

AGREEMENT

between

ONCOR ELECTRIC DELIVERY COMPANY

and

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS
LOCAL UNION NO. 69

JAN. 28, 2008 - OCT. 25, 2010

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AGREEMENT

This Agreement is made and entered into by and between Oncor Electric Delivery, its successors and assigns, (the "Company"), and Local Union No. 69 of the International Brotherhood of Electrical Workers, AFL-CIO, (the "Union"), collectively (the "Parties").

PURPOSE

The Company is engaged in furnishing an essential public service which vitally affects the health, safety, comfort and general well-being of the people living in Oncor Electric Delivery's service area, and the very existence of the Company is conditioned and dependent upon the faithful performance of its regulatory and franchise obligations and responsibilities in serving the public.

These obligations and responsibilities to the public apply to both the Union and the Company and require that any difference arising between them be adjusted and settled in an orderly manner.

In view of such obligations and responsibilities on the part of both the Union and the Company, it is agreed as follows:

ARTICLE I

REPRESENTATION AND UNION RECOGNITION

1. **Recognition of Union**: The Company recognizes the Union, for the purpose of collective bargaining, as the exclusive representative of the employees covered by this Agreement.

2. **Employees Covered**: This Agreement shall apply to Regular Employees covered under certifications 16-RC-951, 16-RC-1078, 16-RC-1079 and 16-RC-10746, as shown in the Appendix.

3. **Dues Check-Off**: The Company agrees to deduct from the payroll once each month from the pay of each employee an amount equivalent to the current Union dues, upon receipt of an Authorization-for-Deduction form. These deductions will be paid to the Financial Secretary of the Local Union each month in the amount fixed in accordance with the By-Laws of the Local Union for the type of membership carried.

These written authorizations are voluntary and shall put no liability of any kind upon the Company by virtue of their honoring in good faith this assignment and authorization. Any employee request to terminate his/her dues deduction authorization must be accompanied by a letter from the Union's Business Manager.

ARTICLE II

COMPANY - UNION RELATIONS

1. **Public Regulation**: The parties hereto recognize that the business of the Company is subject to regulation by governmental agencies in accordance with law. The parties agree that such regulation shall be respected and complied with by both parties to this Agreement.

2. **Functions of Management**: The Union and its members recognize the exclusive right of the Company to determine its operating policies and manage its business in the light of experience, business judgment and changing conditions, and among such functions are the rights to:

- (A) Determine the qualifications for and select its managerial and supervisory forces.
- (B) Determine the qualifications for and select and hire new employees.
- (C) Determine the qualifications for and select employees for promotion and transfer from one job to another and from one classification to another.
- (D) Determine the number of employees it will have in its service at any time.
- (E) Prepare Job Specifications and establish Job Classifications.
- (F) Make reasonable rules and regulations governing the operations of its business and the conduct of its employees, and revise and modify such rules and regulations from time to time as conditions may require.
- (G) Discharge employees for cause and lay off employees because of lack of work or for other reasons.
- (H) Determine the number and arrangement of work shifts and starting and stopping time of each shift.

It is understood and agreed that the functions of management listed herein are not all inclusive and that all such rights, powers of authority possessed by the Company prior to the signing of this Agreement shall be retained by the Company, subject only to such limitations as provided in this Agreement.

3. Union Cooperation: The Union agrees, for its members who are covered by this Agreement, that they will individually and collectively perform safe, efficient and diligent service; its members will respect and abide by the Company's rules and regulations; and that they will use their influence and best efforts to protect the property of the Company and its interests.

4. Strikes and Lockouts: The Union agrees that during the term of this Agreement there shall be no strikes, walkouts or other cessation of work by the Union or its members. The Company agrees that there shall be no lockouts of the Union or its members during the term of this Agreement.

5. Meetings and Conferences: The Company agrees that its accredited representatives will meet and negotiate with the accredited representatives of the Union on all questions that may arise under the terms of this Agreement. When meetings are to be held during the working hours, each Union representative, who is an employee of the Company, shall give his/her immediate supervisor at least twelve (12) hours notice prior to any such meeting in order that arrangements can be made to relieve him/her from duty. When relieved from duty his/her pay shall cease until he/she return to duty, unless in the judgment of the Company his/her pay shall be continued. If the Business Manager or his/her authorized representative is requested by the Company to attend a meeting between the Company and the Union during his/her regular working hours, he/she shall be paid by the Company at the regular straight-time rate for time lost during his/her regular working hours.

6. Bulletin Boards: The Company will provide and maintain space on Company bulletin boards for the exclusive use of the Union. The bulletin boards shall be marked "IBEW Local 69 Business Only". All notices, except those listed below, shall be signed by a duly authorized agent of the Union and also approved by an Oncor manager, or a designated representative, prior to being posted on the bulletin board.

- Monthly Meeting Notices
- Special Call Meetings
- Election Notices
- Election Results
- Seniority List
- Lists of Officers, Executive Board Members and Steward

7. **Solicitation for Union**: The Union, its agents or any of its members shall not solicit employees for Union membership, or engage in other Union activities on Company time or during working hours of any employee involved. It is agreed that this section does not prohibit solicitation during authorized break periods or lunch periods. However, nothing herein is intended to restrict normal conversation between employees that does not interfere with the efficient performance of work.

8. **Leave of Absence for Union Representatives**: An employee of the Company who is elected or appointed to a full-time position with IBEW, Local 69, will upon written request, be granted within 30 days a leave-of-absence for the period not to exceed four (4) years, provided it is practicable for the employee to be relieved of his/her duties and provided the employee conducts full-time IBEW, Local 69, business only. If the employee is re-elected or re-appointed to the office for which he/she is on leave, this leave may be extended for a period not to exceed four (4) years.

It is understood and agreed that such leave-of-absence will be without pay and without holiday and vacation benefits.

During such absence, the employee shall be allowed to continue participation in the Group Medical, Group Dental, Long-Term Disability (excluding the 6 month salary continuation) and Group Life Insurance plan by paying the full cost of the same.

The Company Retirement Plan will continue for the employee on leave-of-absence with credit for length of leave-of-absence, but without regard to salary during such leave.

The Company Thrift Plan will be suspended for the employee on leave-of-absence; however, if so desired, any investment may remain in the plan. The employee will be eligible to be reinstated immediately upon returning to regular status.

When wages are a factor in computing the level of benefits or premium payments due under these plans, the wage level shall be the same as the wage step paid by the Company for the classification when such leave-of-absence began. All premiums payable by the employee on an approved leave-of-absence are due the first of each month for the ensuing month.

Upon the employee's return to the service of the Company, he/she shall be reinstated at his/her previous wage step, in his/her former classification, or its equivalent, provided he/she has the fitness, ability, and qualifications to perform the work. Such employee's seniority will continue to accrue while on leave.

The employee shall be required to give thirty (30) days prior written notice of intent to return to work. In addition, the employee shall agree to take a complete physical examination if, in the Company's sole discretion, such physical examination is desired.

It is understood that when the employee returns to work from such leave, the employee with the least job seniority in that classification where the employee on leave-of-absence is returning will be placed, if required in the judgment of the Company, in the next lower classification in accordance with other provisions of this agreement.

9. Non-Discrimination: The Company and the Union mutually agree in the application of the terms of this Agreement to comply with all applicable Federal and State laws and regulations relating to non-discrimination and to administer the provisions of the Agreement without regard to race, color, gender, age, national origin, religion, disability, or veteran status.

It is further mutually understood that any masculine terminology (i.e., he, his, him, man...) used in this Agreement is neutral in gender.

