.

ARTICLE 8

SENIORITY

8:01 Seniority equates with the length of service an employee has accumulated with the Company. Seniority of employees covered by the Collective Agreement shall be established after a probationary period of sixty (60) calendar days. Upon completion of a probationary period, seniority shall be established from the date of employment with the Company.

8:02 Seniority shall be retained and accumulated during:

(a) An authorized leave of absence.

(b) An absence due to illness or injury for a maximum of twenty-four (24) months providing the employee satisfies the Company of such disability. For employees commencing long term disability on or after June 1, 1994, seniority shall be retained and accumulated during an absence due to illness or injury for a maximum of forty-eight (**48**) months. Thereafter seniority will be retained unless terminated through the application of section 8:03.

Note: an employee will continue on Long Term Disability/Workplace Safety Insurance, in accordance with the terms of the plan(s). Such an employee will be entitled to the provisions of Article 24:05 "Continuation of Employee Benefits". If the employee is physically unable to do the same or similar work to that which he/she was doing prior to the disability, the Company will endeavour to transfer the individual to suitable work, providing such work is available and the employee accepts **this** work at the rate currently applicable thereto.

8:03 An employee's continuous service (seniority) with the Company shall cease if that employee:

(a) Accepts a position which is not within the scope of the Bargaining Unit;

(b) Is laid off for a period of nineteen (19) consecutive months or the employee voluntarily quits;

(c) If the employee is laid off and fails to return to work within ten (10) calendar days after he/she has been notified to do so by the Company by Registered Mail to the employee's last known address on the Company's records. A copy of such notice shall be sent to the Union;

(d) If the employee is discharged for proper cause and is not reinstated in accordance with the provisions of this Collective Agreement;

(e) If the employee is absent from work without notifying the Company for five (5) consecutive scheduled working days;

(f) Otherwise ceases to be an employee.

8:04

(a) The Company shall maintain a seniority list for employees who are covered by this Collective Agreement. Such a list shall be revised once every six (6) months. Copies of this list shall be placed on or adjacent to the Union bulletin board and a copy of the list shall be given to the Union.

(b) The Human Resources Department will supply, upon request, a list of current names and addresses of all employees covered by the Bargaining Unit to the U.S.W. Staff Representative. Such information may be requested three (3) times per year.

8:05 If the Company temporarily assigns an employee to a different job category for other than training purposes, such an employee shall receive the pay rate of the category he/she is temporarily assigned to or his/her regular rate of pay, whichever is the

greater, provided, however, that no regular employee will be temporarily assigned to the category of Supervisor or Foreman.

ARTICLE 9

PROBATIONARY EMPLOYEES

9:01 A probationary employee is an employee who has not been employed by the Company in excess of sixty (60) calendar days from the date of his/her hiring. During the probationary period, the employee will not have any rights under the terms of the Collective Agreement, except that a grievance may be processed upon a claim that such an employee is not receiving the correct monetary reimbursement as agreed to under the terms of this Collective Agreement.

9:02 A part-time employee shall mean those employees normally working twenty-four hours per week or **less** except when operating conditions require hours in excess of twenty-four (**24**) per week. Part-time employees will only be employed in the North Bay Planning and Dispatch Centre.

Part-time employees are not entitled to the provisions of the following:

Article 18, Section 18:01.....	Lay-Off Notice
Article 10, Section 10:02 (b).....	Workplace Safety Insurance
Article 15, Sections 15:01, 15:03, 15:05...	Leave of Absence
Article 24.....	Employee Benefits (except as specified)

ARTICLE 10

SAFETY CONDITIONS, PRACTICES & WORKPLACE SAFETY INSURANCE

10:01 Safety Conditions and Practices

The Company and the Union agree that they mutually desire to maintain high standards of safety and health in order to prevent injury or illness. The Company supplies certain protective equipment, at no cost to the employee, such as eye shields, first aid kits, fire extinguishers, hard hats and liners, barricades, road flares, etc., and it is a Company rule that such equipment shall be used by employees. Any suggestions by the employee or the Union involving safety equipment or safe work practice shall be given study and consideration by the Company.

The Company agrees to fully acquaint all of its employees with safety protective equipment and its safety program. Any question arising under this Article may be discussed at any time between the Union and the Company, at the request of either party.

10:02 Workplace Safety Insurance

(a) An employee injured while and as a result of performing his/her Company's duties will suffer no loss of basic pay on the day he/she was injured providing in the opinion of the Company or a doctor the employee was unable to continue working.

(b) If an employee is injured in the course of performing work duties assigned by the Company and as a result of such injury is in receipt of payment by the Workplace Safety Insurance Board for time lost, the Company shall pay the difference between the amount received by the employee from the Workplace Safety Insurance Board for lost basic wages and the amount he/she would have received for his/her basic wage had he/she 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 Workplace Safety Insurance Board

payment. Basic pay is defined as the amount received by an employee for seven and one-half (7 1/2) hours work per day or thirty-seven and one-half (37 1/2) hours per week as the case may be, excluding shift premiums, overtime and standby compensation. This Section 10:02 (b) does not apply to probationary employees. It is understood and agreed that any payment by the Company which exceeds an amount greater than his/her basic wage when such an amount is combined with his Workplace Safety Insurance Board payment, then the excess payment shall be refunded to the Company.

10:03 Safety and Health Committees

(a) Occupational Safety and Health Committees will be established, maintained and consist of:

Sudbury - Three (3) Management and three (3) Bargaining Unit members of Local 2020 (Gas Unit) Office and/or Operations.

North Bay- Three (3) Management and three (3) Bargaining Unit members of Local 2020 (Gas Unit) Office and/or Operations.

Orillia - Two (2) Management and two (2) Bargaining Unit members of Local 2020 (Gas Unit) Operations.

(b) The Committees will meet in their respective locations at least every three (3) months to consider all matters pertaining to Occupational Safety and Health and effectively recommend ways and means of improving and maintaining the safety standards and safe working procedures for the purpose of preventing occupational injury and illness.

(c) Two Committee members, one (1) from Management and one (1) from the Union, shall meet locally in their respective home base town (Sudbury, North Bay and Orillia) and inspect the physical condition of the Construction and Maintenance Shop/Yard, Meter Shop, Office and Customer Service Shop, once each month.

(d) The Committee will regularly study and effectively be guided by any applicable Safety and Health Legislation, relative to the mutual obligations and responsibilities to the Company and its employees and to provide safe and efficient service to the General Public, specifically:

- (i) Identifying situations that may be a source of danger or hazard to employees;
- (ii) Making constructive recommendations to the Management to improve Safety Standards and Procedures, including the establishment, maintenance and monitoring of programs, measures and procedures respecting the Occupational Safety and Health of Bargaining Unit employees;
- (iii) Identifying potential or existing hazards of materials, processes or equipment;
- (iv) Internal review of Occupational Safety and Health Standards and experience relative to W. S. I. B. activity within the Company and other gas utilities, where applicable;
- (v) Maintain, post and distribute to Committee members minutes approved by the local Occupational Safety and Health Committee which shall reflect all matters considered by the Committee;
- (vi) Designating one **CU** Union employee (a Safety and Health Committee member, in each of Sudbury, North Bay and Orillia) to investigate cases where a member of the Bargaining Unit is killed or critically injured in the performance of his/her Company duties.

(e) The Company shall maintain all reasonable and necessary precautions for the Occupational Safety and Health of its employees and continue the following practices:

- (i) Providing and maintaining certain equipment and devices for use to protect employees from known hazardous conditions which may exist from time to time;
- (ii) Providing a training program to insure safe involvement when utilizing the equipment and devices referred to in ((e)(i));
- (iii) Providing first aid treatment supplies;
- (iv) Payment of lost time basic wages (if any) for duly designated safety representatives when such employees are attending safety meetings;
- (v) Giving prompt attention and consideration to the joint Committee's written recommended suggestions within twenty-one (21) days.

ARTICLE 11

CLOTHING AND FOOTWEAR

11:01 The Company will provide employees who have seniority and are required to wear uniforms, the following clothing provided that the employee maintains the uniform at his/her own expense. It is agreed that the uniform is to be worn at all times when on duty.

- (a) The initial uniform purchase shall consist of:

- (i) Two (2) toques;
- (ii) Two (2) baseball caps;
- (iii) Ten (10) shirts (long/short sleeve, golf shirt, orange t-shirt with striping);
- (iv) Five (5) pants;
- (v) One (1) pair of winter overshoes, maximum \$50.00 (for Utility Services Representatives, Meter Readers, Line Locators);
- (vi) One (1) windbreaker;
- (vii) One (1) flame retardant winter weight parka;
- (viii) One (1) flame retardant winter weight bib-style pants;
- (ix) Three (3) coveralls;
- (x) One (1) vest;
- (xi) Three (3) hooded fleece sweaters;

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

- (i) One (1) overall. Additional coveralls may be replaced if the supervisor agrees the condition warrants and the worn pair is returned;
- (ii) Five (5) pants;
- (iii) Three (3) shirts (long/short sleeve, golf shirt, orange t-shirt with striping);
- (iv) One (1) toque;
- (v) One (1) baseball cap;
- (vi) One (1) windbreaker;
- (vii) One (1) vest;
- (viii) One (1) flame retardant winter weight parka every thirty-six (36) months. If the supervisor agrees the condition warrants replacement, and providing the worn item is returned in the period of twenty-four (24)

months to thirty-five (35) months, the item will be replaced. However, the item will be replaced after thirty-six (36) months if not replaced under the twenty-four (24) to thirty-five (35) month conditional replacement, described above;

- (ix) One (1) pair of winter bib-style pants to be issued every three (3) years;
- (x) Two (2) hooded fleece sweaters;
- (xi) One (1) pair of winter overshoes, maximum \$50.00 (every two years for Utility Services Representatives, Meter Readers, Line Locators).

11:02 Clothing for Construction & Maintenance Crew

(a) The Company during the life of the Collective Agreement will supply to employees with nine (9) months seniority and shall pay for one hundred percent (100%) of the cost of a flame retardant winter weight parka and bib-style pants. If the Foreman agrees the condition warrants replacement and providing the worn item is returned in the period of twenty-four (24) months to thirty-five (35) months, the item will be replaced. However, the item will be replaced after thirty-six (36) months (to be ordered three (3) months prior) if not replaced under the twenty-four (24) to thirty-five (35) month conditional replacement.

(b) The Company will supply all employees with work gloves and rainwear when work conditions require same and the employee concerned **so** requests. In addition the Company agrees during the life of the Collective Agreement to supply three (3) pairs of coveralls and replace same **as** necessitated by wear providing the employee concerned returns the worn pair except for employees who are probationary. Such probationary employees will receive one (1) pair of coveralls and be issued with two (2) additional pairs upon completion of their probationary period.

(c) The Company will provide two (2) pairs of bib-style flame retardant coveralls per year to each welder (Carhart or equivalent).

