

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY  
203 OLDS STATION ROAD  
WENATCHEE WA 98801**

**REGULAR COMMISSION MEETING**

**JUNE 16, 2025**

**STUDY SESSION**

**10:00 AM**

1. Pledge of Allegiance and Safety/H&OP Minute – Matt Shales
2. Approval of the Agenda
3. CPO Winner Recognition
4. Quarterly Electrical Load Growth Update
5. 2025 – 2026 Insurance Program Renewal Update  
Proposed motion: To authorize expenditures by the District not to exceed \$8,050,000 plus surplus lines taxes and fees, for the purchase of District insurance for July 1, 2025-2026 policies upon terms and conditions approved by the General Manager
6. Clean Energy Implementation Plan Process Overview
7. Annual Fees and Charges Update
8. Public Comment  
*Time for public comments or questions related to matters not covered by the agenda*

**BUSINESS SESSION**

**Consent Agenda**

9. Minutes of the June 2, 2025 Regular Meeting and June 4, 2025 Special Meeting
10. Vouchers: Accounts Payable Summary Report dated June 10, 2025:
  - a. Vouchers totaling \$39,130,503.64;
  - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period May 27, 2025 through June 09, 2025 in the amount of \$40,077.47.
  - c. Approval of the net Payroll, Warrant Nos. 238779 through 238788 and Advice Nos. 801081 through 801959 for the pay period ending June 01, 2025 in the amount of \$2,930,444.14.

REGULAR COMMISSION MEETING AGENDA

June 16, 2025

Page 2

- d. Approval of Warrant Nos. 33206 through 33219 totaling \$24,681.82 for claim payments from the workers' compensation self-insurance fund for the period ending June 09, 2025.
  - e. Approval of Parks Reservation System customer refunds for the period May 27, 2025 through June 09, 2025 in the amount of \$1,155.00.
11. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-7, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 23-13155 WITH IRRIGATION TECHNOLOGY AND CONTROL, INC OF EAST WENATCHEE, WA AND AUTHORIZING PAYMENT OF RETAINAGE

**Regular Agenda**

12. A RESOLUTION RATIFYING CHANGE ORDER NO. 4-GMP3 AND AUTHORIZING EXECUTION OF CHANGE ORDER NO. 10-GMP2 UNDER CONTRACT NO. 18-10 WITH GE RENEWABLES US LLC OF GREENWOOD VILLAGE, CO FOR THE ROCK ISLAND DAM POWERHOUSE NO. 2 – GENERATING UNIT REHABILITATION PROJECT
13. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR SUPPLY OF FOUR (4) 123KV CLASS CIRCUIT BREAKERS (BID NO. 25-14261) AND AUTHORIZING THE SUPPLY OF FOUR (4) 123KV CLASS CIRCUIT BREAKERS BE OBTAINED BY NEGOTIATION
14. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A LONG-TERM LEASE AGREEMENT WITH HELION ONE, LLC FOR A PARCEL OF UNDEVELOPED LAND LOCATED IN CHELAN COUNTY, WASHINGTON
15. A RESOLUTION ACCEPTING THE AGREEMENT REACHED PURSUANT TO LABOR NEGOTIATIONS WITH LOCAL NO. 77 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS FOR THE PERIOD APRIL 1, 2025 THROUGH MARCH 31, 2028

**1:00 PM**

16. Public Hearing: Rate Schedules 4 and 36
17. A RESOLUTION ADOPTING REVISED RATE SCHEDULE 36 DATA CENTERS AND SIMILAR LOADS AND RATE SCHEDULE 4 LARGE LOADS
18. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A LARGE LOAD SERVICE AGREEMENT AND RELATED CONTRACTS WITH MICROSOFT CORPORATION FOR ELECTRIC SERVICE UNDER RATE SCHEDULE 4, LARGE LOADS
19. Manager Items

REGULAR COMMISSION MEETING AGENDA

June 16, 2025

Page 3

20. Commission Items

a. Special Meetings

Proposed motion: To set the following special meetings:

- On Tuesday, July 22, 2025 @ 5:30pm at Orchard Bar and Bites, 1229 Walla Walla Ave, Wenatchee, for the purpose of a Mid-C General Managers and Commissioners meeting
- On Wednesday, July 30, 2025 @ 9:00am at Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of a Board Workshop

21. Follow-up on Delegation of Action Items from Previous Board Meeting

22. Delegation of Action Items

23. Additional Public Comment

24. Matters of general business as may necessarily come before the Commission

25. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i) for \_\_\_\_ minutes

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1-7, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 23-13155 WITH IRRIGATION TECHNOLOGY AND CONTROL, INC OF EAST WENATCHEE, WA AND AUTHORIZING PAYMENT OF RETAINAGE

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On April 9, 2024, the District entered into a contract (Bid No. 23-13155) with Irrigation Technology and Control, Inc (Contractor) of East Wenatchee, WA for the Chelan Wellfield - Well F Pump and Motor Replacement, in the amount of \$416,000. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order Nos. 1-7 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order Nos. 1-7, which are on file in the offices of the District and summarized as follows:

<b>Field Work Order No.</b>	<b>Amount</b>
1. Downhole video inspection and pump rebuild	\$9,592.85
2. 40 Hour Bail and Surge Well Cleanout to increase well production	\$39,350.00
3. Conduit size adjustment – Not-to-exceed amount was established for additional work; the actual costs were less than anticipated and are reconciled in FWO 6	\$25,000.00
4. Extension of Contract Time	\$0.00
5. Extension of Contract Time	\$0.00
6. Reconciliation of Change Order No. 3 and extension of Contract Time	\$(18,945.67)
7. Replace Existing Communication Module	\$5,784.07
<b>Total</b>	<b>\$60,781.25</b>

Field Work Order Nos. 1-5 result in a net increase in the contract price of \$60,781.25 for a total revised contract price of \$476,781.25 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215

provides that this type of field work order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on, June 4, 2025. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work Order Nos. 1-7 and authorize the payment of retainage due the Contractor, subject to the requirements of the contract and state law.

### **ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Field Work Order Nos. 1-7 to Contract No. 23-13155 with Irrigation Technology and Control, Inc for the work specified above, which will result in a net increase in the contract price of \$60,781.25, for a total revised contract price of \$476,781.25, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Contract No. 23-13155 was completed on June 4, 2025 and the same is hereby accepted, subject to Section 3 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public works Contracts and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and the balance shall be paid to the Contractor.

DATED this 16<sup>th</sup> day of June 2025.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION RATIFYING CHANGE ORDER NO. 4-GMP3 AND AUTHORIZING EXECUTION OF CHANGE ORDER NO. 10-GMP2 UNDER CONTRACT NO. 18-10 WITH GE RENEWABLES US LLC OF GREENWOOD VILLAGE, CO FOR THE ROCK ISLAND DAM POWERHOUSE NO. 2 – GENERATING UNIT REHABILITATION PROJECT

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

On October 1, 2018, by Resolution No. 18-14273, the Commission of the District authorized the General Manager to invite sealed proposals to provide Design-Build services to the District in support of planned rehabilitation to Rock Island Dam Powerhouse No. 2 – Generating Units. Rehabilitation includes refurbishment of most major components, replacement of some due to known poor condition and limited remaining life, and procurement of some new components to mitigate schedule impacts from finding unrepairable items during the construction outage. The rehabilitation work on the first unit began in 2023, and the rehabilitation on the last unit is scheduled to be complete in 2031.

**Previously Approved Guaranteed Maximum Price (GMP) Amendments and Change Orders**

On July 20, 2020, by Resolution No. 20-14473, the Commission of the District Authorized the General Manager to enter into a Design-Build Contract No. 18-10 with GE Renewables US, LLC (GE). In addition to the general terms and conditions, the Contract authorized \$4,500,000.00 for pre-construction services.

On March 1, 2021, by Resolution 21-14537, the Commission of the District authorized the General Manager to enter into a Change Order No. 3 to extend the pre-construction completion date to May 31, 2021 and add \$1,000,000.00 to the current not to exceed amount. The new not to exceed amount is \$5,500,000.00.

On May 3, 2021, by Resolution 21-14562, the Commission of the District authorized the General Manager to enter into a Change Order No. 2 to provide for an Extended Correction Period to be added to the Rock Island Dam Powerhouse No. 2 – Generating Unit Rehabilitation Project for a not to exceed amount of \$19,743,066.00. The new not to exceed amount is \$25,243,066.00.

On May 3, 2021, by Resolution 21-14563, the Commission of the District authorized the General Manager to enter into a GMP Amendment No. 1 to provide for the long lead components to be ordered for the first unit for a not to exceed amount of \$12,162,792.14. The new not to exceed amount is \$37,405,858.14.

On July 6, 2021, by Resolution 21-14574, the Commission of the District ratified Change Order Nos. 1, 4- Pre-Construction and 5- Pre-Construction, authorized the General Manager to enter into a GMP Amendment No. 2 for an amount of \$66,874,395.56 to provide for the First Unit (U5) rehabilitation, and approved the revised combined 2021 capital budget for all Rock Island Powerhouse No. 2 – Generating Rehabilitation projects. The new overall not to exceed contract amount is \$104,280,253.70, excluding sales tax.

On February 22, 2022, by Resolution 22-14632, the Commission of the District ratified Change Order No. 1-ECP, 3, 1-GMP1 and 6-Pre-Construction for a reduction of \$1,306,300.69 from the overall contract amount, authorized the General Manager to execute Change Order No. 1-GMP2 for updating the work scope under GMP Amendment No. 2 - First Unit (U5) with GE for an amount of \$1,032,059.80 for a revised not to exceed amount of \$104,006,012.81, excluding sales tax.

On March 6, 2023, by Resolution 23-14741, the Commission of the District ratified Change Order Nos. 2-GMP1, 2-GMP2, 3-GMP2, and 4-GMP2 and authorized the General Manager to execute Change Order No. 5-GMP2 to update the work scope under the GMP Amendment No. 2 – First Unit (U5) in an amount of \$1,443,227.80 for a revised overall contract amount of \$105,449,240.61, excluding sales tax.

On March 20, 2023, by Resolution No. 23-14746, the Commission of the District authorized the General Manager to execute GMP Amendment No. 3 to procure and start manufacturing of long lead-time components for the Second and Third Units in an amount of \$9,038,126.93 for a revised overall contract amount of \$114,487,367.54, excluding sales tax. The Commission of the District also approved the budget revision for Unit U7 and established the initial total project budget and 2023 budget for Unit U3.

On November 6, 2023, by Resolution No. 23-14817, the Commission of the District ratified Change Order Nos. 4, 6-GMP2, 1-GMP3, 3-GMP1, and 4-GMP1 for an increase of \$173,342.00 to the overall contract amount and authorized the General Manager to execute Change Order No. 7-GMP2 covering engineering design changes under GMP Amendment No. 2 - First Unit (U5) with GE to Contract No. 18-10 for Rock Island Dam Powerhouse No. 2 - Generating Unit Rehabilitation for an amount of \$3,329,652.66 for a revised overall contract amount of \$117,990,362.20, excluding sales tax.

On December 18, 2023, by Resolution No. 23-14839, the Commission of the District authorized the General Manager to execute Change Order No. 2-GMP3 for the procurement of remaining runner hub bushing sets with GE to Contract No. 18-10 for Rock Island Dam Powerhouse No. 2 - Generating Unit Rehabilitation First Unit for an amount of \$5,127,596.64 for a revised overall contract amount of \$123,117,958.84, excluding sales tax.



On June 17, 2024, by Resolution No. 24-14890, the Commission of the District authorized the General Manager to execute Change Order No. 8-GMP2 covering engineering design changes, component refurbishment, and other mutually agreed upon changes under GMP Amendment No. 2 - First Unit (U5) for an amount of \$4,767,291.00, for a revised overall contract amount of \$127,885,249.84, excluding sales tax.

On August 5, 2024, by Resolution No. 24-14900, the Commission of the District authorized the General Manager to execute GMP Amendment No. 4 with GE Renewables US LLC. for the rehabilitation of the second unit in an amount of \$75,985,737.13 for a total revised contract amount of \$203,870,986.97.

On October 21, 2024, by Resolution No. 24-14920, the Commission of the District authorized the General Manager to execute Change Order Nos. 9-GMP2 and 3-GMP3 covering engineering design changes, refurbishment (and/or supply), installation services, procurement of the 4th set of stator bars, 2 sets of thrust and counter thrust membranes, and other mutually agreed upon changes in an amount of \$3,133,549.75 for a total revised contract amount of \$207,004,536.72, excluding sales tax.

#### **Executed Change Order to be Ratified**

Change Order No. 4-GMP3 updated Annex A.1.1 Schedule of Values/ Milestones. There was no change in the contract price. It was executed on February 28, 2025, and is on file in the offices of the District.

#### **Proposed Change Order for Approval**

Change Order No. 10-GMP2 provides additional engineering and analysis, cost escalation and annual rate increases, repairs to (1) the governor components, (2) some generator components and (3) turbine components, and additional costs associated with site work as specified in the Change Order. Change Order No. 10-GMP2 also authorizes the use of \$1,740,695.85 of Allowance and \$1,980,639.78 of Contingency which are already included in the contract amount. The remaining cost for component modification, refurbishment and changed work is \$5,921,367.16, resulting in a revised not to exceed amount for GMP Amendment No. 2 - First Unit (U5) of \$84,880,110.78, excluding sales tax.

District staff recommends execution of Change Order No. 10-GMP2 under GMP Amendment No. 2 - First Unit (U5) which includes authorization of the use of Allowance and Contingency in the amounts of \$1,740,695.85 and \$1,980,639.78 respectively, and a contract cost increase of \$5,921,367.16, excluding sales tax. The

revised overall contract amount after execution of this Change Order will be \$212,925,903.88, excluding sales tax.

The General Manager of the District concurs with District staff's recommendation.

### **ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The Commission finds that Change Order No. 4-GMP3 was properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Change Order is hereby formally acknowledged and ratified.

Section 2. The General Manager of the District is hereby authorized to execute Change Order No. 10-GMP2 under Contract 18-10 for Rock Island Dam Powerhouse No. 2 - Generating Unit Rehabilitation Project as described above in an amount of \$5,921,367.16 for a total revised contract amount of \$212,925,903.88, excluding sales tax. A copy of the contract will be on file in the offices of the District.

DATED this 16th day of June 2025.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR SUPPLY OF FOUR (4) 123KV CLASS CIRCUIT BREAKERS (BID NO. 25-14261) AND AUTHORIZING THE SUPPLY OF FOUR (4) 123KV CLASS CIRCUIT BREAKERS BE OBTAINED BY NEGOTIATION

## FACTUAL BACKGROUND AND REASONS FOR ACTION

The Commission, by Resolution No. 17-14215, delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less.

District staff prepared bidding documents for Supply of Four (4) 123kV Class Circuit Breakers. The Circuit Breakers are required as part of the breaker replacement program.

Sealed proposals were invited and published in accordance with RCW 54.04.070 and said bids were opened on May 29, 2025 at 10:00A.M. Pacific Time in the offices of the District.

Five bids were received pursuant to that invitation. The bid proposals included material changes to the terms and conditions of the bid that are unacceptable to the District.

District staff is of the opinion that all bids received were non-responsive and should be rejected. Resolution No. 17-14215 requires that the rejection of bids must come before the Commission for action when staff is recommending an action other than rebidding.

Pursuant to RCW 54.04.080, the District may procure the work on the open market and negotiate a contract rather than re-advertising if no bids are received. District staff recommends that, due to time constraints and project requirements, the Supply of Four (4) 123kV Class Circuit Breakers be procured by negotiation, rather than re-advertising for bids.

The General Manager of the District has reviewed District staff's recommendation and concurs in the same.

## ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY as follows:

Section 1. The bids received to furnish Four (4) 123kV Class Circuit Breakers (Bid No. 25-14261) are rejected. District staff is authorized to obtain Four (4) 123kV Class Circuit Breakers by negotiation and the General Manager (or his designee) is authorized to execute a contract for the same with terms and conditions acceptable to the District.