10. Business Manager's Access to Company Facilities: The Company will not unreasonably restrict the Business Manager's, or his/her designated representative, access to Company facilities where bargaining unit employees represented by Local 69 are assigned or working, provided:

- (A) The Business Manager receives approval from his/her supervisor to leave his/her assigned duties;
- (B) The Business Manager contacts a management representative:
 - (1) to make arrangements for a visit prior to arriving at the Company facility being visited, or
 - (2) upon his/her arrival at the Company facility being visited to make arrangements for his/her visit, prior to engaging in any business with any bargaining unit employee;
- (C) The Business Manager's activities are not disruptive to the workplace;
- (D) The Business Manager notifies a management representative of his/her departure from the Company facility being visited; and
- (E) If a management representative is unavailable at the facility the Business Manager wishes to visit, the Business Manager will contact a member of the Company's Labor Relations staff to make the necessary arrangements to visit the facility.

Nothing in this procedure should be construed to restrict the Business Manager from gaining access, during normal business hours, to areas of a Company facility where bargaining unit employees represented by Local 69 are assigned or working, which are typically open to the

public (e.g., a facility lobby); provided, the Business Manager's purpose is not to circumvent the above procedure and his/her activities are not disruptive to the workplace.

ARTICLE III

SENIORITY IN PROMOTION, TRANSFER, LAY-OFF AND REEMPLOYMENT

1. **Seniority Defined:** Seniority, as used in this Agreement, shall be confined in its application to the employees in the Job Classifications as set out in the Appendix to this Agreement. For the purpose of this Agreement there shall be three types of Seniority.

- (A) **Job Seniority:** Job Seniority is herein defined as the total length of continuous active service in a specific Job Classification since the first day of employment in that Job Classification as a Regular Employee.
- (B) **Departmental Seniority:** Departmental Seniority is herein defined as the total length of continuous active service since the first day of employment in a particular occupational group (line of progression).
- (C) **System Seniority:** System Seniority is herein defined as the total length of continuous active service from the date of hire with the Company, or other subsidiary of Energy Future Holdings.

2. **Employees Defined:** For the purpose of this Agreement there shall be two types of employees as follows:

- (A) **Probationary Employee:** A Probationary Employee is one hired with a view to filling a regular position, and one who, before being advanced to the status of a Regular Employee, must serve for a period of six (6) months during which their qualifications for the work can be determined. A Probationary Employee is not eligible to file a grievance pursuant to Article IV, Grievances and Disputes, of this Agreement alleging discipline or discharge without cause.
- (B) **Regular Employee:** A Regular Employee shall be one who is employed for the routine conduct of the Company's business, who works on operation, maintenance

and routine construction, who has passed through the probationary period and has been accepted by the Company as a Regular Employee.

It is understood and agreed that individuals, who are employed for occasional work or for a limited period with no intention by the Company of their being accepted as Regular Employees, shall not be subject to the provisions of this Agreement.

3. Seniority List: A Seniority List for all Regular Employees covered by this Agreement will be furnished to the Union on an annual basis.

4. Occupational Groups - Lines of Promotion: Occupational Groups covered by this Agreement and the normal Lines of Promotion within the Occupational Groups as agreed to by the Company and the Union are shown in the Appendix and made a part of this Agreement.

5. Promotion - Transfer: When promoting or transferring employees consideration shall be given to Job seniority in an Occupational Group, Fitness and Ability. When Fitness and Ability are relatively equal Job seniority shall govern. The determination of Fitness and Ability shall be the exclusive right and responsibility of the Company; provided that in the event an employee feels that such determination has been arbitrarily made, he/she may present a complaint under the Grievance Procedure.

An employee who is promoted or transferred from one Occupational Group to another shall for a period of six (6) months continue to accrue seniority in the Occupational Group from which he/she was transferred and during such period he/she shall have no seniority in the Occupational Group to which he/she is so transferred. At the end of six (6) months he/she shall assume in the new Occupational Group the seniority earned in that group and shall retain in the original Occupational Group the seniority he/she had in that group when he/she left it. When his/her seniority in all Classifications in the new Occupational Group equals the seniority in all

Classifications in the original Occupational Group, he/she shall no longer be eligible for promotion in the original Occupational Group.

An employee shall always be paid at the prevailing rate for the Classification to which he is assigned except for temporary transfers.

If the Company elects to temporarily transfer an employee he/she shall accept such transfer and his seniority shall continue to accrue in his regular Line of Promotion. A temporary transfer shall be understood to mean a transfer made necessary by emergency or inability of the Company to fill a necessary job. When an employee is temporarily transferred for four or more hours during any work day to a Classification paying a higher rate, he/she shall receive the applicable rate, based on his/her service in the higher paid Classification, for such time as he/she works therein during that work day. When an employee has been upgraded to a higher paid classification for forty (40) or more hours in any regular paid period the he/she shall receive credit for two weeks' service in the higher paid Classification and such credit shall accrue and be deductible from the first years' service in the higher paid Classification to which he/she may be upgraded or promoted. When an employee is temporarily transferred to a lower Classification he/she shall continue to receive the rate of pay of his/her regular Classification.

When an employee is temporarily transferred to a higher Job Classification and works continuously in this Classification in excess of six (6) months, at the end of the six (6) month period, he/she shall automatically receive the higher Job Classification and begin to accrue seniority in the same.

It is the policy of the Company to afford its employees every reasonable opportunity for advancement. To implement this policy the Company will post notices of job vacancies under the following conditions:

- (A) Jobs that can be filled from within the line of progression at a specific service center are not required to be posted.
- (B) Where no candidates are available at that service center, the vacancy shall be posted Company wide.
- (C) Only employees who have submitted a bid shall be considered.
- (D) Job posting notices shall be posted according to the Company's standard job posting system.
- (E) Any person desiring to be considered for such a posted job shall submit his/her application according to the Company's standard job posting system.
- (F) Any incumbent employee applying for a job vacancy shall be given priority consideration over an outside hire.

The Company specifically retains the sole right to reject any and all applicants, and if in its judgment no suitable applicant is available, the Company may decline to fill the job or may fill it with a new employee, subject only to the provisions of this Agreement which relate to laid-off employees with seniority privilege.

6. Layoffs - Reemployment: When it is necessary to curtail forces in an Occupational Group, due to lack of work, changes brought about by technological developments or other reasons, consideration shall be given to seniority, Fitness and Ability. When Fitness and Ability are relatively equal, seniority shall govern. Determination of Fitness and Ability shall be the exclusive right and responsibility of the Company; provided that in the event an employee feels that such determination has been arbitrarily made, he/she may present a complaint under the Grievance Procedure.

When forces are curtailed pursuant to the preceding paragraph, an employee being laid off will be given thirty (30) days notice of layoff, or in lieu of such notice, will be paid the equivalent of his/her regular straight-time wages for such thirty (30) day period.

When it is determined that a reduction in force will be necessary in a Region, (as Regions are defined at the time of the reduction in force), those with the least Job Seniority in the Classification where the surplus exists, will be placed in the next lower Classification within the Region. If this causes a surplus to exist in that Classification, then those with the least Job Seniority shall be placed in the next lower Classification within the Region. When the lowest classification in an Occupational Group within a Region is reached and a surplus still exists, those employees with the least Job Seniority in that Classification shall be laid off.

An employee shall always be paid at the prevailing rate for the Classification to which he/she is assigned except for temporary transfers.

When additional employees are needed in an Occupational Group, laid-off employees with seniority privilege (laid off less than twelve (12) months) who are qualified to do the work shall be offered the jobs before they are filled by the promotion or transfer of employees with less Departmental seniority or by the hiring of New Employees.

