

**ADDENDUM TO 2015 LABOR AGREEMENT BETWEEN**  
**DUKE ENERGY, LLC AND**  
**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**  
**LOCAL UNION NO. 1393**  
**May 1<sup>st</sup>, 2020**

The following are amendments to the 2015 Labor Agreement (hereinafter referred to as the "Labor Agreement") between Duke Energy, LLC (hereinafter called the "Company") and Local Union No. 1393 of the International Brotherhood of Electrical Workers (hereinafter called the "Union") agreed to by the Company and the Union during negotiations. All amendments are effective May 1, 2020 unless otherwise specified herein. The provisions of the 2015 Labor Agreement continue in full force and effect except as modified below:

1. Article 32 is amended as follows:

Increase the wage scale rates by 3.5% effective 12:01 a.m. on May 1, 2020, for the respective job classifications for union Employees.

<u>Labor Grade</u>	<u>Final Rate- 3.5%</u>	
	<u>Effective May 1, 2019</u>	<u>Effective May 1, 2020</u>
1	\$26.17	\$27.09
2	\$27.38	\$28.34
3	\$28.69	\$29.69
4	\$29.91	\$30.96
5	\$31.18	\$32.27
6	\$32.62	\$33.76
7	\$33.88	\$35.07
8	\$35.25	\$36.48
9	\$36.92	\$38.21
10	\$38.57	\$39.92
11	\$41.17	\$42.61
12	\$42.38	\$43.86
13	\$43.73	\$45.26
14	\$44.87	\$46.44
15	\$46.53	\$48.16
16	\$48.73	\$50.44

2. Article 7.1.3 is amended as follows:

Second Step:

Any aggrieved Union Employee entitled to file a Report of Grievance shall prepare, or have prepared by the Grievance Committee for the area in which the aggrieved union Employee is working, copies of such report, on forms to be provided by the Local Union, shall execute all such copies of such report; and shall file the same with such Grievance Committee. Such Grievance Committee shall deliver the original and a copy thereof to the local Manager or Department Superintendent of the Company, and shall retain a copy, one of which shall be mailed to the Business Manager of the Union. Such local Manager or Department Superintendent shall promptly forward one copy of such report to the Labor Relations Department. As soon as practicable thereafter, representatives from the Company Labor Relations staff and representatives from the Union and such other persons as are deemed necessary by the Company shall with

3. Article 7.3 is amended by the addition of the following paragraph:

In no situation shall more than eleven (11) arbitrations be heard in a calendar year. In the year this agreement expires, there shall be no arbitrations heard in the months of February, March, April, and May.

4. Article 7.3.3 shall be replaced, in its entirety, with the following language:

Every October, the parties will mutually agree on the date, time, and location of two expedited arbitration cases to be heard in the subsequent year. These two cases shall be the choice of the union and may be scheduled outside of the order of selection outlined in C-163. The union may select one active grievance to be heard in the month of June and one active grievance to be heard in the month of October. These months may be adjusted based off the selected arbitrator's and parties' availability.

The Union shall notify the Company of what case will be heard during the expedited hearing at least 90 days prior to the scheduled hearing date. If the expedited arbitration case is settled within 90 days prior to the scheduled hearing date, the parties may mutually agree to select a different case to be heard on such date.

Rather than utilize the parties' permanent arbitration panel, the parties will request a panel of seven arbitrators who are members of the National Academy of Arbitrators ("NAA") from the Federal Mediation and Conciliation Service ("FMCS"). FMCS will only provide the parties with a panel and will not administer the case. In the event the parties agree that no acceptable arbitrator

appears on the panel provided by FMCS, they will request one additional panel from FMCS from which they will select an arbitrator. The parties will select the arbitrator from the panel provided by FMCS by alternately striking a member of the panel until one arbitrator is left and that arbitrator shall hear the case. For each case heard under this expedited procedure, the parties will alternate which one of them will strike from the panel first. The Arbitration Rules set forth in C-163 shall apply to grievances heard through this expedited procedure.

5. Article 9.3 shall be replaced, in its entirety, with the following language:

Premium pay shall be paid at two times Straight Time Pay for all emergency time worked for other utilities, privately, cooperatively, or municipally owned, at their respective operating locations, and provided such work is offered to the union Employee by the Company and is accepted by the union Employee. This Section 9.3 shall not apply to any location, facility, or entity owned and/or operated by the Company, or its parent and related subsidiaries and affiliates.

For the line series, initial order of selection and assignments shall be made as follows:

Seniority will be used to establish the initial selection lists at each location (any lists established prior to May 1, 2015, will be maintained at that location). Line Specialists, Line Service Specialists and Line Working Foremen will be combined on a selection list; the Line Apprentices will be combined on a separate selection list; qualified Mechanics and Material Specialists located at the Corporate Office shall be placed on a selection list and qualified Mechanics and Material Specialists located within the District Offices shall be placed on a separate list. Qualified Material Specialists located at the Generation Stations shall be placed on their own selection list. Qualified Material Specialists on the Generation list shall not be used until both the Material Specialists Corporate Office list and District Office list have been exhausted.