(d) **Clothing for Meter Readers Only**

- i) Two (2) baseball style caps;
- ii) One (1) fur hat (every three (3) years) or one (1) ski cap or two (2) toques;
- iii) Two (2) long sleeve shirts;
- iv) Two (2) short sleeve shirts or two (2) golf shirts;
- v) Two (2) "V" neck sweaters or three (3) turtlenecks;
- vi) Two (2) winter pants; two (2) summer pants or one (1) summer pant and one (1) pair shorts;
- vii) One (1) winter weight parka, complete with hood, to be replaced if the Supervisor agrees the condition warrants replacement and providing the worn parka is returned, in the period twenty-four (24) months to thirty-five (35) months. However, the item will be replaced after thirty-six (36) months if not replaced under the twenty-four (24) to thirty-five (35) month conditional replacement.
- viii) One (1) rain suit or one (1) shell jacket (every second issue);
- ix) One (1) b-swing jacket or one (1) bomber jacket;
- x) One (1) winter weight bib pants every two years.

11:03 Safety Footwear

All Employees (except students and Meter Readers) required by law to wear safety footwear will be eligible, upon the completion of the probationary period, to receive reimbursement for one (1) pair of approved safety footwear purchased during their probationary period and one (1) additional pair each year of the Collective Agreement. The Company upon receiving a paid receipt, will reimburse such an employee on the basis of one hundred percent (100%) of the cost of each pair of approved safety footwear. Effective June 1, 2006, the Company payment will not exceed one hundred and thirty-five (\$135.00) dollars per calendar year.

Meter Readers, will be eligible upon the completion of the probationary period to receive reimbursement for footwear purchased during their probationary period and every calendar year thereafter. The Company upon receiving a paid receipt will reimburse such an employee on the basis of one hundred percent (100%) of the cost of each pair of approved work related footwear. Effective September 26, 2003, the Company payment will not exceed one hundred and thirty-five (\$135.00) dollars per calendar year. Meter Readers will be required to wear approved safety footwear where required under provincial safety legislation,

11:04 Safety Glasses

During the life of the Collective Agreement, the Company will contribute one hundred percent (100%) of the cost of one (1) pair of safety prescription glasses and frames (meeting C.S.A. Z94.3 - Standard) for employees doing assigned work, which necessitates the wearing of safety glasses.

In addition, while doing this assigned work, if the employee sustains damage to his/her safety prescription glasses, the Company will subsidize the cost of repair or replacement of these safety glasses in the amount of one hundred percent (100%) of the cost.

ARTICLE 12

HOLIDAYS

12:01 The expression "Holiday" wherever used in this Agreement shall mean any one of the following:

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

*** Note: Seasonal employees are not entitled to the “Christmas Eve Day” holiday**

12:02

(a) For regular full-time and regular part-time employees, 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: Three (3) to be recognized during the period June 1 through May 31 in each year of the Collective Agreement.

Part-time employees shall receive float holiday pay calculated in accordance with the terms set out by the Employment Standards Act, Ontario for calculating pay entitlement for a statutory holiday, without having to work for such pay for the float holiday.

For Seasonal employees, 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: Four (4) to be recognized during the period June 1 through May 31 in each year of the Collective Agreement.

b) Employees completing their probationary periods during the aforementioned time frames will have their float entitlement pro-rated for that period only, as follows: One (1) float for each four (4) months of continuous active work.

(c) A full-time employee will receive make-up pay based on a normal day at regular rates and hours for those float days which they were unable to observe due to disability in the first twenty-six (26) weeks of such disability.

12:03 Where a holiday as stated in Clause 12:01 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.

12:04 Where the municipalities as recorded in Article 1 of this Collective Agreement observe days other than those laid out in either 12:01 or 12:02 or 12:03 of this Article, the Company may select such agreed days in lieu of the holiday.

12:05 Full-time Employees who qualify as per the requirements of 12:06 of this Article shall receive seven and one-half (7%) hours pay at their regular wage rate without having to work for such pay for either the holiday or day observed in lieu thereof. Part-time employees who qualify as per the requirements of Section 12:06 of this Article shall receive holiday pay calculated in accordance with the terms set out by the Employment Standards Act, Ontario for calculating pay entitlement for a statutory holiday, without having to work for such pay for either the holiday or day observed in lieu thereof.

12:06 To qualify for a statutory holiday, an active employee (not laid off or in receipt of Long Term Disability or Workplace Safety Insurance Board benefits) must be on duty on the preceding and following scheduled work days. Absence due to illness will be considered as having been on duty, providing upon request of the Company, the employee concerned obtains proof of illness from a doctor. Also, an employee on leave of absence approved by the Company shall be deemed to have qualified. Each employee who qualifies as per the requirements in this Article shall receive his/her regular basic hourly rate of pay for the statutory holidays as agreed to in this Agreement without having to work on such a holiday.

12:07 If the Government of Canada proclaims “Heritage Day” as a statutory holiday, the Company will add this day to 12:01 of this Article to be observed on the Heritage Day(s) subsequent to the Government’s proclamation, in accordance with all the provisions of Article 12 - Holidays.

12:08 Personal Paid Days

All seniority employees shall be entitled to two (2) personal paid days within the period June 1 to May 31 in each year during the term of the Collective Agreement. Pay-in-lieu is not available for a Personal Paid Day. The granting of a Personal Paid Day shall be subject to established guidelines.

Full-time and seasonal employees shall receive seven and one-half (7½) hours pay at their regular wage rate without having to work for such pay for the personal paid day. Part-time employees shall receive personal paid day pay calculated in accordance with the terms set out by the Employment Standards Act, Ontario for calculating pay entitlement for a statutory holiday, without having to work for such pay for the paid personal day.

ARTICLE 13

HOURS OF WORK, OVERTIME AND PREMIUMS

13.01

(a) Overtime Distribution

Overtime will be distributed among the employees who normally perform the work fairly and equitably. 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, consequently, overtime in the case of emergencies is an inherent part of the operations of the Company.

(b) **Overtime Pay**

Overtime as authorized by the Company shall be paid for at the following premium rates:

- (i) Full-time and part-time employees will be paid two (2) times the regular hourly rate for hours worked on a statutory holiday.
- (ii) Full-time and part-time employees will be paid two (2) times the employee's regular hourly rate for all hours worked in excess of seven and one-half (7½) hours on a regular scheduled day.
- (iii) Full-time employees will be paid two (2) times the employee's regular hourly rate for all hours worked on a scheduled day off.
- (iv) Part-time employees will be paid two (2) times the employee's regular hourly rate for hours worked in excess of thirty-seven and one-half (37½) per week Monday to Saturday, and for **all** hours worked on a Sunday.
- (v) Full-time employees for hours worked between midnight to 8:00 a.m. for each call, employees shall be paid double time for hours worked, or a two hour minimum at their overtime rate whichever is the greater. If a subsequent call is received within the initial two hour period, there will be no pyramiding.
- (vi) There will be no doubling up or pyramiding of premium rates.

(c) 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 employees actual rest

time). Such time off with pay shall be considered as time worked for the purpose of computing overtime.

13:02 Shift Pay

Each full-time employee scheduled to work on any shift commencing after 9:00 a.m. shall be paid a shift premium of seventy-five cents (\$0.75) per hour for all hours worked by him/her on that shift and overtime hours worked in continuity with such shift. Shift premiums payable under this provision shall not be included as part of the employee's regular pay for purposes of computing overtime pay.

13:03 Shifts

A shift refers to the hours of work of one or more employees.

- A shift starting on or after 8:00 a.m. but before 10:00 a.m. is a first (or day) shift.
- A shift starting on or after 10:00 a.m. but before 6:00 p.m. is a second (or afternoon) shift.
- A shift starting on or after 6:00 p.m. but before 8:00 a.m. is a third (or night) shift.

13:04 Work Schedules - Full-time & Seasonal Employees

Work schedules for Sudbury and North Bay shall be posted every two (2) months. Such schedules would be subject to change in event of any scheduled employee's absence from work. Except for changes as provided in this Article, employees notified to report for work outside of his/her regular work schedule shall be given a minimum of two (2) hours work at his/her applicable overtime hourly rate, or if no work is available, he/she will receive four (4) hours pay at his straight time hourly rate. The provisions of this Article shall not be applicable to an employee who is on standby duty.

13.05 Definition of Day and Work Day

A day is a twenty-four (24) hour period beginning with the start of the employee's shift. The basic workday for full-time and

seasonal employees is seven and one-half (7%) consecutive hours of work broken only by the established lunch period beginning and ending at the established service centre, in any twenty-four **(24)** hour period.

The basic workday for a part-time employee is up to seven and one-half (7%) consecutive hours of work broken only by the work breaks specified in this agreement.

13:06 Definition of Work Week

The basic workweek, except as otherwise indicated in this agreement, is made up of five (5) consecutive working days.

(a) For full-time employees, except as otherwise indicated in this agreement, the basic workweek shall be Monday through Friday.

(b) The basic workweek for Utility Services Representatives shall be Monday through Saturday, five (5) consecutive days. All applicable employees when considered by the Company to be sufficiently experienced and skilled shall take their workweek in rotation, except when vacations, leave of absence, sickness, injury or any emergency prevents such an employee from working. Under such circumstances the next employee in line of rotation shall take over the workweek concerned.

(c) Regularly scheduled hours of work for the following positions in the Planning and Dispatch Centre will be 07:00 to 20:00 hours daily from Monday to Saturday. Regular hours of work may be adjusted within these limits based on operating needs and experience.

- Dispatcher Planner
- Scheduler/Planner
- Business Support Clerk
- Infraction Clerk
- Commitment Clerk

(d) The hours of work for the Line Locator position will be 7½ hours per day between the hours of 8:00 a.m. to 9:00 p.m., any five consecutive days between Monday and Saturday. Shift premiums will apply in accordance with the provisions of the collective agreement.

13:07 Sunday Premium

The Company will pay a premium of \$2.25 for each hour an employee may work on a Sunday, when such a Sunday falls within a staggered workweek for the employee concerned. This premium will not be used when calculating overtime.

13:08 Compensating Time Off

No employee shall be required to layoff in order to compensate for having worked overtime.

13:09 Away From Home Area Compensation

(a) When an employee is authorized by the Company to work away from home base area he will receive a payment at his/her applicable wage rate for the normal required traveling time to go to and return from the established service centre.

(b) The Company will arrange and pay for accommodation if the employee is required by the Company to stay overnight. Normally not more than two (2) employees will share a room. Room sharing will be determined by the existing crew and under such circumstances the Company will either arrange and pay for three (3) meals or supply such meals or allow such employees to arrange for their own meals providing receipts are submitted for each twenty-four (24) hour period. In addition an employee who works three (3) hours overtime beyond the completion of his/her regular seven and one-half (7 ½) hour work period shall be allowed a thirty (30) minute paid meal period and an overtime meal allowance of seven dollars (\$7.00). A similar paid period will be scheduled with identical meal allowance after the employee completes an additional four (4) hours of overtime.

(c) Except in the event of an emergency the Company will give at least eighty-eight (88) hours notice to employees who may be

required to be away from their home base area overnight or for longer periods.

(d) The Company shall pay five dollars (\$5.00) per day for each day an employee is required to work away from the established service centre and stay overnight.

