

**2010 to 2011**

**Collective Agreement**

Between

**EPCOR Utilities Inc.**



And

**The Canadian Union of Public Employees,  
Local 2038**



Duration: December 19, 2010 to December 17, 2011

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## **Notes**

1. Substantive changes in this collective agreement are identified as follows:
  - o An asterisk (\*) designates a clause that existed in the previous Agreement which has been reworded. Any new words which have been added appear in "Italics."
  - o A double asterisk (\*\*) designates a new clause and / or a new article.
  - o Numbering changes and minor housekeeping changes that do not impact the meaning of the Agreement are not noted.

## **Errors and Omissions**

The Company and the Union agree that this document shall accurately reflect all items agreed to during collective bargaining. However, any errors or omissions that may be found in this Agreement shall be rectified as soon as possible based on mutual agreement between the parties.

# Collective Agreement

between

**EPCOR Utilities Inc.**

Of the First Part

(hereinafter referred to as the "Company")

- and -

**The Canadian Union of Public Employees Local 2038**

Of the Second Part

(hereinafter referred to as the "Union")

Duration: December 19, 2010 to December 17, 2011

## Preamble

WHEREAS:

In the spirit of partnership the parties shall endeavour to create and maintain a positive and harmonious workplace. Such a workplace shall recognize the contributions of each individual employee and allow for a shared vision of growth and success. The parties are committed to frequent, scheduled and open communication, joint problem solving and to resolving disputes promptly and effectively.

The following Collective Agreement has been mutually developed to reflect the spirit and intent arising from collective bargaining. Wherever possible the jointly prepared minutes arising from collective bargaining shall be used to assist in interpreting specific Collective Agreement verbiage.

Additionally, in this Agreement (unless otherwise indicated in the context), all words in the singular shall include the plural and all words in the plural shall include the singular; words of masculine gender shall include the feminine.

NOW THEREFORE:

**The Company and the Union mutually agree as follows:**

## Article 1 – Term of Agreement

- 1.01\* This Collective Agreement shall be in effect from *December 19, 2010 to December 17, 2011* and from year to year thereafter unless notice to bargain in writing is served by either party upon the other not less than sixty (60) days and not more than one hundred and twenty (120) days prior to the expiration or next anniversary date thereafter to this Collective Agreement. All items shall come into force and effect on the above specified date unless otherwise specified in this Agreement.

Changes to this Agreement agreed upon by the parties hereto, however, may be made at any time, provided that such changes are properly reduced to writing and executed by the authorized officers of the parties to the Agreement.

## Article 2 – Recognition

- 2.01 The Company recognizes the Union as the certified bargaining agent pursuant to Certificate # 88-2008 issued by the Alberta Labour Relations Board for a unit comprising "All employees in the Taber water and wastewater utility services". Management employees or employees employed by the Company to perform duties outside the scope of water and wastewater utility service provision shall be excluded.
- 2.02 The word "Employee" in this Agreement shall mean the Employees of the Company for whom the Union is the bargaining agent as set out in Article 2.01.
- 2.03 Students employed on a temporary basis during school vacation periods for a period not exceeding five (5) months, shall be covered by the terms and conditions of this Agreement.

Such employees shall not displace regular employees nor will they be retained in or granted work in preference to regular employees who normally perform the work.

## Article 3 – Definitions

- 3.01 **Permanent Employee**  
The words "Permanent Employee" when used in this Agreement shall mean any Employee who is filling a permanent position and has successfully completed the required probationary period.
- 3.02 **Probationary Employee**  
The words "Probationary Employee" when used in this Agreement shall mean any Employee filling a permanent position coming within the scope of the Agreement and is serving the required probationary period as a new employee.

3.03           **Temporary Employee**

The words "Temporary Employee" when used in this Agreement shall mean any employee who is filling a seasonal or established temporary position for a pre-determined period of time and who does not have permanent status in accordance with the terms of this Agreement.

3.04\*           **Casual Employee**

The words "Casual Employee" when used in this Agreement shall mean any employee who is regularly and/or intermittently scheduled to work less than full time hours on an ongoing/as needed basis.

3.05\*\*           **Part Time Employee**

The words "part time employee" when used in this agreement shall mean any employee who is regularly scheduled to work less than the regular hours of a full time employee.

## **Article 4 – Management Rights**

4.01           **General**

The Union recognizes that the Company shall have the sole and exclusive right, except as otherwise specifically limited by the express provisions of this Collective Agreement, to determine all matters pertaining to the conduct of its' management of the Company and its' affairs, and that the direction of the working forces is fixed exclusively with the Company and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive right of the Company to:

1. Maintain order and efficiency;
2. Hire, retire, discharge, promote, demote, classify, transfer, lay off, recall, suspend or otherwise discipline employees;
3. Make and enforce and alter from time to time rules and regulations to be observed by the employees.
4. The Company reserves the right to establish the number of employees required in each classification of employment.

4.02           **Employee Discipline**

4.02.01       The Company shall give an employee written notice of discharge, suspension or any other disciplinary action for just cause, stating the exact nature and details of the infraction. Copies of notices of discharge, suspension or any other documented disciplinary action shall be provided to the Union immediately following the application of discipline. These notices and any disciplinary actions may be the subject of a grievance and processed in accordance with the Dispute Resolution Process of this agreement.

- 4.02.02 When an employee is required to meet with a representative of the Company for the purposes of applying discipline, the employee shall, should they so desire, be entitled to have a Union representative present during such meeting. The Company shall so inform the employee prior to such meeting taking place, of their right to Union representation. If Union representation is desired by the employee then reasonable efforts shall be made by both parties in scheduling the meeting so that Union representation can occur. However, after reasonable efforts have been made, should a Union representative not be available to attend the meeting, the Company shall not be prevented from taking disciplinary action.
- 4.02.03 Past disciplinary notices shall be deemed void after an employee has maintained a clear record with no infraction for twenty-four (24) months. After the twenty-four (24) month period, the employee may request that such disciplinary notices be removed from the employee's Personnel file.
- 4.02.04 In disciplinary actions involving serious misconduct, resulting in a suspension of three (3) days or more, that are not progressive in nature, are not subject to removal in accordance with Article 4.02.03 and will remain on the employee's Personnel file when they are imposed for one of the following reasons:
- Workplace Violence;
  - Criminal Activity;
  - Personal/Psychological, Discriminatory or Sexual harassment; and,
  - Inappropriate use of EPCOR Assets and Resources (including EPCOR's name or brand, computers and electronic resources and intranet, internet and e-mail).
- 4.02.05 An employee has a right to review their Personnel file upon request, provided that a duly authorized management representative is present.

## **Article 5 – Union Security**

### **5.01 Recognition**

The Company recognizes the Union through its accredited officers or representatives as the exclusive bargaining agent of those employees covered by this Agreement for the purpose of collective bargaining in respect to wages and conditions of employment.

5.02      **Union Access to Company Premises**

Upon approval of the appropriate Site Manager or their designate, representatives of the Union shall be allowed access to areas where employees within the scope of this Agreement are working, provided said representatives inform the appropriate Site Manager or their designate of their reason for access and such access does not interfere with the regular operation of the Company.

5.03      **Check – Off of Union Dues**

Monthly Union dues of CUPE Local 2038 shall be deducted from all members of CUPE Local 2038 and forwarded to the Secretary-Treasurer of CUPE Local 2038 by the 15<sup>th</sup> day of the following month.

Union dues deduction shall be included on employees' T-4 slips.

5.04      **List of Union Officials**

The Union will inform the Company, in writing the names of its officers and other persons who may be authorized to represent the Union. The Union will inform the Company of any changes to such list.

