AGREEMENT

Between

ENGINEERS AND SCIENTISTS OF CALIFORNIA, LOCAL 20, IFPTE, AFL-CIO & CLC

And

CANUS CORPORATION

Dated January 1, 2015





Contents

1. PURPOSE AND SCOPE OF THIS AGREEMENT	3
1.1 SCOPE OF THIS AGREEMENT	3
1.2 BASIC PRINCIPLES	3
1.3 EFFECTIVE DATE	3
1.4 CHANGES	3
1.5 CONTINUITY OF SERVICE	3
1.6 SAVINGS CLAUSE	4
2. MANAGEMENT RIGHTS	4
3. UNION RECOGNITION	4
4. UNION SECURITY	4
4.1 DUES DEDUCTION	4
4.2 TERMINATION FOR NON-PAYMENT OF DUES OR FEES	5
4.3 PAYMENTS BY EMPLOYER	5
5. NON-DISCRIMINATION	5
6. UNION REFERRAL SYSTEM	5
6.1 LENGTH OF REFERRAL	5
6.2 REFERRALS FOR TEMPORARY EMPLOYMENT	6
6.3 CLASSIFICATIONS, QUALIFICATIONS AND PAY RATES	6
6.4 PRIORITY OF REFERRALS AND RATE OF PAY	6
6.5 TEMPORARY EMPLOYEE COMPENSATION	6
6.6 REJECTION OF REFERRALS	7
6.7 OVERVIEW COMMITTEE	7
6.8 GRIEVANCE PROCEDURE	7
7. ALIGNMENT WITH PG&E GENERAL AGREEMENT	8

1. PURPOSE AND SCOPE OF THIS AGREEMENT

This Agreement is by and between the CANUS Corporation and Engineers and Scientists of California, Local 20, International Federation of Professional and Technical Engineers. As used hereinafter in this Agreement, the term "Employer" shall mean CANUS Corporation, and the term "Union" shall mean ESC Local 20.

The intent of this Agreement is to establish uniform conditions of employment for temporary hiring hall workers who are retirees from Pacific Gas and Electric (PG&E), as hereinafter provided. Due to the nature of this specialized workforce, the parties recognize and agree to cost shifting of the normal benefit structure of the industry.

1.1 SCOPE OF THIS AGREEMENT

The scope of the work covered by this Agreement shall be the work performed by ESC retirees from PG&E in all classifications who are dispatched in accordance with the hiring hall guidelines set forth in Exhibit C of the ESC General Agreement with PG&E.

1.2 BASIC PRINCIPLES

The Employer and the Union have a common and sympathetic interest in the Electrical Industry. Therefore, a working system and harmonious relations are necessary to improve the relationship between the Employer, the Union and the Public. Progress in industry demands a mutuality of confidence between the Employer and the Union. All will benefit by continuous peace and by adjusting any differences by rational common-sense methods.

1.3 EFFECTIVE DATE

This Agreement shall take effect January 1, 2015, and shall remain in effect until December 31, 2017 unless otherwise specifically provided for herein. It shall continue in effect from year to year thereafter, from January 1 to December 31 of each year, unless changed or terminated in the way later provided herein.

1.4 CHANGES

Either party desiring to change or terminate this Agreement must provide written notification at least (90) days prior to the expiration date of the Agreement or any anniversary date occurring thereafter. Whenever notice is given for changes, the nature of the changes desired must be specified in the notice, or no later than the first negotiating meeting unless mutually agreed otherwise. The existing provisions of the Agreement, including this Article, shall remain in full force and effect until a conclusion is reached in the matter of proposed changes. This Agreement shall be subject to change or supplement at any time by mutual consent of the parties hereto. Any such change or supplement agreed upon shall be reduced to writing and signed by the parties.

1.5 CONTINUITY OF SERVICE

There shall be no stoppage of work either by strike or lockout because of any proposed changes in this Agreement or dispute over matters relating to this Agreement. All such matters must be handled as stated herein.

1.6 SAVINGS CLAUSE

Should any provisions of this Agreement be declared illegal by any court of competent jurisdiction, such provisions shall immediately become null and void, leaving the remainder of the Agreement in full force and effect, and the parties shall, thereupon, seek to negotiate substitute provisions which are in conformity with the applicable laws.