Assignments shall be offered to qualified, available union Employees. Union Employees on service watch at the estimated time of the departure for the emergency work on foreign utilities, shall not be considered available and will maintain their position on the list. However, if an employee is on service watch, he will have the opportunity to get someone to take his service watch. This must be done in a timely fashion and cannot delay the progress of establishing final crew assignments for the district. Union Employees who have not met the minimum callout response rate of 20% at the time of the assignment will be bypassed. Union Employees who accept an assignment will move to the bottom of the list. Union Employees who are on vacation will maintain their position on the list. All others who decline will move to the bottom of the list. Union Employees new to a location will be placed at the bottom of the list.

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6. Article 9.3.1 shall be replaced, in its entirety, with the following language:

For emergency time worked at any location, facility, or entity owned and/or operated by the Company, or its parent and related subsidiaries and affiliates outside of the Indiana service territory, one and one half times Straight Time Pay will be paid for all hours worked, up to 16 consecutive hours. Two times Straight Time Pay will be paid for all hours worked in excess of 16 consecutive hours.

For purposes of calculating overtime under Section 14.4 of the Labor Agreement, Regularly Scheduled Work Hours will be treated as Regularly Scheduled Work Hours and hours worked outside of an employee's Regularly Scheduled Work Hours will be treated as converted overtime hours worked when the employee is performing emergency work on Duke Energy property outside the State of Indiana.

When working on a second "C" day or on a Recognized Holiday, the employee will be paid in accordance with Section 10.3 OVERTIME: DOUBLE TIME and, Section 11.6 HOLIDAY PREMIUM, respectively, in lieu of the rates of pay referenced in the above paragraph. Assignments shall be distributed as follows:

- a. First Order of Selection: Any qualified, available volunteer union Employee. Union Employees on service watch at the estimated time of the departure for the emergency work on Duke Energy property outside of Indiana, shall not be considered available. However, if an employee is on service watch, he shall have the opportunity to get someone to take his service watch. This must be done in a timely fashion and cannot delay the progress of establishing final crew assignments for the district. If there are too many or too few volunteers, then
- b. Second Order of Selection: Any qualified, available union Employees on the current applicable overtime volunteer list who are lowest on the current applicable overtime distribution list.
  1. Qualified Mechanics located at the Corporate Office shall be placed on a selection list and qualified Mechanics located within the District Offices shall be placed on a separate selection list. This selection list shall remain in place continuously and employees in the Mechanic job series shall be offered assignments covered by 9.3.1 on a rotating basis. After an employee turns down two assignments covered by 9.3.1, he shall be moved to the bottom of this selection list.

2. Qualified Material Specialists located at the Corporate Office shall be placed on a selection list and qualified Material Specialists located within the District Offices shall be placed on a separate selection list. These selection lists shall remain in place continuously and employees in the Material Specialists job series shall be offered assignments covered by 9.3.1 on a rotating basis. After an employee turns down two assignments covered by 9.3.1, he shall be moved to the bottom of this selection list.

a. Qualified Material Specialists located at a Generation Station shall be placed on their own selection list. Qualified Material Specialists on the Generation list shall not be used until both the Corporate Office list and District Office list have been exhausted.

c. Third Order of Selection: All other qualified, available union Employees who are lowest on the current applicable overtime distribution list.

7. Article 14.3 shall be replaced, in its entirety, with the following language:

Union Employees wanting to volunteer for overtime work assignments shall submit his name to the supervisor, in accordance with procedures established by the Company, no later than 12:00 noon on Friday of each calendar week by marking which days they will be available for overtime for the following week. The Company shall revise the then current overtime distribution posting to reflect the volunteer status of each union Employee no later than 8:01 a.m. on Monday of each calendar week. Within thirty (30) days of the effective date of this agreement, the Company shall revise the then current overtime distribution posting to reflect the volunteer status of each union Employee no later than 5:00 p.m. on Friday the preceding week of the overtime assignments.

8. Article 17.2 shall be replaced, in its entirety, with the following language:

In determining whether 16 or more hours of work have been performed, any break of eight consecutive hours or more, shall be considered a break in the 16 hour requirement.

9. Article 20.3 shall be replaced, in its entirety, with the following language:

Military Leave will be provided to union Employees on the same basis as non-union employees and shall consist of the identical benefits provided to non-union employees. Military Leave benefits for union employees shall not be changed for the duration of this labor agreement, unless such policy conflicts with federal or state law.