## **Article 6 – Shop Stewards**

6.01      The Company will recognize the Shop Steward provided he is an employee.

6.02      The Union acknowledges that the Shop Steward has his regular work to perform as an employee of the Company and it is therefore agreed that he shall not take leave of his work to investigate or process a grievance or undertake any other Union business on the Company's premises during working hours without the prior consent of the Taber Site Manager.

## **Article 7 – No Discrimination**

7.01      The Union and the Company will make every reasonable effort to ensure that employees are able to work in an environment free of harassment.

7.02      There shall be no discrimination, restriction or coercion exercised or practiced by either party in respect of an employee by reason of race, age, ancestry, national or ethnic origin, colour, place of origin, religious beliefs, gender, marital status, source of income, family status, mental or physical disability, membership or non-membership in the Union nor in respect of an employee or employer exercising any right conferred under this Agreement or any law of Canada or Alberta.

7.03      Any employee who wishes to inquire or report a potential violation of this Article, shall do so in accordance with the Reporting Procedures in the EPCOR Respectful Workplace Policy – Complaint Options and Procedures.

## Article 8 – Union Management Working Relationship

8.01 In the interests of fostering a partnership between the Union and the Company, the parties recognize the continuing need for representatives to meet regularly to:

- Discuss the interpretation and application of the Collective agreement
- Engage in problem solving on contractual issues that affect more than one business unit/subsidiary,
- Jointly support Labour/Management forums involving Union members and operational Supervisors/Managers in the business units/subsidiary companies; and
- Any other matters the parties agree to.

## Article 9 – No Strike or Lockout

9.01 The Union and the Company agree that there shall be no strike or lockout while this Agreement is in force.

## Article 10 – Employment

### 10.01 Probation Period

10.01.01 The probationary period for new or temporary employees hired into permanently established positions shall be six (6) months.

10.01.02 A formal written performance review will be conducted at three (3) month intervals for all probationary employees.

10.01.03 A probationary employee who does not meet the requirements of the position during the probationary period shall be discharged from service without recourse to the Article 17 – Dispute Resolution Process. The employee and the Union shall be notified in writing of the reason for the discharge.

Where an employee's probation period has been extended past six (6) months and the employee has been subsequently discharged from service during their probationary period, he shall have access to Article 17 - Dispute Resolution Process up to and including Step 3 – Formal Review.

### 10.01.04 Extension of Probation Period

In certain instances, the normal probationary period may be extended to a maximum of one (1) year. In the event that the normal probationary period is extended, the employee and the Union shall be advised of the Company's valid reasons in writing.

## Article 11 – Seniority

11.01 Seniority is defined as the length of service with the Company in the Bargaining Unit, including service prior to certification of the Union, subject to Section (b) of this Article.

Seniority for Permanent employees shall be based upon the date the employee commenced in a permanent position, plus any prorated seniority based upon the employees accumulated regular hours paid as casual or temporary employee, provided that the employment is continuous.

11.02 An employee shall lose all seniority rights for any one or more of the following reasons:

1. Voluntary resignation;
2. Discharge for just cause and not re-instated;
3. Failure to return to work after lay-off within four (4) days of being notified of recall from lay-off, without notice satisfactory to the Company, is deemed to be voluntary resignation;
4. Lay-offs for more than twelve (12) months;
5. Absence without leave in excess of three (3) days without notice satisfactory to the Company, is deemed to be voluntary resignation, except this shall be extended for five (5) days in the event that it is not possible for the employee to contact the Company;
6. Retirement;
7. Appointment to a position outside the scope of this agreement, for a period of more than twelve (12) consecutive months, unless otherwise mutually agreed by the Union and the Company.

11.03 While a permanent CUPE 2038 member assumes the responsibilities of a permanent position outside the scope of this agreement, they will be notified by the Company in writing that they are required to pay Union dues in order to retain their reversion rights for up to the twelve (12) month period of time.

11.04 A list showing seniority of employees shall be provided by the Company to the Union on or before March 31<sup>st</sup> of each year (or at such other time as mutually agreed to between the parties). This list shall also include the Employees' names, addresses, home phone number and the hourly rate of pay.

## Article 12 – Working Conditions

### 12.01 Hours of Work

The normal hours of work for employees shall be from 7:00 A.M. to 6:00 P.M. to a maximum of eight (8) hours per day and forty (40) hours per week.

12.02 **Overtime Work**

All hours worked in excess of the daily (8 hours) or weekly (40 hours) maximum will be overtime and paid for at the rate of two (2) times the regular rate of pay.

An employee who is required to work overtime and is notified prior to or at the end of their regularly scheduled shift shall not be paid a minimum call out of three (3) hours but rather overtime pay on an hour by hour basis.

An employee who is required/scheduled to work on an off day shall be paid a minimum of two (2) hours at the overtime rate of pay. Employees called out for unscheduled or emergent work on off days will be paid as per Article 12.08 Call Out Pay.

12.03 **Lunch Period**

As the operational requirements permit, the Company will give employees an unpaid lunch period. Such lunch period will be a minimum of (½) half hour to a maximum of one (1) hour in duration.

12.04 **Rest Periods**

The Company will provide two (2) paid fifteen (15) minute rest periods, one within the first four (4) hours of the shift and one within the second four (4) hours of the shift.

12.05\* **Shift Differential**

Those employees who work a scheduled shift, one-half (1/2) or more of which falls between 16:00 and 08:00 hours (4:00 p.m. - 8:00 a.m.) shall receive a shift differential of *two dollars (\$2.00)* per hour for said shift. An employee shall not be eligible for shift differential for hours worked at premium rates or during attendance at training programs or conferences. Employees shall be eligible for shift differential for applicable shifts worked on statutory holidays.

12.06\* **Weekend Work Premium**

An employee who works a scheduled shift, the major portion of which falls on a Saturday and / or on a Sunday, shall be paid a weekend work premium of *two dollars (\$2.00)* per hour for said shift, provided that said Saturday or Sunday does not constitute one of his off days, a recognized statutory holiday, or an overtime shift.

12.07\* **Shift Schedules and Notice of Shift Change**

The hours and days of work of each employee shall be posted a minimum of seven (7) calendar days in advance of the shift schedule commencement or prior to a change in shift schedule.

The employee's regular hours of work may be changed to meet emergent situations with twenty-four (24) hours notice prior to such change, and the employee will receive *their regular rate of pay plus a shift change premium equal to 1X their regular rate of pay for the first shift* unless they have received a minimum of twelve (12) hours off duty.

12.08

### **Call Out Pay**

An employee who is called out and reports in for non-scheduled or emergent work shall be paid a minimum of three (3) hours at the overtime rate.

- (a). An employee may be called out to work more than once (numerous times) during this minimum three (3) hour call out pay time frame and would not be entitled to additional minimum call out pay for any additional call outs during this three (3) hour time frame.
- (b). An employee called out to work who is required to work from the time of the call out past the three (3) hour minimum, would receive overtime pay on an hour by hour basis after the three (3) hour minimum call out and not an additional three (3) hour minimum. For example - an employee called out works for four (4) hours to complete work. They would receive the three (3) hour minimum call out and one (1) hour at overtime; not two (2) three (3) hour minimum call out.