7. Fitness and Ability: In the measurement of Fitness and Ability principal consideration will be given to whether the employee (a) has the necessary physical qualifications to do the work, (b) has had experience related to the job, (c) performs their work in the manner in which the Company requires it to be done, (d) cooperates with his/her supervisors in doing the work, (e) observes the rules and regulations of the Company, (f) protects the property and interests of the Company, (g) reports for work with promptness and regularity, (h) works in harmonious relationship with his/her co-workers, and (i) possesses the capacity necessary to perform all of the duties of the job in question.

8. Termination of Seniority: The seniority of an employee shall terminate under any of the following conditions:

- (A) When he/she quits.
- (B) When he/she is discharged.
- (C) When he/she is laid off for a period in excess of twelve (12) consecutive months.
- (D) When he/she is temporarily laid off and fails to return to work within two (2) weeks after written notice, by registered mail to his/her last-known address, requesting such return or if he/she fails to notify the Company of his/her intention to return to work within forty-eight (48) hours after written notice has been delivered to him/her.

9. Military Leave: Any employee who has been or is inducted into the armed forces of the United States or who has been or shall be required by law to enter into any other service of the United States shall, upon satisfactory completion of such service and presentation to the Company of the proper certificate thereof, be entitled to such rights or reinstatement and preservation of seniority rights as are now or may hereinafter be provided by Federal Law.

ARTICLE IV

GRIEVANCES AND DISPUTES

Any employee, group of employees, or the Union covered by this Agreement shall have the right to institute a grievance under the procedure outlined below where he or they feel that the Company has violated some provision of this Agreement.

It is agreed by both the Company and the Union that where any employee, group of employees or the union shall institute a grievance under this Agreement that the matter will

receive preferred attention by both parties and all diligence will be employed to resolve the grievance at the earliest possible date, under the terms of this Agreement and the grievance procedure.

1. First Step in Settlement: The affected employee(s) involved and/or a Union Representative, has ten (10) working days after the occurrence of the instance to formally present the oral grievance, along with the basis for the grievance, to the employee(s) immediate Supervisor.

The Supervisor shall verbally respond to the employee(s) and the Union Representative within five (5) working days after the meeting with the immediate Supervisor.

2. Second Step in Settlement: If the Union representative is not satisfied with the Supervisor's response, a written grievance specifying the part of the Agreement being violated by Management shall be delivered within five (5) working days after the receipt of the Supervisor's response, to the employee's Manager.

A meeting between the employee, Union representative, Supervisor and Manager shall be scheduled within five (5) working days after its deliverance to resolve the grievance.

The manager shall answer the grievance in writing within five (5) working days after such meeting.

3. Third Step in Settlement: If the grievance is not resolved in the second step, the Business Manager or a Union designee shall deliver it within five (5) working days after receipt thereof to the Director.

Within five (5) working days after the delivery, the Director, or designee, and Business Manager or designee, shall arrange a joint conference meeting between the Union Committee consisting of the Business Manager, or designee, employee, and no more than three Union representatives, whom he/she designates, and the Company's Committee consisting of the

Director or designee and no more than three Company representatives, whom he/she designates, to attempt to resolve the grievance.

Within five (5) working days after the joint meeting, the Director shall affix his/her signature to the Company's answer to the grievance and deliver it to the Business Manager.

4. Fourth Step in Settlement: : If the grievance is not resolved in the third step, the Business Manager or designee shall deliver it within five (5) working days after receipt thereof to the Vice President.

Within five (5) working days after the delivery, the Vice President, or designee, and Business Manager or designee, shall arrange a joint conference meeting between the Union Committee consisting of the Business Manager, or designee, employee, and no more than three Union representatives, whom he/she designates, and the Company's Committee consisting of the Vice President or designee and no more than three Company representatives, whom he/she designates, to attempt to resolve the grievance.

Within five (5) working days after the joint meeting, the Vice President shall affix his/her signature to the Company's answer to the grievance and deliver it to the Business Manager.

5. Fifth Step in Settlement, Arbitration: If the answer from the Vice President is not satisfactory, the Business Manager or designee shall, within thirty (30) days of the Vice President's answer, notify the American Arbitration Association and the Company's Labor Relations department by certified mail, of an existing dispute and the Union's desire to submit the Grievance to Arbitration. The selection of the Arbitrator and any hearings will be conducted under the rules of the American Arbitration Association. The services of another agency or individual may be used if mutually agreed to by the parties.

After hearing the case, the arbitrator shall determine whether or not there has been a

violation of the Agreement and render a decision, which shall be both final and binding on both parties. The arbitrator shall not have authority to change, amend, modify, supplement, or otherwise alter this Agreement in any respect whatsoever, and his/her sole function shall be to decide the issues on the basis of facts and proper application and interpretation of this Agreement.

Each party of the Agreement shall bear the expenses of its own witnesses and representatives. The expense of the arbitrator and other incidental expenses incurred in connection with the hearing shall be borne equally by the parties hereto.

6. Payment for Grievance Meetings: Employees and Union Representatives attending grievance meetings shall attend said meetings without loss of straight time pay.

7. Time Limit Exceeded: Any grievance not presented within the time limits specified in this Article shall be conclusively deemed to have been waived. Failure of any Company representative to render a decision on a grievance presented to him/her within the time limit specified above shall, at the expiration of said time, be construed as constituting his declination of said grievance and it may be taken to the next step. Any time limit may be mutually extended for a specific and designated length of time. Weekends and holidays shall be excluded in computing the time limits. Such extension will be in writing and signed by a Union representative and a Company representative.

Each day referred to in this Article is a twenty-four (24) hour period starting and ending at midnight. Time will start accruing at midnight following the stated occurrence.

8. Discharge: Grievances involving discharge will be submitted at Step 3 of the grievance procedure within ten (10) days of such action.

ARTICLE V

HOURS OF WORK - OVERTIME

1. **Definitions**: The following terms used in this Agreement shall be defined as indicated:

- (A). **Straight Time**: "Straight Time" shall be the hours worked within any scheduled workday of eight (8) hours, and within any scheduled workweek of forty (40) hours, and shall be compensated for at regular rate of pay.
- (B). **Overtime**: "Overtime" shall be the time worked in excess of the regularly scheduled eight (8) hours per day, or time worked in excess of forty (40) hours per week, and shall be compensated for at one and one-half (1-1/2) times the hourly base rate of pay except as otherwise specifically provided herein.
- (C). **Emergencies**: An "Emergency" is any situation wherein it is necessary for the Company and its employees to take immediate action in order to prevent serious injury, save life, meet unforeseen responsibilities, or prevent damage to property or interruptions of service to the public.

2. **Working Hours**: The regular working hours for day workers shall be forty (40) hours per week and shall consist of five (5) days of eight (8) working hours each with a lunch break from Monday to Friday inclusive, unless otherwise scheduled.

The regular working hours for shift and schedule workers shall be forty (40) hours per week and shall consist of five (5) consecutive scheduled days of eight (8) working hours each in any seven (7) consecutive twenty-four (24) hour periods.

The Company agrees that work will be available to all Regular Employees during the regular work week.

The parties hereto recognize that the business of the Company requires continuous operation for twenty-four (24) hours of every day, and that in such operation it is inherent that

working schedules must be established and may from time to time need to be changed to meet the conditions of operation. Such schedules will be established by the Company and shall be subject to change or modification by the Company to meet changing conditions and requirements of service to the public.

3. **Overtime**: Insofar as practicable, overtime work shall be divided as equally as possible among the employees who regularly perform the work to be done.

4. **Call-outs**: When a day worker is called out after his/her regular working hours to perform emergency work, he/she shall be compensated at two (2) times the hourly base pay rate for all hours worked and shall be guaranteed a minimum of two (2) hours work compensated at the double-time rate if the employee is assigned to report directly to the job site, or three (3) hours work compensated at the double-time rate if the employee is assigned to report to crew headquarters, except where such emergency work continues to the beginning of the employee's next regular or scheduled work period, in which case the guaranteed minimum of three (3) hours shall not apply.