10. Article 21.5 shall be replaced, in its entirety, with the following language:

JOB SITE REPORTING: EMPLOYEES IN THE SUBSTATION CONSTRUCTION, SUBSTATION MAINTENANCE, EQUIPMENT TESTER, HEAVY EQUIPMENT HAULER, CONTROL SYSTEMS TECHNICIAN, ELECTRIC SHOP MECHANIC AND HIGH VOLTAGE BREAKER TECHNICIAN JOB SERIES AND LINE SPECIALISTS ASSIGNED TO TRANSMISSION:

- Employees shall report to their assigned job site or work location at their scheduled starting time and shall be released at the end of their regularly scheduled work hours. The employee shall not be entitled to pay for time spent traveling to and from the job site or work location. The mileage reimbursement shall be paid to the driver of the personal vehicle only.
  - Employees required to job site report such a distance of 35 miles or less from their headquarters will be provided \$31/day. Daily mileage reimbursement will be the difference between their residence and assigned headquarters versus their residence and the job site or work location, when the distance to the job site is greater and will be paid at the applicable mileage reimbursement rate.
  - Employees required to job site report such a distance of 36 miles or greater from their headquarters to job site or work location will be provided the per diem rate of \$83/day for lodging and \$20.33/day for meals (maximum of 3). Mileage reimbursement for travel to the jobsite or work location on the first day and from the job site or work location on the last workday of that week, being the difference between their residence and assigned headquarters, versus their residence and the job site or work location, when the distance to the job site or work location is greater and will be paid at the applicable mileage reimbursement rate. Example of per diem pay out for an employee reporting to the job site or work location for 5 consecutive days (Monday through Friday) Monday – Lodging per diem (\$83) and 2 meals

(\$40.66), Tuesday - Lodging per diem (\$83) and 3 meals (\$60.99), Wednesday - Lodging per diem (\$83) and 3 meals (\$60.99), Thursday - Lodging per diem (\$83) and 3 meals (\$60.99), Friday – 2 Meals (\$40.66) Total per diem pay-out for the week - \$596.29

11. Article 21.9.2 shall be replaced, in its entirety, with the following language:

The headquarters location for Substation Construction employees (Promotional Chart 59) hired into the job series prior to May 1, 2020 shall be their primary residence.

Substation Construction employees (Promotional Chart 59) hired within the job series on or after May 1, 2020, shall be assigned to a headquarters location within the district locations.

12. Article 29.3 is amended as follows:

Delete the language “illegal use of drugs or alcohol, willful intent to injure oneself...”

13. C-76 RESIDENCY BOUNDARIES is amended as follows:

All bargaining unit employees assigned to a Division, Area, District or Local Office Headquarters, other than those bargaining unit employees covered by Paragraph (B) hereof and other than those bargaining unit employees in the Material Specialist Series, Control Systems Technician Series and Substation Construction Series as designated on Promotional Chart No. 59 of the Labor Agreement, shall maintain their residence within a twenty-five (25) mile radius of the Company Headquarters to which they are assigned.

Bargaining unit employees in the Material Specialist Series and Control Systems Technician Series shall maintain their residence within forty (40) mile radius of the Company Headquarters to which they are assigned.

14. C-88 ARBITRATION RULES is deleted

15. C-163 ARBITRATION PROCEDURE is amended as follows:

As provided for by Section 7.3 of the 2020 labor agreement, Duke Energy, LLC (“Company”) and Local Union No. 1393 of the International Brotherhood of Electrical Workers (“Union”) agree that the Arbitration Procedures and Rules shall be as follows:

1. Panel Of Arbitrators. The Company and Union shall establish and maintain a mutually agreed upon panel of Arbitrators. The panel of Arbitrators shall consist of no less than five (5) arbitrators at any time.
  
5. Removal Of An Arbitrator. Effective January 1, 2021, each party may elect to remove one Arbitrator from the current panel every other year during the term of the labor agreement. Such election shall be communicated to the other party by October 1st of that year. The parties shall send a joint letter of removal to the impacted Arbitrator. Nothing within this section shall prohibit the appointment of a previously removed arbitrator from being re-selected to the panel at a later date. The resulting vacancy shall be filled by the Company and the Union.

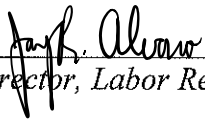
16. Memorandum of Understanding – STUDENT CRAFT INTERNSHIP is amended as follows:

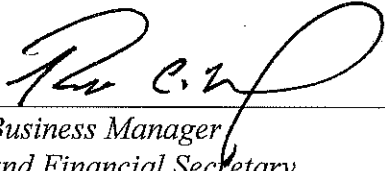
Employees hired after completion of a Student Craft Internship will not have their time served as an intern count toward their probationary period.

*IN WITNESS WHEREOF* the parties hereto have duly executed and delivered eight originals of this Agreement as of the 30<sup>th</sup> day of April, 2020.

DUKE ENERGY, LLC

LOCAL UNION NO. 1393 OF THE  
INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS

By   
*Director, Labor Relations*

By   
*Business Manager  
and Financial Secretary*