12.09\*

### **On Call Rotation and Standby Pay**

Employees held on standby as part of the "On Call Rotation System" shall be paid for standby service on the following basis:

*An employee placed on standby is required to remain fit for work and be available to report to the work site within 30 minutes. Standby shall provide 24 hours coverage on a daily basis as required.*

*Employees on standby shall be paid for standby service on the following basis:*

*0.50 hours of pay at the employee's regular rate of pay for every 8 hours of standby time on a work day.*

*0.67 hours of pay at the employee's regular rate of pay for every 8 hours of standby time on an off day.*

*1.67 hours of pay at the employee's regular rate of pay for every 8 hours of standby time on a statutory holiday*

The Company will develop and post the annual "On Call Rotation" schedule on or before January 31<sup>st</sup> of each year.

It is understood between the parties that the "On Call Rotation" schedule is subject to change based on operational requirements and staff resources.

12.10 **Banked Time**

An employee may take time off in lieu of overtime pay or pay for work on statutory holidays. Such time off shall normally be scheduled upon mutual agreement of the employee and the Company. The immediate management supervisor or his designate has the discretion to approve employee requests for use of their banked overtime.

On or before the second pay day of November each year, an employee's banked time shall not exceed the time equivalent of forty (40) hours. Amounts in excess of forty (40) hours shall be paid to the employee. Under extenuating circumstances, an employee may request the Company not to pay all of this excess banked overtime. Such requests will be in writing, describing the extenuating circumstances and the time equivalent the employee wishes to retain in their bank. The Company will provide a written response to such requests. In the event that such request is not approved by the Company, any banked hours in excess of forty (40) hours will be paid out.

12.11\* **Direct Responsibility Charge (DRC)**

An employee assigned, by the Company, to direct responsible charge of the Water or Wastewater Treatment Plant or *Water Distribution* or *Waste Water Collection* shall have his time coded as "Direct Responsibility Charge" for the purposes of reporting to Alberta Environment.

12.12 **Stacking of Premiums**

In instances where more than one premium is provided for work performed, an employee shall only be paid the highest single applicable premium. Under no circumstances shall a premium be compounded by the application of another premium in determining the rate of pay to be paid to an employee, except as specified in Article 12.05 Shift Differential.

## **Article 13 – Rates of Pay**

13.01 The rates of pay are as outlined in Appendix I, which includes the annual general wage increases during the term of this agreement. Also attached to Appendix I is "Notes" which describes point requirements and progression through the wage grid.

**Article 14 – Scheduled Time Off**

**14.01 Annual Vacation**

**14.01.01 Permanent and Probationary Employees**

Effective February 1, 2008, Annual Vacation Leave shall be advanced to permanent and probationary employees in full on January 1 of each year thereafter and such employees shall be allowed to schedule this leave subject to the terms of this agreement.

On or after the:	Annual Entitlement:
First vacation anniversary (January 01)	15 days
Seventh (7 <sup>th</sup> ) vacation anniversary	20 days
Twentieth (20 <sup>th</sup> ) vacation anniversary	25 days

14.01.02\* The Annual Vacation Leave for an employee's first year with the Company shall be a pro-rated amount based on the employee's start date, to the end of December of the calendar year which the employee was hired as per the following formula:

$$15 \text{ days of annual entitlement} \times \text{Employee's average daily hours of work} \times \frac{\text{Remaining Days in the Calendar Year}}{\text{The \# of Calendar Days per year}}$$

14.01.03 An employee's First Vacation Anniversary shall be the January first (1<sup>st</sup>) that follows the employee's hire date. Thereafter, subsequent vacation anniversaries shall be on January first (1<sup>st</sup>) each year.

14.02 An employee who terminates during a calendar year shall be entitled to a pro-rata ratio of their annual vacation leave compared to the number of calendar days in the year.

If, on the date of termination, the employee has used more than their pro-rata ratio of vacation leave, for that point in time in the calendar year, the employee shall reimburse the Company for any used portion of the annual vacation leave in excess of the employee's pro-rata ratio of vacation leave entitlement.

If, on the date of termination, the employee has not used their pro-rata ratio of vacation leave for that point in time in the calendar year, the Company shall pay the employee for their unused pro-rata ratio of vacation leave entitlement.

The payout or reimbursement of vacation credits shall be based on the employee's regular rate of pay for the class of position to which the employee is permanently appointed to or serving a probation period thereof.

14.03 Subject to Company Policy, an employee may be permitted to carry over vacation to the next year.

- 14.04\* If a recognized holiday, for which an employee is eligible, occurs during a period of annual vacation of that employee, they shall receive time off in accordance with Article 15.
- 14.05 Employees granted leaves of absence without pay for a period in excess of twenty-eight (28) consecutive calendar days shall have their Annual Vacation Leave entitlement reduced on a pro-rated basis to reflect the absence in excess of twenty-eight (28) consecutive calendar days.
- 14.06 Permanent or probationary employees absent because of occupational disability in excess of one hundred and eighty (180) calendar days shall have their Annual Vacation Leave entitlement reduced on a pro-rated basis to reflect the absence in excess of one hundred and eighty (180) calendar days.
- 14.07 Permanent or probationary employees in receipt of Long Term Disability benefits shall have their Annual Vacation Leave entitlement reduced on a pro-rated basis to reflect the length of time in receipt of Long Term Disability benefits until the employee returns to work for the Company in any form of remunerated employment.
- 14.08 If an employee produces medical evidence, satisfactory to the Company, proving that they were incapacitated to the extent which required them to be confined or hospitalized due to sickness and/or injury, for a period of three (3) working days or more during their annual vacation, such whole period shall not be included in the employee's annual vacation entitlement, but shall be charged to the employee's Short Term Disability Plan, subject to the agreement of the Company.
- 14.09 A permanent or probationary employee on annual vacation leave shall be eligible for bereavement leave in accordance with the bereavement leave provisions.
- 14.10 It is understood that there shall be no cash settlement made for vacation entitlement for permanent and probationary employees except as mutually agreed between the Company and the employee.
- 14.11 **Vacation Scheduling**
- 14.11.01\* Vacation scheduling shall be based on a calendar year (January to December) and shall be subject to approval based on operational requirements. In instances where more than one employees' first choice vacation leave request are for the same period, seniority will be the deciding factor.  
*The on-call rotation schedule is subject to change based on operational requirements and staff resources for purposes of vacation scheduling.*
- 14.11.02 An employee may be allowed to take vacation leave to the maximum of their accumulated vacation credits (annual vacation entitlement and carryover). However, the Company shall establish an annual period of January 1 to December 31 for the purpose of scheduling vacation leave.

14.11.03 All vacation requests from employees must be submitted to the Company by the end of February in each year.

The Company will consider all submitted vacation requests; and post an approved vacation schedule, by the end of March in each year.

14.12 **Temporary and Casual Employees**

14.12.01 Effective February 1, 2008, the Annual Vacation Leave for temporary and casual employees shall be paid out bi-weekly based on a percentage of the employee's straight time pay.

14.12.02 An employee's First Vacation Anniversary shall be the January first (1st) that follows the employee's hire date. Thereafter, subsequent vacation anniversaries shall be on January first (1st) each year.

14.12.03 Vacation paid will be adjusted on the employee's anniversary date as outlined below:

On or after the:	Entitlement (% of straight-time pay)
Date of hire	6%
7 <sup>th</sup> vacation anniversary	8%

14.12.04 When a temporary or casual employee is appointed to the permanent staff, their length of service for vacation entitlement purposes shall be established by adding together the total number of hours employed with the Company as a temporary or casual employee and by dividing by two thousand and eighty (2080). The result thus obtained shall constitute the years of service and these, added to subsequent years of service, shall constitute the years of service for vacation entitlement purposes. In addition, the employee's Vacation Anniversary Date shall be adjusted to be consistent with Article 14.01.03.