DATED this 16th day of June 2025.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE GENERAL  
MANAGER TO ENTER INTO A LONG-TERM  
LEASE AGREEMENT WITH HELION ONE, LLC  
FOR UNDEVELOPED LAND LOCATED IN  
CHELAN COUNTY, WASHINGTON

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The Public Utility District No. 1 of Chelan County (District) owns a 401-acre parcel in Chelan County, of which approximately 75 acres is used for the Rock Island hydro-electric project.

The District has received a request to lease 80 acres of the property and provide water rights for up to 483 acre-feet (300 gallons per minute) per year of water for a fusion generator plant and associated buildings to be owned and operated by Helion One, LLC (Helion). A lease of the property would provide additional revenue to the District as well as enable, subject to the District's Open Access Transmission Tariff (OATT), the construction of a new substation and power lines that would provide improved capacity and reliability of the 115 kV transmission system.

District staff has negotiated with Helion a ground lease containing development, construction, operations and decommissioning periods (Lease Agreement). The Lease Agreement is conditioned on Chelan County's threshold determination regarding Helion's SEPA checklist and contains the following key terms:

- A 50-year operations period that may be extended if both parties agree.
- A 10-year decommissioning period that may be extended if both parties agree.
- The property leased will be 80 acres, with 20 acres designated for project facilities and 60 acres reserved.
- Annual rent is \$348,480 for the development period, \$435,600 for the construction period and \$522,720 for the operations and decommissioning periods, with adjustments if additional property is developed and for inflation.
- The District has a right of first refusal to purchase excess energy produced on the 20-acre parcel.
- The District has applied for a water right from the Washington Department of Ecology, with mitigation rights provided by the District,

which, if approved, will be used by Helion for the wells to be drilled on the site. Helion will pay the District a fixed rate of \$250 per acre-foot, plus reimbursement for any other costs plus an administrative fee of 10%. Subject to regulatory agreement, the usage amount may be adjusted up or down if both parties agree.

- The District may terminate the Lease Agreement if 1) the OATT related agreements are not executed; or 2) milestones stated in the Lease Agreement during the development, construction and commercial operations phases of the project are not achieved.

Other terms are as stated in the draft Lease Agreement. District staff recommend that it is in the best interests of the District to enter the Lease Agreement with Helion. The General Manager of the District has reviewed staff's recommendation and concurs in the same.

### **ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The Commission hereby approves the Lease Agreement with Helion One, LLC, and authorizes the General Manager to execute the Lease Agreement and to take any and all such further action, including to execute, deliver and file any and all such further agreements, instruments, permits, documents, certificates and communications, in the name and on behalf of the District, as the General Manager may deem necessary or advisable to effectuate the purposes and intent of this resolution and the Lease Agreement. A copy of the Lease Agreement is on file in the offices of the District.

DATED this 16th day of June 2025.

ATTEST:

\_\_\_\_\_  
President

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ACCEPTING THE AGREEMENT  
REACHED PURSUANT TO LABOR  
NEGOTIATIONS WITH LOCAL NO. 77 OF THE  
INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS FOR THE PERIOD APRIL  
1, 2025 THROUGH MARCH 31, 2028

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The current Collective Bargaining Agreement (CBA) between the District and Local No. 77 of the International Brotherhood of Electrical Workers (Union) expired on March 31, 2025. The District's labor negotiations team has engaged in collective bargaining with the Union and reached a tentative agreement for a successor CBA effective April 1, 2025 through March 31, 2028. The Union's bargaining unit at the District comprises approximately 420 employees.

The new agreement includes changes to contract language, wages, and benefits, and reflects the mutual goals of ensuring fair compensation, enhancing employee well-being, and supporting the District's operational needs. The revised contract language is attached hereto as Attachment 1 and is incorporated by reference.

The parties have negotiated certain agreements on economic and non-economic terms outlined below:

1. April 1, 2025                      4.5% GWI  
    7.52% Apprenticable Positions – market  
    adjustment add to GWI  
  
    April 1, 2026                      4.41% GWI  
  
  
    April 1, 2027                      4.0% GWI  
    ^ Apprenticable Positions – May receive an  
    additional market adjustment based on the terms  
    identified in CBA.
2. Retroactive Pay: All economic terms shall apply back to April 1, 2025.
3. Increased employee contribution rates for PPO Plan 2 to 10% in 2025, 10% in 2026 and 10% in 2027 is approved for incorporation into the 2025-28 Collective Bargaining Agreement.

4. Martin Luther King Jr. Day will be added as a paid holiday starting in January 2026.
5. A&D insurance increases from 1X to 2X eligible earnings, effective January 1, 2026.
6. Worker fatality COBRA coverage for six months for dependents.
7. Seasonal, temporary and on-call worker will get \$3.50/hour in lieu of benefits.
8. Call-out pay starts at call acceptance + ½ hour travel (minimum 2-hour OT).

These tentative agreements were ratified by vote of the Union membership on June 6, 2025. The District's Chief Human Resources Officer recommends approval of the new Collective Bargaining Agreement. The General Manager concurs with this recommendation.

### **ACTION**

#### **IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:**

**Section 1.** The Commission hereby accepts the tentative agreement reached through negotiations with Local No. 77 of the International Brotherhood of Electrical Workers covering the period April 1, 2025, through March 31, 2028, including all terms described in the factual background above and as detailed in Attachment 1.

**Section 2.** The Commission ratifies the agreed wage increases, retroactive compensation, health insurance contributions, holiday recognition, insurance benefit changes, and all other provisions outlined herein.

**Section 3.** The Commission acknowledges that this resolution does not constitute acceptance of any provision inconsistent with applicable law or contrary to the contract terms, and all provisions are subject to legal compliance and execution of the final written agreement.

**Section 4.** The General Manager is hereby authorized and directed to execute the 2025–2028 Collective Bargaining Agreement on behalf of the District, with an effective date of April 1, 2025, and to take all necessary actions to implement its provisions.



DATED this 16<sup>th</sup> day of June, 2025.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

**COLLECTIVE BARGAINING AGREEMENT**

This Agreement is made and entered into this date, by and between the

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY  
hereinafter referred to as “the District”

and

LOCAL UNION NO. 77 OF THE INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS, hereinafter referred to as “the Union”

**ARTICLE I****GENERAL CONDITIONS AND TERM****1.1 GENERAL HARMONY STATEMENT**

**1.1.1** The District, Union and employees recognize that harmonious relations should be maintained between them and with the public. The parties have a common and sympathetic interest in the progress of the utility industry. All will benefit by adjusting any differences that may arise by rational, commonsense methods.

**1.1.2** The parties are committed to mutually developing innovative, flexible, and responsive labor-management practices which promote cost effectiveness and appreciation for stakeholder interests consistent with the District’s mission to provide high quality and efficient utility services.

**1.1.3** It is recognized that the District is engaged in public service requiring continuous operation. The parties recognize and agree overtime is inherent to providing continuous service in the public utility industry. It is understood that if the District determines its overtime needs are not being effectively met by District employees, the parties agree to meet to resolve the issue.

**1.1.4** The District and Union share the goal of preventing workplace injuries and illnesses. The District supports employees’ efforts to work safely and accepts responsibility to provide a safe work environment. The Union recognizes and supports the employees’ responsibility to follow safe work practices and protect the public and fellow workers as well as themselves.

**1.1.5** The District and the Union agree that part of an active accident prevention program is the combined efforts of both parties to investigate and to report findings of accidents and injuries. It is further recognized that the Union accident investigator will not be precluded from the investigation process.

**1.2 PRODUCTIVITY COMMITMENT**

**1.2.1** The District and the Union recognize the need to work efficiently, effectively, economically and safely. The District and the Union embrace the concept of achieving optimum productivity. These principles shall be used to apply the work rules set out in this Agreement, and whenever a specific work rule or portion thereof conflicts with these principles, these principles shall govern the work. The principles are:

- a) The job determines the number of employees needed to do it;
- b) If it’s safe anytime, it’s safe all the time, when like conditions prevail, recognizing safe work practices are paramount;

- c) With the exception of tool-free adjustments, only qualified Bargaining Unit Personnel can use tools for installing, altering, upgrading, or checking equipment. If there's uncertainty about the work required, Bargaining Unit Personnel will be used. The District has the authority to determine the scope of equipment modifications and repairs
- d) Equipment/material does not determine jurisdiction, but equipment/material can help in determining the number of employees needed for a specific task;
- e) Composite work justifies use of composite crews, with the recognition that present craft identity will be maintained;
- f) An employee at a job site may perform what he/she is qualified to do; and
- g) The assignment of work in a particular circumstance will not create a precedent for future assignments.
- h) De minimis data entry may be assigned by a supervisor to bargaining unit and/or non-bargaining unit employees based on business needs and productivity so long as the de minimis data entry does not jeopardize the job of any employee or change the jurisdiction of work.

**1.2.2** Disputes regarding the application of the Productivity Commitment will be resolved at the lowest possible level. Any unresolved disputes may be referred to a Labor Management Committee for resolution. The Labor Management Committee will make good faith effort to resolve the disagreement as soon as possible. A mutually agreeable facilitator may be appointed to aid in this process. In the event the Labor Management Committee is unable to resolve the issue, the dispute may be submitted to arbitration in accordance with Section 4.3.

**1.2.3** The parties agree resolution by the Labor Management Committee shall be based upon the principles outlined in the Productivity Commitment. Resolution of any problem will be specific to the situation that led to the dispute and without precedent. "Labor/Management Committee" means mutually agreed equal representation of District and bargaining unit personnel on a committee selected by the respective parties and convened to discuss issues under this Agreement.

**1.2.4** In carrying out the above principles, it is understood safe work practices shall be maintained. It is the goal of the District and the Union to hold risk to a mutually acceptable level.

**1.2.5** The decision and responsibility to determine crew size and composition rests solely with the District, provided that the Foreman of any District crew who believes that working safely or safe work practices have been materially affected by crew size and/or composition in view of the work to be done, shall immediately advise Management of his concern and the reason therefore. If Management disagrees with the Foreman, the crew size and/or composition shall be adjusted to accommodate the Foreman's concern and the specific disagreement over safety shall be promptly referred to a Labor Management Committee for resolution. Resolution by the Labor/Management Committee, or by any other means, shall be based upon OSHA/WISHA laws and regulations with the recognition OSHA/WISHA regulations are minimum safety standards and not all inclusive.

## **1.3 TECHNOLOGY**

**1.3.1** The District and the Union have a mutual interest in utilizing new technology for long-term sustainability to better serve our customers now and into the future. To this end, both parties seek to ensure a highly skilled workforce, continually increasing employees' skill level, creating, and modifying bargaining unit jobs (when necessary/applicable) and ensuring ongoing training including training related to technology changes, enable employees to demonstrate pride of ownership in their work and be part of the continuous improvement process. The District will promote the responsible use, development, and deployment of technologies consistent with District values and ethical considerations, especially with technologies like Artificial Intelligence (AI).

- a) Changes in technology may result in the elimination of work, modification of work, and/or modification of job requirements. The parties agree that work impacted by technological changes which has been historically, normally, or currently performed by employees of the bargaining unit shall continue to be performed by employees of the bargaining unit unless otherwise bargained by the parties. Work that is of a substantially lower skill requirement may be moved to a job classification requiring a lower skill level. Nothing in this Section shall waive, conflict with, and/or supersede either parties' rights specified herein, including management's right to decide to use a changed technology.
- b) Modification of job requirements. When it is foreseeable that job requirements may change or are changing due to new technology, the District and the Union will meet to work collaboratively to determine how best to ensure employees are provided adequate training opportunities to develop skills necessary to adapt to the technology change.

## **1.4 NON-DISCRIMINATION**

**1.4.1** The provisions of this Agreement shall be applied equally to all employees in the Bargaining Unit without consideration as to race, color, religion, creed, sex, sexual orientation, gender identity, national origin, age, marital status, genetic information, military/protected veteran status, disability status and/or any other status protected by law.

**1.4.2** This non-discrimination Article shall not be subject to the grievance or arbitration procedures set forth in this Agreement.

**1.4.3** The District and Union encourage an employee believing him/herself have been subject to unlawful discrimination to first seek relief through District management in accordance with the District's anti-discrimination and/or anti-harassment policies. If the matter is not satisfactorily resolved by District management, then the employee may seek relief through the appropriate federal or state agency charged with investigating such matters.

## ARTICLE 2

### SCOPE OF AGREEMENT

#### 2.1 RECOGNITION

The District recognizes, and throughout the term hereof will recognize, the Local Union 77 of the IBEW as the sole and exclusive bargaining agency with respect to rates of pay, hours of work and other conditions of employment for those employees in the classifications set forth in Exhibit "A" of this Agreement.

#### 2.2 UNION MEMBERSHIP

All employees of the District covered by this Agreement, without unlawful pressure or influence by either the District or the Union, may voluntarily choose and become members or agency fee payers thereof to share in the cost of maintaining and operating the Union as their collective bargaining agency, in accordance with its rules, and become members or agency fee payers thereof. The foregoing provisions shall not be construed as denying the District the right to select its employees regardless of whether such employees are members of the Union. It is the intent of the parties that new employees may voluntarily choose to become members of the Union or agency fee payers or decline to do so. Dues shall not be deducted from employees covered by this Agreement until the employee affirmatively consents to pay by signing a dues deduction authorization form.

#### 2.3 UNION DUES

The District will deduct membership dues from the wages of all employees who authorize such deductions by signing the "Authorization for Payroll Deduction of Union Dues" form. The District will submit to the Union a monthly payment and a listing of such deduction(s), giving the amount deducted opposite the employee's name. Such deductions shall continue until revoked by the employee.

**2.3.1** The Union agrees to indemnify and hold the District, and its agents, servants, employees, officers, Commissioners, and directors, harmless from all claims, demands, suits or other forms of liability, including all costs and attorney fees that arise against it or them for or on account of compliance with this Article and any and all issues related to the deduction of dues or fees under this Agreement. The District shall have the right to choose defense counsel and control the defense of any claims against the District.

**2.3.2** The Union shall be given reasonable access to new employees of the bargaining unit to present information about their exclusive bargaining representation. Up to 30 minutes of access to new employees should occur within 90 days of the employees start date.

#### 2.4 EMPLOYEE LISTS

Upon request, the District will provide the Union with a list of all bargaining unit employees. The names of bargaining unit employees hired by the District will be supplied to the Union each month.

#### 2.5 JOB-RELATED UNION ACTIVITIES

The Union shall at all times keep the District notified, in writing, of the name of each person designated by the Union to act as Shop Steward and each such Shop Steward shall be an employee of the District.

## **2.6 UNION APPOINTMENTS**

**2.6.1** An employee elected as Business Manager-Financial Secretary for the Union or appointed as a salaried Union Representative shall be granted a leave of absence upon request. If during the term of such leave the District determines a problem exists related to the employee's return to active duty, the employee shall be advised. During the period of leave of absence, past seniority shall be maintained. Upon returning to work and consistent with the employee's ability and qualifications, such an employee shall be offered the first available position for which the employee qualifies. An employee appointed as a salaried Union Representative for a specified period of time, not to exceed twelve (12) consecutive months, shall not be subject to Section 5.5.1. Any other full or part-time appointment to a Union position shall be considered on a case-by-case basis.

**2.6.2** When the District has received written notice from the Union giving the name and appointment or election of an employee to the Executive Board of the Union, or as Unit Chairman, Union Accident Investigator, or as a delegate to the IBEW National Convention, or the Washington State AFL-CIO annual convention, or appointed by the Business Manager to attend a Union function(s), the employee will be allowed time off to perform his/her Union duties, as long as granting such leave does not result in the need to pay overtime either for the employee attending such function(s) or for those employees that must replace such employee at work. In such cases the employee will provide reasonable notice to his/her Supervisor, and arrangements will be made which will cause the least disruption to the District. The District will bill the Union for lost time at one hundred and fifty percent (150%) of the employee's base hourly rate of pay for actual hours and maintain the employee on the payroll.