Call-outs shall include only those cases when an employee who is off duty is requested to report immediately for the purpose of making emergency repairs, restoring service or performing similar emergency work. Paid time for a Call-out will begin when the employee receives the call to report for duty. Pay for the time it takes an employee to report to duty after receiving notice will not exceed one (1) hour. Employees will make every reasonable effort to report to work as soon as possible after receiving a call to report for duty. The time it takes an employee to report to duty after receiving notice, not to exceed one (1) hour, will be considered in determining Rest Time pursuant to Section 8 of this Article.

5. **Pre-Arranged Overtime**: When an employee is given ten (10) hours or more advanced notice of emergency or other work to be performed, or if he/she is informed of such

work while on duty or before leaving Crew Headquarters after having been on duty, or after arrival at Crew Headquarters prior to going on duty, such work shall be regarded as pre-arranged overtime. For pre-arranged overtime, an employee shall be compensated at one and one-half (1½) times his/her hourly base pay rate and he/she shall be guaranteed a minimum of three (3) hours work at that overtime rate. However, if an employee is required to work immediately before or after his/her regular work period, then only the time in advance of or after the regular work period shall be paid for at the overtime rate and the guaranteed minimum of three (3) hours shall not apply.

6. Overtime Pay: Overtime pay for shift workers is computed at one and one-half (1½) times the hourly base pay rate for the first twelve (12) hours of overtime actually worked within each workweek and two (2) times the hourly base pay rate for all additional overtime hours [hours in excess of twelve (12) actually worked in any workweek].

When an employee who is off duty is called out to report immediately to perform emergency work or when arrangements are made in advance for an employee to report for overtime work at a specified time, the employee will receive a minimum of two (2) hours pay at the appropriate overtime rate if the employee is assigned to report directly to the job site, or three (3) hours pay at the appropriate overtime pay rate if the employee is assigned to report to crew headquarters. Paid time for a Call-out will begin when the employee receives the call to report to duty. Pay for the time it takes an employee to report to duty after receiving notice will not exceed one (1) hour. Employees will make every reasonable effort to report to work as soon as possible after receiving a call to report for duty. The time it takes an employee to report to duty after receiving notice, not to exceed one (1) hour, will be considered in determining Rest Time pursuant to Section 8 of this Article.

7. Work in excess of 16 hours continuous: An employee who is required to work continuously for a period in excess of sixteen (16) hours shall be compensated at the double time rate of pay for all hours worked in excess of the sixteen (16) hours until released from duty for a period of at least eight (8) hours. If a shift worker has worked in excess of sixteen (16) hours continuously without being released from duty for a period of at least eight (8) hours, those hours worked during the employee's normal work day will count toward the twelve (12) hour requirement for two (2) times hourly base pay rate for overtime.

8. Rest Time: Rest Time is defined as paid time off at the straight time rate for hours during an employee's regular eight (8) hour work day that the employee is released from duty by his/her supervisor because of certain overtime assignments worked by the employee prior to the start of his/her regular work day. The recognized window for Rest Time shall begin eight (8) hours prior to the start of his/her regular work day. Rest time will be granted on an hour-for-hour basis for the overtime hours actually worked (excluding paid time under guaranteed minimums specified in Section 5 of this Article if work is not actually performed) within the recognized window. If an employee works six (6) or more hours within the recognized window, the employee will be granted eight (8) hours of Rest Time applicable to the eight (8) hour workday immediately following the overtime assignment. Rest Time can not be carried over into another workday.

This Rest Time provision will not apply to prearranged overtime if an employee has been off duty for eight (8) hours or more prior to the prearranged overtime assignment, or if the employee actually works two (2) or less hours immediately prior to the start of the employee's regular eight (8) hour workday.

Exceptions to the above shall be an emergency such as an extended outage where a member of management deems it necessary to hold all available employees.

9. Shift Premium: Regular employees who work on scheduled shifts will receive a shift premium in addition to their hourly base rate in accordance with the following:

- (A). **Day Shift**: Where the majority of the regularly scheduled hours are between 8:00 a.m. and 4:00 p.m.:
No shift premium shall apply.
- (B). **Evening Shift**: Where the majority of the regularly scheduled hours are between 4:00 p.m. and 12 midnight:
60 cents per hour.
- (C). **Night Shift**: Where the majority of the regularly scheduled hours are between 12 midnight and 8:00 a.m.
65 cents per hour.

The shift premium rates shall be paid only for hours actually worked. The appropriate shift premium shall be applied to all overtime hours worked by shift workers during evening and night shift hours only.

ARTICLE VI

HOLIDAYS

The following holidays will be recognized by the Company: New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve Day and Christmas Day. When one of these holidays falls on Saturday it shall be observed on the preceding Friday and when one falls on Sunday it shall be observed on the following Monday, except Christmas Eve Day, which will be observed on the last workday preceding the day on which the Christmas Day holiday is observed. Effective January 1 of each calendar year, one (1) Floating Holiday may be taken with the supervisor's approval.

Day workers will be allowed time off with straight-time pay for eight (8) hours on such recognized holidays and if required to work on such holidays they shall be paid at the prevailing overtime rate plus holiday pay for the hours actually worked. Day workers will be allowed time off with straight-time pay for eight (8) hours for one (1) Floating holiday with the supervisor's approval.

For shift workers, holidays will be observed on days that they occur unless a holiday falls outside the employee's regular workweek (i.e., on his scheduled day off). This holiday will be moved to the nearest scheduled workday. The shift worker may take one (1) Floating holiday on a regular scheduled workday with the supervisor's approval.

When a shift worker is required to work on a holiday, he/she will receive time and one-half (1½) for the first eight (8) hours worked on the holiday, in addition to being paid (8) hours at straight-time for the holiday, or it may be arranged with the supervisor's approval to have another day off during the calendar year at his/her regular straight-time pay. Hours worked on a holiday during the employee's normal shift will not count toward fulfilling the twelve (12) hour

requirement for two (2) times hourly base pay rate for overtime. All hours worked in excess of eight (8) hours on a holiday will be paid for at two and one-half (2½) times the employee's hourly base rate, or three (3) times the hourly base pay rate if twelve (12) hours of overtime has been exceeded during the workweek.

ARTICLE VII

JOB CLASSIFICATIONS AND WAGE RATES

1. **Job Classifications**: The Company maintains a system of Job Specifications and Job Classifications applying to the respective jobs covered by this Agreement, and such Job Specifications and Job Classifications may be changed or modified by the Company to meet changing conditions. New Job Classifications may be added or Job Classifications may be eliminated at the discretion of the Company. When new Job Classifications are established by the Company within the units covered by this Agreement, the positions of the Job Classifications in Occupational Groups and in Lines of Promotion shall be submitted to the Union for discussion and agreement.

2. **Wages and Wage Rates**: Wages will be paid on an hourly basis for the Job Classifications covered by this Agreement as listed hereinafter:

	<u>Hourly Rate –</u> <u>Effective</u> <u>01/28/08</u>	<u>Hourly Rate -</u> <u>Effective</u> <u>10/26/08</u>	<u>Hourly Rate -</u> <u>Effective</u> <u>10/26/09</u>
<u>Distribution Employees</u>			
Troubleman	31.39	32.57	33.79
Journeyman Lineman¹	29.72	30.84	32.00
Serviceman	29.72	30.84	32.00
Apprentice 6	27.11	28.13	29.19
Apprentice 5	25.34	26.29	27.27
Apprentice 4	23.46	24.34	25.25
Apprentice 3	21.73	22.54	23.39
Apprentice 2	19.58	20.31	21.07
Apprentice 1	17.80	18.46	19.16
Helper 2	16.18	16.78	17.41
Helper 1	14.71	15.26	15.83
Service Specialist Sr.	29.70	30.82	31.97
Service Specialist	27.53	28.56	29.63
Utility	25.22	26.17	27.15
Cable Splicer Sr.	29.72	30.84	32.00

¹ When a Journeyman Lineman is assigned by a member of management to lead a crew in the absence of a Crew Foreman for four (4) or more hours in a workday, such Journeyman Lineman will receive \$3.00/hour in addition to the appropriate hourly base wage rate listed above.