14.13 **Personal Leave Days/Hours**

14.13.01 **Permanent and Probationary Employees**

Effective February 1, 2008, Personal Leave Days/Hours shall be advanced to permanent and probationary employees in full on January 1 of each year thereafter and such employees shall be allowed to schedule this leave in accordance with the following:

Personal Leave Days/Hours (permanent full-time or probationary)
5 days (40 hours)

- Personal Leave Days/Hours:
  - will be pro-rated dependent on an employee's start date
  - must be used by December 31 of the year they are earned. They can not be carried over to the next year.
  - are intended to give employees greater flexibility in meeting work/life priorities, and can be taken for any reason including emergent situations, partially or all at once, subject to operational requirements.
  - can be taken consecutively.
  - will not be included in the vacation scheduling process as per Article 14.11. However, once the vacation schedule has been finalized employees can use Personal Leave Days/Hours to replace vacation that has already been scheduled and approved.
- The "year" for both Annual Vacation and Personal Leave Hours purposes is the calendar year, not the end of the final pay period of the year.
- Employees needing to use Personal Leave Days/Hours must submit a request in writing to the employee's supervisor/manager.
- All requests for Personal Leave are to be approved by Management
- In case of an emergency for which an employee requires personal leave, the employee must notify their supervisor/manager immediately.
- If a modification to the date of Leave is required the request will be consider by Management on a case by case basis.
- Personal Leave Days/hours availability will be subject to operational requirements.

## Article 15 – Statutory Holidays

### 15.01\* Permanent and Probationary Employees

The following days shall be recognized as statutory holidays for the purpose of this Agreement, and all permanent, *temporary* and probationary employees shall be entitled to the holidays specified, provided they meet the terms and conditions set out in this section.

New Year's Day	First Monday in August
Alberta Family Day	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Remembrance Day
Victoria Day	Christmas Day
Canada Day (July 01)	Boxing Day (December 26)

Any other day declared or proclaimed by the Federal or Provincial Governments or which the Company allows the employees as a whole.

15.02\* *The statutory holidays shall be observed on the normal calendar day of occurrence. Employees shall be eligible for the premium pay provisions of 12.02 on the normal calendar day only. Where the company designates a day in lieu of the actual statutory holiday for the majority of its employees and an employee is required to report to work, he shall receive the applicable overtime rate.*

15.03 Employees shall receive eight (8) hours pay at their regular rate of pay for each holiday listed in Article 15.01 for Permanent, Temporary and Probationary Employees.

15.04\* In the event any of the above-named holidays fall during an employee's annual vacation *he shall be paid for the statutory holiday at his regular rate of pay and no vacation time will be charged for that day*

15.05 Employees absent from duty, for other than leave of absence authorized by the Company or the provisions of this Collective Agreement, on the day before and/or the day immediately following the holiday shall not be paid for the holiday. The employee shall produce a doctor's certificate satisfactory to the Company concerning such absence because of illness.

### 15.06 Casual Employees

Casual employees shall have their statutory holiday pay paid on a bi-weekly basis as a premium calculated at four point six (4.6) percent of their normal bi-weekly earnings. Should this premium payment of statutory holidays in any way violate the Employment Standards Code or disadvantage any employee(s), the parties shall meet to review this item and agree to another method of determining and paying for statutory holiday pay for casual employees.

## Article 16 – Return to Work Program and Fitness for Work

- 16.01 The Company is responsible for providing a healthy and safe work environment.
- Employees have a responsibility to maintain their health and fitness, attendance and productivity, and to work safely.
- 16.02 Consistent with Company Policy, in the event of illness or injury, employees will be assisted in a return to productive and meaningful work at the earliest opportunity. Active rehabilitation is the most effective means to support employee recovery, sustained productivity and quality of work.
- 16.03 It is understood that the Company and the Union shall co-operate in seeking accommodation and/or placement of CUPE 2038 employees who are declared medically fit to return to work within the Taber work site.
- 16.04 After exhausting the Company's disability management process, if there is no work available that can accommodate an employee's physical and/or mental restrictions then such an employee will be subject the layoff provisions of this Collective Agreement.

## Article 17 – Dispute Resolution Process

- 17.01 **Purpose**
- The intent of the Dispute Resolution Process is to:
- encourage open, two-way dialogue by the people affected by a dispute,
  - achieve solutions that contribute to positive, collaborative working relationships,
  - achieve solutions that are consistent with the Collective Agreement,
  - minimize the time and cost involved in resolving disputes.
- 17.02 **Definitions**
- 17.02.01 A “dispute” is any workplace problem, disagreement or difference involving employees, the Union or Company representatives.
- 17.02.02 A “grievance” is any dispute concerning the interpretation, application, operation or alleged violation of this Agreement, including any question as to whether the dispute is arbitrable. A written grievance must specify a complete and full statement of the difference and the particular relief requested on behalf of the grievor.

17.02.03 "Working days" means consecutive days, exclusive of Saturday, Sundays or statutory holidays observed by the Company.

17.03 **Individual Grievance**

17.03.01 In the event that a dispute occurs between the Company and the Union and/or an employee of the bargaining unit regarding the interpretation, application or alleged violation of this Collective Agreement, the following procedure of settlement shall be followed:

17.03.02 **Step 1 – Problem Solving**

Employees, Union representatives or Company representatives are encouraged to resolve any dispute through face-to-face discussions with the people who:

- are closest to the source of the dispute,
- possess the knowledge and ability to solve the dispute, and
- are directly affected by the outcome of problem-solving discussions.

The employee or employees concerned shall first seek to solve the problem/settle the dispute in discussions with the Taber Site Manager.

Problem-Solving may continue as long as the participants are mutually satisfied that progress is being made. Should the Problem Solving step foreseeably extend beyond seven (7) working days from the date the alleged cause of complaint occurs, a Union representative shall notify the Taber Site Manager in writing to continue the Problem Solving step.

The employee(s), Union or Company may conclude Problem-Solving at any time by notice to the other party(ies).

An employee(s), Union representative or the Company may initiate Consultation if a dispute has not been resolved by Problem-Solving, if any of the parties believe that Problem-Solving will not solve the dispute, or Problem-Solving is not the appropriate method to solve the dispute.

17.03.03\* **Step 2 – Consultation**

If the dispute is not resolved satisfactorily in Step 1, it then becomes a grievance to be complied within the meaning of Article 17.02.02.

The written grievance shall then be submitted to the *Manager responsible for Southern Alberta Operations* within seven (7) working days of the date the alleged cause of complaint occurred or the conclusion of Problem Solving step.

Any grievance not presented within seven (7) working days from the date the alleged cause of complaint occurs or the conclusion of the Problem Solving step is abandoned and without recourse.

Once initiated, a representative of Human Resources or *Operations Management* shall schedule a meeting of the people who are essential to resolving the dispute. The meeting may be facilitated by a Human Resources representative, the appropriate management supervisor and/or the Union representative, or another person acceptable to the parties.

The *Manager responsible for Southern Alberta Operations* will then provide a written decision to the Union with an e-mailed copy to the grievor(s) within seven

(7) working days of the receipt of the written grievance or the conclusion of the Consultation step.

17.03.04\* **Step 3 – Formal Review**

If a satisfactory settlement is not reached in the Consultation step, then it may be referred in writing to the Director, Labour Relations providing this is done within seven (7) working days after receipt of the *Manager responsible for Southern Alberta Operations* written response in Step 2 - Consultation.

17.03.05 **Step 4 – Arbitration**

If a satisfactory settlement is not reached in the third step the Union may then submit the grievance to arbitration within seven (7) working days after receipt of the written response from the Director, Labour Relations in Step 3 – Formal Review.