13:10 Transportation

The Company wherever possible will provide adequate transportation so that an employee will not normally be required to use his/her own vehicle. If, however, the Company requests that an employee use his/her own vehicle, the employee shall be compensated for all mileage involving Company business at twenty-six and one half cents (26.5¢) per kilometre.

13:11 Call Out Pay

An employee (who is not on standby) who has already left the premises of the Company after completion of their scheduled shift and who is recalled for work shall be paid double their regular straight time hourly rate for all hours worked on recall commencing from the time he/she received the call up to the starting time of his/her next scheduled shift, but in any event the employee shall be paid for not less than two (2) hours at double his straight time hourly rate.

13:12 Coffee Breaks

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

ARTICLE 14

ANNUAL VACATION

14:01 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. "Basic pay" shall be defined as the

amount received by an employee, or would have received for seven and one-half (7%) hours work per day or thirty-seven and one-half (37%) hours per week calculated at the employee's regular hourly rate in effect immediately prior to the taking of vacation.

14:02 The following Section 14:02 applies only to full-time employees.

(a) Employees who are terminated with less than one (1) year's service shall receive the Vacation Entitlement in accordance with the requirements of the Vacation Section of the "Employment Standards Act".

(b) Employees who are terminated with more than one (1) year's service shall receive the Vacation Entitlement in accordance with the application of 14:03 and 14:08 of this Article and their last anniversary date.

14:03 The following Section 14:03 applies only to full-time employees employed by the Company on September 12, 2003.

(a) 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 as determined by the employee's T4 Income Tax slip for previous calendar year or two (2) weeks' basic pay, whichever is the greater.

(b)

**Completed Anniversary
Years of Service**

Vacation with Pay

Two (2) Years 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.

**Completed Anniversary
Years of Service**

Vacation with Pay

Three (3) to Eight (8) Years
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 Service

Three (3) calendar weeks (fifteen (15) business days). Vacation pay will be six (6%) of employee's gross earnings for the previous year or three (3) weeks basic pay, whichever is the greater.

Sixteen (16) to Twenty-Four
(24) Years Service

Four (4) calendar weeks (twenty (20) business days). Vacation pay will be eight percent (8%) of 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 previous year or five (5) weeks basic pay, whichever is the greater.

For employees eligible for vacation under Section 14:03 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 added to their Flex Benefit Credit Formula and the employee may elect to

convert their Flex Credits into one (1) five (5) additional vacation days.

14:04 The following Section 14:04 applies only to full-time employees hired or re-hired by the Company on or after September 13, 2003.

(a) 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 as determined by the employee's T4 Income Tax slip for previous calendar year or two (2) weeks basic pay, whichever is the greater.

<u>(b)</u> <u>Completed Anniversary</u> <u>Years of Service</u>	<u>Vacation with Pay</u>
Two (2) Years 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) Years Service	Two (2) calendar weeks (ten (10) business days). Vacation pay will be four (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 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

**Completed Anniversary
Years of Service**

Vacation with Pay

Eighteen (18) to) Twenty-Four (24) Years Service	basic pay, whichever is the greater. 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.
After completion of Twenty-Five (25) Years Service	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.

For employees eligible for vacation under Section 14:04 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 added to their Flex Benefit Credit Formula and the employee may elect to convert their Flex Credits into one ~~(1)~~ five (5) additional vacation days.

14:05 Vacations earned may be taken at any time after the completion of the anniversary year date convenient to the fulfillment of the employee's duties, but employees are urged to take vacations in full consecutive weeks in order to derive maximum benefits. In any event, taking vacations in less than (2) week periods is discouraged. The Company will consider, upon written request of an employee, the carry-over of some of the vacation entitlement to the following year.

14:06 The Company will post the employees' annual vacation entitlement by January 1st of each year. Provided the employee submits a vacation request in writing, senior employees, in keeping

with the efficient operation of the Company, shall be granted preference as to vacation dates up to March 15th of each year. Management shall post the approved vacation schedule by March 31st of each year.

14:07 When a paid holiday falls within an employee's vacation period, he/she will receive, at the discretion of the Supervisor of his/her Department, an additional day's vacation or an additional day's vacation pay. This will be determined prior to the employee taking his/her vacation.

14:08 If an employee, within his/her vacation period, is admitted to a hospital as an "in" patient then he/she can re-schedule 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 24, Employee Benefits section 24:03 and 24:04 as applicable, in accordance with the provisions contained therein.

14:09 The Company also agrees that an employee who has two (2) or more years of service may take vacation earned prior to his/her anniversary date if he/she so wishes. Under such circumstances, such an employee would be entitled to take any additional vacation which he/she may be entitled to after the completion of his/her anniversary date.

14:10 The following Section 14:10 applies only to full-time employees employed by the Company on September 12, 2003.

Employees who are laid off due to lack of work will have their Vacation Entitlement pay pro-rated on the following basis:

(a) An employee will be credited with one-half ($\frac{1}{2}$) a month's service if he/she is employed for eight (8) to fifteen (15) calendar days inclusive in a calendar month. An employee will be credited with one (1) month's service if he/she is employed in excess of fifteen (15) calendar days in a calendar month.

(b)

**Completed Anniversary
Years of Service**

Vacation with Pay

One (1) Year to Two (2)
Years Service

Vacation pay will be the greater of four percent **(4%)** of the employee's gross earnings for the previous year or one (1) month of employment in the previous calendar year to a maximum of ten (10) calendar days.

Three (3) Years to Eight
(8) Years Service

Vacation pay will be the greater of four percent **(4%)** of the employee's gross earnings for the previous year or one (1) day's basic pay earned for each month of employment in the previous calendar year to a maximum of ten **(10)** days.

Nine (9) to Fifteen (15)
Years Service

Vacation pay will be the greater of six percent **(6%)** of the employee's gross earnings for the previous year or one and one-half **(1%)** days' basic pay earned for each month of employment in the previous calendar year to a maximum of fifteen **(15)** days.

Sixteen (16 to Twenty-
Four **(24)** Years Service

Vacation pay will be the greater of eight percent **(8%)** of the employee's gross earnings for the previous year or two (2) days' basic pay earned for each month of employment in the previous calendar year to a maximum of twenty **(20)** days.

**Completed Anniversary
Years of Service**

Vacation with Pay

Twenty-Five (25) Years
Service

Vacation pay will be the greater of ten percent (10%) of the employee's gross or more earnings for the previous year or two and one-half (2%) days basic pay earned for each month of employment in the previous calendar year to a maximum of twenty-five (25) days.

For employees with three or more year's service, the vacation entitlement, the percentage and the number of day's basic pay, will be adjusted to reflect any additional vacation days purchased with flex credits.

14:11 The following Section 14:11 applies only to full-time employees hired or re-hired by the Company on or after September 13, 2003.

Employees who are laid off due to lack of work will have their vacation entitlement pay pro-rated on the following basis:

(a) An employee will be credited with one-half ($\frac{1}{2}$) a month's service if he/she is employed for eight (8) to fifteen (15) calendar days inclusive in a calendar month. An employee will be credited with one (1) month's service if he/she is employed in excess of fifteen (15) calendar days in a calendar month.

(b)

**Completed Anniversary
Years of Service**

Vacation with Pay

One (1) Year to Two (2) Years
Service

Vacation pay will be the greater of four percent **(4%)** of the employee's gross earnings for the previous year or one (1) days basic pay earned for each month of employment in the previous calendar year to a maximum of ten (10) days.

Three (3) to Nine (9)
Years Service

Vacation pay will be the greater of four percent **(4%)** of the employee's gross earnings for the previous year or one **(1)** days basic pay earned for each month of employment in the previous calendar year to a maximum of ten (10) days.

Ten (10) to Seventeen (17)
Years Service

Vacation pay will be the greater of six percent (6%) of the employee's gross earnings for the previous year or one and one-half (1½) days basic pay earned for each month of employment in the previous calendar year to a maximum of fifteen (15) days.

Eighteen (18) to Twenty-Four
(24) Years Service

Vacation pay will be the greater of eight percent **(8%)** of the employee's gross earnings for the previous year or two (2) days basic pay earned for each month

**Completed Anniversary
Years of Service**

Vacation with Pay

of employment in the previous calendar year to a maximum of twenty (20) days.

Twenty-Five (25) Years Service or more

Vacation pay will be the greater of ten percent (10%) of the employee's gross earnings for the previous year or two and one-half (2%) days basic pay earned for each month of employment in the previous calendar year to a maximum of twenty-five (25) days.

For employees with three or more year's service, the vacation entitlement (the percentage and the number of day's basic pay) will be adjusted to reflect any additional vacation days purchased with flex credits.

14:12 The following Section 14:12 applies only to seasonal employees employed by the Company on September 12, 2003.

Seasonal employees who are subject to the regular annual lay-off due to lack of work will receive the following appropriate percentage of their gross pay in every pay cheque in lieu of the provisions of section 14:03:

Completed Anniversary Years

Vacation with Pay

Up to but not including 3 years	4%
3 years up to but not including 9 years	4%
9 years up to but not including 16 years	6%
16 years up to but not including 25 years	8%
25 years service or more	10%

For employees with three or more year's service, 2% vacation pay has also been added to the flex credit formula.

14:13 The following Section 14:13 applies only to seasonal employees hired or re-hired by the Company on or after September 13, 2003.

Seasonal employees who are subject to the regular annual lay-off due to lack of work will receive the following appropriate percentage of their gross pay in every pay cheque in lieu of the provisions of section 14:03:

<u>Completed Anniversary Years</u>	<u>Vacation with Pay</u>
Up to but not including 3 years	4%
3 years up to but not including 10 years	4%
10 years up to but not including 18 years	6%
18 years up to but not including 25 years	8%
25 years service or more	10%

For employees with three or more year's service, 2% vacation pay has also been added to the flex credit formula.

14:14 The following Section 14:14 applies only to part-time employees employed by the Company on September 12, 2003. These part-time employees are entitled to the following vacation provisions:

(a) A part-time employee with less than three (3) years service will be paid four percent (4%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period.

(b) After completion of one year of service, a part-time employee is entitled to two calendar week's vacation time off without pay.

(c) A part-time employee with three (3) to eight (8) years of service will receive four percent (4%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period.

Further, such employee will be entitled to two (2) calendar week's vacation time off without pay.

(d) A part-time employee with nine (9) to fifteen (15) years of service will receive six percent (6%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period. Further, such employee will be entitled to three (3) calendar week's vacation time off without pay.

(e) A part-time employee with sixteen (16) to twenty-four (24) years of service will receive eight percent (8%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period. Further, such employee will be entitled to four (4) calendar week's vacation time off without pay.

(f) A part-time employee with twenty-five (25) years of service or more will receive ten percent (10%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period. Further, such employee will be entitled to five (5) calendar week's vacation time off without pay.

(g) For employees with three or more years service, (14:14 (c), (d), (e) and (f)), the vacation entitlement (the percentage and the number of weeks of vacation time off without pay) will be adjusted to reflect any additional vacation purchased with flex credits.

14:15 The following Section 14:15 applies only to part-time employees hired or re-hired by the Company on or after September 13, 2003. These part-time employees are entitled to the following vacation provisions:

(a) A part-time employee with less than three (3) years service will be paid four percent (4%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period.