2. MANAGEMENT RIGHTS

The Union understands the Employer is responsible to perform the work required by PG&E of its temporary workforce. The Employer shall therefore have no restrictions, except those specifically provided for in the collective bargaining Agreement in planning, directing, and controlling the operation of all work, in deciding the number and kind of employees to properly perform the work, in hiring and laying off employees, in transferring employees from job to job, in requiring all employees to observe the Employer's and/or PG&E's rules and regulations not inconsistent with this Agreement, in requiring all employees to observe all safety regulations and in discharging employees for proper cause.

3. UNION RECOGNITION

The Employer recognizes the Union as the sole Collective Bargaining Agency between itself and the employees covered under this Agreement.

4. UNION SECURITY

Within thirty days after being employed, every employee covered under this Agreement shall, as a condition of employment (a) become a member of the Union, or (b) in the alternative, an employee must tender a registration fee to the Union in such an amount as the Union may prescribe (but in no event to exceed the initiation fee required by Union members) and shall tender an agency fee as established by the Union in an amount not to exceed the amount of the monthly dues and per capita fees required of Union members.

Any employee who is or becomes a member of the Union shall, as a condition of employment, tender to the Union periodic dues uniformly required by the Union as a condition of acquiring or retaining membership.

The Employer shall provide a list of employees hired into the bargaining unit, since the date of the previous list, once each month.

4.1 DUES DEDUCTION

The Employer will deduct from their wages and turn over to the proper officers of the Union the agency fees or the Union membership dues of employees as they individually and voluntarily

certify in writing that they authorize such deductions. The form of check off authorization shall be approved by the Employer and the Union.

4.2 TERMINATION FOR NON-PAYMENT OF DUES OR FEES

Upon written request from the Union, the Employer shall, within 21 calendar days, terminate the employment of any employee who fails to comply with the requirements of this Title.

4.3 PAYMENTS BY EMPLOYER

For the employees covered by this Agreement, the Employer shall make regular payments to the Federal and State Government for Social Security, SDI, and Unemployment Insurance, as provided by law, and shall carry Workmen's Compensation and shall furnish satisfactory proof to the Union upon request.

5. NON-DISCRIMINATION

It is the policy of Employer and Union not to discriminate, harass, or allow the harassment of an employee on the basis of race, color, religion, age (40 and over), sex, national origin, ancestry, physical or mental disability, medical condition, veteran status, marital status, pregnancy, sexual orientation, gender identity, registered domestic partner status, a request for family medical leave, or any other category or status protected by law, or any other non-job related factor.

The Employer will not discriminate against any employee because of his or her membership in the Union or his or her activity in the Union.

6. UNION REFERRAL SYSTEM

The Union hiring hall shall be the sole and exclusive source of referral of applicants covered under this agreement for temporary employment by the Employer. All such selection and referral shall be in accord with the procedures set forth in Exhibit C of the ESC General Agreement.

6.1 LENGTH OF REFERRAL

Utilization of PG&E retiree hiring hall employees shall not exceed 12 consecutive months within a department, location and classification unless otherwise agreed to in writing by the Overview Committee. For current PG&E retiree hiring hall employees, the 12 month period begins on the effective date of the signing of this agreement. The restriction is not applicable under the following conditions:

- 1. Company is unable to fill the position on a regular basis in the department and headquarters;
- 2. Relief is needed to fill in behind a regular employee;
- 3. Temporary employees are needed to supplement efforts to mentor/train new employees or to mentor/train Routine Estimators at headquarters where Routine Estimators make up more than 40% of the estimating workforce (excluding ADEs); and (Amended 1/1/09)

4. Resource sharing where the assisting (subject) headquarters is performing work at locations where condition 1 above applies.

Relief assignments under provisions of 15.3(e) of the PG&E ESC General Agreement are an exception to the above guidelines (1-4).

6.2 REFERRALS FOR TEMPORARY EMPLOYMENT

ESC shall notify the Employer when a PG&E retiree is to be dispatched to

- 1. The classification of the temporary employee;
- 2. Any special skills or special pre-employment training that is required;
- 3. The work location;
- 4. The reporting date and who to report to; and
- 5. The duration of the work, if known.

ESC will make every effort to dispatch applicants for work as soon as possible and by no later than 15 days of the initial request made by PG&E.