17.05 **Policy Grievance**

A grievance arising from the application, operation or alleged violation of this Agreement which directly affects more than one employee in the bargaining unit, affects the entire bargaining unit and / or is of a policy nature shall be initiated in writing with the Director of Labour Relations or his designate at Article 17.03.04 Step 3 – Formal Review and will be referred to as a Policy grievance.

The complaint giving rise to the policy grievance shall be investigated by the Union.

After it is determined that the complaint is just, the Union shall submit the Policy grievance within seven (7) working days from the date the incident or when the grievance reasonably came to the attention of the Union.

This written Policy grievance shall be forwarded to the Director of Labour Relations and shall specify the nature of the grievance, the Article or Articles of the Agreement upon which the grievance is based and the remedy requested. After submission of the grievance to the Director of Labour Relations, the procedures and time limits outlined in Article 17 shall apply.

17.06 Time limits in the grievance procedure may be extended in writing by mutual agreement between the Company and the Union.

## **Article 18 – Posting and Filling Vacancies**

18.01 When a vacancy occurs or a new position is created, the Company has the right to immediately fill the position temporarily and shall thereafter post notice of the position for five working days.

18.02 Should the Company contemplate not filling a vacancy, the matter shall be discussed by the Company and the Union within ninety (90) calendar days of the vacancy occurring. This Article shall not apply to temporary or casual positions.

## Article 19 – Promotions

- 19.01 In making promotions within the jurisdiction of the Union, the required knowledge, qualifications and skills contained in the job posting shall be the primary considerations. Where two (2) or more applicants are equally qualified to fulfil the duties of the position, seniority shall be the determining factor.

## Article 20 – Layoff and Recall

- 20.01 In laying off permanent employees, the company will layoff the least senior employee in the Bargaining Unit, provided that the remaining employees have the qualifications and skills to perform the remaining work.
- 20.02 In recalling permanent employees back to work, the most senior employee on lay off shall be recalled first provided he has the necessary qualifications and skills to perform the work.
- 20.03 A permanent employee with seniority standing within the Bargaining Unit whose Permanent full-time position is permanently affected by way of being discontinued, may, if he so chooses displace an employee with less seniority in any classification covered in this agreement provided he has the qualifications and skills to perform the job.

## Article 21 – Leave of Absence Without Pay

- 21.01 **General Leaves of Absence Without Pay**
- 21.01.01 Except as provided in Article 21.02, leave of absence will be granted only based on operational requirements and the period of absence not to exceed three (3) months.
- 21.01.02 The employee must give sufficient and reasonable notice in writing when requesting same and such request must be approved by the Taber Site Manager.
- 21.02 **Maternity and Parental Leave**
- Requests for Maternity and/or Parental leaves shall be considered and granted by the Company, for eligible employees, consistent with EPCOR policies and existing legislation.
- 21.03\* **Leave for Union Business**
- Insofar as the efficient operation of the Company permits, an employee elected as a delegate to Union Conventions, seminars or training sessions may be granted leave of absence, such approval not to be unreasonably withheld.

*The employee will remain on the payroll while on leave and the Company will invoice the Union accordingly.*

## Article 22 – Leave of Absence With Pay

### 22.01 Medical / Dental Appointments

A permanent or probationary employee who is required to arrange a medical or dental appointment during working hours shall be allowed to meet such appointment on Company time and without loss of pay, provided that they are not absent from work for a maximum of three (3) hours. Such employee shall not be obliged to make up the time spent away from work to keep the appointment.

Employees are encouraged to schedule such appointments at the start or end of their shift. An employee whose absence exceeds three (3) hours for a medical or dental appointment may use banked overtime, vacation credits, short term disability benefits (where applicable and authorized), or such other arrangement mutually agreed to by the employee and their immediate supervisor and signed-off by their management supervisor, to avoid a loss of pay for the period in excess of three (3) hours.

### 22.02 Leave With Pay for Collective Bargaining

An accredited representative to the negotiating committee for the Union, shall be granted leave, at the regular rate of pay by the Company, for the purpose of attending joint collective bargaining, conciliation or mediation meetings in the establishment of a new Collective Agreement. It is understood that no more than two (2) employees from the Union will be granted leave with pay for a combined total of up to six (6) days or a combined total of up to forty-eight (48) hours, for the purpose of attending said meetings on behalf of the Union. EPCOR will be advised in writing of the name(s) via notice to commence collective bargaining.

### 22.03 Bereavement Leave

22.03.01\* A permanent employee shall be granted time off with pay, at the regular rate of pay, for the position to which such employee is permanently appointed or serving a required probationary period thereof, for the purpose of making arrangements for, or attending, a funeral in accordance with the following:

When death occurs in the employee's immediate family – that is, current spouse, parent, grandparent, grandchild, guardian, parent of current spouse, child or ward, brother, sister, *step brother*, *step sister*, *step parent*, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent of current spouse, or a related dependent of the employee, the employee, on request, shall be excused for any three (3) regularly scheduled consecutive working days without loss of pay at the employee's regular rate of pay, provided the employee attends the funeral.

However, in no event shall such leave exceed the three (3) working days. In addition to the above noted bereavement leave, a permanent employee may be granted additional unpaid bereavement leave past the day of the funeral if there is a demonstrated need.

22.03.02 One-half (1/2) day's leave with pay to attend funeral services of persons related more distantly than those listed in Article 19.03.01 shall be granted upon request. Upon demonstrating the need for additional time due to extenuating circumstances, this bereavement leave shall be extended up to one (1) day.

- 22.03.03 The word "funeral" when used in respect of bereavement leave shall include the initial memorial service which is held in conjunction with a cremation.
- 22.03.04 The term "extenuating circumstances" may include travelling time, shift schedule conflicts, or such other reasons which may be applicable to the individual circumstance.
- 22.03.05 A permanent employee on leave of absence other than annual vacation leave shall not be eligible for bereavement leave.

**Article 23 – Benefits**

23.01 Effective July 1, 2008, the Company shall provide flexible Health and Welfare Benefits, to all permanent and probationary employees subject to the terms and conditions of the applicable contracts, the EPCOR Advantage Benefits Plan (as amended from time to time), and/or government regulations. These Health and Welfare Benefits shall include options regarding Dental Care, Extended Health Care, Out of Province/Out of Country Emergency Medical Care, Life Insurance (employee, spouse, dependents), Long Term Disability and a Health Spending Account. On an annual basis, the Company shall provide a minimum of one thousand (1,000) dollars of flex credits to each employee in order that they can make benefit coverage choices to suit their benefit needs. The premiums cost share on an Essentials-level basis as indicated for permanent employees shall be:

<u>Benefit</u>	<u>Company Premium</u>	<u>Employee Premium</u>
Dental Care (Essentials)	100%	0%
Extended Health Care (Essentials)	100%	0%
Out of Province/Out of Country Emergency Medical Care	100%	0%
Life Insurance (Basic Essentials)	100%	0%
Long Term Disability (Essentials)	100%	0%
Health Spending Account (Optional)	• Amount as allocated by the employee from their flex credits	0%

23.02 Effective July 1, 2008, the Company shall pay fifty percent (50%) and the employee shall pay 50 percent (50%) of the applicable single or family premiums for Alberta Health Care.

The Company shall provide a Short Term Disability Plan in accordance with the EPCOR Advantage Benefits Plan (as amended from time to time).

23.03 The Company acknowledges that all eligible permanent employees shall participate in the Local Authorities Pension Plan, or any successor plan developed by the Company, in accordance with the terms and conditions of the Local Authorities Pension Plan Act of Alberta and/or the regulations thereto, or the terms and conditions of the successor plan.