(b) After completion of one year of service, a part-time employee is entitled to two calendar week's vacation time off without pay.

(c) A part-time employee with three (3) to nine (9) years of service will receive four percent (**4%**) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period. Further, such employee will be entitled to two (2) calendar week's vacation time off without pay.

(d) A part-time employee with ten (10) to seventeen (17) years of service will receive six percent (6%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period. Further, such employee will be entitled to three (3) calendar week's vacation time off without pay.

(e) A part-time employee with eighteen (18) to twenty-four (24) years of service will receive eight percent (8%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period. Further, such employee will be entitled to four (**4**) calendar week's vacation time off without pay.

(f) A part-time employee with twenty-five (25) years of service or more will receive ten percent (10%) of the employee's gross bi-weekly earnings as vacation pay in each bi-weekly pay period. Further, such employee will be entitled to five (5) calendar week's vacation time off without pay.

(g) For employees with three or more years service, (14:15 (c), (d), (e) and (f)), the vacation entitlement (the percentage and the number of weeks of vacation time off without pay) will be adjusted to reflect any additional vacation purchased with flex credits.

14:16 An employee on disability will continue to accrue vacation for only the first twelve (12) months of such disability.

14:17 The following Section 14:17 applies only to full-time employees.

Any employee taking vacation in increments of less than four (4) consecutive days will be paid at their regular rate of pay in lieu of the percentage calculations referred to in Sections 14:03, 14:04, 14:10 or 14:11 for such vacation days.

ARTICLE 15

LEAVE OF ABSENCE

15:01 General Leave

The Company agrees that any full-time employee may apply in writing for a leave of absence, without pay, or without **loss** of seniority or benefits, to attend to serious illness in an employee's immediate family or personal reason. The Company may grant the leave providing it is satisfied that the circumstances justify such leave and that the efficiency of the operation is not affected.

15:02 Union Leave

(a) Upon receiving a written request at least one (1) week in advance from the Union, the Company will grant leave of absence for not more than two (2) employees at any one time to attend Union conferences, conventions, or workshops, providing that the combined leaves of absence will not exceed forty (40) working days in any one (1) calendar year. Such leaves of absence will be without pay but with maintenance and accumulation of benefits (normal payroll deductions to apply).

(b) The **Local 2020 (Gas Unit)** President will be granted sixteen (16) days leave of absence annually, without pay, to attend Gas Unit membership meetings throughout the geographical scope of this Agreement. It is understood that the President's involvement will be limited to such meetings held outside of regular working hours.

15:03 Bereavement Leave

The Company agrees to allow a full-time employee three (3) working days, without **loss** of pay, in the event of a death in the individual's immediate family (immediate family is defined to include mother, father, father-in-law, mother-in-law, brother, sister, brother-in-law, sister-in-law, spouse, grandparents, grandparents-in-law, grandchildren and children). The Company will consider extending the leave of absence, without pay, providing there is prior notification to Management.

15:04 Approval of Leave

Any leave of absence will be submitted to the Company for approval in writing. No approved leave of absence will affect any employee's seniority rights when used for the purpose granted and providing the employee returns to work at the expiration of his/her leave.

15:05 Jury or Witness Duty

Full-time employees called to jury duty or subpoenaed for witness duty shall absent themselves from their work only to such extent as to allow them to carry out such 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 his/her Supervisor as soon as possible after receipt of notice of his/her selection for jury or witness duty.

(b) An employee who is selected for jury or witness duty but is temporarily excused from court must report for work until such time as he/she is actually involved in jury or witness duty.

(c) Employees must furnish a written statement from the appropriate public official showing the date, time served and the amount of pay received to be eligible for payment.

15:06 Pregnancy and Parental Leave

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

ARTICLE 16

MEAL PERIOD

16:01

(a) The Company agrees to allow an employee who is engaged in shift work and who works a scheduled shift of seven and one-half (7½) consecutive hours, a thirty (30) minute paid meal period during this regular shift, providing such an employee remains available during the paid meal period.

(b) Day shift employees shall be allowed one (1) hour for lunch.

(c) The Company will endeavour to allocate the meal period four (4) hours after the commencement of the employee's starting time. However, except in the event of an emergency such employees shall have their meal not later than five (5) hours from their scheduled starting time.

(d) The Company will provide a meal allowance of seven dollars (\$7.00) for an employee who works two (2) hours overtime when such overtime is in continuity with the completion of the individual's regular seven and one-half (7½) hour work period. A similar allowance shall be given for each additional four (4) hours worked thereafter.

(e) When an employee works two (2) hours overtime beyond the completion of his/her regular seven and one-half (7½) hour work period such an individual shall be allowed a thirty (30) minute paid meal period to be taken at any time after the completion of his/her basic seven and one-half (7½) hour work period. A similar paid period will be scheduled after the employee completes six (6) overtime hours beyond his/her regular seven and one-half (7½) hour work period.

ARTICLE 17

STANDBY

17:01 Standby

Where employees have been instructed to standby at their homes, they shall be paid standby in the amount of twenty-seven dollars and fifty cents (\$27.50), for any period up to and including twenty-four (24) hours for each and every day of standby, excluding standby on recognized holidays (as per Article 12). For employees instructed to standby on a recognized holiday, they shall be paid standby in the amount of fifty dollars (\$50.00) for any period up to and including twenty-four (24) hours. An employee is entitled to standby pay as herein provided whether any service calls are made or not. In addition, payment will be made for any time spent on service calls during a period when an employee is on standby at the applicable hourly rate as provided in Article 13.

17:02 It is recognized that some customer complaints can be resolved by having the Employee on standby contact the customer by telephone and, 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.

17:03 Rotation of Standby Period

All applicable employees when considered by the Company to be sufficiently experienced and skilled shall take their week on standby duties in rotation, except where vacation, leave of absence, sickness, injury or any emergency prevents such an employee from working. Under such circumstances, the next employee in line of rotation shall take over the standby period in question. All employees on standby will be paid for all hours worked, required to resolve customer complaints not corrected by 17:02, at the applicable overtime rate as provided for in Article 13 of this Collective Agreement.

ARTICLE 18

LAYOFF NOTICE

18:01 The following provision, Article 18:01, does not apply to part-time employees, i.e. those regularly employed for not more than twenty-four (24) hours per week.

(a) An employee who has more than three (3) months service with the Company but less than one (1) year of service shall be given one weeks notice in advance of pending layoff or one weeks basic pay in lieu of notice.

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

(c) Employees with five (5) years or more of service with the Company who are to be laid off due to lack of work shall be given four (4) weeks notice in advance or four (4) weeks basic pay in lieu of notice.

(d) Employees with eight (8) years or more of service with the Company who are to be laid off due to lack of work shall be given eight (8) weeks notice in advance or eight (8) weeks basic pay in lieu of notice.

(e) If in the opinion of the Company circumstances permit, the Company will endeavour to give a reasonable notice of layoff to employees other than the employees in (a), (b), (c) and (d) of this Article.

(f) Governmental requirements or this Article shall govern whichever is the greater benefit to the employee.

(g) The Company will issue the “Employment and Immigration Canada - Record of Employment” form to a laid off employee within five (5) calendar days of date of layoff.

ARTICLE 19

LAYOFF AND RECALL AFTER LAYOFF

19:01 Except as provided for in Article 8 of this Collective Agreement, the Company and Union recognize that qualification and seniority are the factors in job opportunities and security. It is agreed, therefore, that employees with the least seniority shall be laid off first when a reduction of the available work requires such action providing there are sufficient, qualified employees to do the remaining work. Such laid off employees will be recalled in order of seniority rating providing such employees are qualified to do the work.

19:02 All employees who are notified of a lay off shall 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 accommodation and moving expenses incurred by such employee shall be entirely at their own expense.

19:03 Employees who exercise bumping rights into another job category or geographic area shall have first opportunity to return to their regular job category in their home base area, when work becomes available, before other employees are recalled or hired.

ARTICLE 20

STRIKES AND LOCKOUTS

20:01 Neither the Union nor any of its members shall take part in or call or encourage a strike or any other collective action to interfere with Company operations during the term of this Collective Agreement, nor shall the Company engage in any lockouts.

ARTICLE 21

BULLETIN BOARDS

21:01 The Company will supply one (1) Bulletin Board two feet square to be located in each of the Operations Offices as designated by the Company at Sudbury, North Bay, Haileybury, Sturgeon Falls and Orillia. Union notices must be signed by a local Union Officer and be approved by Management.

ARTICLE 22

JOB POSTING

22:01

(a) The Company shall post information concerning job vacancies involving job categories which fall within the scope of the Collective Agreement (except for the category of Labourer). Any applicant who has established seniority shall have the right to apply and such application will be acknowledged (with date) by the immediate Supervisor. Applications shall be made in writing to the applicant's immediate Supervisor within eight (8) calendar days from the date of the posting of the vacancy. The Company will post and notify the successful applicant (if any) within seven (7) calendar days after removal of the posting.

(b) The following factors of the applicant(s) shall be considered by the Company:

- 1) Ability, knowledge, experience and skill to meet the normal requirement(s) of the job;
- 2) Seniority.

(c) In the case of one applicant who has the ability to meet the normal requirement(s) of the job, he/she shall be chosen to take a sixty (60) working day trial period.

When two (2) or more employees apply, their seniority shall govern providing they meet the normal requirements of the job and then the most senior employee shall be chosen to take a sixty (60) working day trial period.

(d) If an employee on this trial period, in the Company's opinion cannot perform the duties of the new position, he/she shall revert back to his/her former position. In cases of a regular job posting (i.e. excluding job postings for temporary vacancies), if the employee so desires within this sixty (60) working day trial period he/she may choose to revert back to his/her former position. If the employee reverts back to his/her former position, the process in (c) preceding, will be continued for the remaining applicants.

(e) If no applicant meets the normal requirement(s) of the job the Company may fill the vacancy by transferring an employee from some other area of the Company not covered within the scope of this Agreement or by hiring a new employee.

(f) The successful applicant of a job posting for a higher rated job classification will be paid the new rate of pay after sixty (60) calendar days from the date of notification that he/she is the successful applicant, if he/she has not been transferred to the new job. Job progression shall not commence until transferred to the new job. In the event that the job posting is cancelled, the wage rate will revert to the former wage as of the date of notification to the Union.

(g) The successful applicant of a job posting for a lower rated job classification will be paid the lower wage effective the date the applicant is transferred to the new job.

22:02 Temporary Vacancies

Temporary vacancies not exceeding forty-five (45) calendar days and vacation vacancies may be filled by the Company without posting by assigning qualified employees by seniority. For vacancies exceeding forty-five (45) calendar days, or when it is known that a vacancy will extend beyond forty-five (45) calendar days, the Company will post and fill such vacancy in accordance with the provisions of this Article.

22:03 Moving Expenses

It is understood that all costs including accommodation and moving expenses incurred by an employee in his/her efforts to fill a vacancy or upon a recall after layoff shall be entirely at his/her own expense. Job postings involving vacancies shall clearly outline the requirements of this sub-section. Despite the foregoing, when an employee is transferred at the expressed written request by the Company from one town or city to another within the geographical scope of this Agreement, the Company shall pay the moving of furniture and traveling expenses for an employee and his family.