**2.6.3** An employee who accepts an assignment or appointment by the Union that takes the employee away from his/her regularly assigned duties to participate in activities that benefit the Union shall be considered to be an employee of the Union during the entire period of that assignment or appointment. When an employee is conducting Union activities, those activities are for the benefit of the Union and therefore any injuries occurring while performing those responsibilities shall not be construed as injuries occurring in the course of the employee's employment with the District. The Union agrees to defend, indemnify, and hold the District harmless against any and all claims (including attorney's fees for enforcing this indemnity clause), suits, orders, or judgments (inclusive of State Industrial claims) brought or issued against the District as a result of any such Union assignment or appointment. This provision shall not apply in the following situations:

**2.6.3.1** An employee meeting with District management representatives to discuss issues in a Labor/Management meeting, including authorized Shop Steward duties; or

**2.6.3.2** An employee meeting with District management representatives in the collective bargaining process to resolve such issues.

## **2.7 UNION BUSINESS**

**2.7.1** The District will pay the wages for shop stewards for conducting Union related business during scheduled work hours. Additionally, unless mutually agreed in advance, the District will only pay for one (1) shop steward and one (1) additional bargaining unit employee to participate or attend Labor/Management meetings and grievance meetings.

**2.7.2** The District will pay for a maximum of fifteen (15) days (120 hours) per employee for a maximum of six (6) bargaining unit employees participating in contract negotiations, as long as contract bargaining does not extend beyond March 31 of the year involved, unless mutually agreed.

**2.7.3** The District, with appropriate advance notice, may allow employees to trade shifts and otherwise modify schedules to attend negotiations, Labor/Management meetings or grievance meetings as long as the trade or modification does not impact the operational needs of the District or result in the need to pay overtime, either for the employees attending such meetings or for those employees that must replace them at work.

## **2.8 BULLETIN BOARDS**

The District shall supply bulletin boards for the official use of the Union, to include posting of District Notices of Vacancy, Award of Bids and Selection to Fill Vacancy notices. Only those bulletins signed by authorized District personnel or the Business Manager, Business Representative, Shop Steward or an official of the Union, whose name has been given to the District by the Union Business Office, shall be posted. Access for posting to bulletin boards shall be limited to the above named officials.

## **2.9 FITNESS FOR DUTY**

All employees shall report to work fit to perform their duties in a safe and efficient manner and in accordance with the District's Fitness for Duty Program and the Commercial Driver's License (CDL) Program. Violation of these requirements shall be considered just cause for appropriate disciplinary action, up to and including termination.

## **2.10 CORRECTIVE ACTION**

**2.10.1** The District retains the right to exercise corrective action in the interest of good service and the proper conduct of its business; provided, that employees disciplined or discharged shall, upon request, be advised of the reason or reasons for such action and shall be entitled to use the grievance procedure, if desired, outlined in Article 4 of this Agreement.

**2.10.2** The District specifically reserves the right to terminate or otherwise discipline employees for just cause.

**2.10.3** Notwithstanding any other provision of this Agreement, following a pre-termination hearing, an employee shall not be entitled to prior notice of discharge or to any further benefits or compensation beyond the time and date of termination.

**2.10.4** If the District intends to discipline a Shop Steward because of an incident which occurred when the Steward was engaged in specific Shop Steward activities, then the District will notify the Union prior to imposing the discipline, unless the incident requires immediate action.

**2.10.5** In the case of a grievance arising over disciplinary action the question submitted to arbitration shall be, "Within the context of the entire Agreement, was the discipline assessed by the District just, and if not, what is the appropriate remedy?"

**2.10.6** Letter of Understanding 2025.03 provides clarification of corrective action terminology, appropriate contents of various personnel-related files, and classification of offenses and record keeping related to those offenses.

## **2.11 CONTRACTING AND JOB SECURITY**

**2.11.1** The District shall make appropriate provision in any contracts for line and substation maintenance and construction, including pole testing and tree trimming, that the current and prevailing wage rates and employee benefits shall be defined as the equivalent of those expressed through collective bargaining for the Union's construction membership.

**2.11.2** Written notice or access to information on the internet regarding contracts awarded by the District shall be made available to the Union prior to the start of pending contract work.

**2.11.3** Upon request, the District will furnish the Union with contractor certified payroll documents to verify payment. It is agreed that this requirement can be fulfilled by the contractors having an agreement with Local 77.

**2.11.4** A stable total work force is desirable. To this end, the District will not use contracting as a reason for reduction of force.

**2.11.5** When identifiable automation or technology, such as artificial intelligence, directly results or will result in a lack of work, the District shall notify the Union and the affected employee(s) in writing, at least six (6) months prior to the implementation date.

Once the Union and the affected employees are notified, the employee(s) will be obligated to bid on all posted bargaining unit vacancies. Affected employees will not be required to bid on all posted bargaining unit vacancies more than six months prior to the implementation date. If an affected employee is unable to successfully bid to a position during the six-months prior to the implementation date, the affected employee will be retained until a regular full-time position can be secured, provided they continue to bid on all posted vacancies.

In the event six (6) months' notice is not provided and lack of work occurs, the Union and the affected employees will be notified. Following notification, the affected employees have an obligation to bid on all posted bargaining unit vacancies. All affected employees will be retained until a regular full-time position can be secured provided, they continue to bid on all posted vacancies.

An employee remaining after a position has been eliminated due to automation or technology who fails to bid on all posted bargaining unit vacancies will be subject to layoff. It is understood that provisions 6.11 & 6.12 of the CBA will not apply.

In the event an employee bids to a position with a lower wage rate than his/her former classification, the affected employee shall maintain the wage rate of his/her former position until such time as the wage rate of the new classification catches up to the employee's previous rate. Employees will not be eligible for general wage increases during this period of time.

## **2.12 NO STRIKE CLAUSE/NO LOCKOUT**

**2.12.1 Essential Services** The services performed by the employees covered by this Agreement pertain to and are essential to the operation of a public utility and to the welfare of the public. The Union agrees that the employees covered by this Agreement shall not be called upon or permitted to cease or abstain from the continuous performance of their duties, in accordance with the terms of this Agreement.

**2.12.2 No Strikes or Work Stoppages** There shall be no strikes, work stoppages, slowdowns, interruptions, or other delays of work, of any nature, by bargaining unit employees, nor any lockouts by the District during the life of this Agreement. The Union agrees to use its authority with its members to effect continuous service to the District. Neither the Union, nor any officers, agents of the Union or employees, shall instigate, aid, cause, promote, authorize, sponsor, participate in or condone any strike, sympathy strike, secondary boycott, slow-down, sit-down, stoppage of work, boycott of overtime work, or any other interruption or disruption of the work and/or statutory functions and/or obligations of the District.



**2.12.3 Picket Lines** Employees covered by this Agreement shall not be required as a condition of employment to pass through a legal picket line recognized by Local Union 77 of the IBEW, nor shall any form of discipline be brought against any employee refusing to pass through such picket lines, provided that:

- (a) The picket line has had prior approval of the Local Union and is sanctioned by the appropriate Central Labor Council. Approval of a picket line by the Union shall be established as soon as possible but not later than twenty-four (24) hours after the Union receives a status request from the District. The Union's Business Representative or Business Manager shall advise the District if the Union intends to honor the picket line.
- (b) Employees shall be required to serve a customer who is not the object of the picketing. The Union will not refuse to service District-owned equipment after the pickets are removed.

**2.12.4 Union Obligations** In the event of a violation of this Article by any member of the bargaining unit, the Union shall inform its members of their obligations under this Agreement and direct them to comply with this Article. This obligation and the obligations set forth in this Article shall not be affected or limited by the issue involved in the dispute giving rise to the stoppage or job action.

**2.12.5 Performance of Bargaining Unit Work** The Union recognizes that the District has an obligation that may require the dispatching of non-bargaining unit personnel to perform work which is the subject of a labor dispute where the District's bargaining unit employees have refused to cross a picket line. The Union shall not interfere with non-bargaining unit personnel so dispatched. Any employee who willfully ignores this understanding shall be subject to disciplinary action. The Union will not bring charges through the Union government against any non-bargaining unit employee who is following a directive issued by the District that requires the crossing of a picket line.

## ARTICLE 3

### MANAGEMENT RIGHTS

#### 3.1 RETENTION OF MANAGEMENT RIGHTS

**3.1.1** Except as otherwise expressly and specifically limited by the terms of this Agreement, the District retains all its customary, usual and exclusive rights, decision making prerogatives, functions, and authority connected with or in any way incidental to its responsibility to manage its affairs or any part thereof. It is jointly recognized that the District retains broad authority to fulfill and implement its responsibilities and may do so by oral instruction or written work rules, existing or future.

**3.1.2** This includes, but is not limited to: determine the nature and extent to which the District shall be operated and to change such methods or procedures; direct and supervise all operations and functions affecting District employees; the right to hire, classify, orient, transfer, train, retain, layoff and promote to any position within or outside the bargaining unit; demote for non-disciplinary reasons, or to discipline or discharge for cause; determine the nature and qualifications of the work force and assign duties and equipment, along with deciding and determining employees' qualifications, including establishing the necessary minimum qualifications for any District position; use improved methods or equipment; subcontract any operations or work; discontinue operations in whole or in part; permanently or temporarily increase or decrease the working force; create new positions/classifications inside or outside the bargaining unit, subject to orders of the Public Employment Relations Commission concerning unit placement, and eliminate positions/classifications inside or outside the bargaining unit; create job descriptions and introduce new or revise existing duties within the bargaining unit; plan, direct, control, curtail, discontinue, merge or increase operations; grant or discontinue voluntary benefits; establish, assign and change job assignments, hours of work, work schedules, headquarters, standards of performance; determine staffing requirements and the quality and quantity of work performed; maintain order and efficiency, including, but not limited to: the right to establish, modify and enforce work rules to comply with federal or state regulations or to promote safety among the employees and for the public; distribute or eliminate overtime work; provide service to the District's customers; and regulate conduct among employees.

**3.1.3** Non-bargaining unit personnel may be used in the instruction or demonstration of work methods and procedures; during emergencies or in other circumstances when employee(s) unavailability, failure or refusal to perform work would create or result in damage to materials, machinery, products, equipment, property, personnel or the public; in the performance of experimental and developmental work until the District determines the work is ready for regular use; or in other circumstances when the District determines it is appropriate, provided that non-bargaining unit personnel will not be used except on an incidental basis to perform bargaining unit work.

**3.1.4** The Union recognizes that the above statement of management rights is for illustrative purposes only and agrees such rights will not be construed as restrictive or interpreted so as to exclude those prerogatives not mentioned which are inherent to the management function. The District expressly reserves, and the Union agrees that the District retains, all customary, usual and exclusive rights as set out in this Agreement, unless expressly set forth to the contrary in this Agreement. The District and the Union do not waive any rights by the exercise or non-exercise of any rights or powers granted by this Agreement.

**3.1.5** The District recognizes its obligation to provide notice and opportunity to bargain with the Union over all mandatory subjects of bargaining before altering current conditions; provided that the District has no obligation to bargain over its exercise of those core management rights recognized by applicable law to be within unilateral management discretion.

## ARTICLE 4

### GRIEVANCES AND ARBITRATION

#### 4.1 GENERAL

**4.1.1** The purpose of this procedure is to provide an orderly method for resolving alleged violations of this Agreement. A determined effort shall be made to settle any such differences at the lowest possible level in the grievance procedure.

**4.1.2** A grievance is defined as only those disputes raised by an employee or by a group of employees with respect to a single common issue covered by this Agreement involving the interpretation, application, or alleged violation, misinterpretation or misapplication of this Agreement.

**4.1.3** All grievances shall specify the act or event grieved, the facts or documents on which the grievance is based, date of occurrence, specific provision of Agreement allegedly violated, and remedy sought.

**4.1.4** For the purposes of this Article, time limits are considered calendar days. Any extension of time limits must be mutually agreed upon and agreed to, in writing, before the limits of the individual Section have expired.

**4.1.5** The grievance and arbitration procedure provided for herein shall constitute the sole and exclusive remedy to be used by the parties hereto for such determination, decision, adjustment or settlement between the parties of any and all grievances as defined herein.

**4.1.6** Both parties agree that from the time the grievance is filed the subject matter of the controversy shall not be changed and the status quo (i.e. the practice or action by the District causing the grievance) may continue unless otherwise agreed by the parties or overturned by the arbitrator's award.

**4.1.7** In the event a resolution to an issue/grievance is not reached at any step of the grievance process, the Parties, by mutual agreement, may schedule a Labor/Management Committee meeting to explore interests and options in an effort to reach resolution on the issue/grievance at hand. A mutually agreeable facilitator may be appointed to aid this process. This process may occur at any time prior to arbitration. Should a resolution not be reached through this process, the issue/grievance will continue through the grievance and arbitration process.

#### 4.2 GRIEVANCE PROCEDURE

Grievances shall be processed in accordance with the following procedures:

##### 4.2.1 Step 1 - Verbal:

- a) An employee, within twenty (20) calendar days from the occurrence or the date the employee should have had reasonable notice or knowledge of the occurrence of an alleged violation of this Agreement, will first discuss the matter with the appropriate Shop Steward. If the Shop Steward believes a legitimate grievance exists, the Shop Steward will verbally present the grievance to the appropriate Supervisor.
- b) If a disagreement results between the Shop Steward and employee, the matter will be referred to the Union Representative. If the Union Representative believes that a legitimate grievance may exist, then he/she shall authorize the appropriate Shop Steward to verbally present the grievance to the appropriate Supervisor.

- c) Any grievance not presented within twenty (20) calendar days after the occurrence causing the grievance shall not be processed through the grievance procedure.
- d) The Supervisor shall respond verbally to the grievance within ten (10) calendar days of the Supervisor's receipt of the employee's verbal grievance.
- e) While it is the intent of the District and the Union that as many issues as possible be resolved at this level, the Supervisor may either attempt to resolve the grievance or request that the grievance be moved to Step 2 without further discussion.
- f) Any resolution of a grievance in Step 1 shall not establish a precedent or past practice.

#### **4.2.2 Step 2 – Written:**

- a) If no settlement is achieved at Step 1, then the grievance will be reduced to writing, using a grievance form supplied by the Union. The employee and/or Shop Steward shall fill out and sign the grievance form, which shall be given, in person, to the appropriate Supervisor within ten (10) calendar days of the supervisor's response to a Step 1 grievance.
- b) The Supervisor shall respond in writing to the grievance within ten (10) calendar days of the Supervisor's receipt of the employee's written grievance.
- c) Prior to answering the grievance, the Supervisor will review his/her suggested response with the District's Labor Relations Manager or his/her designee. Upon approving the response, the Labor Relations Manager or his/her designee, will forward a copy of the Supervisor's response to the Union and the appropriate Shop Steward. The Shop Steward will provide a copy to the aggrieved employee.
- d) If no settlement is achieved at Step 2, then either the District or the Union may, within twenty (20) calendar days of the receipt of the Supervisor's answer, request that the grievance be moved to Step 3. A grievance shall be considered settled at Step 2 if it is not moved to Step 3 within twenty (20) calendar days of the date of the Supervisor's answer.

#### **4.2.3 Step 3 – District Management/Union Business Office:**

- a) In order to move from Step 2 to Step 3, the Union Business Office shall state in writing: 1) the nature of the alleged violation; 2) the provision(s) of the Agreement affected; and 3) the remedy proposed.
- b) If a grievance is moved to Step 3, the Union Business Representative and the District's Labor Relations Manager or his/her designee shall schedule a meeting in an attempt to resolve the grievance within twenty (20) calendar days from the date of written notice from the Union Business Office. The District has twenty (20) calendar days from the date of such meeting to provide their written Step 3 answer.
- c) Any grievance not presented within the time limits set forth in this Step shall not be considered further unless both the District and the Union agree, in writing, to extend the time period.