23.04 During the term of the Collective Agreement, and with input from the Union, the Company may seek benefits coverage with a different carrier.

## Article 24 – Job Training

24.01 There is a shared commitment to Training and Career Development by the Company and employees covered by this Agreement. Training and Career Development are both employee and Company initiated and supported as such. Educational funding for employees shall be governed by the Company's policy on Employee Training and Career Development.

## Article 25 – Safety Boot Subsidy

25.01\* Where the conditions of employment demand or require the use of CSA approved safety boots or shoes, employees shall receive a subsidy every *two (2)* years.

The Safety Boot Subsidy includes the following:

- An employee who is *eligible* to purchase a pair of safety boots based on their job *requirements* shall be eligible to receive a Safety Boot Subsidy to a maximum of *three hundred dollars (\$300.00)* or the purchase price of the boots, whichever is the lesser. *This subsidy can be used to purchase summer or winter boots based on their job functions.*
- One hundred percent (100%) of the cost of boot liners or insoles to a *two (2)* year maximum of sixty dollars (\$60.00).
- One hundred percent (100%) of the cost of boot resoling or repairs to a *two (2)* year maximum of fifty dollars (\$50.00).

Eligibility for the Safety Boot Subsidy is on the following basis:

- Operational requirements must justify all safety boot purchases. Boot repairs and subsequent purchases within *two (2)* years from the original purchase date must be justified by fair wear and tear and/or just cause.
- A new employee who is required to purchase Safety Boots prior to commencing their employment with EPCOR can submit their original receipt from their Safety Boot purchase to their management supervisor. After the new employee has completed thirty (30) days of continuous employment with the Company they will be eligible to receive reimbursement as outlined in this article.
- An original receipt detailing the safety boot purchase or repair must be provided for reimbursement.

It is understood that the management supervisor is responsible to review and approve all requests for Safety Boot Subsidy, liners, insoles and boot repairs.

## Article 26 – Safety

26.01 The Company and the Union recognize that the provision of a safe work environment is a shared responsibility and that, as a condition of employment, all employees, both Union and Management, are expected to conduct their daily tasks in a manner that is consistent with the philosophy and objectives of the Safety Policy. To this end, the Company and the Union shall work together in

perfecting regulations which will provide the protection necessary to eliminate injuries.

- 26.02 All employees are obligated to comply with regulations, EPCOR standards and site procedures. It is the responsibility of every employee to know the health and safety information relevant to their work and to actively participate in safe work planning and hazard controls. All Management, Lead hands, Supervisors and Site Managers are accountable for the safety and health of personnel for whom they are responsible and are obligated to provide the necessary resources to accomplish these goals.
- 26.03 No employee shall operate any tool, appliance or equipment that will cause to exist an imminent danger or carry out any work where there exists or will cause to exist an imminent danger to the health and safety of that employee, another employee or member of the public.
- 26.04 An employee shall not be required to perform any task with which cannot be accomplished without violation of safety practices or regulations of the Occupational Health and Safety Act and such refusal shall not be the basis for disciplinary or discriminatory action.
- 26.05 Employees are required to report any unsafe conditions to their Management Supervisor, Lead Hand or the appropriate safety representative. If the unsafe condition is not corrected, then the employee may bring the unsafe condition to the attention of the Union.
- 26.06 The Company agrees to conduct regular safety meetings with all employees. There will also be a report or update regarding safety items at the regularly scheduled Union / Management Meetings.

# APPENDICES

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TO THE 2008 to 2010

COLLECTIVE AGREEMENT

-between-

EPCOR UTILITIES INC.

-and-

THE CANADIAN UNION OF PUBLIC EMPLOYEES - LOCAL 2038

<b>APPENDIX I – SCHEDULE OF WAGES</b> .....	29
• 2011 Schedule of Wages (Hourly) - apply a general increase of five percent (2.5%) Effective December 19, 2010 to December 17, 2011	
• An additional \$0.75 adjustment was made to the Lead Hand Operator position prior to the annual wage adjustment being applied.	
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**The parties agree that Appendices form part of the body of the Collective Agreement.  
They continue to form part of the Agreement unless one or both parties propose changes**

**APPENDIX I – SCHEDULE OF WAGES**

Class Code	EPCOR Job Title	December 19, 2010 to Dec 17, 2011			
		A	B	C	D
4000 <sup>Notes 1&amp;2</sup>	OPERATOR Non-Certified (0 pts)				\$24.52
4001 <sup>Note 1</sup>	OPERATOR (1-4pts)	\$25.02	\$25.51	\$26.02	\$26.54
	OPERATOR (5-8 pts)	\$27.08	\$27.61	\$28.17	\$29.16
	OPERATOR (9-10 pts)			\$30.17	\$31.22
4004 <sup>Note 1</sup>	LEAD HAND OPERATOR				\$32.84

Class Code	EPCOR Job Title	December 19, 2010 to Dec 17, 2011			
		A-6 mths	B-6 mths	C-6 mths	D-Job Rate
4005 <sup>Note 3</sup>	WATER UTILITY WORKER	\$17.17	\$19.62	\$22.07	\$24.52
4006	ADMINISTRATIVE ASSISTANT				\$20.15
4007	METER READER				\$19.19
4008 <sup>Note 4</sup>	STUDENT				\$15.61

**or deletions in Collective Bargaining.**

## APPENDIX I – NOTES

The following matrix of classifications and respective point requirements shall be used to determine each employee's position classification. The Company's intention is to train employees to encourage multi-skilling and cross-functional competencies. The goal being to have a more diversified and qualified workforce.

Class Code	EPCOR Job Title	A	B	C	D
4000	OPERATOR Non-Certified (0 pts)				0 points
4001	OPERATOR (1-4pts)	1 point	2 points	3 points	4 points
	OPERATOR (5-8 pts)	5 points	6 points	7 points	8 points
	OPERATOR (9-10 pts)			9 points	10 points
4004	LEAD HAND OPERATOR				Job Rate

### \* Note #1: Water Operator Classifications (Class Codes 4001, 4004)

Eligible qualifications for points:

- one point for each Alberta Environment Compliance (A.E.C.) Certification operations level (levels I to IV) in each discipline of Water Treatment, Water Distribution, Wastewater Collection and Wastewater Treatment;
- The Company will pay an employee achieving the Level III A.E.C. Certification in each discipline of Water Treatment, Water Distribution, Wastewater Collection and Wastewater Treatment, a one time only lump sum payment of \$500.00.
- *The Company will pay an employee achieving the Level IV A.E.C. Certification in each discipline of Water Treatment, Water Distribution, Wastewater Collection and Wastewater Treatment, a one time only lump sum payment of \$1000.00.*
- one point for each Company recognized training course as determined by the Company on a case by case basis.

Employees must be prepared to use all levels of qualification when required by the Company to do so and must demonstrate use of each qualification during each year.

In accordance with the Alberta Environment Compliance (A.E.C.) Certification process, all employees with A.E.C. Certification will be required to maintain their existing levels of certification in accordance with Alberta Environment's process. If an employee fails to maintain their A.E.C. certifications, the employee's points and pay will be reviewed and adjusted accordingly.