22:04 New or Changes in Classification

The parties agree to a job evaluation process for the purpose of determining the relative levels of jobs covered by this Collective Agreement. The structure and operation of this job evaluation process is contained in the "USW Job Evaluation Process" document which is considered to be part of this Collective Agreement. The parties agree that the core contents of the "USW Job Evaluation Process" are subject to agreement between the parties and may be revised from time to time as necessary.

22:05 Transfer of Employee to Another Classification

(a) Should it become necessary for the Company to transfer an employee from one job category to a different job category for any reason involving a layoff or cut-back in the work force or because of physical disability, the employee shall receive the wage rate for the position he was transferred to, providing such a transfer exceeds thirty (30) calendar days.

(b) In the event of a technological change which could result in a transfer to another position the employee shall receive his/her regular wage rate for the category he was transferred to whichever is the greater.

ARTICLE 23

INCENTIVE PLAN

23:01

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% Duke 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 calendar year, 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:

- Two and five-eighths percent (2.625%) of the employee's incentive eligible earnings in each calendar year.

- Duke 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:

- Three-quarters percent (0.75%) of the employee's incentive eligible earnings in each calendar year, 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:

- One and one-half percent (1.50%) of the employee's incentive eligible earnings in each calendar year.

The District / Department and Duke 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 24

EMPLOYEE BENEFITS

24:01 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:

Effective with the enrolment for calendar 2004 benefit coverage, the flex credit formula for regular full-time employees will be

1.75% of base straight-time annual wages plus \$925.00. 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 \$925.00.

Effective with the enrolment for calendar 2004 benefit coverage, the flex credit formula for regular part-time employees will be 1.75% 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 \$693.75. 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 \$693.75.

Effective for enrolment of benefit coverage for calendar 2007, the following benefit price tags for 2006 will be increased by three percent (3.0%) for each of: Extended Health Care Plan; Dental Plan; Employee Life Insurance Plan (up to three times salary only); and Long Term Disability Plan.

Effective for enrolment of benefit coverage for calendar 2008, the following benefit price tags for 2007 will be increased by three percent (3.0%) for each of: Extended Health Care Plan; Dental Plan; Employee Life Insurance Plan (up to three times salary only); and Long Term Disability Plan.

Effective for enrolment of benefit coverage for calendar 2009, the following benefit price tags for 2008 will be increased by three percent (3.0%) for each of: Extended Health Care Plan; Dental Plan; Employee Life Insurance Plan (up to three times salary only); and Long Term Disability Plan.

24:02 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 of all Bargaining Units who are not currently participating in the Plan. 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.

24:03 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 shall be made available for inspection by the Union. The Company will bear 100% of the premium cost of Weekly Indemnity benefit.

24:04 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 following the fourth such incident, and the first 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.

To all regular employees meeting the above requirements the Company will provide sick pay for continuous service on the following basis -

Less than six months' service	Nil
After six months' continuous service but less than one year	1 week
After one year's continuous service but less than five years	2 weeks
After five years and before ten years	5 weeks
After ten years and before fifteen years	7 weeks
After fifteen years and before twenty years	9 weeks
After twenty years and before twenty-five years	10 weeks
After twenty-five years and before thirty years	11 weeks
After thirty years and before thirty-five years	12 weeks
After thirty-five years and before forty years	13 weeks
After forty years	14 weeks

24:05 Continuation of Employee Benefits

a) For an employee on lay-off the Company will provide and pay the premiums that are due in the six (6) calendar month period following the month of layoff for all the Employee Benefits as outlined in Article 24 excluding Weekly Indemnity, Sick Pay, and Long Term Disability Benefits and Accidental Death and Dismemberment.

b) For an employee in receipt of Weekly Indemnity and /or Sick Pay benefits the Company will provide and pay the premiums for the Employee Benefits as outlined in Article 24.

c) For an employee in receipt of either Long Term Disability or Workplace Safety Insurance Board benefits, or both, the Company will provide and pay the premiums for the Employee Benefits (excluding Accidental Death and Dismemberment) as outlined in Article 24.

24:06 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.

24:07 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 May 31, 2003. Employees retiring on or after January 1, 2004, and up to and including December 31, 2005, will have the option of selecting the retirement benefits in place as of the date of ratification of this Memorandum of Agreement, or the retirement benefits that will commence for employees who retire on or after January 1, 2006.

ARTICLE 25

PENSION

This Article 25, "Pension", will be in effect until June 30, 2004 at which time it will be replaced by the provisions of Article 24:02 which becomes effective July 1, 2004.

25:01 Pension

The Northern and Central Gas Corporation Ltd. Pension Plan - Group 2 as it applies to members of the Bargaining Unit shall be taken as paid up on the effective date March 1, 1973 and that service with the Company after March 1, 1973 as specified in the Union Gas Pension Plan - Group One shall be counted for the purpose of vesting under the Group 2 Plan.

25:02 It is understood and agreed that the revised non-contributory plan to be known as the Union Gas Pension Plan - Group One as agreed between the parties in the signed Memorandum of Agreement November 1, 1972 and as revised on November 24, 1975; November 17, 1977; May 31, 1979; November 21, 1980; December 10, 1982; November 6, 1984; November 7, 1986; July 26, 1989; July 16, 1991; June 2, 1994; June 14, 1996, May 13, 1998 and July 6, 2000; will be continued to provide benefits for members of the Bargaining Unit in respect to service after March 1, 1973.

ARTICLE 26

EMPLOYEE TRAINING AND DEVELOPMENT

26:01 Development

The Company is interested and will encourage employees who have established seniority to further develop their basic education and gas industrial skills. Conditional upon written Management approval obtained before the course commencement and upon receipt of written proof of successful completion, the Company shall reimburse

the cost of tuition fees for such approved courses up to a maximum of five hundred dollars (\$500.00).

26:02 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 skills of the employees in their various job categories.

26:03 The Company recognizes the desirability of helping employees who may, when the opportunity arises, wish to change to a different position and for those employees who have indicated in writing to their Supervisor 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 times 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 will be paid by the Company.

26:04 Technological Change

The Company will discuss with the Union matters relating to technological change in order to make the Union aware of the Company's plans in these areas one month in advance, where practical, of implementing such plans. The Company will also grant the Union the opportunity to make management aware of any concerns that the Union or the unionized employees may have in relation to such changes.

In the event of a technological change, which results in an employee being transferred to another position, the employee shall be classified in the new position according to his/her qualifications and experience. If such transfer results in a lower rate of pay than the

employee received in the previous position, the employee's rate of pay will be maintained for a period not to exceed twelve (12) months.

At the end of the end of the twelve (12) month, or less period, the employee's rate of pay will be adjusted to the appropriate progression step in the job classification.

ARTICLE 27

INCLEMENT WEATHER

27:01 Construction and Maintenance employees who are notified to report for a seven and one-half (7 1/2) hour scheduled shift (including Saturday and/or Sunday) and who in fact do report and such employees are affected by on-site Management's decision not to commence such scheduled work or to cease same already started because of weather conditions, the Company will:

(a) On a regular week day compensate up to four **(4)** hours lost time at the employee's regular basic hourly rate in addition to any monies payable for actual work performed;

"OR"

On a Saturday or Sunday compensate up to four **(4)** hours lost time at the regular basic hourly rate in addition to any monies payable for employee's actual work performed;

"OR"

(b) Utilize the lost time of the aforementioned employee's scheduled work for all of the involved employees for training sessions;

"OR"

(c) Utilize the lost time of the aforementioned employee's scheduled work to perform other work not seriously affected by the weather condition for all of the employees involved;

“OR”

(d) Utilize the lost time of the aforementioned employee's scheduled work on any combination of (a), (b) or (c) of this Article.

27:02 Management's decision to commence or to carry on work during inclement weather will be discussed with the on-job-site Steward.

27:03 Management will assign the remaining work as anticipated in Section 27:01 to qualified employees by seniority.

ARTICLE 28

WAGE RATES, JOB CLASSIFICATIONS & PROGRESSIONS

28:01 Attached hereto and forming part of this Collective Agreement is Appendix "A" Progressions and Appendix "B" Job Classifications and Wage Rates.

ARTICLE 29

COST OF LIVING ALLOWANCE

The following Article 29 on the Cost of Living Allowance is suspended for the duration of the Collective Agreement and will not provide or accumulate any monetary payment during said term.

Effective January 1977, and continuing until the termination of this Agreement, the Company will pay a cost of living allowance

(C.O.L.A.) premium to employees who have established seniority within the Bargaining Unit.

29:01 The Consumer Price Index as published by Statistics Canada in 1961 = 100 shall constitute the controlling index numbers for all calculations of the C.O.L.A. premium.

29:02 During the period of this Agreement, if Statistics Canada revise the base year 1961 = 100, the Company and the Union will meet and determine a conversion factor which would equitably adjust the present base to an amended base or request Statistics Canada to provide an appropriate conversion factor. In this event, the amended base will replace the base index as described in Section 29:01.

29:03 The base index figure will be the September 1976 Consumer Price Index. The index for December 1976, and each subsequent calendar quarter to the termination of this Agreement will have subtracted from it the base, to yield the quarterly differential.

29:04 The C.O.L.A. premium will be paid based on all hours worked commencing with the pay period immediately following the publication of the December 1976 Consumer Price Index. The monetary amount of the premium shall not form part of an employee's applicable hourly rate nor will it exceed forty-five cents (45¢) per hour.

29:05 The C.O.L.A. premium calculation will be formulated such that one cent (\$0.01) will be paid for each full zero point four (0.4) points of quarterly index differential obtained in 29:03. No adjustment, retroactive or otherwise shall be made to the value of the premium due to any revision which may be made at a date subsequent to the publication of the Consumer Price Index of Statistics Canada.

29:06 No premium shall be paid for a quarter in which the average quarterly index is equal to or less than the base index number stated in 29:03. Continuance of the premium is dependent upon the availability of the Consumer Price Index as published by Statistics Canada.

ARTICLE 30

COPIES OF AGREEMENT

30:01 The Company will supply copies of the Collective Agreement to each employee covered by the Agreement. The copies will be in booklet form and the Company will pay the cost of the supply and duplication. Additional copies will be available to the local Union Representative upon request.

ARTICLE 31

SEXUAL HARASSMENT

31:01 The Company and the Union agree that there shall be a working environment which is free from sexual harassment.

31:02 Any employee may report a complaint to a joint committee which shall consist of one (1) Company representative and one (1) Union representative. The complaint shall be investigated in a confidential manner and the finding, with recommendations for a satisfactory resolution, shall be submitted to the affected employee. All information of the committee respecting the complaint, investigation, report or other pertinent information shall be confidential. Nothing shall prevent an employee from pursuing his or her complaint through the available legal procedures or the government procedure.

ARTICLE 32

TERM OF AGREEMENT

32:01 This Collective Agreement shall remain in full force and effect for a term of thirty-six (36) months and be binding upon the parties from the first (1st) day of June, 2006 until the thirty-first (31st) day of May, 2009 inclusive and thereafter from year to year unless either party gives notice in writing to the other party within the ninety (90) day period immediately prior to the thirty-first (31st) day of May, 2009 of its desire to revise, amend or terminate this Collective Agreement.