- d) If, after twenty (20) calendar days from receipt of the District's Step 3 reply, the Union or District states, in writing, that the grievance remains unresolved, either the Union or the District may request mediation. Both parties must mutually agree to use mediation, and neither party may require that a grievance be sent to mediation. Mediation shall not be considered a step in the grievance process and may be pursued concurrently with the filing, selection, and processing of a request to proceed to arbitration.
- e) If all attempts to resolve agreement are unsuccessful and the grievance remains unresolved, the District and/or Union may determine to refer the matter to arbitration under the terms of Section 4.3.
- f) The District or the Union may enter the Step 3 level of this grievance procedure with respect to differences of opinion as to the interpretation of the Agreement. Such differences of opinion will be discussed at this level and the Union or District will give its written Step 3 answer within twenty (20) calendar days after the completion of the discussion. If the matter remains unresolved, it shall be subject to arbitration under Section 4.3.

### **4.3 ARBITRATION**

**4.3.1** In the event no resolution is reached through the grievance process, either Party may request arbitration, in writing, within twenty (20) calendar days of the written Step 3 answer. Both parties agree that submission of a case to arbitration shall be based on, and limited to the grievance, as discussed in Step 3 of the grievance procedure.

**4.3.2** Either party may give notice of its intention to arbitrate and both parties shall, within ten (10) calendar days of service of such notice, name their representative.

**4.3.3** The representatives shall first attempt to select a mutually acceptable arbitrator. If no arbitrator is selected by the parties, the moving party shall request a list of nine (9) arbitrators from the Federal Mediation and Conciliation Service. The panel shall be limited to members of the National Academy of Arbitrators having an office in Washington, Oregon, Idaho or Montana. The party striking the first name shall be determined by lot, and the parties shall alternately strike names until one remains, who shall be appointed as arbitrator.

**4.3.4** If either party raises the issue of grievability or arbitrability, unless otherwise agreed, the parties shall request the arbitrator decide that issue prior to hearing the merits of said issue.

**4.3.5** Arbitration hearings will be conducted in as short a time as possible and the arbitrator shall designate the time and place of the hearing, preferably at the appropriate District headquarters, and cause due notice thereof to be given. Each party shall be given the opportunity to appear in person and/or by attorney, to produce witnesses and cross-examination.

**4.3.6** The arbitrator shall pass on the admissibility of the evidence. Each of the parties agrees to produce all its books, records and documents, or any other material or certified copies thereof which, in the opinion of the arbitrator, are relevant to the issues in dispute.

**4.3.7** The arbitrator shall issue a written decision and award giving the reasons therefore. The parties desire that the decision and award be issued within thirty (30) working days of the close of the hearing or the receipt of briefs.

**4.3.8** The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the provisions of this Agreement. The arbitrator shall consider and decide only the question as to whether there has been a violation, misinterpretation, or misapplication of this Agreement. The arbitrator shall only be empowered to determine the issue raised by the grievance and discussed in Step 3. The arbitrator shall have no authority to make a decision on any issue not so discussed or raised. The arbitrator's decision shall not provide for retroactivity prior to the date of the occurrence or nonoccurrence upon which the grievance is based. Any decision or award the arbitrator renders within the limitations of this Article shall be final and binding upon the District, the Union, and the employees covered by this Agreement. In the event the arbitrator finds he/she has no authority or power to rule in the case, the matter shall be referred back to the parties without decision or recommendation on the merits of the case.

**4.3.9** The expenses of the arbitrator, the cost of any hearing room (other than on District premises) and the cost of a mutually agreed court reporter, unless the State of Washington pays such, shall be borne equally by the Parties.

**4.3.10** Each party will be responsible for paying their own witness and attorney fees and costs and shall not recover witness or attorney fees or costs from the other party.

**4.3.11** Notwithstanding the foregoing, the following matters shall not be arbitral: the termination of a probationary or temporary employee; questions or disputes concerning claims made or payments required under the District's insurance policies or the extent of coverage under those policies; the exercise of management rights, powers, and authority, provided that the exercise of such rights, powers, and authority does not otherwise violate this Agreement; work performance evaluations; grievances filed after twenty (20) calendar days from the later of the date of occurrence or the date the employee should have had reasonable notice or knowledge of the existence of the grievance; and any alleged violation of Section 1.3 of this Agreement.

**4.3.12** Any time limit may be extended for stated periods of time by mutual agreement.

## ARTICLE 5

### EMPLOYEE BENEFITS

#### 5.1 PERSONAL LEAVE

**5.1.1** The following Personal Leave is established for all eligible Regular Full-time, Limited Assignment and Seasonal employees of the District in accordance with Washington State's Paid Sick Leave Law and in recognition of the need for paid time off.

##### 5.1.1.1

- rest and recreation;
- child care;
- bereavement;
- personal business;
- any other approved absence from work on a paid leave status, except to the extent the Temporary Total Disability Allowance, Short Term Disability or Long Term Disability provisions of this Agreement provide otherwise.

##### 5.1.1.2

- the employee's own illness or injury;
- to care for the health of their family members;
- when the employee or a family member is the victim of sexual assault, domestic violence, or stalking;
- in the event the District or the employee's child's school or place of care is closed by a public official for any health-related reason.

Personal Leave will be reviewed and administered to satisfy all requirements of the Washington State Minimum Wage and Paid Sick Leave law.



**5.1.2** Except while receiving Temporary Total Disability Allowance or in a leave without pay status, each eligible employee shall accrue Personal Leave as follows:

<b><u>Years of Service</u></b>					<b><u>Accrual Rate</u></b> <sup>1</sup>
During the 1st year of employment					21 days per year
"	"	2nd	"	"	21 " " "
"	"	3rd	"	"	21 " " "
"	"	4th	"	"	21 " " "
"	"	5th	"	"	21 " " "
"	"	6th	"	"	27 " " "
		7th	"	"	27 " " "
"	"	8th	"	"	27 " " "
"	"	9th	"	"	27 " " "
"	"	10th	"	"	27 " " "
"	"	11th	"	"	28 " " "
"	"	12th	"	"	29 " " "
"	"	13th	"	"	30 " " "
"	"	14th	"	"	31 " " "
"	"	15th	"	"	32 " " "
"	"	16th	"	"	33 " " "
"	"	17th	"	"	34 " " "
"	"	18th	"	"	34 " " "
"	"	19th	"	"	34 " " "
"	"	20th	"	"	34 " " "
"	"	21st	"	"	34 " " "
"	"	22nd	"	"	34 " " "
"	"	23rd	"	"	34 " " "
"	"	24th	"	"	34 " " "
"	"	25th	"	"	34 " " "
after	"	25th	"	"	35 " " "

---

<sup>1</sup> "Day" for purposes of this Section means eight (8) hours.

### **5.1.3 Use of Personal Leave:**

**5.1.3.1** Use of Personal Leave shall be conditioned upon the Personal Leave accrual appearing on the employee's pay statement, operational needs and approval by the employee's supervisor or designee except when the use is to care for the employee's own health or the health of their family members; when the employee or a family member is the victim of sexual assault, domestic violence, or stalking; or in the event the District or the employee's child's school or place of care is closed by a public official for any health-related reason.

**5.1.3.2** For scheduling purposes, it is important that employees request Personal Leave prior to 3:00 p.m. Wednesday of the week prior, unless the request is for one of the reasons listed in 5.1.1.2 and the need is unforeseeable.

**5.1.3.3** Personal Leave requests of one day or more must be requested at least twice as early as the length of the requested leave (e.g. one (1) day of leave requires at least two (2) days' notice, and one (1) week of leave requires at least two (2) weeks' notice). Short notice PL requests (those made with less than 24 hours' notice) that are discussed with the Supervisor and approved will be considered planned.

**5.1.3.4** Once an employee's Personal Leave request is approved, the employee must take such Personal Leave or the employee must obtain approval from his/her supervisor for an early return to work.

**5.1.3.5** Employees shall notify their supervisor as early as practicable of their need for unplanned Personal Leave. All unplanned Personal Leave will be documented as such.

**5.1.3.6** Unplanned Personal Leave is intended to be used for emergencies or other unplanned situations such as a death, illness or serious accident in the employee's immediate family. Unplanned use of Personal Leave that, in the supervisor's judgment is so frequent as to interfere with the employee's job performance or District operations, shall subject the employee to corrective action, unless unplanned use is one of the reasons listed in **5.1.1.2**.

**5.1.4** If an employee requests or takes Personal Leave due to an illness, injury or other reason that might qualify the employee for leave under federal or state leave laws, the District may require the employee provide certification of his/her condition from the employee's health care provider.

**5.1.5** Accrued Personal Leave for each employee hired prior to April 1, 2012 shall not exceed the greater of either twelve hundred (1200) hours or the number of hours accrued by each employee as of April 1, 1996. Annually accrued Personal Leave in excess of the limit set forth above shall be cashed out at the straight-time hourly rate of pay then in effect for that employee and will occur on the last pay period of the year.

**5.1.6** Accrued Personal Leave for each employee hired after April 1, 2012, shall not exceed eight hundred (800) hours. Annually accrued Personal Leave in excess of the limit set forth above shall be cashed out at the straight-time hourly rate of pay then in effect for that employee and will occur on the last pay period of the year.

**5.1.7** The accrual year is based on the payroll calendar for each year. "Accrual Year" means a year beginning with the first paycheck in January and ends with the last paycheck in December.

**5.1.8** Each employee is responsible for determining his/her reporting location and work schedule before returning from Personal Leave or Short-term Disability.

**5.1.9** Between November 1 and November 30 of each year, an employee having more than eighty (80) hours of accrued Personal Leave may elect to transfer the cash equivalent of that excess PL to the District's 457 deferred compensation plan pursuant to administrative procedures established by the District. PL transferred to the 457 plan, shall not receive matching contributions by the District. The transfer shall occur on the last pay period of the year.

**5.1.10** Immediate PL Cash Out is not available.

**5.1.11 PL at Separation of Employment:**

**5.1.11.1** At the time of separation of employment, Human Resources will confirm whether an employee has a PL accrual balance. If so, HR will require that the separating employee complete a MSA VEBA enrollment form. If the separating employee already has an existing MSA VEBA account, another enrollment form is not necessary.

**5.1.11.2** HR will determine the value of the PL balance based on the hourly rate in effect on the day of separation. Ninety percent (90%) of the value of the PL will be transferred to MSA VEBA on the last paycheck. Deposits into individual MSA VEBA accounts will take place as soon as the check is received by the MSA VEBA plan administrator. This normally occurs within 4 business days.

**5.1.11.3** The remaining ten percent (10%) will be cashed out on the employees last paycheck.

**5.1.12 PL INCENTIVE - RESIGNATION/RETIREMENT NOTIFICATION**

Regular full-time bargaining unit employees who provide advance written notification of their last day of employment to their supervisor and Human Resources may be eligible for additional PL credit. If eligible, this credit may be added to their PL balance in the final pay period of employment. Written notification must be provided to the employee's supervisor by completing the Retirement/ Resignation Notification form. The amount of PL credit is based on the amount of notice provided in advance of their last physical day of work using the following scale:

Advance Notice (Calendar days)	Personal Leave Credit
30 to 59 days	1 day
60 to 89 days	2 days
90 to 119 days	3 days
120 to 179 days	5 days
180 to 239 days	7 days
240 to 299 days	9 days
300 and over	10 days

**5.1.12.1** To receive the PL credit, an employee may not change his or her final date of employment following the District's acceptance and approval without authorization from the General Manager or his or her designee. The General Manager or his or her designee retains the discretion to determine situations that require an adjustment to the employee's last day of employment.

## **5.2 SHORT TERM DISABILITY**

**5.2.1** The STD program is designed to provide income to employees who cannot work due to prolonged periods of illness, injury, or disability not covered by Worker's Compensation. This program is also designed to help bridge the 180-calendar day waiting period to qualify for Long-term Disability. The District intends that this STD program will comply and coordinate with the Family and Medical Leave Act (FMLA) when applicable.

**5.2.2** Regular full-time and limited assignment bargaining unit employees are eligible to apply for STD coverage 30 days after their hire date. Eligible Seasonal Employees may participate in the STD program as defined in Article 6.6.2 of the Collective Bargaining Agreement. Limited assignment or seasonal employees may not use STD to extend their employment beyond the length of anticipated assignment.

**5.2.3** If the employee qualifies for leave in accordance with FMLA, this period of leave will run concurrently with approved STD leave.

**5.2.4** This benefit commences after an employee (1) has been off work as a result of a qualifying disability for (40) consecutive regularly scheduled hours including holidays; (2) provides a statement of disability from a certified health care provider that includes the diagnosis of the medical condition and a projected return-to-work date; (3) has submitted an "Application for Leave" signed by the employee ; and (4) and has provided certification by their medical health care provider if the disability is FMLA qualifying. STD benefits will not be paid until all the proper documentation is received. All forms should be sent to, Human Resources Department. In the case where documentation has not been received at the 41<sup>st</sup> hour of disability, disability will not be paid. Once forms are returned to HR payroll can retroactively pay back to the 41<sup>st</sup> hour. However, in no case can the benefit be paid retroactively if the employee has returned to work.

**5.2.5** The District has the right to request a second medical opinion at the District's expense.

**5.2.6** During an STD leave, eligible employees will receive 70% of their regular straight time base pay for hours authorized and charged to STD and such leave shall not extend beyond the 180-calendar day limit. Unless found to be in violation of Washington State Minimum Wage and Paid Sick Leave Law, employees may supplement their STD income through the use of accrued personal leave, sick leave (SL) or supplemental leave bank (SLB) if applicable. If the employee has not already done so, he/she may backfill the 40 consecutive hours of PL from SLB but may not receive more than 100% of their regular base pay. Refer to Article 5.3 of the Collective Bargaining Agreement for information regarding SLB.

**5.2.7** STD will continue until the employee recovers and returns to work, or STD benefits have been paid for 180 calendar days. STD benefits cease when employment terminates and may not be used by limited assignment or eligible seasonal employees beyond the anticipated length of employment if the employee's condition does not allow him/her to return to work.

**5.2.8** Employees who are released without restriction by their medical health care provider to return to work from STD leave and who work, with or without reasonable accommodation, for a period of less than 30 consecutive calendar days due to a recurrence/ relapse of the same disability may return to STD coverage for a period not to exceed the 180-day maximum for that disability upon receipt of medical certification of the relapse. Partial return to work will count toward Family and Medical Leave, if the employee is eligible for such leave. Regularly scheduled hours not worked in the workweek due to the qualifying disability, may be charged to STD. The employee will not be eligible to receive STD benefits for the same disability within 180 calendar days of the employee's release to return to work except as defined above.

**5.2.9** In the event an employee receiving STD benefits recovers damages from any third party for the illness or injury that made the employee eligible for the STD benefit, that employee shall reimburse the District the lesser of STD payments received or the amount of damages recovered. Employees making such reimbursement shall be eligible to buy back any personal leave used in connection with receipt of the STD benefit.

**5.2.10** Employees continue to accrue PL while on STD. Additionally, other insured benefits such as medical, dental, life, and long-term disability insurance will continue to be maintained with the District by the employee paying his/her respective portions of the premiums.

**5.2.11** The Short-Term Disability Plan (the STD Plan) will be administered in accordance with the applicable administrative policies and the insurance-STD Plan document. Under the terms of the STD Plan, the STD-third party administrator determines whether the initial claim meets the definition of disability and the duration of the claim. The STD Plan provides that the third party administrator will also administer the appeal process for a denied claim and provide a recommendation on appeal. The appeal process will include, at a minimum, an independent review of the claim including additional medical opinions (if necessary) at the District's expense. Final appeal decisions will be made consistent with medical professional recommendations.