### \* Note #2: Operator (Non-Certified – 0 Points)

- Permanent employees hired into the Operator (non-certified) classification will be allowed up to three (3) years to obtain at least four (4) qualification points to continue employment.
- *For the duration of this agreement only, this note will not apply to the following employees: PR# 100090 and PR# 100085.*
- Classification may be used for students within the water and waste water fields of study for work experience /internship programs. Students engaged in these programs will be

Class Code	EPCOR Job Title	A	B	C	D
4005	WATER UTILITY WORKER	6 Months	6 Months	6 Months	Job Rate
4006	ADMINISTRATIVE ASSISTANT				Job Rate
4007	METER READER				Job Rate
4008	STUDENT				Job Rate

**Note #3: Water Utility Worker Progression (Class Code 4005)**

Employees hired into the Water Utility Worker classification will progress from Step A to Step B after successful completion of 6 months in the position (or the equivalent of 1040 hours). Progression will continue on this basis until the employee reaches Step D. Placement on Appendix I at this classification will be at the discretion of management following an assessment of the employee's work experience within and outside of the Company.

**Note #4: Student (Class Code 4008)**

Students employed during school vacation periods or under the EPCOR Summer Employment Program (SEP) may be engaged in full time temporary work for up to five (5) months.

Positions will be eight (8) hours per day, forty (40) hours per week.

All other terms and conditions for temporary employees, as outlined within this Collective Agreement, will apply.

**\*\* Note #5: Effective Date**

*For the purposes of this agreement only the effective date for the appendix 1 will be December 19, 2010 to correspond with the beginning of the first pay period of 2011.*

## APPENDIX II – PROTECTIVE CLOTHING

The following items of protective clothing will be provided on an as needed / as required basis and will be replaced when an employee demonstrates fair wear and tear:

- Ear Protection
- Safety Glasses
- Insulated Winter (Safety Toed) Rubber Boots
- Hard Hats and Liners
- Rubber Boots
- Leather Gloves
- Rubber Gloves
- Safety Vests
- Rain Suits
- Smocks (for Laboratory Work)
- EPCOR Winter Jacket
- Summer Coveralls or Summer Bib Overalls
- Winter Insulated Coveralls

# LETTERS OF UNDERSTANDING

Between

**EPCOR Utilities Inc.**

(Hereinafter referred to as the "Company")

And

**The Canadian Union of Public Employees, Local 2038**

(Hereinafter referred to as the "Union")

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The parties agree that Letters of Understanding are in effect for the current Collective Agreement. They cease to exist unless one or both parties propose and agree to renewal (as is or amended) in Collective Bargaining.

The following Letters of Understanding are grouped together for signing purposes only.

# Letters of Understanding

Between

EPCOR Utilities Inc.

And

The Canadian Union of Public Employees, Local 2038

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## **Letter of Understanding #1: Contracting Out**

Without restricting the right to determine the methods by which services are to be provided, the Company agrees that, during the term of this Agreement, no permanent employee who was covered by this Collective Agreement on or before February 11, 2008, shall be laid off as a direct result of the Company contracting out the work performed by such permanent employee.

In the event that such permanent employee is displaced as a result of the Company contracting out the work, the Company shall have the right to place said employee in any job with the Company or any of its subsidiaries, for which he has the required qualifications at not less than the rate of pay for the job from which he is displaced.

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## **Letter of Understanding #2: Out of Town Work**

In the spirit of partnership and in order to foster the growth of new business opportunities for EPCOR Utilities Inc., it is mutually agreed and understood by the parties that the following terms and conditions shall apply for Out of Town work situations.

1. Employees shall, when directed, be required to work and/or travel out of town for greater than one (1) day and one (1) night, who have been authorized and assigned their own EPCOR Purchasing ("P") Card will be required to use their EPCOR "P" Card for all travel, accommodation, meals and other business related expenses. In the rare instance that a vendor does not accept the EPCOR "P" Card as a method of payment, the employee will pay for the business expense and submit a business expense claim in accordance with EPCOR policy.
2. EPCOR employees required to work and or travel out of town for greater than one (1) day and one (1) night who have not been authorized and assigned the use of an EPCOR "P" Card and are not travelling with an employee who has an EPCOR "P" Card shall have the option to:
  - (a) Be reimbursed for all travel, accommodation and meal expenses as per the EPCOR policy; OR

- (b) Choose to be paid a living allowance per diem of one hundred and fifty dollars (\$150.00) per day to cover expenses related to daily meals (sixty dollars - \$60.00) and accommodation (ninety dollars - \$90.00). Such allowance would be advanced to employees prior to their out of town work assignment. It should be noted that this per diem amount is inclusive of any applicable Provincial Sales Tax (P.S.T.).
  - (c) Employees who have not been authorized and assigned an EPCOR "P" Card must choose option (a.) or (b.) prior to the Out of Town Work occurring.
- 3. Employees who are required to work and or travel out of town for less than one (1) day and one (1) night shall be reimbursed for all travel, accommodation and meal expenses as per the EPCOR policy.
- 4. In the rare instance where employees have chosen option (b.) and they incur legitimate accommodation and meal expenses in excess of the one hundred and fifty dollars (\$150.00) per diem; employees shall submit bills/receipts to their management supervisor for review and authorization.
- 5. Employees who are required to utilize their personal vehicle to travel to and from their Out of Town Work location and for any other business purposes shall be reimbursed for their travel based on the EPCOR Travel Policy.
- 6. The Company shall pay other legitimate Out of Town expenses such as material, equipment, supplies and hosting. Employees who have been authorized and assigned an EPCOR "P" Card will pay for these types of expenses with their EPCOR "P" Card, subject to the guidelines and limitations of the EPCOR "P" Card policy and manual. For employees who have not been authorized or assigned an EPCOR "P" Card or where payment with their EPCOR "P" Card is not appropriate, payment for these expenses shall be made via the EPCOR Purchasing Policy, Petty Cash/Expense claim reimbursement with appropriate receipts, or a cash float to the employee in charge of the Out of Town Project.
- 7. Should the Company be successful in attaining Out of Town Work contracts/work assignments of a longer duration (in excess of fourteen (14) calendar days), the parties shall review and discuss the issues arising from this Out of Town Work (Out of Town Work Plan).
- 8. The Out of Town Work Plan meetings shall be utilized:
  - (a) for out of town/external work assignments;
  - (b) to reach agreements that are "good for employees (people) and good for the Company (a business)";
  - (c) to determine hours of work schedules on short notice and waive the provisions of Article 11 by establishing hours of work for each out of town/external contract based on mutual agreement between the Company and the affected employee(s);
  - (d) to work out travel time, hours of work and accommodation arrangements before the out of town/external contract begins;
  - (e) to establish compressed hours of work schedules based on eighty (80) hours bi-weekly and permit alternate hours of work schedules to accommodate out of town/external contract work.