32:02 Negotiation of revisions and/or amendments will, as a result of such written notice, commence prior to the sixteenth (16th) day of March, 2009. Where said negotiations have commenced this Collective Agreement shall continue in effect after the thirty-first (31st) day of May, 2009 until such time as a new Collective Agreement has been reached or until the Department of Labour's Conciliation Procedures, as required by legislation, have been exhausted, whichever is the sooner.

Dated **this 26th** day of May, 2006

**FOR THE COMPANY
UNION GAS LIMITED**

Terry Tippin
Manager, Labour & Employment
Relations

Doug French
Manager, Operations - Northeast

**FOR THE
UNITED STEELWORKERS
A.F.L. - C.I.O.**

Gerry Loranger
Staff Representative, United
Steelworkers

Roger Morin
President, Local 2020 (Gas Unit)

Dave Craven
Manager, Workload Planning

Mike Truchon
Local 2020 (Gas Unit) Operations
North Bay

John McReynolds
Manager, Labour Relations

Ron Denomme
Local 2020 (Gas Unit) Operations
Sudbury

Kevin Thomson
Local 2020 (Gas Unit) Operations
Orillia

MEMORANDUM OF AGREEMENT
between
UNION GAS LIMITED
and
THE UNITED STEELWORKERS
LOCALS 2020 (Gas Unit) and 7846

The provisions of this Memorandum of Agreement will be in effect until June 30, 2004 at which time it will be replaced by the provisions of Article 24:02 which becomes effective July 1, 2004.

It is agreed between Union Gas Limited and United Steelworkers, Locals 2020 (Gas Unit) and 7846 that effective January 1st, 1973 or approximately one (1) month after signing of the Collective Agreement whichever is later the Company Pension Plan for members of the Bargaining Units will be amended as follows:

1. That the present Northern and Central Gas Corporation Limited Pension Plan - Group 2 as it applies to members of the Bargaining Units shall be taken as paid up on the effective date as specified above and that service with the Company after the effective date as specified in the Union Gas Pension Plan - Group One shall be counted for the purpose of vesting under the Group 2 Plan.

2. That a revised non-contributory plan to be known as the Union Gas Pension Plan - Group One be established to provide benefits for members of the Bargaining Units in respect of service after the effective date:

(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 after age 55 with accrued pension subject to a reduction of one-quarter ($\frac{1}{4}$) 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 the effective date based on hours paid (without adjustment for premium rates) on the following schedule:

<u>Hours Paid</u>	<u>Service Credit (Yrs.)</u>
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 member 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) Periods of absence authorized by the Company but not covered by the Collective Agreement shall not constitute termination of employment and shall be counted for purpose of vesting only.

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

<u>Service Credits for Vesting</u>	<u>Vesting Percentage</u>
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 the effective date plus service in accordance with items (b), (c), (d) and (e) after that date.

(g) **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.

(h) 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.

(i) The Union Gas Pension Plan - Group One shall contain provisions for members' optional contributions.

(j) The monthly pension benefit for members who retire after January 1, 1988, payable under the Union Gas Pension Plan - Group One shall be twenty-five dollars (\$25.00) multiplied by years (and fractions of a year) of service after March 1, 1973. For employees retiring after June 1, 1992 the twenty-five dollars (\$25.00) will increase to twenty-seven dollars (\$27.00). For employees retiring after February 1, 1993 the twenty-seven dollars (\$27.00) will increase to thirty dollars (\$30.00). For employees retiring after February 1, 1994 the thirty dollars (\$30.00) will increase to thirty-three dollars (\$33.00). For employees retiring after February 1, 1995 the thirty-three dollars (\$33.00) will increase to thirty-four dollars and twenty-five

cents (\$34.25). For employees retiring after February 1, 1996 the thirty-four dollars and twenty-five cents (\$34.25) will increase to thirty-five dollars and fifty cents (\$35.50). For employees retiring after January 1, 1997 the thirty-five dollars and fifty cents (\$35.50) will increase to thirty-seven dollars and fifty cents (\$37.50). For employees retiring after January 1, 1998 the thirty-seven dollars and fifty cents (\$37.50) will increase to thirty-nine dollars and fifty cents (\$39.50). For employees retiring after January 1, 1999 the thirty-nine dollars and fifty cents (\$39.50) will increase to forty-one dollars and fifty cents (\$41.50). For employees retiring after January 1, 2000, the forty-one dollars and fifty cents (\$41.50) will increase to forty-three dollars and fifty cents (\$43.50). For employees retiring after January 1, 2001, the pension benefit will increase to forty-five dollars and fifty cents (\$45.50). For employees retiring after January 1, 2002, the pension benefit will increase to forty-seven dollars and fifty cents (\$47.50). For employees retiring after January 1, 2003, the pension benefit will increase to forty-nine dollars and fifty cents (\$49.50).

3. That the Plan as agreed shall be formalized into a separate Pension Agreement to be referred to formally in the Collective Agreement and remain in full force and effect as agreed for the term of the Bargaining Agreement with automatic renewal on unchanged terms until agreed between the parties in future collective bargaining.

4. When an employee retires at age fifty-five (55) or more, the Company will continue the current amount of life insurance as stipulated in Article 24:03. 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).

5. The Union will be advised of changes to the current pensioners' flat benefit amounts.

APPENDIX “A” PROGRESSIONS

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	TO
UTILITY SERVICE REPRESENTATIVE		
<i>After service of:</i> Sixty (60) calendar days Six (6) months in	Probationary C2	C2 C1
<i>After examination and service of:</i> Six (6) months in	C1	B4
<i>After service of:</i> Six (6) months in	B4	B3
<i>After examination and service of:</i> Six (6) months in	B3	B2
<i>After service of:</i> Six (6) months in	B2	B1
Six (6) months in	B1	A3
Six (6) months in	A3	A2
Six (6) months in	A2	A I

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

Any time spent in Probation will be credited to the C2 progression time requirement.

Employees who have completed the probationary period will be assigned no lower than Classification C2.

APPENDIX "A" PROGRESSIONS

	FROM	TO
WELDER - PIPELINE		
<i>(a) Welder not fully qualified</i>		
After Service of:		
Sixty (60) calendar days	Probationary	A3
Twelve (12) months in	A3	A2
Twelve (12) months in	A2	A1
<i>(b) Welder with required certificates</i>		
Sixty (60) calendar days	Probationary	
Welder	Probationary	A1
 C&M EQUIPMENT OPERATOR		
After service of:		
Sixty (60) calendar days	Probationary C1	B3
Five (5) months in	B3	B2
Five (5) months in	B2	B1
After examination and service of:		
Six (6) months in	B1	A3
After service of:		
Six (6) months in	A3	A2
Six (6) months in	A2	A1
 C & M UTILITY TECHNICIAN		
After Service of:		
Six (6) months in	A3	A2
Six (6) months in	A2	A1

APPENDIX "A" PROGRESSIONS

	FROM	TO
DISPATCHER - PLANNER		
<i>After service of:</i>		
Sixty (60)calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1
BUSINESS DEVELOPMENT CLERK		
<i>After service of:</i>		
Sixty (60)calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1
C&M UTILITY PERSON		
<i>After examination and service of:</i>		
Nine (9) months in	C1	B3
<i>After service of:</i>		
Five (5) months in	B3	B2
Five (5) months in	B2	B1
<i>Entry in A3 will be by Job Posting.</i>		
<i>After examination and service of:</i>		
Six (6) months in	A3	A2
<i>After service of:</i>		
Six (6) months in	A2	A1

APPENDIX "A" PROGRESSIONS

	FROM	TO
DRAFTER – ESTIMATOR		
<i>After service of:</i>		
Sixty (60) calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1
MECHANIC		
<i>After service of:</i>		
Sixty (60) calendar days	Probationary	A4
	(3rd Year Apprentice)	
<i>After examination and service of:</i>		
Ten (10) months	A4	A3
	(4th Year Apprentice)	
<i>After examination and service of:</i>		
Twelve (12) months	A3	A2
	(5th Year Apprentice)	
<i>After examination and service of:</i>		
Twelve (12) months	A2	A1
		(Journeyman)
SCHEDULER - PLANNER		
<i>After service of:</i>		
Sixty (60)calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1
UTILITY SERVICE CLERK		
<i>After service of:</i>		
Sixty (60)calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1

APPENDIX "A" PROGRESSIONS

	FROM	TO
MEASUREMENT ASSEMBLER		
<i>After service of:</i>		
Sixty (60) calendar days	Probationary	A3
Ten (10) months in	A3	A2
 <i>After examination and service of:</i>		
Twelve (12) months in	A2	A1
 METER COORDINATOR		
<i>After service of:</i>		
Sixty (60) calendar days	Probationary	A3
Ten (10) calendar months in	A3	A2
Twelve (12) months in	A2	A1
 METER VERIFIER		
<i>After service of:</i>		
Sixty (60) calendar days	Probationary	A3
Ten (10) months in	A3	A2
 <i>After examination and service of:</i>		
Twelve (12) months in	A2	A1
 WAREHOUSE CLERK,		
<i>After service of:</i>		
Sixty (60) calendar days	Probationary	A3
Ten (10) months in	A3	A2
 <i>After examination and service of:</i>		
Twelve (12) months in	A2	A1

APPENDIX "A" PROGRESSIONS

	FROM	TO
BUSINESS SUPPORT CLERK		
<i>After service of:</i>		
Sixty (60) calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1
INFRACTION CLERK		
<i>After service of:</i>		
Sixty (60) calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1
LINE LOCATOR		
<i>After service of:</i>		
Sixty (60) calendar days	Probationary	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1
METER READER		
<i>After service of:</i>		
Sixty (60) calendar days	Probationary	A3
Ten (10) calendar months in	A3	A2
Twelve (12) months in	A2	A1
UTILITY ADMINISTRATION CLERK		
<i>After service of:</i>		
Sixty (60) calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1

APPENDIX "A" PROGRESSIONS

	FROM	TO
COMMITMENT CLERK		
After service of:		
Sixty (60) calendar days (Probation)	A4	A3
Ten (10) months in	A3	A2
Twelve (12) months in	A2	A1

LABOURER

 After service of:

<p> Sixty (60) calendar days</p> <p>C2</p> <p> Nine (9) months as</p>	<p> Probationary C3</p> <p> Labourer C2</p>	<p> Labourer</p> <p> C&M Utility Person C1</p>
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Note: Labourers while employed on as built work will receive thirty cents (**30¢**) per hour over his basic wage rate while so employed.

PART-TIME EMPLOYEES

For part-time employees, progression for wage increase purposes will be based on regular straight-time hours worked **equivalent** to those of an employee working **full-time** as follows:

- Probation - 320 hours worked
- Four (4) Months - 650 hours worked
- Six (6) Months - 975 hours worked
- Ten (10) Months - 1625 hours worked

➤ Twelve (12) Months - 1950 hours worked

IT IS FURTHER AGREED:

(a) If the probationary period is not applicable the progression for all job categories would be reduced by sixty (60) calendar days.