### **5.3 SUPPLEMENTED LEAVE BENEFIT ("SLB")**

**5.3.1** Employees on the payroll April 1, 1993, who have accrued unused sick leave balances, shall have such balances frozen effective May 20, 1993, and converted to a Supplemental Leave Benefit (SLB). This SLB may be used for the following purposes:

**5.3.2** An employee receiving Short Term Disability benefits may use SLB hours to make up the difference between the STD benefit payment and 100% of gross, straight-time, base pay. Additionally, employees receiving an STD benefit and who have previously not done so since establishment of the STD benefit may, once during the term of this Agreement, use SLB hours to restore work hours required for STD eligibility in accordance Section 5.2.6 of this agreement.

**5.3.3** If an employee dies while on the active full-time District payroll, the District shall pay one hundred percent (100%) of the cash value of the employee's SLB balance existing at the time of death to the employee's designated beneficiary or estate.

**5.3.4** Upon retirement under the Public Employees Retirement System (PERS), the cash value of thirty percent (30%) of the then existing SLB balance shall be deposited into the retiring employee's Voluntary Employee Beneficiary Association (VEBA) Trust account established for that purpose by the District. Funds so deposited

shall be available pursuant to terms and conditions governing the VEBA Trust and its administration.

**5.3.5** The funds resulting from this SLB balance conversion shall not be used to determine Average Final Compensation under the Public Employees Retirement System (PERS).

**5.2.11** The Short-Term Disability Plan (the STD Plan) will be administered in accordance with the applicable administrative policies and the STD Plan document. Under the terms of the STD Plan, the third party administrator determines whether the initial claim meets the definition of disability and the duration of the claim. The STD Plan provides that the third-party administrator will also administer the appeal process for a denied claim and provide a recommendation on appeal. The appeal process will include, at a minimum, an independent review of the claim including additional medical opinions (if necessary) at the District's expense. Final appeal decisions will be made consistent with medical professional recommendations.

**5.4.1** An allowance for Temporary Total Disability ("TTD"), as described below, will be paid to a temporarily disabled employee while absent from work, due to an occupational injury or illness, when he/she has qualified for compensation under the Workers' Compensation Act (the "Act"); provided, the employee furnishes the District with: (1) a certificate signed by his/her doctor establishing that the employee is temporarily disabled, as defined by federal or state law; (2) a statement signed by the employee guaranteeing that he/she will endorse his/her TTD time loss compensation check(s) over to the District; and (3) a completed District approved form authorizing release of appropriate medical information.

**5.4.2** Absence from work from the time of injury until eligible to receive time loss compensation allowance shall be governed by the following:

**5.4.2.1** Time loss compensation for all employees begins after a waiting period that includes the date of injury/treatment for illness and the three (3) calendar days immediately following the date of injury/treatment for illness, provided that the employee sought medical treatment within those first three (3) days. When the employee does not seek medical treatment within the three-day period following the injury/treatment of illness, time loss does not start until the date of first treatment.

**5.4.2.2** Employees may use personal leave or sick leave for the three (3) day waiting period when they are ineligible for time loss compensation. Employees who are still on time loss on the 7th consecutive calendar day following the injury/treatment for illness will receive retroactive time loss compensation for the three (3) day waiting period as provided in the Industrial Insurance laws.

**5.4.2.3** Time Loss benefits for employees can be processed under two options:

**5.4.2.3.1** During the first twenty-two (22) working days of eligibility (including observed holidays) the employee shall be paid at his/her regular hourly rate of pay. For the next two hundred thirty-eight (238) working days (including observed holidays) the employee shall be paid at eighty percent (80%) of his/her regular hourly rate of pay.

**5.4.2.3.2** Once a determination of eligibility is made, the employee will sign over the time loss warrant to the District. The employee's personal leave or sick leave bank is not affected. The District will process any tax adjustments as required by the Industrial Insurance Act within the pay period of receiving the time loss warrant. Time loss warrants must be submitted no later than the end of the pay period following the warrant issue date.

**5.4.2.3.3** Should it be required by Washington paid sick leave regulations, the District will allow the employee to elect use of personal leave or sick leave hours concurrently with time loss days deemed payable under the Industrial Insurance Act. In this event, the equivalent hours will be deducted from the employee's leave bank.

**5.4.2.3.4** The employee must notify the District if they wish to use personal or sick leave hours and the leave bank designation once the worker's compensation claim has been deemed eligible for time loss benefits.

**5.4.2.4** Work related injuries are not covered by short term disability.

**5.4.3** Should it be determined by the Washington State Department of Labor and Industries that an employee has become permanently disabled as a result of any injury covered by the Industrial Insurance Laws of Washington and shall, as a result thereof, terminate compensation payments, payments by the District under Section 5.4.2 above shall terminate at the same time and the District shall then continue to pay such disabled employee until he/she has exhausted his/her accumulated Personal Leave.

**5.4.4** In the event an injured employee recovers damages from any third party he/she shall, in addition to reimbursing the Accident Fund and Medical Aid Fund as provided by RCW 51.24, reimburse the District for payments made by the District under Section 5.4.2 as permitted by Industrial Insurance rules, not to exceed the amount paid by the District for wages, minus pro rata expenses of collection.

**5.4.5** For Workers' Compensation, as it pertains to claim-related medical appointments, the employee shall be compensated for attending those appointments if scheduled during a regular scheduled shift.

**5.4.6** If the employee is receiving time loss compensation and is returned to part-time work, the employee may elect to use personal leave or sick leave to pay those hours not worked or may elect to be on leave without pay status for those hours not worked. The employee may retain his or her Loss of Earning Power (LEP) regardless of which choice is made.

**5.4.7** Employees not eligible for District benefits will receive time loss compensation as required by Industrial Insurance rules. Those employees will be permitted to keep any time loss payments issued by our third party. The employee may choose to follow 5.4.2.3.3 and 5.4.2.3.4 for concurrent use of sick leave.

**5.4.8** If the employee qualifies for leave in accordance with the Family Medical Leave Act (FMLA), time away from work under this section will run concurrently with certified time loss days. See Policy #111, Family and Medical Leave and Policy.

## **5.5 LEAVE OF ABSENCE**

**5.5.1** If an employee requests time off in addition to his/her regular time off, the District may, at its discretion, grant a leave of absence without pay or paid benefits; provided, that all applicable accrued leave has been used and it does not inconvenience the operation of the District or increase operating expenses.

**5.5.2** Leave of Absence requests are not intended to be used for other employment opportunities, personal economic gain or to perform work for others.

**5.5.3** A Leave of Absence requires District approval.

**5.5.4** When an employee is granted leave of absence and returns, if qualified and fit for duty, to his/her previous or an equivalent job, only the employees selected to fill the temporary vacancies created by the leave of absence shall be affected, and in each case shall return to the jobs they left or an equivalent position.

## **5.6 JURY DUTY**

**5.6.1** An employee on jury duty shall be paid his/her regular, scheduled straight time wages. Employees must provide their Supervisor with a copy of the jury duty summons as soon as possible after receiving it. The employee shall work on any day on which it is feasible to work four (4) or more hours during their term of jury duty. An employee serving on jury duty will be permitted to retain whatever fee(s) and expenses they receive for serving on jury duty in addition to their regular scheduled straight time wages.

**5.6.2** If an employee is subpoenaed to testify on behalf of the District, they shall be deemed working for the District and be paid his/her regular wages without overtime. He/she will be reimbursed for out-of-pocket travel expenses and subsistence when not provided by the party issuing the subpoena. The employee shall work on any day on which it is feasible to work four (4) or more hours.

**5.6.3** If an employee is subpoenaed by Court or agency order to testify regarding facts or events which the employee witnesses while working for the District during his/her assigned or paid work hours, regular wages without overtime will be granted for that period of absence required to comply with such order; provided, however, that no pay will be granted for absences to testify on behalf of parties exercising adverse action against the District. When pay is granted by the District, witness fees paid by the Court shall be deducted from the employee's regular wages to properly reflect their taxable wages.

**5.6.4** The District may change an employee to day shift per this Agreement, without penalty, to accommodate jury duty or for testimony provided in accordance with the above Sections.

## **5.7 DISTRICT DEFERRED COMPENSATION MATCH**

The District shall provide a fifty cent-for-one dollar (50%) match of employee contributions up to five percent (5%) of base wages to a District established deferred compensation plan upon hire.

## **5.8 HOLIDAYS<sup>2</sup>**

**5.8.1** The District recognizes the following twelve (12) paid holidays: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Veterans' Day, Thanksgiving Day, Christmas Day and three (3) floating holidays.

**5.8.2** Regular full-time and Limited/Assignment employees are eligible for paid holidays.

**5.8.2.1** An employee who is in an unpaid status for the entire pay period in which a holiday occurs will not be entitled to the holiday pay.

---

<sup>2</sup> "Holiday Pay" for purposes of this Section means eight (8) hours unless otherwise specified.



**5.8.2.2** An employee not available to work while in a leave status for short term disability, paid family and medical leave, or worker's compensation time-loss will not receive additional compensation for District Observed Holidays.

**5.8.3** All eligible employees, except those required to work a regularly scheduled shift on the holiday, shall observe the holiday by taking that day off with pay.

**5.8.4** Except for rotating shift workers, holiday pay will be eight (8) hours pay for all employees working a five (5) day, eight (8) hour work schedule and ten (10) hours pay for all employees working a four (4) day, ten (10) hour work schedule. The employee will receive holiday pay at the straight time rate and overtime for any time worked.

**5.8.5** When the holiday falls on a regular workday during an employee's Personal Leave, it shall be treated as any other holiday.

**5.8.6** Regular/Dedicated Shifts (5 x 8's): When a holiday falls on Saturday, the preceding Friday shall be observed as the holiday. When a holiday falls on a Sunday, the following Monday shall be observed as the holiday.

**5.8.7** Regular/Dedicated Shifts (4 x 10's): When a holiday falls on a regularly scheduled day off: a) if Friday is the regularly scheduled day off, the Thursday preceding the holiday shall be observed; or b) if Monday is the regularly scheduled day off, the Tuesday following the holiday shall be observed.

**5.8.8** Rotating Shifts:

- a) Holiday pay for 12-hour rotating shifts is governed by LOU2022.01.
- b) Holiday pay for 8-hour rotating shifts is governed by LOU 2022.01.

**5.8.9** Holiday Pay for Non-Standard Shifts: When an employee's scheduled days off are other than as set out in Sections **5.8.6**, **5.8.7** and **5.8.8** above, and the District observed holiday falls on a day that is the employee's scheduled day off, the employee will observe the holiday on the first day of his/her next regular scheduled shift. The District will staff non-standard shifts on holidays based on business needs.

**5.8.10** Holidays During Special Shifts:

- a) If a holiday occurs within a special work schedule, the holiday will be observed on the shift when a majority of the hours scheduled (including meal periods) fall on the actual holiday.
- b) Employees scheduled to work a shift with equal hours on the day preceding the holiday and on the holiday, shall be considered to have worked a majority of their hours on the second half of the shift.
- c) If a holiday falls on a day that is the employee's scheduled day off, the employee will observe the holiday on the first day of his/her next scheduled shift.
- d) Employees scheduled to work a special work schedule that encompasses both the actual and the observed holiday shall observe the actual holiday.
- e) If a holiday falls on the last shift of the work schedule, the holiday shall be observed on that last day, regardless of where the majority of the shift hours are scheduled.

**5.8.11 Floating Holidays:** On January 1 of each year regular full-time and Limited Assignment employees shall be entitled to three (3) floating holidays on the following basis:

- a) Only employees hired prior to October 1 of each calendar year are entitled to receive and use floating holidays in that year.
- b) Use of floating holidays is based on the operational needs of the District and advance approval obtained from the employee's Supervisor or his/her designee.
- c) Failure to use floating holidays in the calendar year shall result in forfeiture of the unused days.
- d) Employees will be credited with twenty-four (24) hours of floating holiday pay on January 1. Employees must take their floating holidays in full day increments based on his/her schedule the day the floating holidays are taken. Employees with less than a full day of floating holiday time remaining may supplement his/her third floating holiday with personal leave, or they must supplement with leave without pay. Under no circumstance will an employee receive more than twenty-four (24) hours of floating holiday pay.

**5.8.12 Temporary, Seasonal and On Call Employees:** Temporary, Seasonal and On Call employees are eligible for holiday pay for the nine (9) designated District holidays, if the employee is in paid status the day prior to and the day following the holiday.

## **5.9 INSURANCE**

**5.9.1** Regular full-time, Limited Assignment and eligible Seasonal employees covered by the terms of this Agreement shall, as a condition of employment, participate in, be and remain covered under the provisions of employee group insurance programs made available to employees covered by this Agreement.

**5.9.1.1** Health care benefits are effective the first day of the month following the employee's date of hire. Eligible family members are also covered the first of the month following the date of hire.

**5.9.1.2** Health care benefits shall terminate on the last day of the month that the employee separates service.

**5.9.2** During the life of this Agreement, the District shall provide, group life, additional employee-paid life insurance, accidental death and dismemberment, long term disability, short term disability, long term care, dental and medical benefits as negotiated to regular full-time, Limited Assignment and eligible Seasonal employees. Benefits shall be administered pursuant to the insurance contracts establishing and governing such insurance benefits.

**5.9.3** The District shall have the exclusive right to select brokers and carriers and administer and disperse all funds held in reserve for group insurance purposes without regard to the source of such funds.

**5.9.4** The Plan Year for all Medical and Dental plans shall be January 1 through December 31. The District and the Union further agree that health insurance provided by the District shall be administered in the following manner.

**5.9.4.1 PPO Plan option** – The enrollment for the PPO plan from January 1, 2025 until December 31, 2025 shall be a tiered structure and the District shall contribute ninety-two and one-half percent (92.5%) and the employee shall contribute seven and one-half percent (7.5%) of the monthly group insurance premium for these PPO Medical/Vision and Dental Plans.

Tier	PUD Pay	Employee Pay
Employee only	92.5%	7.5%
EE + Spouse	92.5%	7.5%
EE + dep	92.5%	7.5%
EE + Spouse + dep	92.5%	7.5%

**5.9.4.2 PPO Plan option** – The enrollment for the PPO plan from January 1, 2026 until which time the parties agree otherwise, shall be a tiered structure and the District shall contribute ninety percent (90%) and the employee shall contribute ten percent (10%) of the monthly group insurance premium for these PPO Medical/Vision and Dental Plans.

Tier	PUD Pay	Employee Pay
Employee only	90%	10%
EE + Spouse	90%	10%
EE + dep	90%	10%
EE + Spouse + dep	90%	10%

**5.9.4.3 Consumer Directed Health Plan (CDHP) option** – As of January 1, 2022, until which time the parties otherwise agree, the District shall contribute one hundred percent (100%) of the combined monthly group medical/vision and dental insurance premium for the CDHP.

As of January 1, 2022, the in-plan annual CDHP VEBA composite contribution will be twelve hundred fifty dollars (\$1250).

When mid-calendar Plan Year open enrollment selection is required, lump sum in-plan VEBA contributions shall be calculated on a prorated basis for the available months of the plan selection not to exceed the annual total contribution.

**5.9.4.4** During the term of this agreement, the District shall pay for one hundred percent (100%) of the base plan life insurance (1x eligible earnings) and accidental death and dismemberment (1x eligible earnings until December 31, 2025 and 2x eligible earnings beginning January 1, 2026) premiums. The District shall pay for one hundred percent (100%) of the core plan for long-term care. The employee shall pay for one hundred percent (100%) of the core plan for long-term disability through payroll deduction.

The balance of the required monthly premium for any of the District's combined group medical and dental insurance plans chosen by an employee shall be paid for by the employee through payroll deduction.

In the event of a workplace fatality, the District shall pay for one hundred percent (100%) of the COBRA premium for the surviving beneficiaries for up to six (6) months.

Periodically, rates may change. It is understood that the same percentage rate change will be applied to all combined medical and dental plans.