9. The following principles shall guide discussions and decisions in these work plan meetings:
    - To maximize business travel during regular hours of work and minimize travel time at premium rates or on an employee's off day's.
    - To encourage flexibility in travel times and hours of work, to meet work requirements and the personal needs of employees.
    - To establish reasonable limits on how long an employee(s) can work and/or travel in a day (consistent with the safety and labour standards).
    - To ensure that the Company designates one employee as the person "in charge" – of fulfilling the leadership role for the out of town/external contract work. The employee charged with this responsibility shall co-ordinate any issues while on site/out of town and would be responsible for dealing with any unforeseen situations that may arise.
    - To ensure that there is confirmation of the understanding and agreement of all the affected employees.
    - To reconsider work plan arrangements if the work requirements change significantly once the out of town/external contract work begins. The employee designated to take leadership for particular out of town/external contracts would be responsible for the meeting with the other employees and determining if alternate work plan arrangements are required.
    - To accommodate personal emergencies that require employees to return home prior to the conclusion of the out of town assignment.
    - To provide a mechanism to debrief/provide feedback on out of town assignments after their completion.
- 

### **Letter of Understanding #3: Out of Town – Travel Time**

The parties understand and agree to the following principles and terms:

1. Out of town travel could occur for scheduled work, unscheduled urgent or emergency work, required job / skill training - directed by the Company or career development opportunities – requested by the employee.
  2. Employees required to travel out of town, will travel during their regularly scheduled hours where possible or as discussed and agreed to in an Out of Town Work Plan.
  3. Employees required to travel outside normal hours of work for scheduled out of town work assignments or required job / skill training shall be paid a travel pay premium of one-half (½) hour's pay at their regular rate of pay, for each hour spent travelling, in addition to the regular rate of pay. This travel pay premium is not bankable and will be paid to the employee in the next pay period following the out of town travel.
  4. Employees required to travel out of town for unscheduled urgent or emergency work shall have their travel time paid at overtime as outlined in Article 12.02.
  5. Employees requesting out of town career development opportunities, that are supported and paid for by the Company, shall travel during regularly scheduled hours where possible. If this is not possible then they will travel on their own time. Employees travelling in these circumstances will not be eligible for the travel pay premium or overtime for any travel time.
  6. The Company will recognize drivers and passengers of Company vehicles as being subject to this Letter of Understanding
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#### **Letter of Understanding #4: New Business Development**

In order to (1) maintain the competitive position of EPCOR Alberta, (2) retain a skilled work force and promote security of employment for CUPE Local 2038 members and (3) enable EPCOR Alberta to expand and grow their business in the Southern Alberta region in an effective and efficient manner the Union and the Company agree to enter into discussions at the earliest opportunity regarding new business developments in order to explore a range of options and alternatives.

The Company and the Union in consultation with its affected members may mutually agree to temporarily suspend, modify or create new provisions of this Collective Agreement. These discussions may include the assignment of employees to other work locations or other operational issues which may arise as a result of the new business.

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#### **Letter of Understanding #5: Alternate Hours of Work**

An alternate hours of work shift schedule may be designed to be brought forward for review by the parties. This shift schedule design shall specify the following:

- shift starting times;
- shift ending times;
- hours of work per day;
- average hours of work per week;
- number of weeks of the shift schedule;
- lunch periods and coffee breaks;
- overtime entitlement;
- shift differential entitlement;
- statutory holidays entitlement

An alternate hours of work shift schedule shall be subject to the following prior to implementation:

- this shift schedule must receive support from the majority of the employees working the shift schedule as well as EPCOR Taber management;
  - this shift schedule shall be submitted to EPCOR Human Resources and the Union for review and approval.
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#### **\* Letter of Understanding #6: Recruitment and Vacation Entitlement**

Effective date of ratification, when recruiting externally, the Company would have the right to recognize a successful external applicant's directly related industry experience working in or at a Water or Wastewater Operation for the purposes of vacation entitlement.

*Notwithstanding the operational requirements, when a conflict occurs regarding vacation selection, existing employees with more bargaining unit seniority will have greater seniority for the purposes of approval and scheduling vacation leave.*

The details of such shall be discussed with the Union prior to an offer of employment to the applicant. The experience recognized would form part of the applicant's offer letter.

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### **Letter of Understanding #7: Working In Other Jurisdictions within EPCOR**

The following understandings are agreed to regarding EPCOR employees performing work in other jurisdictions within EPCOR:

1. On a short term basis (up to or less than 90 working days) employees from other EPCOR jurisdictions may perform work at the Taber site/Southern Alberta area. These employees would remain within their "home" jurisdiction, continue to pay dues to that Union, continue to earn their regular base rate established within that jurisdiction and would be subject to the travel and accommodation arrangements established by the Company and/or that jurisdiction.
2. C.U.P.E. 2038 employees who perform work in another EPCOR jurisdiction on a short term basis (up to or less than 90 working days) shall remain in the C.U.P.E. 2038 jurisdiction, continue to pay C.U.P.E. 2038 dues, continue to earn (at least) their regular base rate of pay and would be subject to travel/accommodation arrangements established in the Collective Agreement. It should be noted that there would be no impact to a C.U.P.E. 2038 employee's jurisdictional seniority or Company seniority (with respect to service recognition, benefits or other entitlements - unless specifically outlined and agreed to).
3. It is also understood that the Company will notify the Union either verbally or in writing when any short term cross jurisdictional work (described in # 1 & #2) is planned/required.
4. When the Company requires cross jurisdictional work to occur for a longer duration (greater than 90 working days but less than 1 year) the Company shall post this temporary work requirement within the appropriate EPCOR jurisdiction and make the selection for this posting. The successful applicant will be given a letter of offer for this specific temporary opportunity. The letter of offer shall be consistent with the rates of pay, terms and conditions and Union dues specified in the current Collective Agreement for the EPCOR jurisdiction specified.
5. C.U.P.E. 2038 employees who perform work in another EPCOR jurisdiction on a longer term basis (greater than 90 days but less than one year) as outlined in #4 shall continue to accrue their seniority standing within C.U.P.E. 2038 for when they return to their C.U.P.E. 2038 position .
6. Overall - it is understood that the Company would not seek short term or longer term cross jurisdictional work assignments if there are qualified employees within the existing jurisdiction that are available and able to perform the required work.


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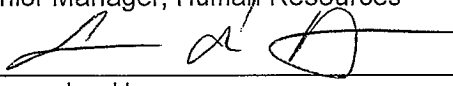
### **\* Letter of Understanding #8: Short Term Incentive Pay Program**

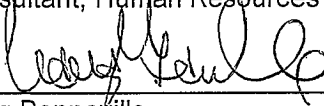
1. The parties agree that the permanent full-time *and part-time* employees will be included in the Company's short term incentive program.
2. The short term incentive performance measures will be based on the Company program guidelines and criteria.
3. Target pay percentage will be two and one-half (2 1/2) percent. .
4. These pay percentages are based on an employee's regular base salary.
5. The short-term incentive program will include performance measures based on Corporate, Business Unit and an employee's individual performance.
6. The Short Term Incentive Program will be the Company's corporate program, and will align to respective Corporate and Business Unit performance measures to ensure all employees, including management and unionized, are working to the same performance measures.
7. The performance measures (Corporate, Business Unit, and individual performance) may change from year to year. However the target pay percentage of two and one – half (2 ½ ) percent will remain unchanged.
8. Employees who are terminated or who terminate employment for any reason during the eligibility period and prior to the payment of the short term incentive will not be eligible for a short term incentive payment.
9. The short-term incentive for all employees will be paid at the end of April of the following year, *subject to Board of Directors approval of Company performance.*

Signed this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2011

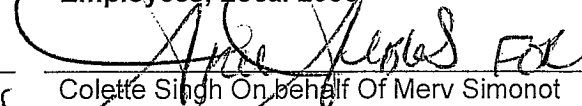
On behalf of EPCOR Utilities Inc.

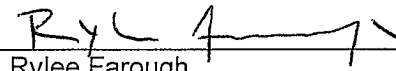
  
\_\_\_\_\_  
Todd Chaffey  
Senior Manager, Human Resources

  
\_\_\_\_\_  
Lauren den Heyer  
Consultant, Human Resources


  
\_\_\_\_\_  
Craig Bonneville  
Senior Manager, Water and Waste Water

On-behalf of the Canadian Union of Public  
Employees, Local 2038

  
\_\_\_\_\_  
Colette Singh On behalf Of Merv Simonot  
National Representative

  
\_\_\_\_\_  
Rylee Farough  
President

  
\_\_\_\_\_  
Braden Gardner  
Operator

  
\_\_\_\_\_  
Brent Hamilton  
Operator