(b) For employees who have established seniority the Company agrees during the term of this Collective Agreement to pay for the initial issue and annual renewal of Welder's, Gas Technician's and Pipeline Inspector's certificates or such multi-energy certificates upon receiving documentation from the employee that he/she has successfully obtained the initial certificate or has been invoiced for the annual renewal.

(c) Employees who fail their qualifying test shall not be retested until a three (3) month period has lapsed from the date of taking his/her last test. Employees will be given an opportunity to review their test results in the presence of Company Management

(d) It is agreed that newly hired employees may by mutual agreement between the parties (providing his qualification and experience are of reasonable high order) be placed in the progression as negotiated. Despite the foregoing the probationary period would be required.

(e) It is agreed that an existing employee who has established seniority could upon transfer, promotion, or upon successfully bidding on a posted job vacancy may, by mutual agreement between the parties be placed on the progression of the new position if his qualification and experience are of a high level as it pertains to the new position.

(f) An employee who has completed **his** probationary period in any job category covered by this Collective Agreement and who as a result of a transfer, promotion or successful bid for a vacancy enters a different job category than before, such an employee shall not then be

required to complete another probationary period as it applied to job progression.

g) It is understood that a Labourer who successfully bids into another job category shall receive the starting rate of the new category or retain his/her present rate, whatever is the greater. The Labourer will, of course, progress in line of progression for the new category.

(h) When an employee is assigned to operate a vehicle requiring an "A" or "AZ" classification driver's permit, the employee will receive a premium of forty-cents (40¢) per hour. The Company will pay the cost of a medical to a maximum of one hundred dollars (\$100.00) during the term of the Collective Agreement for employees required to hold an "A" or "AZ" class license by the Company.

(i) Thirty cents (30¢) per hour will be paid in addition to the regular hourly rate to a qualified employee while fusing plastic pipe connections. In any case, the employee will receive not less than the C & M Utility Person A I rate. The premium will not be used when calculating overtime rates, but will simply be added to the extended rate. An employee assigned to perform such plastic fusion will be paid the premium for a minimum of four (4) hours each day.

(j) Students will not obtain seniority and will be paid the "Summer Student" rate as stipulated in Appendix "B" when performing routine tasks such as painting, general clean-up, vehicle washing, etc. When performing the duties of Labourer, the students will receive the "Probationary" rate of pay. No student will be assigned to any job rated higher than a "Labourer". Students shall not be hired when regular employees are on layoff.

(k) *Town Supervisors* - It is understood and agreed that Town Supervisors in Orillia, Haileybury and Sturgeon Falls, shall continue to perform such work as has been past practice for them to perform.

Supervisors involved in Training, Emergencies and specialized work will continue to perform such work.

It is further agreed,

(l) *Lunches* - may be left at the Service Centre by the Construction and Maintenance employees during the months of December, January, February and March. The Company will deliver these lunches to the job site in time for lunch. Vehicles that will be utilized for eating lunch will be started one half (½) hour prior to the lunch period and left running during this lunch period.

(m) *Crew Leaders* - will be appointed for temporary assignment from time to time as needed by the Foreman or other Management. An individual selected as Crew Leader during a Construction Season may be re-appointed in a subsequent Season dependent upon his job performance.

The Company agrees that when selecting a Crew Leader, the following two factors shall be considered in determining which employees are to be promoted:

- (a) Seniority
- (b) Ability

When the Company discontinues a Crew Leader in that capacity, he/she shall remain in the classification he/she held prior to such appointment and shall be credited with all time served as Crew Leader for the purposes of his line of progression in his/her regular classification.

(1) Such a Crew Leader shall be paid one dollar and fifty cents (\$1.50) per hour above his/her regular rate but, in any event he/she shall not receive less than the rate of C & M Utility Person A I plus the premium. When calculating the overtime rate for a Crew Leader, the premium shall not be used when calculating the overtime rate, but will simply be added to his pay rate. Management agrees that a Crew

Leader would 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 worked as a Crew Leader for a lesser period.

(2) The Crew Leader would lead a Construction and Maintenance Crew for any time as designated by Management in addition to performing his/her regular duties.

(3) Management's decision on the selection or re-appointment of a Crew Leader will be conveyed to the Steward.

(n) *Meter Readers* - shall be maintained at a minimum work force level of three (3) Meter Readers and shall not be reduced during the term of the Collective Agreement. Meter Readers may be required to perform other duties apart from Meter Reading, as requested.

(o) A Welder when fabricating or installing measuring and/or pressure regulating stations having a pipe size in excess of **two (2)** inches shall receive a seventy-five cent (75¢) per hour premium in addition to his/her regular rate.

(p) A Mechanic will be required to adhere to the requirements of the Ministry of Colleges and Universities, Apprenticeship Branch.

(q) An Apprentice Mechanic must supply his/her own complete set of hand tools by the end of the apprenticeship period.

APPENDIX "B"
JOB CLASSIFICATIONS AND WAGE RATES

The following classifications and wage rates apply to the United Steelworkers, Local 2020 (Gas Unit) Sudbury, North Bay, Orillia, Haileybury, Sturgeon Falls and Local 7846 Sault Ste. Marie, Ontario, unless otherwise indicated.

Job Classification	June 11/06	June 3/07	June 1/08
Utility Services Rep			
A1	27.17	27.99	28.76
A2	26.63	27.43	28.18
A3	26.12	26.90	27.64
B1	25.62	26.39	27.12
B2	25.11	25.86	26.57
B3	24.60	25.34	26.04
B4	24.10	24.82	25.50
C1	23.59	24.30	24.97
C2	23.25	23.95	24.61
C3 (Probation)	23.09	23.78	24.43
 Welder			
A1	27.17	27.99	28.76
A2	25.20	25.96	26.67
A3	23.78	24.49	25.16
A4 (Probation)	23.09	23.78	24.43

APPENDIX "B"
JOB CLASSIFICATIONS AND WAGE RATES

Job Classification	June 11/06	June 3/07	June 1/08
C & M Equipment Operator			
A1	25.33	26.09	26.81
A2	24.57	25.31	26.01
A3	23.81	24.52	25.19
B1	23.05	23.74	24.39
B2	22.42	23.09	23.72
B3	21.79	22.44	23.06
C1 (Probation)	21.53	22.18	22.79
C & M Utility Technician			
A1	25.33	26.09	26.81
A2	24.59	25.33	26.03
A3	23.87	24.59	25.27
Dispatcher - Planner			
A1	25.33	26.09	26.81
A2	23.51	24.22	24.89
A3	22.18	22.85	23.48
A4 (Probation)	21.53	22.18	22.79
Business Development Clerk			
A1	24.41	25.14	25.83
A2	22.64	23.32	23.96
A3	21.36	22.00	22.61
A4 (Probation)	20.74	21.36	21.95

APPENDIX "B"
JOB CLASSIFICATIONS AND WAGE RATES

Job Classification	June 11/06	June 3/07	June 1/08
C & M Utility Person			
A1	24.41	25.14	25.83
A2	23.95	24.67	25.35
A3	23.50	24.21	24.88
B1	23.05	23.74	24.39
B2	22.66	23.34	23.98
B3	22.28	22.95	23.58
C1	21.59	22.24	22.85
Drafter - Estimator			
A1	24.41	25.14	25.83
A2	22.64	23.32	23.96
A3	21.36	22.00	22.61
A4 (Probation)	20.74	21.36	21.95
Mechanic			
A1	24.41	25.14	25.83
A2	23.52	24.23	24.90
A3	22.64	23.32	23.96
A4	21.36	22.00	22.61
B1 (Probation)	20.74	21.36	21.95

APPENDIX "B"
JOB CLASSIFICATIONS AND WAGE RATES

Job Classification	June 11/06	June 3/07	June 1/08
Scheduler - Planner			
A1	24.41	25.14	25.83
A2	22.64	23.32	23.96
A3	21.36	22.00	22.61
A4 (Probation)	20.74	21.36	21.95
Utility Services Clerk			
A1	24.41	25.14	25.83
A2	22.64	23.32	23.96
A3	21.36	22.00	22.61
A4 (Probation)	20.74	21.36	21.95
Measurement Assembler			
A1	23.49	24.19	24.86
A2	21.81	22.46	23.08
A3	20.57	21.19	21.77
A4 (Probation)	19.97	20.57	21.14
Meter Coordinator			
A1	23.49	24.19	24.86
A2	21.81	22.46	23.08
A3	20.57	21.19	21.77
A4 (Probation)	19.97	20.57	21.14
Meter Verifier			
A1	23.49	24.19	24.86
A2	21.81	22.46	23.08
A3	20.57	21.19	21.77
A4 (Probation)	19.97	20.57	21.14

APPENDIX "B"
JOB CLASSIFICATIONS AND WAGE RATES

Job Classification	June 11/06	June 3/07	June 1/08
Warehouse Clerk			
A1	23.49	24.19	24.86
A2	21.81	22.46	23.08
A3	20.57	21.19	21.77
A4 (Probation)	19.97	20.57	21.14
Business Support Clerk			
A1	22.61	23.29	23.93
A2	20.99	21.62	22.21
A3	19.80	20.39	20.95
A4 (Probation)	19.23	19.81	20.35
Infraction Clerk			
A1	22.61	23.29	23.93
A2	20.99	21.62	22.21
A3	19.80	20.39	20.95
A4 (Probation)	19.23	19.81	20.35
Line Locator			
A1	22.61	23.29	23.93
A2	20.99	21.62	22.21
A3	19.80	20.39	20.95
A4 (Probation)	19.23	19.81	20.35
Meter Reader			
A1	22.61	23.29	23.93
A2	20.99	21.62	22.21
A3	19.80	20.39	20.95
A4 (Probation)	19.23	19.81	20.35

APPENDIX "B"
JOB CLASSIFICATIONS AND WAGE RATES

Job Classification	June 11/06	June 3/07	June 1/08
Utility Administration Clerk			
A1	22.61	23.29	23.93
A2	20.99	21.62	22.21
A3	19.80	20.39	20.95
A4 (Probation)	19.23	19.81	20.35
Commitment Clerk			
A1	21.73	22.38	23.00
A2	20.18	20.79	21.36
A3	19.03	19.60	20.14
A4 (Probation)	18.47	19.02	19.54
Labourer			
C2	20.90	21.53	22.12
C3 (Probation)	20.74	21.36	21.95
Student	12.33	12.33	12.33

PART-TIME EMPLOYEES

For part-time employees, progression for wage increase purposes will be based on regular straight-time hours worked equivalent to those of an employee working full-time as follows:

- Probation - 320 hours worked
- Four (4) Months - 650 hours worked
- Six (6) Months - 975 hours worked
- Ten (10) Months - 1625 hours worked
- Twelve (12) Months - 1950 hours worked

LETTERS OF UNDERSTANDING

UNITED STEELWORKERS LOCAL 2020 (GAS UNIT) OPERATIONS

- Letter # 1 USW Humanity Fund
- Letter # 2 Training Programs
- Letter # 3 Town of Mattawa
- Letter # 4 Current Employees Entering the
Bargaining Unit
- Letter # 5 Layoff and Recall
- Letter # 6 Winter Overshoes
- Letter # 7 Modified Work
- Letter # 8 Workplace Accommodation
- Letter # 9 WSIB Benefits – Short-term Pay
Advance
- Letter # 10 Alternate Work Schedules for
Utility Services Representatives
- Letter #11 Travel time for Training
- Letter #12 Temporary Job Vacancies
- Letter #13 Layoff Procedure – Article 19:02
- Letter #14 “Choices” Benefit Plan

LETTER OF UNDERSTANDING #1

September 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Frood Road, 3rd Floor,
Sudbury, Ontario
P3C 4Z4

RE: U.S.W. Humanity Fund

During the 1991 negotiations for renewal of the existing Collective Agreements, the Company agreed to the following for all employees in:

U.S.W.	Local 2020 (Gas Unit) Sudbury and North Bay Offices
U.S.W.	Local 2020 (Gas Unit) Sudbury et al Operations (Sudbury, North Bay, Haileybury, Sturgeon Falls & Orillia)
U.S.W.	Local 7846 Sault Ste. Marie

The Company agrees to deduct from each pay cheque the amount of \$0.01 per hour from the wages of all employees in the Bargaining Unit for all hours worked and to pay the amount so deducted to the "Humanity Fund", and to forward such payment to the United Steelworkers, National Office, 234 Eglinton Avenue East, Toronto, Ontario M4P 1K7, and to advise in writing both the Humanity Fund at the aforementioned address and the local union that such payment has been made, the amount of such payment and the names of all employees in the Bargaining Unit on whose behalf such payment has been made.