**5.9.5** The District reserves the right to change or provide alternate insurance carriers or to self-insure, as it deems appropriate or as may be required by federal or state law, for any form or portion of insurance coverage referred to in this Agreement, provided that the new coverage (including premium, deductibles, and co-payments) and benefits are substantially equivalent to the insurance coverage and benefits available to employees which predated this Agreement. The District will not be responsible for changes unilaterally imposed by law or an insurance provider in benefits, co-payment provisions, deductible amounts, or other policy provisions so long as the District uses its best efforts to minimize changes by incumbent insurance providers from one plan year to another.

**5.9.6** Upon request, the District shall furnish the Union financial information relative to its group insurance plans, in accordance with federal and state law.

**5.9.7** The extent of coverage under the insurance policies referred to in this Agreement shall be governed by the terms and conditions set forth in such policies or plans. Any questions or disputes concerning said insurance policies, plans or benefits shall be resolved in accordance with the terms and conditions set forth in said policies or plans. The failure of any insurance carrier(s), other than the District, or plan administrator(s) to provide any benefit for which it has contracted or is obligated shall result in no liability to the District, nor shall such failure be considered a breach by the District of any obligation undertaken under this or any other Agreement. However, nothing in this Agreement shall be construed to relieve any insurance carrier(s) or plan administrator(s) from any liability it may have to the District, an employee, or the beneficiary of any employee.

**5.9.8** Currently enrolled retirees and those Employees who terminate employment with the District to retire under the Public Employees Retirement System may elect to continue the District's medical insurance coverage during such retirement under the following conditions:

**5.9.8.1** The employee notifies the District no less than thirty (30) calendar days prior to the employees' proposed retirement date of the employee's desire to continue in the District's medical insurance coverage during retirement; and

**5.9.8.2** The employee is or will be eligible to retire under the Public Employees Retirement System on the date of termination and in fact does so retire; and

**5.9.8.3** The retiree employee pays the required monthly premium for the District's medical insurance coverage.

**5.9.8.4.** The monthly premium will be calculated using the current rate for the retiree medical plan minus District subsidy. This subsidy will adjust each plan year by the CPI-W rate established June 30<sup>th</sup> of the previous year. For 2022 the subsidy rates are as follows: Retiree \$306.69, Spouse \$250.21, Children \$209.89.

#### **5.9.9 HRA/VEBA**

**5.9.9.1** The District shall provide a monthly contribution to an employee's HRA/VEBA account. Effective April 1, 2022, two hundred dollars (\$200) per month, subject to District payroll administration practices. The parties agree that

this contribution is intended for eligible health care expenses and to help employees pay for health insurance upon retirement.

## **5.10 PAID SICK LEAVE**

**5.10.1** Effective January 1, 2018, in accordance with Washington State's Paid Sick Leave Law, Sick Leave (SL) is established for all bargaining unit employees who are not benefit eligible. Paid Sick Leave is available for the following reasons:

- the employee's own illness or injury;
- to care for the health of their family members;
- when the employee or a family member is the victim of sexual assault, domestic violence, or stalking; and,
- in the event the District or the employee's child's school or place of care is closed by a public official for any health-related reason.

**5.10.2** Paid Sick Leave will accrue at the rate of one (1) hour of SL for every forty (40) hours actually worked including regularly scheduled hours and overtime hours. Non-productive hours such as holiday or sick leave will not accrue SL. Overtime hours worked do not accrue SL at a greater rate than regular hours.

**5.10.2.1** The accrual year is based on the payroll calendar for each year. "Accrual Year" means a year beginning with the first paycheck in January and ends with the last paycheck in December.

**5.10.3** SL pay will be at the same rate as the employee's normal hourly compensation at the time of use. If the employee's regular hourly wage rate includes an amount in lieu of benefits or "adder pay," such pay will be applied to the employee's normal hourly compensation for calculating the SL rate of pay.

**5.10.4** SL may be used as soon as the accrual appears on the employee's next pay statement and may be used in the same increments as other paid leaves.

**5.10.5** Non-benefitted employees may use accrued, unused SL for scheduled shifts. SL will not be available for use in the event that the employee turns down an unscheduled shift.

**5.10.6** Employees must provide notice of at least ten (10) days in advance of the use of SL, or as early as practicable, if the need is foreseeable. When the need for use of sick leave is foreseeable, the employee shall also make a reasonable effort to schedule the use of SL in a manner that does not unduly disrupt the operations of the District. If the absence is unforeseeable, the employee must provide notice as soon as practicable. The employee must provide notice that generally complies with the District's normal notification policies and/or call-in procedures, whether foreseeable or not.

**5.10.7** The District reserves the right to request verification for SL absences exceeding three (3) consecutive required workdays, as long as obtaining the required verification does not create an unreasonable burden or expense. However, if the SL is due to an illness, injury or other reason that might qualify the employee for leave under federal or state leave laws, the District may require the employee provide certification of his/her condition from the employee's health care

provider. When requested, the employee must provide verification within ten calendar days following the first day of SL use.

**5.10.8** At the end of the SL accrual year, employees are permitted to carry over balances of up to sixty (60) hours of accrued, unused SL. Accrued, unused SL greater than sixty (60) hours will be forfeited.

**5.10.9** Upon separation from employment, the employee will not receive any cash out of accrued SL or otherwise receive any financial or other reimbursement for SL.

**5.10.10** In the event a non-benefitted employee is rehired by the District within twelve (12) months of separation, the employee will be entitled to reinstatement of their prior accrued, but unused, SL balance. Provided however, that if the employee is rehired in the accrual year following the year in which separated from employment, the amount of SL reinstated will be no more than sixty (60) hours.

**5.10.11** Treatment of SL and PL when the employee's employment status changes will be as follows:

**5.10.11.1** In the event that an employee's employment status changes from not eligible for benefits to benefit-eligible, the accrued but unused sick leave balance will remain to be used for sick leave purposes as outlined in Article 5.10.1. The employee will begin accruing PL upon the employment status change and SL will no longer accrue. The employee will follow the relevant guidelines for the use of each type of leave until the SL balance is exhausted.

**5.10.11.2** In the event that an employee's employment status changes from benefit-eligible to not eligible for benefits, the accrued but unused PL balance will be cashed out in accordance with Article 5.1.11. The employee will be terminated and re-hired into the not eligible for benefits position and begin accruing only SL upon commencement of the new position. PL will no longer accrue.

**5.10.12 Gifting of SL to another District employee is not allowed.**

## **GENERAL WORK PROVISIONS**

### **6.1 SENIORITY**

**6.1.1** The following seniority definitions shall apply to Regular Full-time and Limited Assignment employees:

**6.1.1.1 Job Title Seniority** shall be determined by the length of service in that job title, not necessarily continuous, but within the period defined by District Seniority. Job titles are defined as those individual positions as listed in Exhibit "A". Examples include Lineman Apprentice Trainee and Meter Reader.

**6.1.1.1.1** When an Apprentice completes his/her apprenticeship and becomes a Journeyman, the Apprentice shall be credited with job title seniority as a Journeyman for time spent as an Apprentice.

**6.1.1.2 Work Classification Seniority** shall be determined by the length of service in that work classification, not necessarily continuous, but within the period defined by District Seniority. A Work Classification is defined as a common field of work encompassing one (1) or more job titles. Examples of Work Classification are Line Crew, Customer Accounting, System Operations, Generation Mechanical and Electrical Maintenance, Fleet Services and Engineering Services as listed in Exhibit "A".

**6.1.1.2.1** Only employees working in the job titles of Line Foreman, Outside Service Lineman and Journeyman Lineman shall accrue Journey Line Crew Classification Seniority. Reference **8.1.9** for Lineman seniority determination.

**6.1.1.3** District Seniority shall be the length of continuous employment with the District since the last date hired within the bargaining unit.

**6.1.2** For employees who meet the qualifications and in accordance with Section **6.2.3** below, the District and Union agree in cases of promotion or transfer (i.e. change in headquarters, shifts, etc.), seniority shall be applied in the following order:

- a) Length of Job Title Seniority.
- b) Length of Work Classification Seniority.
- c) Length of District Seniority.

**6.1.2.1** Provided, however, length of job title seniority shall not apply to those job titles as designated in Exhibit "A".

**6.1.2.2** Within the Generation Support Services classification employees must be in the specific job title to bid on a foreman position within the designated job path (i.e. Fishway Attendant, Shop Maintenance Person, Painter, etc.).

**6.1.2.2.1** For Utilityperson Foreman bids between a plant and the Discovery Center, twelve (12) months of cumulative seniority at the designated bid location is required. In the event no bidder meets the twelve (12) month minimum qualification, the position will be awarded to the bidder with the most Utilityperson seniority.

**6.1.2.3** Employees in any Utilityperson job title may bid on any Utilityperson position. Bids will be awarded to the senior qualified bidder regardless of the location where seniority was accrued.

**6.1.3** The first twelve (12) months of continuous service shall constitute a probationary period during which continued employment shall be at the option of the District. A probationary employee shall not have bidding rights prior to successful completion of his/her probationary period unless the bid meets all of the following criteria: the bid is for the same job title, only a change of location and there are no qualified bidders.

**6.1.4** In cases where probationary employees apply for and are accepted into another job within their twelve (12) month probationary period, they will begin a new twelve (12) month probationary period beginning on the date the employee transfers to the new assignment. However, in no event shall an employee serve more than a twenty-four (24) month probationary period.

**6.1.5** Errors in past applications of seniority shall be corrected at the time of vacancies occurring in the future.

**6.1.6** In cases where two (2) or more employees start work on the same day they will have the same District seniority date and the date the employee's application for employment was stamped and received by the District shall establish the employee's position on the Seniority List. The District shall decide any tie breakers regarding placement on the Seniority List.

**6.1.7** The District will provide military leave for employees while performing military service in accordance with federal and state law. Military service includes active military duty, along with reserve and National Guard training. Employees who are granted military leave shall accrue seniority for the entire period of any military leave required by law.

**6.1.8** The District and Union will work together to maintain and annually update a Seniority List. The District will post the Seniority List on the District's Intranet Web site.

**6.1.9** The District, with the consent of the employee, may assign interested employees to work in salaried positions for up to six (6) months without affecting the employee's seniority and other rights under the Agreement. Only qualified employees indicating an interest in performing salaried work will be assigned to such work. The employee shall continue to accrue bargaining unit seniority during this period. When offering temporary salaried positions to interested employees, the District will create, within the appropriate department, a list of qualified volunteers. The District will endeavor to rotate such assignments on a fair and equitable basis, based on job requirements and business needs.

**6.1.10** Employees temporarily assigned to salaried positions will continue to be eligible to do their regular bargaining unit job, as required.

## **6.2 POSTING AND BIDDING**

**6.2.1** Notwithstanding any other provision of this Agreement, the District shall have the unrestricted right of selection or hire for all Entry-Level, On-call, Seasonal, Student and Temporary jobs. Temporary for the purpose of this Section shall be jobs lasting less than six (6) months. Except as otherwise agreed, On-Call, Student, Seasonal and Temporary jobs shall be exempt from posting and bidding. The District



may consider, at its discretion, the application of any District employee when filling these positions.

**6.2.2** Job vacancies (including for headquarters or shift preferences) or work assignments for Regular Full-time or Limited Assignment positions known to last over one hundred twenty (120) calendar days shall be open for bid, unless otherwise mutually agreed. Upgrades for Foreman or other similar leadership positions known to last over ninety (90) calendar days shall be open for bid, unless otherwise mutually agreed.

**6.2.3** When openings occur, qualified employees shall first be advanced by seniority and then by seasonal ranking. There may be exceptions described in this Agreement covering the selection for certain Work Classifications or jobs. In all cases of promotion, transfer, demotion, layoff and recall from layoff, the following factors shall be considered: knowledge, training, ability, skill and physical fitness.

**6.2.3.1** An employee under active Performance Correction containing restrictions for promotion and/or upgrade ability for Foreman or other leadership position shall not be advanced or upgraded until such time as Performance Correction Notices have reached their sunset date.

**6.2.4** Regular Full-time and Limited Assignment employees, who have successfully completed their probationary period, shall have bidding rights. It shall be the responsibility of the bid applicant to provide all information in the bid that he/she feels important for proper consideration of his/her qualifications. An employee shall not sacrifice future rights through failure to exercise his/her bidding rights.

**6.2.4.1** If no qualified Regular Full-time or Limited Assignment employees are awarded the position, Seasonal employees that bid the position, who have accrued a minimum of twelve (12) cumulative months during consecutive seasons with performance review ratings of meets expectations or higher, shall be awarded the bid based on seasonal ranking and in accordance with the provisions of 6.2.3. Seasonal ranking shall be based on current cumulative months during consecutive seasons unless otherwise mutually agreed.

**6.2.4.2** Seasonal employees initially awarded a Regular Full-time or Limited Assignment position will be subject to a probationary period per 6.1.3.

**6.2.5** An employee who wishes an entry level job shall complete an application/bid as specified by the District's Human Resources Office. Such an employee shall be given consideration.

**6.2.6** Openings will not be posted for bid for those jobs where the parties have agreed to automatic progression.

**6.2.7** When required, the District shall post a Notice of Vacancy and shall furnish the Union with a copy of the same. Such posting shall indicate the probable duration of the job. Vacancies shall be posted for bid for a period of not less than seven (7) calendar days.

**6.2.8** After the closing date of the Notice of Vacancy, the District shall notify the successful bidder or applicant. The District shall provide the Union and Shop Stewards a list of those bidding and whom it intends to award or select to fill the job within fifteen (15) business days after Selection to Fill Vacancy or Award of Bid. An employee who submits a bid or Standing Bid and is awarded the position or selected to fill a vacancy shall be awarded the job and may not decline the position unless a bona fide hardship

occurs between the bid closing date and the Award of Bid. The successful candidate will be transferred to the new position as soon as possible.

**6.2.9** Prior to an employee going on authorized leave or out-of-area training a Standing Bid may be submitted for each position the employee is interested in. The Standing Bid will remain in effect for the dates indicated on the Standing Bid. An employee must be available to transfer to the new position within a forty-five (45) calendar day period of the Award of Bid, if directed by the District. Each employee is responsible to maintain contact with the District's Human Resources Department regarding the status of his/her Standing Bid while on authorized leave.

**6.2.10** Journeymen bids for headquarters and/or shift preference will be posted after an apprentice completes his/her apprenticeship training and passes his/her Journeyman examination.

**6.2.11** Seniority and any appropriate pay change will begin on the date the District transfers the employee to the new position or forty-five (45) days after Award of Bid or Selection to Fill Vacancy, whichever occurs first.

**6.2.12** When both the Union and the District agree, the bidding procedure can be waived in favor of transferring the eligible employee(s).

**6.2.13** If the District and Union agree, the District may transfer an employee to another position, without bidding, if the employee's health or physical condition makes it advisable to relieve the employee from his/her current position. A reasonable break-in period may be provided to an employee transferred to a position for which the employee has no previous experience.

**6.2.14** The District may make temporary assignments to facilitate the bidding procedure. An employee working on a temporary assignment will continue to accrue job seniority in his/her regular job title.

**6.2.15** When vacancies are anticipated in a job title that may create vacancies in other headquarters and/or shifts, the District may elect to post one (1) bid notice covering all anticipated vacancies. Employees qualified to bid on such vacancies will submit one (1) bid indicating the preference(s) of headquarters and/or shifts, if any.

**6.2.16** If the District does not, within the time provided in Section 6.2.7 above, receive any bids on a job which has been posted, or does not receive a bid from any employee who possesses the required qualifications for the position, the District may fill the job by hiring from external candidates or may appoint, subject to Sections 7.1.3.2 (b) and 7.1.3.3 (e), the least senior qualified employee to fill the position.

**6.2.17** Unless otherwise mutually agreed in the future, the District will not require bargaining unit employees to take or use PL associated with pre-screening qualification testing or the interview process and any other job-related testing after they have applied for a position. Additionally, bargaining unit employees applying for other positions within the District may interview and take any other job-related tests during the employee's regular working hours. It is understood that employees will not be entitled to overtime pay for pre-screening qualification testing, job related testing or participating in the interview process.