Cable Splicer 6	27.11	28.13	29.19
Cable Splicer 5	25.34	26.29	27.27
Cable Splicer 4	23.46	24.34	25.25
Cable Splicer 3	21.73	22.54	23.39
Cable Splicer 2	19.58	20.31	21.07
Cable Splicer 1	17.80	18.46	19.16
Meter System Specialist Sr.	31.68	32.87	34.10
Meter System Specialist 2	29.00	30.08	31.21
Meter System Specialist 1	26.10	27.08	28.10
Storekeeper Sr. (2)	24.88	25.81	26.78
Storekeeper Sr. (1)	23.57	24.45	25.37
Storekeeper (4)	22.26	23.09	23.96
Storekeeper (3)	20.95	21.74	22.55
Storekeeper (2)	19.66	20.39	21.16
Storekeeper (1)	18.34	19.03	19.74
Mechanic - Garage	25.69	26.65	27.65
Field Dispatcher - Distribution	23.52	24.41	25.32
Distribution Specialist Sr.	32.45	33.66	34.93
Cable Pulling Sr.	32.45	33.66	34.93
Equipment Operator	27.01	28.02	29.07
Network Specialist Sr.	32.45	33.66	34.93

ARTICLE VIII

VACATIONS

Each regular employee who has completed six (6) months or more of continuous employment with the Company during his/her period of employment shall become eligible to receive vacation with pay during the current calendar year as follows:

<u>Length of Service</u>	<u>Period of Vacation</u>
Less than 6 Months	None
At least 6 Months	6 days
At least 10 Months	10 days (2 weeks)

An employee becomes eligible for three (3), four (4), or five (5) weeks of vacation on January 1 of the calendar year the employee observes his sixth (6), fifteen (15), and twenty-fourth (24) service anniversary.

The period of vacation in the above schedule is based on and limited to a work week of forty (40) hours consisting of five (5) working days of eight (8) hours each. In this schedule, five (5) working days constitute one (1) week of vacation. Employees assigned to work a four (4) days per week, ten (10) hours per day work schedule

All current year vacation may be split into periods of less than a full day, consistent with other provisions set forth in this Agreement. Beginning January 1, 2003, an employee may carry over up to a maximum of forty (40) hours of regular vacation from one calendar year to the next. Vacation hours carried over from the preceding year must be used first. An employee does not have the option of foregoing vacation and receiving pay in lieu of vacation time.

Vacation pay will be the same pay the employees would have received in his regular job classification at the straight time rate for the number of days scheduled for the vacation. When a Company recognized holiday occurs and is observed during the vacation period of an employee,

an additional day of vacation will be granted later in the same calendar year. If such vacation period, however, is wholly within the month of December, the additional day of vacation may be granted immediately preceding the vacation period.

Part-time employees are not eligible to receive vacation benefits.

ARTICLE IX

RANDOM DRUG/ALCOHOL TESTING PROGRAM

In addition to the Company's Rules Regarding Possession and/or Use of Alcohol, Drugs or Intoxicants, those employees covered by the Labor Agreement are subject to controlled substance and alcohol testing in accordance with this Agreement and all employees whose duties fall under Department of Transportation (DOT) regulations shall also be subject to controlled substance and alcohol testing in accordance with the applicable standards currently in effect and/or as such regulations may be revised.

A verified positive test as used herein shall mean the outcome of a laboratory analysis that identifies the presence of specific drugs or drug metabolites in a specimen at or above a specified concentration level that has been verified as positive by an independent Medical Review Officer.

1. Post Accident/For Cause Testing: Nothing in this Agreement should be interpreted as a restriction of the Company's right to have an employee tested for "cause" or reasonable suspicion, or tested following a critical incident or accident.

2. Random: All employees are subject to random drug testing. The frequency of random drug testing shall be set at a rate to be determined by the Medical Review Officer. The random selection of the testing dates and personnel to be tested shall be accomplished by the use of a computer program. All employees shall be placed in a common selection pool (by facility). Those employees away from work on a day they are selected for testing shall be placed back in the selection pool for future testing.

3. Refusal/Tampering: The refusal on the part of an employee to promptly submit to testing after being requested to do so shall subject the employee to discharge. Tampering of a specimen by an employee shall subject an employee to discharge.

4. Testing Criteria: All drug/alcohol testing performed within the scope of this Article shall be in accordance with the following criteria:

- (A) All drug tests performed shall include urinalysis to detect the presence of specific drugs or drug metabolites in a specimen at or above the specified cutoff level.
- (B) All specimens collected shall be analyzed by a lab certified by the Department of Health and Human Services to identify the presence of any of the following substances.

<u>Substance</u>	<u>Initial Screen Cutoff Levels (ng/ml)*</u>	<u>Confirmation Screen Cutoff Levels (ng/ml)*</u>
Amphetamines	1000	500
Cannabinoids (Marijuana)	50	15
Cocaine	300	150
Opiates	2000	2000
Phencyclidine	25	25
Barbiturates	300	300
Benzodiazepine	300	300

*nanograms/milliliter

- (C) All alcohol tests shall be administered using a breathalyzer or blood test. A test result at or above 0.04 is reported as positive. An employee with a test result of 0.02 or greater but less than 0.04 will not be permitted to perform safety sensitive work until another breath test is administered and the result is less than 0.02.

5. First Violation: An employee receiving a verified positive test result from a random drug/alcohol test shall be removed from his or her position and required to attend the Employee Assistance Program (EAP). Failure of the employee to attend or comply with the recommendations of the EAP counselor shall result in discharge. An employee may be returned to work if all of the following conditions are met.

- (A) A recommendation is made by the EAP that the employee is returned to work;

- (B) The employee agrees to participate in continued counseling or treatment as recommended by the EAP and/or the MRO;
- (C) The employee agrees to discontinue any and all involvement with drugs and avoid the misuse of alcohol;
- (D) The employee agrees to participate in a follow-up testing program;
- (E) The employee agrees to complete and sign the follow-up testing agreement.

Upon reinstatement the employee will be placed in the appropriate Step of Discipline. Failure of an employee to cooperate in counseling or treatment as recommended by the EAP and/or the MRO or the follow-up testing program shall subject the employee to discharge.

6. Subsequent Positive Findings: A subsequent verified positive test result within 5 years from the date of an initial verified positive test is considered flagrant disregard for Company policy and total disregard for the elements of safety and public assurance. Such flagrant disregard and failure to comply will result in the employee's discharge.

A verified positive test result after 5 years from the date of an initial positive test will be treated as a first violation unless the employee is in a current step of discipline at the time of the positive test result. In such cases, depending on the circumstances, more severe discipline will be accessed.

7. Split Specimen: If the test result of the primary specimen is positive, the employee may request that the MRO direct that the split specimen be tested in a different lab certified by the Department of Health and Human Services for presence of drugs. The employee will be responsible for payment of testing the split specimen. The MRO will direct the second test provided the employee makes the request within 72 hours of being notified of a positive test result. At this time, the employee should also contact his/her immediate supervisor/manager and advise them of the verified positive test result and the request for the split specimen test. If the

drug test results of the split specimen do not confirm the results of the primary test, the MRO will cancel the primary test and report such cancellation and the reasons for it to the employee and his/her supervisor/manager.