When temporary employees are assigned to fill behind a regular employee whose assignment is to support multiple headquarters, such employees may be eligible for expenses consistent with PG&E policy and the ESC-PG&E General Agreement. This provision will only be applicable to Sr. New Business Representatives, Industrial Power Engineers, Project Managers, and other classifications as agreed to by the Union and PG&E.

6.3 CLASSIFICATIONS, QUALIFICATIONS AND PAY RATES

The classification, qualifications and pay rates for temporary employees covered under this agreement supplied to PG&E by the Employer shall be those already negotiated between ESC Local 20 and PG&E as contained in the General Agreement, unless otherwise specifically agreed to by ESC Local 20 and PG&E. Pay rates shall be determined as noted in Section D of the ESC-PG&E General Agreement.

6.4 PRIORITY OF REFERRALS AND RATE OF PAY

- Retired PG&E employees that worked in the same or higher classification in the previous 60 months. Priority 1 temporary employees shall be paid at the top wage rate established for hourly classifications in exhibit D of the PG&E-ESC General Agreement or at the last salary of monthly paid employees if it is in the range for the temporary classification in which they are employed.
- 2. Retired PG&E employees that worked in the same or higher classification. Priority 2 temporary employees shall be paid at the top wage rate established for the hourly classification in which they are employed in exhibit D of the PG&E-ESC General Agreement or at the last salary of monthly paid employees if it is in the range for the temporary classification in which they are employed.

6.5 TEMPORARY EMPLOYEE COMPENSATION

The following shall apply for temporary employees:

- Employment shall commence upon orientation or work at the location and time requested by the Employer. Pay provisions are those provided for in Sections 6.3 and 6.4 above and in Exhibit D of the ESC-PG&E General Agreement.
- 2. In lieu of benefits, temporary employees shall be paid a benefit factor for each hour worked of \$8.22 per hour, including all additional hours. This factor will be the same for all hiring hall personnel placed within PG&E by the Employer. Employees opting to receive health and other benefits provided by the Employer will not be paid the benefit factor.
- 3. The Employer may not downgrade employees from the classification as dispatched. However, the Employer may upgrade employees in accordance with the PG&E General Agreement, for a period of time not to exceed a total of forty hours during any period of continuous employment, without prior agreement with the Union.

6.6 REJECTION OF REFERRALS

The Employer may reject any referral that is determined by the Employer to be unsuitable for temporary employment at PG&E. the Employer may terminate the employment of any temporary employee when determined by the Employer that such individual is not suited for continued employment. In such an event the Employer will notify the Union in as timely a manner as possible. If the individual works that day, a minimum of four hours will be paid.

Additionally, the Employer shall furnish the Union written confirmation of all temporary hirings and terminations provided for under the termination of this agreement.

6.7 OVERVIEW COMMITTEE

A committee consisting of two the Employer and two Union members will coordinate the application of this agreement and address all issues related to it. This shall include the Union's administration of the referral procedure. The overview committee or designated sub-committees will meet as needed.

6.8 GRIEVANCE PROCEDURE

The Overview Committee shall consider any complaint by an employee concerning the administration of this Agreement, as long as such complaint is received by the Union in writing within thirty days of the date of the action causing such complaint. If the Overview Committee cannot resolve the dispute, the Overview Committee will engage the services of a third-party mediator and hold a non-binding mediation in an effort to reach settlement. If the mediation does not resolve the dispute, the parties will engage an arbitrator to make a final and binding decision.

Costs associated with mediation will be borne equally by the parties. Cost associated with an arbitration will be borne by the losing party.

7. ALIGNMENT WITH PG&E GENERAL AGREEMENT

The terms for temporary labor at the Diablo Canyon Power Plant (DCPP) as set forth in Letter Agreement 10-22 between PG&E and ESC are hereby incorporated into this Agreement.

In the event that any relevant provisions of the PG&E-ESC General Agreement are modified, such modifications will be incorporated into this agreement between ESC Local 20 and the Employer for the employment of PG&E retirees who are dispatched through the ESC Hiring Hall for temporary employment at PG&E. Union shall notify the Employer in writing fourteen (14) days prior to implementation of the change.

Signed,

Greg Ricks, Vice President Canus Corporation

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Karen Sawislak, Executive Director ESC Local 20, IFPTE, AFL-CIO & CLC

11/13/14

Date

<u>||///////</u> Date

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