### **6.3 FOREMAN/LEADERSHIP POSITIONS**

**6.3.1** In addition to Section 6.2.3, when making selections to fill Foreman or other leadership positions, the factors considered shall be prior work performance, supervisory skill and ability, physical fitness, training, technical knowledge and ability, work experience, efficient and safe direction of workers, knowledge of this Agreement

and District policies, as well as seniority. This special reference indicates agreement between the parties concerning the qualifications to be selected for a Foreman or similar leadership position. The standards set shall require that Foremen or other such leadership positions shall be above the average required for normal advancement.

**6.3.2** In the event the District elects to use testing relative to the factors set forth in Section 6.3.1, the Joint Foreman Training Committee ("JFTC") will meet to accomplish two (2) goals: development of recommended training programs and recommended tests. Any tests used shall have a minimum passing score of eighty percent (80%).

**6.3.3** Foreman or employees in similar leadership positions shall work as directed by the District. When assigning employees to work together the District shall determine the Foreman/leadership position in charge.

#### **6.4 REGULAR FULL-TIME EMPLOYEE**

"Regular Full-time employee" means an employee, other than a Limited Assignment, Temporary, Seasonal, or On-call employee, who is regularly scheduled to work forty (40) hours per week in a seven (7) day period and who has successfully completed his/her probationary period.

#### **6.5 LIMITED ASSIGNMENT**

**6.5.1** The employment category of Limited Assignment is for work anticipated to last more than six (6) months but less than two (2) years for any positions covered by this Agreement.

**6.5.2** The District will post Notices of Vacancy for Limited Assignment positions. The Notice of Vacancy will include the estimated duration of the assignment or be designated as "Less than 2 years".

**6.5.3** A regular full-time employee bidding such a Limited Assignment position will not be placed at risk when the assignment ends; the "Limited Assignment" designation will be applied to the employee hired to "fill in" behind the regular full-time employee.

**6.5.4** An employee with the Limited Assignment designation shall have all the benefits (as and when the Agreement provides them) provided to regular full-time employees. This shall include the right to bid other assignments and use acquired seniority.

**6.5.5** At such time as a Limited Assignment ends, the employee with that designation will have his/her service terminated. The District will endeavor to notify a Limited Assignment employee a minimum of two (2) weeks prior to the scheduled termination date. A regular-full-time employee who has successfully been selected to fill or awarded the bid for Limited Assignment work will be transferred back to his/her prior position.

**6.5.6** Upon termination, a Limited Assignment employee shall not be entitled to any recall rights as provided in Section 6.11 under this Agreement. The Limited Assignment employee who has completed one (1) year of continuous employment and is scheduled to be terminated may bump other Limited Assignment employees under the following conditions:

**6.5.6.1** A senior Limited Assignment employee may "bump" a less senior Limited Assignment within the same job title.

**6.5.6.2** Individuals that “bump” may go beyond the two-year period to the extent of the remaining Limited Assignment time period.

**6.5.7** If and when it appears to the District that a Limited Assignment will exceed two (2) years, the Limited Assignment position will be redesignated as a regular full-time position and the incumbent employee will be placed in that position. However, should Headquarters and/or shift become a consideration, the position will be posted for bid, and the affected Limited Assignment employee will fill the resulting vacancy based on seniority.

**6.5.8** The District will not bid the same job “back-to-back” as a limited assignment (i.e. at the end of a Limited Assignment job, bid another Limited Assignment position to fill the same vacancy).

## **6.6 SEASONAL EMPLOYEES**

**6.6.1** “Seasonal employee” means an employee who is usually hired to work on a Seasonal basis and whose employment **may** recur from year to year.

**6.6.2** Seasonal employees whose jobs are scheduled for more than six (6) consecutive months (i.e. 180 days or more) shall be entitled to accrue and use Personal Leave on the same basis as regular full-time employees as per Section 5.1 and shall be entitled to participate in the District’s medical and dental programs, short-term disability (“STD”) and PERS, in accordance with this Agreement or the eligibility criteria of such plans, and receive other benefits as required by law.

**6.6.2.1** Seasonal employees shall enroll in one of the employee group insurance plans as covered by this Agreement.

**6.6.2.2** Participation in the CDHP plan will require pro-rated allocation for VEBA contributions based on the length of seasonal employment.

**6.6.2.3** Eligible Seasonal employees may participate in the District’s short-term disability plan for emergency or unforeseen reasons only. Seasonal employees may not participate in the District’s STD plan for any reason resulting from a pre-existing condition. Any disputes over eligibility will be decided by the District.

**6.6.3** If a Seasonal employee is hired for a job that is scheduled for less than six (6) consecutive months (i.e. less than 180 days), but the employee’s assignment is extended beyond six (6) consecutive months, the employee will become eligible for benefits, as set forth in Section 6.6.2 above, on the first day of the month following the District’s decision to extend the employee’s assignment to more than six (6) consecutive months.

**6.6.4** Seasonal employees whose jobs are scheduled for less than six (6) consecutive months shall receive an additional \$3.50 per hour in lieu of benefits. Beginning April 1, 2026, the rate will be adjusted annually by GWI. The employee shall not be eligible, except as provided in Section 5.8.12 for any benefits, unless required by law.

**6.6.5** At the conclusion of the scheduled season, seasonal employment shall terminate. Seasonal employees shall either cash out their unused Personal Leave, or per section 5.1.11, be required to have 90% of the balance transferred to VEBA. The remaining 10% of unused Personal Leave will be cashed out and paid as taxable income to the employee on their final paycheck.

**6.6.5.1** An annual vote may be scheduled for qualifying Seasonal employees to occur during the peak employment season.

**6.6.5.2** A majority vote will determine whether the unused Personal Leave will be transferred to VEBA or cashed out at the termination of the season.

**6.6.6** Nothing in this Section shall apply to Student Trainees or Student Helpers.

## **6.7 TEMPORARY EMPLOYEES**

**6.7.1** "Temporary employee" means an employee, other than a Regular Full-time, Limited Assignment or Seasonal employee, who is regularly scheduled to work up to six (6) consecutive months.

**6.7.2** Temporary employees shall receive an additional \$3.50 per hour in lieu of benefits. Beginning April 1, 2026, the rate will be adjusted annually by GWI. The employee shall not be eligible for any District benefits, except as provided in Section 5.8.12, or any other benefits, unless required by law.

## **6.8 TEMPORARY CRAFT EMPLOYEES**

A Journeyman hired for a temporary position will be regarded as a temporary employee, as defined in Section 6.7 above, except the wage rates for such position will be established as follows:

**6.8.1** Temporary Construction Linemen will be paid the hourly rate, plus a payment in lieu of benefits expressed and in effect in the Northwest NECA-IBEW 77 Collective Bargaining Agreement. Example: the construction rate, plus an in-lieu of amount of benefits, equals the straight-time hourly rate.

**6.8.2** Temporary Hydro Mechanics will be paid the hourly rate, plus a payment in lieu of benefits expressed and in effect in the Building Trades, Millwrights Local 1699 Collective Bargaining Agreement.

**6.8.3** Temporary Wiremen will be paid the hourly rate, plus a payment in lieu of benefits expressed and in effect in the Building Trades, IBEW Local 191 Collective Bargaining Agreement.

**6.8.4** Upon request, the Union will provide the District with the duly recognized wage schedules/rates for the above mentioned job titles.

## **6.9 ON-CALL EMPLOYEES**

**6.9.1** "On-call employee" means an employee who is scheduled to work on an as needed basis. On-call employees will perform work as directed by the District.

**6.9.2** An On-call employee shall be scheduled in accordance with Sections 7.1.3.1 or 7.1.3.4, unless otherwise mutually agreed.

**6.9.3** An On-call employee will be regarded as a temporary employee, except that on-call assignments may be indefinite as long as the employee does not work full-time for six (6) consecutive months.

**6.9.4** Progression toward step increases shall be based on the actual number of hours worked (e.g., six [6] month progressions would occur upon completion of 1040 hours of regularly scheduled work).

**6.9.5** On-call employees may be called in for partial day work for unscheduled relief coverage or to provide coverage for reoccurring medical needs.

**6.9.6** An On-call employee shall not replace a Regular Full-time position. On-call employees shall not be scheduled to work if regular employees are available for relief.

**6.9.7** An On-call employee's time will start when he/she arrives at the designated work location and shall end when he/she is relieved from duty.

**6.9.8** On-call Flaggers will provide their own transportation to and from their designated work location. If the employee uses his/her personal vehicle for District business, the employee will be reimbursed for mileage from the designated headquarters in accordance with District policies, as currently adopted or hereafter amended.

**6.9.9** The following will apply to On-call Flaggers:

**6.9.9.1** The District will provide all training and certification.

**6.9.9.2** On-call Flaggers required to report to work outside their service area will receive one (1) hour straight time pay to report at the assigned location at the start of the assigned shift.

## **6.10 FORCED TRANSFERS**

Prior to implementing a forced transfer, the District will announce an excess of employee(s) in a Job Title at an identified headquarters/bid location or shift using the appropriate posting and bidding procedures. Employees declared surplus following the posting and bidding process and those subsequently displaced shall be entitled to displace the least senior employee in the same Job Title at the designated headquarters/bid location or shift, provided they have work classification seniority over another employee being displaced. Those displaced employees who did not participate in the bidding process shall be given up to twenty-four (24) hours to choose an assignment when a choice of assignments exists.

## **6.11 REDUCTION-IN-FORCE ("RIF")**

**6.11.1** The District, at its discretion, shall determine when a RIF is necessary.

**6.11.2** In the event of a RIF, the District shall identify all affected positions by job title and headquarters and/or shifts. The District shall notify the Union and the affected employee(s) in writing, no later than two (2) weeks prior to the effective date of such reduction.

**6.11.3** On the basis of District seniority as defined in Section 6.1, affected employees may bump another bargaining unit employee, under the following conditions. The bumping employee:

- a) has previously held regular full-time employee status in the same position or a lower classification for which the employee currently meets the minimum qualifications, as determined by the District;
- b) has more District seniority than the employee being bumped;
- c) can exercise bumping rights only once for each RIF, unless subsequently bumped; and
- d) exercises bumping rights set forth herein within seven (7) calendar days from the date of the District notice required by Section 6.11.2.

**6.11.4** Employees exercising their rights under Section 6.11.3 will be allowed thirty (30) days in which to demonstrate proficiency in that job title or be reduced from the work force.

## **6.12 RECALL**

**6.12.1** Regular Full-time employees reduced from or within the District shall retain rights to recall to the job title from which they were reduced for a period of two (2) years from the date of reduction, during which time they shall retain their seniority.

**6.12.2** During this two (2) year period, the District will not hire an external applicant for the same job title until the reduced employee has been offered reinstatement to the job title from which reduced.

**6.12.3** Recall rights established by this Section are contingent upon the reduced employee:

- a) keeping the District informed of his/her current address and telephone number;
- b) meeting the current minimum qualifications and pre-employment requirements for the position, including meeting, to the District's satisfaction, any specific job or fitness for duty requirements;
- c) accepting a position in the job title from which the employee was reduced; and
- d) reporting for work, at the District's direction, within two (2) weeks of receipt of an offer of reinstatement.

**6.12.4** During the two (2) year recall period, employees reduced from the workforce may accept District offers of temporary work without affecting recall rights set forth in this Section.

### **GENERAL WORKING RULES**

The following general working rules shall apply to all employees in classifications covered by this Agreement.

#### **7.1 WORK WEEK, WORK DAY, NON-STANDARD WORK HOURS, AND WORK SHIFTS**

**7.1.1** For each location, classification and/or employee, the District shall determine the specific work week and work schedule.

**7.1.2** A work week means a consecutive seven (7) day, one hundred sixty-eight (168) hour period with two consecutive days off, unless otherwise agreed.

**7.1.3** The District may establish work schedules including rotating shifts, dedicated shifts, non-standard work hours, or special shifts as defined below to meet its business needs.

##### **7.1.3.1 Regular Shift:**

Work schedules may include shifts of eight (8) or ten (10) hours of duration.

(a) Eight (8) consecutive hours excluding time taken for a mid-shift meal shall constitute a regular shift. The District may establish eight (8) hour regular shifts Monday thru Friday with start times between 7:00 and 8:00 am. Start times for 8 hour regular shifts may be adjusted forward or backward by up to one hour (Start time as early as 6:00 am or as late as 9:00 am) if mutually agreed by the affected employee(s) and the supervisor. Conflicts arising from these adjustments will be referred to the District and Union for discussion.

(b) The standard workday hours for a four (4) day ten (10) hour schedule will normally fall between 6:00 a.m. and 6:00 p.m. The four (4) day ten (10) hour work week schedule shall be either Monday through Thursday or Tuesday through Friday.

(c) Affected employees shall be notified of work schedule changes by the end of their shift on the Thursday of the week prior to the beginning

of the new work schedule (i.e. from 5/8's to 4/10's or vice versa) or the first shift of the new work schedule will be paid at twice the straight-time rate.

(d) Shifts shall not be modified solely to reduce holiday pay.

**7.1.3.2 Rotating Shift:** A rotating shift schedule(s) is a mutually agreed upon work schedule developed to provide around-the-clock or other shift coverage to meet the District's operational or business needs (a twenty-four- (24) hour, seven- (7) day per week schedule).

a) Rotating Shifts may be established in System Operations and in Generation for the Fish Bypass project, Plant Maintenance and Operations personnel and other related support services, unless otherwise mutually agreed. The District and Union agree that establishing rotating shifts for Plant Maintenance, Fish Bypass or other related support services is not intended to displace current grandfathered plant employees during the term of this Agreement.

b) For the purpose of filling rotating shifts for Plant Maintenance, Fish Bypass or other related support services, employees hired prior to July 1, 2002, shall be "grandfathered". Only employees hired after July 1, 2002, for Plant Maintenance, Fish Bypass or other related support services will be assigned to rotating shifts in these business units, unless "grandfathered" employees bid these shifts. A "grandfathered" employee hired prior to July 1, 2002, who successfully bids on a rotating shift, shall forfeit his/her grandfather status.

c) The first posting of revised routine shift schedules shall be made at least six (6) days prior to the effective date. If less than six (6) days' notice is provided, the first shift shall be at twice the straight time rate.

d) For purposes of shift relief, any non-rotating shift person may be transferred to a rotating shift for up to ninety (90) days. Up to the first four (4) days of such transfer to a rotating schedule shall be paid at twice the straight time rate. No employee shall be forced to the above mentioned transfer at a frequency greater than one (1) time per calendar year.

e) When transferring an employee to work a rotating shift, no loss in regular pay shall result from such transfer.

f) In transferring employees from one shift to another, the District will provide a minimum of eight (8) hours off duty between shifts. If the employee is not provided with eight (8) hours off between shifts, the next shift worked will be paid at twice the straight time rate.

g) Letter of Understanding 2022.01 (regarding work rules for 12-hour rotating shifts) and Letter of Understanding 2022.01 (regarding work rules for 8-hour rotating shifts) shall apply to employees on rotating shifts.

(h) For the purpose of overtime assignments for rotating shifts, when an employee is contacted outside of work and the planned assignment is longer than twelve (12) hours from the initial contact it shall be



considered “scheduled overtime”. If the reporting time for an overtime assignment is less than twelve (12) hours from the initial contact, such overtime shall be “callout overtime”. Otherwise, the overtime definitions in Section 7.2.2 shall apply.

**7.1.3.3 Dedicated Shift:** A non-rotating shift schedule(s) that may provide for up to twenty-four (24) hour coverage, Monday through Friday, to meet the District’s operational or business needs. Dedicated Shifts may be established in Generation or for other related support services only, unless otherwise agreed.