ARTICLE X

GENERAL PROVISIONS

1. **Medical Examinations**: The Company may require at its discretion and at its own expense the medical examination of any employee at any time and may rely on the report of such medical examination with respect to relieving him/her from duty in occupations for which he/she does not have Fitness and Ability.

2. **Leave of Absence**: Leave of absence without pay, for a period not to exceed ninety (90) days, will be granted by the Company to an employee for legitimate personal reasons, provided it is practicable for him/her to be relieved from his/her duties with the Company. Seniority shall be retained but not accrued during such absence. Any employee on leave of absence who participates in other gainful occupations shall be subject to immediate discharge. Any employee who fails to return at the end of the leave of absence period shall be considered as having terminated his/her employment and quit the Company.

3. **Safety and Health**: The Company shall have the right to make and promulgate health, safety and other rules and regulations for observance by employees. Provisions of the Company's Safety Manual, as such may be revised from time to time, shall be strictly observed.

To assist in maintenance of effective safety practices within the bargaining unit, Oncor Management or its designated representative shall meet with a Union Committee of not more than seven (7) members [Two (2) Union Representatives from each Region and the Business Manager] to discuss safety practices and to review accidents.

At such meetings the Union Committee may make recommendations concerning safety rules and work practices. Meetings will be held quarterly or on special call of the Company or the Union Committee, such special call to be made in writing. Recommendations pertaining to safety which are presented by the Union Committee shall be carefully considered by the

Company and the Union Committee will be informed, in writing, of the disposition of their recommendations and the reasons therefore. Minutes of such meetings shall be prepared and distributed by the Company to the Union Committee. Employees serving on the Union's committee shall not suffer any loss of straight-time pay for attending a meeting pursuant to this Section.

4. Meals on Overtime Duty: When an employee is required to work two (2) hours or more immediately before or after his/her regularly scheduled working hours or if, as a result of call-out overtime duty an employee misses a regularly scheduled meal, he/she shall be furnished a meal by the Company, and every five (5) hours or as soon as possible thereafter that such employee is required to continuously work, he/she shall be furnished an additional meal. The five (5) hour provision shall not apply to pre-arranged overtime unless the employee is pre-arranged for eight (8) or more hours of overtime immediately before his/her regularly scheduled working hours. In lieu of a meal an employee would have the option to receive six dollars and twenty-five cents (\$6.25) and be compensated for an additional thirty (30) minutes at the appropriate rate of pay for any meal the employee may be entitled to during the overtime assignment with appropriate supervisory approval. When a meal is furnished by the Company, time for meals shall be considered as time worked. An employee's accumulated time while eating the last meal will not count towards rest time unless that employee is required to perform other job duties after the meal. In case of overtime work at night, twelve o'clock midnight shall be considered as a regularly scheduled meal time unless the call-out occurs after ten (10:00) p.m. On a call-out, when an employee is due a meal and the three (3) hour paid minimum is applicable, the additional thirty (30) minutes shall be included in that time. Employees will exercise good judgment in limiting the cost of an overtime meal purchased pursuant to this section to a reasonable amount.

5. **Inclement Weather**: Oncor management shall decide what constitutes inclement weather, and when unable to work as a result of weather conditions, employees will be held pending emergency calls. During this time they may be given first aid, safety, or other instructions, or may be required to perform miscellaneous work in the yard, warehouse or in any sheltered location.

6. **Equipment Furnished**: The Company shall furnish to the employees working on energized lines and the employees shall use all equipment necessary to provide protection in accordance with general practice throughout the Electric Utility Industry.

The Company shall furnish and the employees shall use rain coats, rain hats, rubber boots, work gloves, safety eye glasses, and other similar equipment which is necessary over and above the employee's normal working clothing to protect the employee when required to work in wet weather.

7. **Crew Headquarters**: Crew Headquarters for employees is defined as the distribution service centers where employees covered by this Agreement report for work assignments. When the Company determines the need to reassign one or more employees from one service center to another to satisfy business requirements, the following procedure will be used to determine which employee(s) will be reassigned.

(A) An employee desiring to be assigned to a different service center will make his/her preference known by signing the "Service Center Preference List" maintained at each service center. An employee may add or remove his/her name from this list at any time prior to being notified that he/she will be assigned to a different service center.

(B) When the Company determines there is a need to reassign an employee(s) to a different service center, the Company will advise the Union. A Union

representative and a Company representative will look at the Service Center preference list maintained at each service center.

- (C) The Company will select the employee(s) to be reassigned from the preference list, based on greatest seniority within the appropriate job classification.
- (D) If an insufficient number of employees in the affected job classification(s) have indicated a desire to transfer to the service center where the need exists, the least senior employee(s) in that job classification will be assigned to that service center.
- (E) Any employee who is required to relocate as a result of a reassignment shall be covered by the Company's relocation policy in effect at the time the relocation is required.

The Company will normally provide five (5) working days notice (excluding weekends and holidays) when the Company determines that a need to reassign an employee(s) to a different service center exists.

8. Limitations on the Performance of Bargaining Unit Work: Supervisors and other Company employees not covered under this Labor Agreement will not perform work normally performed by bargaining unit employees where such work would result in the reduction of the regular work hours of an employee covered by this agreement.

9. Work on Property of Another Electric Utility Company: When employees covered by this Agreement perform work on the property of another electric utility company, during periods of emergency repair, compensation for such work will not be less than the terms of this Agreement; neither will it be less than the compensation that prevails for comparable job classifications under the same working conditions on the property where the work is performed.

In a non-emergency situation the compensation for such work shall not be less than the terms of this agreement.

10. Special Working Conditions: No employee will be expected to perform any task in a manner inconsistent with the provisions of Government regulations, the Safety Handbook, or for which he/she has not been trained and is not qualified to perform. Employees will have the option of using an OSHA approved insulated platform (Baker Board) when working energized primary. Service Specialist Senior and Service Specialist will not be required to perform hands on energized primary work.

11. Approval of Union Members: The Union represents that this Agreement has been submitted to its members covered by this Agreement, at a meeting duly called and held, and that the Agreement has been approved by the vote of a majority of its members present.

12. Contracting/Subcontracting Work: Effective November 7, 1987, the Union recognizes the right of the Company to contract or subcontract work; however, the Company will not contract out work normally performed by employees covered by this Agreement if it would cause the layoff of employees covered by this Agreement; provided that nothing herein shall diminish the rights of the Company set forth in Article II or elsewhere in this Agreement.

13. Benefits: The Company will provide the following benefits, under the terms of the Company plans in effect as of January 1, 2002, which shall not be reduced during the term of this Agreement: Employee and Dependent Medical and Dental Plans, Employee and Dependent Life Insurance Plans, Death Benefit, Accidental Death and Dismemberment Insurance, Pharmaceutical Card System, Long-Term Disability Plan, Severance Plan for eligible employees, Appliance Purchase Plan and Energy Conservation Plan and free coffee at crew headquarters.

Only allegations of reductions in benefit levels shall be subject to the grievance procedure. Individual complaints regarding the application or administration of specified plans are not subject to the grievance procedure. Instead, such complaints shall be processed through procedures (if any) set forth in the plans themselves. If, during the processing of individual

complaints by the plan administrator, it appears that such complaints involve a reduction in benefit levels, a grievance alleging such reduction may be filed without regard to the time limits set forth in Article IV.

The Company agrees to maintain Retirement and Thrift plans in effect through the term of this Agreement. The Company, however, maintains the sole discretion to modify such plans, provided that the overall benefit level of the plan is not materially reduced.

14. VEBA: It is agreed that the Company may fund all or any portion of employee post retirement benefits (other than pension benefits) for employees covered by this Agreement by establishing a tax-exempt trust (Union Voluntary Employee Beneficiary Association - VEBA) and that such funding will comply with applicable Federal Laws and Regulations. The establishment of such an association shall not result in a reduction of benefits of the employee.