LETTER OF UNDERSTANDING #1

- 2 -

It is understood and agreed that participation by any employee in the Bargaining Unit in the program of deductions set forth above may be discontinued by any employee in the Bargaining Unit after the receipt by the Company and the local union of the employee's written statement of his/her desire to discontinue such deductions from his/her pay.

Terry Tippin
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #2

September 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froot Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Training Programs

During the course of the 1994 negotiations to renew the Collective Agreements between the Company and the United Steelworkers, Locals 2020 (Gas Unit) and 7846, the parties discussed the desire of taking a more proactive approach to the issue of employee training and development.

The parties agreed to welcome Union and employee input into training initiatives undertaken by the Company.

Terry Tippin
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #3

August 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Town of Mattawa

During the 1994 negotiations for renewal of the existing Collective Agreements, it was agreed by the parties that the existing operational practices in the Town of Mattawa will continue until such time as workloads justify the location of a full-time Utility Services Representative. In that event, the Company will recognize the Union as the Sole Bargaining Agent for such employee.

Terry Tippin
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #4

September 13, 2003

Mr. Gerry Loranger,
Staff Representative
United Steelworkers,
92 Froot Road, 3rd Floor
Sudbury, Ontario
P3C 4Z4

RE: Current Employees Entering the Bargaining Unit

The subject of current employees entering any United Steelworkers Local was discussed at length during the negotiations to renew the collective labour agreements with Locals 2020 (Gas Unit) and 7846 scheduled to expire May 31, 1991.

The following principles will apply to all such employees:

1. Their original hire date with the Company will be used for determination of length of service for Service Awards.
2. Their original hire date with the Company will be used to calculate their vacation entitlement.
3. Their prior membership in a Company pension plan will be counted for vesting purposes in the pension plan for U.S.W. represented employees.

LETTER OF UNDERSTANDING #4

- 2 -

4. Their seniority date, i.e. date of entry into the U.S.W. covered bargaining unit position will be used for all other matters, such as filling job postings, lay-offs, vacation scheduling.

Terry Tippin
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #5

September 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Layoff and Recall after Layoff

**Local 7846 - Sault Ste. Marie
Local 2020 (Gas Unit) - Sudbury, North Bay, Haileybury,
Sturgeon Falls, Orillia**

During the 1991 negotiations for the renewal of the existing Collective Agreements, the layoff and recall procedure was discussed.

Concerning the application of the terms of Article 19 - Layoff and Recall after Layoff in the current Collective Agreement, the parties do hereby agree, for the term of the current Collective Agreement, commencing June 1, 1996, that:

1. Each seasonal employee of the bargaining unit notified of layoff in accordance with Article 19, will be reminded in the written notification that they can exercise their seniority within the bargaining unit in accordance with Section 19:02. If they choose to do **so**, they must notify the company in writing within seven calendar days from receipt of the Company's original notice of layoff.

LETTER OF UNDERSTANDING #5

- 2 -

2. The Supervisor will have the employee sign for receipt of the original notice of layoff and the layoff procedure herein. A record of this signature will be retained.
3. Each employee wishing to exercise their seniority and bump another employee will notify the Company of their intention in writing. Such employee will be notified of the results within seven (7) calendar days.
4. An employee who fails to indicate within the seven (7) calendar days their intention of exercising their seniority and displacing another employee with less service will automatically waive their bumping rights concerning the instant layoff situation.
5. The Company will provide complete seniority lists with names and locations of the employees to be laid off on each bulletin board and to the Supervisor immediately in charge of the affected employees.
6. The Company will send a registered letter regarding the layoff situation enclosing this layoff procedure to those employees who are absent due to sickness or on an approved leave of absence.
7. Before an employee takes his/her vacation, he/she will be advised of the pending layoff, and given a copy of this layoff procedure.

Terry Tippin
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #6

September 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Winter Overshoes

During the 1996 negotiations for renewal of the existing Collective Agreements, the Union proposed changes to allow the replacement as required, due to wear, of winter overshoes.

The parties agreed to leave the existing Collective Agreement language at 11:01 (i) unchanged, however, the Company agreed to replace winter overshoes more frequently than the language provides, subject to prior approval of local supervision.

Terry Tippin
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #7

September 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Modified Work

During the 1998 negotiations 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/her regular duties **as** soon as it is practical to do so.

In case of workplace injury or incident the Company agrees to provide the Union with a copy of the completed Form 7 when submitting same to the Workplace Safety Insurance Board (WSIB).

Terry Tippin
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #8

September 12, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Workplace Accommodation

During the negotiations for the renewal of the Collective Agreements that expired May 31, 2003, the Union proposed that the parties meet after the conclusion of negotiations to discuss the matter of workplace accommodation of disabled or injured employees.

The parties have agreed that a committee of three (3) Union and three (3) Management employees will meet within six (6) months of the renewal of the Collective Agreements to discuss this matter. Either party may request the attendance of other necessary persons to attend meetings as required to support **the** discussion.

Terry Tippin,
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #9

September 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: WSIB Benefits –Short-term Pay Advance

During the negotiations for renewal of the Collective Agreements that expired May 31, 2000, the Union indicated that in certain situations an employee may require a short-term pay advance when off work due to a work related injury and waiting for his/her WSIB claim to be processed. In such cases, an employee may request assistance from the Company by contacting the Occupational Health Department, Chatham Corporate. Subject to signing a release guaranteeing repayment, the Company will advance the employee his/her normal net base wages for the period the employee is off work and waiting for the claim to be processed.

Terry Tippin,
Manager, Labour & Employment Relations

TT/pk

LETTER OF UNDERSTANDING #10

September 13, 2003

Mr. Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: It rk dul s for Utility es Representatives

During the negotiations for the renewal of the existing Collective Agreements that expired May 31, 2000, the Union and the Company discussed alternate work schedules for Utility Services Representatives 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) Alternate work schedules can be jointly developed and agreed to by local union and management representatives.

- (ii) 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).

LETTER OF UNDERSTANDING #10

- 2 -

(iii) 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

TT/pk

LETTER OF UNDERSTANDING #11

September 12, 2003

Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froot Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Travel Time for Training

During the 2003 negotiations for renewal of the Collective Agreements that expired May 31, 2003, it was agreed by the parties that employees would be paid for travel time to attend training sessions on the following basis.

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

- Sault Ste. Marie to Chatham, and return – up to a maximum of nine (9) hours at the employee's straight-time rate of pay, each way
- Sudbury to Chatham, and return – up to a maximum of seven (7) hours at the employee's straight-time rate of pay, each way
- North Bay to Chatham, and return – up to a maximum of seven (7) hours at the employee's straight-time rate of pay, each way
- Orillia to Chatham, and return – up to a maximum of five (5) hours at the employee's straight-time rate of pay, each way
- Hagar to Chatham, and return – up to a maximum of seven (7) hours at the employee's straight-time rate of pay, each way

LETTER OF UNDERSTANDING #11

- 2 -

For all other training related travel time to other locations, 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

TT/pk

LETTER OF UNDERSTANDING #12

April 26, 2006

RE: Temporary Job Vacancies

During the 2003 negotiations for renewal of the Collective Agreement that expired on May 31, 2003, the parties agreed that in the event a temporary job vacancy is not filled by a current seniority employee through the "Temporary Vacancy" provisions of the Collective Agreement, the Company may then fill the temporary vacancy through a third party service provider, and any such individual will not be covered under, or eligible for, the provisions of the Collective Agreement.

Terry Tippin

Gerry Loranger

Manager, Labour & Employment
Relations

USW Staff Representative

LETTER OF UNDERSTANDING #13

April 27, 2006

Gerry Loranger,
Staff Representative,
United Steelworkers,
92 Froid Road, 3rd Floor,
Sudbury, Ontario P3C 4Z4

RE: Layoff Procedure – Article 19:02

During the discussion for renewal of the Collective Agreement that expired on May 31, 2006 the Union proposed changes to the bumping rights contained in the Collective Agreement. The Union's proposed change **is** intended to give an employee being laid off the option to bump into his / her own job classification in another geographical area to maintain his / her rate of pay and job classification.

The parties have agreed that for the term of this collective agreement, June 1, 2006 to May 31, 2009, the following process shall be administered as a replacement for Article 19:02 of this Collective Agreement.

All employees who are notified of a layoff shall have bumping rights in accordance with their seniority and qualifications in the following sequence:

- 1) bump within their current job classification into another geographical area,
- OR
- 2) bump within their home base geographical area before exercising their bumping rights into other geographical areas as **set** out in Article 1- Union Recognition

LETTER OF UNDERSTANDING #13

- 2 -

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

**Terry Tippin
Manager, Labour & Employment Relations**

TT/pk

LETTER OF UNDERSTANDING #14

May 26, 2006

RE: "Choices" Benefit Plan – Annual Review Meeting

During negotiations for renewal of the Collective Agreements that expired on May 31, 2006 the Union and Company committees reviewed and discussed:

- The philosophy and objectives of the Company's "CHOICES" Benefit Plan;
- The "CHOICES" Benefit Plan historical and projected cost increases, and reasons for these increases; and
- The actual and projected employer / employee cost sharing percentage for the period 2004 to 2009. The cost sharing percentages will be 85% employer and 15% employee.

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 (2006 to 2008) 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;

LETTER OF UNDERSTANDING #14

- 2 -

- 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 costs), 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 2006 annual review meeting.

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 USW and representatives of management. The first annual meeting will be held in 2006.

Terry Tippin

Gerry Loranger

Manager, Labour & Employment
Relations

USW Staff Representative