The Company agrees that there will be no transfer of funds from the Union VEBA to any other VEBA unless the amounts transferred are used to provide benefits to eligible employees covered by the Union VEBA.

In the event that for any reason the Union VEBA is dissolved, all funds will be distributed in a nondiscriminatory fashion or used to provide directly or through the purchase of insurance the same benefits to the participants and their beneficiaries.

The Company agrees to allow the Union to provide input to the Company concerning the administration of the Union VEBA. This input will include but not be limited to input in the selection of a trustee and/or the administrator of the Union VEBA.

Additionally, the Company will make available a yearly financial report received from the VEBA on the status of the Union VEBA and will make available a financial update, no more than twice (2) a year, upon request by the Union.

15. Employer Contributions: The Company and Union mutually agree that the amount of the contribution made by the Company relating to employee and dependent medical, pharmacy and dental coverage will be reviewed and adjusted each January 1.

The adjustment will be based upon the projected active medical, pharmacy and dental cost for the twelve- (12) month period beginning January 1, 2003 and each January 1 thereafter. The Company contribution will be based upon 80% of the projected self-funded medical plan cost, pharmacy Option B cost and dental Option A cost.

16. Discretionary Benefits: Those benefits which are not specifically listed in Section 13 above, or elsewhere in the contract, may be modified or discontinued at the discretion of the Company. The Company shall have no obligations to provide any benefit not listed in Section 13 above or elsewhere in the contract. If the Company modifies or discontinues any discretionary benefit, the Union will be notified in advance and given an opportunity for discussion.

17. Tools: The Company agrees to maintain for the life of this agreement the Company's current policy concerning the issuance and replacement of Company tools.

18. Return to Work: A participant in the Company's Long Term Disability Plan (the "Plan") shall be eligible to return to his or her former position upon the following conditions:

- (A) within 12 months from the date the disability began, the participant is able to perform the essential job duties of his or her former position;
- (B) the participant provides the Company with a release, executed by a licensed physician(s) acceptable to the Company, which provides that the participant is released to perform his or her essential job duties without limitations or with limitations which can be reasonably accommodated by the Company; and
- (C) the participant has complied with the terms of the Plan.

Provided, however, that no participant will be eligible to return to his or her former position if the participant would not have continued to be employed in his/her former position without regard to the individual's participation in the Plan.

It is understood that if and when a Plan participant is returned to his or her former position, the employee at the bottom of the classification will be shifted, if required in the judgment of the Company, to the next lower classification, laid off or terminated in accordance with the Labor Agreement.

It is also agreed that solely in order to enforce this Section ("Return to Work"), the Union may file a grievance on behalf of an individual to which this Section is applicable.

19. Joint Task Force to Review the Benefit Programs: It is mutually agreed and understood that the Company and the Union shall establish a joint Task Force to:

- (A) Discuss, investigate and review the current benefits;
- (B) Develop recommended changes for consideration;
- (C) Study the feasibility and economic impact of changes to the plan;
- (D) Make recommendations to management

Oncor Management or its designated representative shall meet with a Union Committee of not more than seven (7) members (Two (2) Union Representatives from each Region and the Business Manager). Meetings will be held quarterly. Employees serving on the Union's committee shall not suffer any loss of straight-time pay for attending a meeting pursuant to this Section.

ARTICLE XI

TERM OF AGREEMENT

This Agreement shall become effective as of January 28, 2008 and remain in full force and effect through October 25, 2010. It shall be automatically renewed from year to year after October 25, 2010. Either party may notify the other in writing not less than sixty (60) days nor more than seventy-five (75) days prior to October 25, 2010, of its desire to make changes in the Agreement. If and when agreement is reached on such changes they shall be reduced to writing and made a part of this Agreement. Notice of desire to change shall not be construed as notice of desire to terminate. If notice of change is given and agreement is not reached by the anniversary date, the Agreement may be terminated by either party upon written notice not less than sixty (60) days given on or after the anniversary date.

This Agreement shall be subject to amendment at any time by mutual consent of the Parties hereto. Any such amendment agreed upon shall be reduced to writing and signed by the Parties. Only amendments reduced to writing and signed by the Parties shall be binding on the Parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this 19th day of February 2008.

**LOCAL UNION NO. 69
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS**

ONCOR ELECTRIC DELIVERY,

Bobby Reed, Business Manager

Brenda J. Pulis, P.E.
Senior Vice President
Distribution

Scott Smith, President

Negotiating Committee Members

Oncor Electric Delivery:

Reggie Bonner
Director, Metro/Non-metro Operations

Mike Carter
Director, Metro East Region Operations

Rick Chapman
Director, Southeast Region Operations

Kyle Davis
Director, Employee & Labor Relations

Ashleigh Trimble
Labor Relations Coordinator

Felicia Schultz
Admin Assistant II

George Crawford
7th District International Representative

Bobby Reed
Business Manager/Financial Secretary

Scott Smith
President

Charlie Jackson
Chairman, Executive Board

Johnny Flowers
Executive Board Member

Shawn Allen
Steward

Greg Germany
Steward

Mac Maciel
Steward

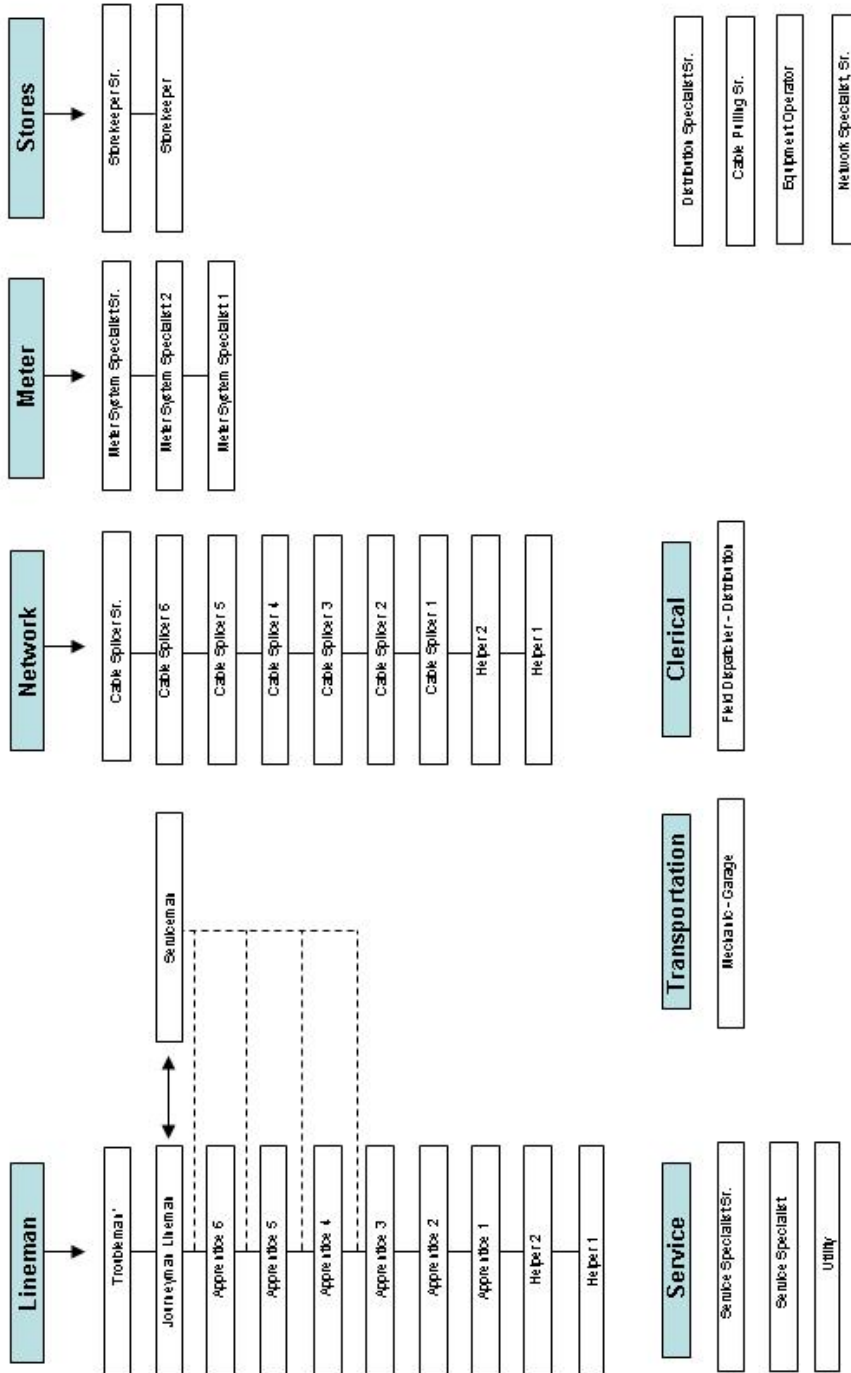
Monty Makarwich
Steward

Dee Robertson
Steward

Don Smith
Steward

**International Brotherhood of Electrical
Workers, Local Union No. 69:**

APPENDIX



*Posted Position

**MEMORANDUMS OF AGREEMENT
BETWEEN
ONCOR ELECTRIC DELIVERY
AND
THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
LOCAL UNION 69**

MEMORANDUM I: SAFETY FOOTWEAR

In order to facilitate the purchase of safety footwear, and without waiving any respective rights inherent or contractual regarding safety footwear, the parties agree as follows:

Effective December 1, 1994 a program will be established to assist in the purchase of ANSI Z41.1 1991, ASTM F2412, or ASTM F2413 approved safety footwear. Under the program the Company will reimburse employees in affected job classifications covered by this Labor Agreement, twenty dollars (\$20.00) for each pair of approved safety footwear purchased for use by the employee, up to a maximum of two pair of safety footwear per employee per year or forty dollars (\$40.00) for one pair for a maximum reimbursement of forty dollars (\$40.00) per calendar year.

To be eligible for this reimbursement, the employee must present to the designated Company representative at the employees work site documentation that the safety footwear meets ANSI Z41.1 1991, ASTM F 2412, or ASTM F 2413 safety footwear standards, present a receipt of purchase for the safety footwear, and complete a Safety Footwear Purchase form. Upon approval of the purchase, the twenty dollar (\$20.00) or forty dollar (\$40.00) reimbursement will be added to the employee's paycheck.

MEMORANDUM II: VACATION REQUESTS

In an effort to accommodate employees' vacation requests, we will be using the following guidelines:

- At the beginning of each year, each Manager will make a vacation request form available to all employees in that particular area. That form should be completed and returned by the designated date in order to be considered. The request forms will be reviewed and, should there be some time period where there are more requests than can be granted for a particular classification, requests will be honored by System Seniority.
- In general, we will plan for fifty percent of each classification to be available for work. As the time for the vacation draws near, the fifty percent criteria may be relaxed somewhat to accommodate more requests if there are any. Also at that time, if sufficient personnel are available at a particular location, some upgrades may be allowed to achieve the fifty-percent criteria for that location.
- Each Manager will record the requests and monitor the usage and make appropriate adjustments throughout the year to accommodate previously requested dates if possible.

MEMORANDUM III, OVERTIME PROCEDURE:

It is mutually understood and agreed between the Company and the Union that the Overtime Procedures now in existence at each service center will remain as they are unless the parties mutually agree to change said procedures.

MEMORANDUM IV, INCENTIVE PAY:

It is mutually understood and agreed between the Parties that employees covered by the Labor Agreement between the Parties will be eligible to participate in the Company's Performance Enhancement Plan (the "PEP Plan") for Plan years 2008, 2009, and 2010. An incentive pay award, will be paid out at the end of the first quarter of the year following the Plan year, based on the Company's financial and operating performance for the Plan year.

The Company will establish the Financial and Operating goals, and the weighting of these goals, which must be achieved in order for employees represented by the Union to receive an incentive pay award. Incentive pay awards will be a percentage of an employee's annualized hourly base wage rate (based on 2080 hours) as shown in the chart below. An employee's incentive pay award will be prorated based on the length of time that employee is in a classification represented by the Union, in accordance with the provisions of the Company's PEP Plan. No incentive pay award will be paid unless the Company achieves, as a minimum, the "Target" level Financial Goals.

The Company may elect to establish more than one Financial Goal and more than one Operating Goal. The Financial and Operating Goals which must be achieved in order for employees represented by the Union to receive an incentive pay award will be the same goals established by the Company for the non-bargaining unit employees, supervisors and managers.

	Threshold	Target	Excellence
Financial + Operating Goals	1.50%	3.00%	4.50%

MEMORANDUM V, HEALTHCARE NEGOTIATIONS:

The Company and the Union agree that the Parties will enter good faith negotiations during the calendar year 2008 over the possibility of adopting the IBEW National Healthcare Plan as an alternative to the existing healthcare plan.

MEMORANDUM VI, VACATION PURCHASE

The Parties agree that Oncor bargaining unit employees, who are otherwise eligible for vacation, are eligible to purchase up to forty (40) hours of additional vacation per year. Additional vacation may be purchased in one-hour increments. Vacation hours purchased and not used by the end of the calendar year for which they are purchased are forfeited. Purchased vacation hours can only be taken after an employee has taken all carryover vacation hours from the previous year and the regular vacation hours for the current year. The cost of purchased vacation is based on an employee's hourly bases wage rate on November 1st of the previous year.

This Memorandum expires on October 25, 2010.

MEMORANDUM VII, REIMBURSEMENT FOR TIME OFF FOR UNION BUSINESS

It is mutually agreed and understood between the Parties that regular, full-time employees, appointed or elected by the Union to represent the Union in its business with the Company, will suffer no loss of regular straight time wages or benefits when conducting official authorized Union Business. The Union agrees to reimburse the Company, on a timely basis, all wages paid. This provision does not apply to any employee on leave of absence or any employee who is off to conduct official authorized Union Business in excess of 480 regularly scheduled work hours in a calendar year. Wages as expressed above equals the straight time hourly wage of an employee as defined in Article VII Section 2, Wages and Wage Rates.

MEMORANDUM VIII, LABOR MANAGEMENT TEAM

The Company and the Union commit to continue to work towards finding ways to strengthen the parties' relationship and to jointly advance the Parties' common interest through "Mutual Commitment". To this purpose, the parties commit to working together to develop strategies to: (i) deal with future issues created by changes in the industry; (ii) improve system reliability; (iii) improve customer service; (iv) reduce costs; and (v) help build a secure future for the employees represented by the Union through the continued success of the Company.

The Parties agree to meet and discuss issues important to bargaining unit employees and the Company involving work practices, working conditions and conditions of employment as needed during the term of the current Labor Agreement. In addition to the issues discussed above, the Labor-Management Team may also discuss issues such as: (i) productivity and efficiency issues; (ii) staffing; (iii) subcontracting; and (iv) joint training. Both parties commit to strive to achieve the effective and productive use of bargaining unit employees.

The Labor-Management Team shall include no more than seven (7) representatives of the Union [Two (2) Union Representatives from each Region and the Business Manager]. Employees serving on the Union's committee shall not suffer any loss of straight-time pay for attending a meeting pursuant to this Section.