- a) Swing (Second) Shift: A Swing Shift may either be eight (8) or ten (10) hours in length and shall be scheduled to begin between 1:00 p.m. and 3:00 p.m.
- b) Night (Third) Shift: A Night Shift may either be eight (8) or ten (10) hours in length and shall be scheduled to begin between 9:00 p.m. and 11:00 p.m. The first shift may begin as early as 9:00 p.m. on Sunday.
- c) For shift changes of ninety (90) days or less in duration, up to the first four (4) days of such transfer shall be paid at twice the straight time rate. For the purpose of this paragraph, returning an employee to the shift he/she originally bid is not considered a shift change.
- d) In transferring employees from one shift to another, the District will provide a minimum of eight (8) hours off duty between shifts. If the employee is not provided with eight (8) hours off between shifts, the next shift worked will be paid at twice the straight time rate.
- e) For the purposes of filling dedicated shifts, employees hired prior to July 1, 2002, shall be “grandfathered”. Only employees hired after July 1, 2002, will be assigned to dedicated shifts, unless grandfathered employees bid these shifts. An employee hired prior to July 1, 2002, who successfully bids on a dedicated shift, shall forfeit his/her grandfather status.
- f) The work schedule for a four (4) day – ten (10) hour work week shall be either Monday through Thursday or Tuesday through Friday.
- g) Affected employees shall be notified of work schedule changes (i.e. from 5/8’s to 4/10’s or vice versa) by the end of their shift on the Thursday of the week prior to the beginning of the employee’s new work schedule or the first shift of the new work schedule will be paid at twice the straight-time rate.
- h) Notwithstanding other provisions of this Agreement, the District may offer, and employees may accept, temporary assignments of ninety (90) days or less from one shift to another shift. Such assignments will be limited to personnel in the bid location of such transfer(s) and shall be made at no additional cost to the District. An employee who volunteers to transfer to a dedicated shift will not forfeit his/her grandfather status, unless he/she remains on the new shift for more than ninety (90) days, unless otherwise agreed.
- i) Notwithstanding other provisions of this Agreement, for the purposes of relief on dedicated shifts, the District may make work assignments for twenty (20) working days or less for any (including grandfathered employees) employee, unless otherwise agreed.

**7.1.3.4 Non-Standard Shift:** The District may establish non-standard work schedules to coincide with the work schedules of other employees or to accommodate the District's business needs. New work schedules for regular shift and rotating shift employees varying from the standard hours of work will be subject to mutual agreement. It is specifically understood and agreed that the Union will not arbitrarily or unreasonably withhold its agreement to or concurrence with new work schedules proposed by the District.

**7.1.3.5 Special Shift:**

- a) Special work schedules may be established in Generation or for other related support services necessary to support Generation, unless otherwise agreed.
- b) Core hours for special work schedules (defined as forty (40) hours per work week) will be paid at straight-time and may be eight (8), ten (10), or twelve (12) hours in duration. One-and-one-half dollars (\$1.50) per hour will be paid for each core hour and will not apply to overtime hours.
  - 1) A special shift that does not incorporate the regular shift can end or overlap into the regular shift and a special shift can start before the completion of the regular shift.
  - 2) For special shifts on the same job, there will be a minimum of four (4) hours between the end of one special shift and the beginning of another special shift ending or starting during the regular shift.

For 24-hour coverage, special shifts shall include a day shift with a start time as established in 7.1.3.1. Day shift hours are not subject to the shift premium.

- c) Special work schedules shall be scheduled by the end of the affected employee(s) shift on Thursday of the week prior to the beginning of the special work schedule or the first shift will be paid at twice the straight-time rate.
- d) It is agreed that the following are legitimate reasons for doing work on special shifts: regulatory requirements (i.e., NERC, WECC, NWPP, HCP (Fish) compliance or other governmental or non-governmental requirements), equipment availability, system reliability (e.g. generation, transmission, river flow, systems that operate or control generation and transmission, etc.), or other economic factors (if it can be done as economically on day shift as not, the work shall be done on days). Non-governmental means industry organizations that impose requirements on the District.
- e) Special work schedules shall be established for periods of at least forty (40) hours.
- f) In order to complete the core hours within a special work schedule other work may be assigned. The employee(s) and supervisor(s) may mutually agree to end the special work schedule prior to the end of the work schedule at no additional cost to the District.
- g) An employee scheduled to work a special work schedule will not be scheduled to work less than thirty-six (36) core hours during the special work schedule. Days off may fall on any contiguous days of the week. Non-contiguous days off may be required to provide for an

adequate rest period at the end of a special work schedule when returning to a normal work schedule. If the scheduled days off are not Saturday and Sunday they shall be, if possible, contiguous with the prior or following week's scheduled days off. Saturday and Sunday hours worked on a special work schedule will be paid at twice the straight time rate.

h) The District will endeavor to make special work schedule assignments on a fair and equitable basis for each bid location and job classification. The District will keep track of the number of special work schedule assignments worked by each employee. When an employee transfers bid locations, the number of special work schedules worked in the prior bid location will be carried forward to the new bid location.

**7.1.4** It is recognized that at times weather conditions experienced in the District's service area are beyond that in which an employee can safely and efficiently work. The District agrees that under such conditions employees may be assigned work in a protected area. The intent of this provision is to reaffirm the District's willingness to recognize inclement weather as a valid reason for a supervisor to assign alternate duties in a reasonable amount. The Union recognizes that emergency work involving danger to life or property must be performed, regardless of weather conditions.

**7.1.5** Employees relieved from duty except for cause during the first half of the day or shift shall receive not less than one-half (1/2) day's pay. If relieved after having been on duty more than one-half (1/2) of the day, the employee shall receive a full day's pay unless relieved for cause, or at the employee's own request.

## **7.2 OVERTIME AND CALL-OUT PROVISIONS**

**7.2.1** Employees shall be allowed overtime at the rate of double time for all time worked other than the regular day or shift. No pay shall be allowed while eating or sleeping.

### **7.2.2 Overtime Definitions:**

**7.2.2.1 Scheduled Overtime:** When employees are notified prior to leaving work, such time worked shall be known as "scheduled overtime." Employees shall report for work at the designated time and headquarters.

**7.2.2.2 Hold Over Overtime:** Employees who continue to work at the end of their regular shift will receive the overtime rate for the additional actual time worked.

**7.2.2.3 Callout Overtime:** When an employee is contacted to report for an overtime assignment, such overtime shall be "callout overtime."

**7.2.3 Scheduled Overtime:** Minimum compensation is one and one-half (1.5) hours at the double-time rate of pay, unless the overtime assignment is contiguous with the employee's regular shift, in which case overtime payment will be actual time worked.

**7.2.4 Callout Overtime:** Employees shall be paid a minimum of one and one-half (1.5) hours at the overtime rate from the time the call is accepted until they go on their regular shift or are relieved from duty, plus a payment of one-half (1/2) hour at the overtime rate for travel home. Employees called out are subject to working during the full period for which the call-out is paid.

**7.2.4.1** Utility Service employees who respond to call-outs from their home in a District vehicle, shall be paid from the time they accept the call to the time they return home. These employees shall not receive "travel home" pay as

described in 7.2.4 and shall be paid a minimum of two (2) hours at the overtime rate.

**7.2.4.2** Overtime paid within one and one-half (1 1/2) hours prior to the regular shift shall be limited to actual time worked.

### **7.2.5 Rest Period/Return to Duty:**

**7.2.5.1** Employees who work overtime (as defined above) four (4) or more hours prior to the beginning of their regular shift, shall either continue at twice the straight time rate, except intermission for meals, or be relieved from duty for not less than eight (8) consecutive hours' rest period.

a) Call-out rest period shall begin at the end of the one-half (1/2) hour paid travel home.

b) Scheduled and Hold Over overtime rest period shall begin at the end of the work assignment.

**7.2.5.2** Employees whose call-out overtime begins between 10 p.m. and 4 a.m. and work less than four (4) hours shall return to work two (2) hours after their normally scheduled shift start time. The employee will receive rest pay at the straight time rate for the two (2) hour late start.

**7.2.5.3** If an employee works more than sixteen (16) consecutive hours, the employee shall be entitled to a rest period of eight (8) consecutive hours upon the completion of the overtime work.

**7.2.5.4** For the conditions and hours worked set out in 7.2.5.1 and 7.2.5.3 above:

**7.2.5.4.1** When all or part of the employee's eight (8) hour rest period extends into the employee's regular shift, the employee will receive pay at the straight time rate for any part of the regular shift that the rest period overlaps.

**7.2.5.4.2** If an employee is called back to work during the employee's rest period, the employee will be paid at the overtime rate for all hours worked until the employee has been provided a rest period of eight (8) or more continuous hours.

**7.2.5.4.3** Before an employee continues working into his/her regular shift, the employee will contact his/her supervisor to determine if the employee is to continue working or be relieved from duty.

**7.2.5.4.4** An employee will not be required to return to work after the eight (8) hour rest period if three and one-half (3 1/2) or fewer hours remain on the eight (8) hour work schedule or four and one-half (4 1/2) hours remain on the ten (10) hour work schedule shift unless otherwise directed by the employee's supervisor for business needs. The employee may choose to use Personal Leave or take leave without pay for the non-paid portion of the regular shift.

### **7.2.6 No Pyramiding:**

There shall be no pyramiding of overtime pay or other premium wages under this Agreement. Nothing in this Agreement shall be construed to require the payment of overtime or other premium pay (excluding Holiday pay) more than once for the same hours worked or paid.

### **7.2.7 Mutual Aid:**

When employees are dispatched to Mutual aid, all provisions of the CBA shall be followed with the following exception(s). Employees dispatched to Mutual aid during a regularly scheduled shift shall work the first regularly scheduled shift at the straight time rate. All other hours worked shall be at the overtime rate until the employee returns to their headquarters. Employees dispatched to Mutual aid outside of their regular shift shall be paid the overtime rate for all hours worked until they return to their headquarters.

## **7.3 MEAL PROVISIONS – PERIODS, ALLOWANCES, PENALTIES**

### **7.3.1. Meals:**

**7.3.1.1** Eight (8) and ten (10) hour regularly scheduled shifts will include one (1) scheduled mid-shift meal period. Employees are expected to provide their own meal for this period.

**7.3.1.2** Time taken for a meal period shall be considered time not worked (non-paid time).

**7.3.1.3** Rotating shift workers will eat on District time and provide their own mid-shift meal.

### **7.3.2 Meal Allowance:**

**7.3.2.1** The meal allowance rate will be adjusted annually by GWI on April 1 of each year. The rates are as follows:

April 1, 2025	\$30.69
April 1, 2026	\$32.04
April 1, 2027	\$33.32

### **7.3.3 Meal Periods:**

**7.3.3.1** An employee's designated meal period will either be one-half (1/2) hour or one (1) hour, unless otherwise mutually agreed between the employee and their supervisor.

**7.3.3.2** Meal periods shall begin:

- Breakfast – 6:00 am
- Lunch – 12:00 pm
- Dinner – 6:00 pm
- Midnight – 12:00 am

**7.3.3.3** If the designated mid-shift meal period does not fall in the middle of the regular shift as defined in 7.3.3.2, the meal period may be moved to the middle of the shift by agreement between the employee and their supervisor.

### **7.3.4 Meal Provisions Regular Shift:**

**7.3.4.1** The designated meal period may be moved by an amount of time equal to the length of the employee's regularly scheduled meal period, either before or after the scheduled meal period.

**7.3.4.2** If an employee is unable to take their meal period during this window of time, the employee will receive a meal allowance and be paid for time worked.

**7.3.4.3** If an employee is unable to take their meal period during this window of time, and does take a meal period, exclusive of paid break(s), the employee will only receive a meal allowance.

### **7.3.5 Meal Period Provisions - Overtime and Callouts:**

**7.3.5.1** For overtime meal periods as defined in 7.3.3.2, the employee will receive either:

- 1.) A non-paid meal period and a meal allowance, or
- 2.) Pay for time worked, and a meal allowance.

**7.3.5.2** The employee shall not be entitled to a meal period if their paid status ends before a meal period begins. If the employee is in paid status during any portion of the meal period, the employee will be paid for time worked and receive a meal allowance.

**7.3.5.3** If an employee works callout overtime into their regular shift, the employee will receive meal allowances for meal periods that fall within their regular shift.

**7.3.5.4** When overtime is scheduled prior to or after the regular shift the employee will provide the first scheduled meal. The District will provide a meal allowance(s) if the employee works during more than one meal period.

**7.3.5.5** During scheduled overtime on a day off, the employee will provide the first scheduled meal. The District will provide a meal allowance(s) if the employee works during more than one meal period.

### **7.3.6 Meal Penalty**

**7.3.6.1** A meal penalty shall be paid as outlined in this section for the following work groups:

Utility Services:

- Line Crews
- Network Crews
- Meter Shop
- Dispatchers
- Flagger
- Water/Wastewater System
- Power System Electrical Maintenance

- Fleet Services
- Procurement/Contract Services/Warehouse Operations

**7.3.6.2** A meal penalty will be provided in lieu of a meal allowance when an employee works during their regularly scheduled meal period.

**7.3.6.3** If an employee is unable to take their meal period during the window of time as outlined in 7.3.4.1, the employee will receive a meal penalty and be paid for time worked.

**7.3.6.4** If an employee is unable to take their meal period during the window of time as outlined in 7.3.4.1, and does take a meal period, exclusive of paid break(s), the employee will receive a meal penalty.

**7.3.6.5** If the employee is requested to work during a meal period while on overtime status, the employee will be paid for time worked and entitled to both a meal allowance and a meal penalty.

**7.3.6.6** The meal penalty will be paid at a rate of \$20.

## **7.4 HEADQUARTERS**

**7.4.1** “Established Headquarters” shall mean the work location or reporting place from which an employee normally works. The District shall designate the “Established Headquarters” for each employee.

**7.4.2** The District may assign employees to temporarily work at any “Established Headquarters”.

**7.4.3** “Temporary Established Headquarters” means a temporarily assigned work location, other than an established headquarters, where the District will obtain or provide suitable board and lodging or per diem as agreed to by the supervisor and employee.

**7.4.4** Employees being assigned to or from one headquarters to another headquarters shall travel on District time, at District expense. However, when conditions are such that an employee is assigned, temporarily, to a headquarters which is closer or equal in distance to that of his/her home to his/her established headquarters, then that employee shall report directly to the temporary headquarters.

**7.4.5** Notwithstanding other provisions of this Agreement, Generation personnel (excluding Operations) may be temporarily assigned to Rocky Reach, Rock Island, Central Maintenance, Service Center and will report directly to their temporary assignment at the designated starting time with notice of work location change by 3:00 p.m. on Thursday of the week prior. Without proper notice, the first four (4) hours shall be paid at twice the straight-time rate. The District will arrange for the moving of tools/equipment, except for employee’s personal tools, prior to and after completion of the assignment.

**7.4.6** Employees hired specifically to work out of a temporary established headquarters will not be allowed or paid board and/or lodging expenses.

## **7.5 UPGRADES**

**7.5.1** An employee placed on temporary assignment to a higher paying job title shall receive the rate of pay for the higher job title that represents an increase in pay for the time the employee actually performs the duties and assumes the responsibilities of

the higher job title. An employee in upgrade status that encompasses a paid holiday, in which the employee works the scheduled days prior to and after a holiday, the holiday will be paid at the higher upgraded rate

**7.5.1.2** When an employee works in a scheduled upgrade status, in two or more upgraded job titles, for more than two (2) consecutive work weeks, the employee's rate of pay for holiday pay shall be that of the upgraded pay rate for the job title in which the greatest amount of time is spent working until such time that the upgrade assignment ends.

**7.5.2** When an employee works in a scheduled upgrade status for more than two (2) consecutive work weeks, the employee's rate of pay for Floating Holiday (FH) usage and holiday pay shall be that of the upgraded pay rate until such time that the upgrade assignment ends.

**7.5.3** Personal Leave (PL) usage while in upgrade status will be charged at the rate of pay for the job title in which the employee was scheduled to work.

## **7.6 TEMPORARY FOREMAN REQUIREMENTS**

**7.6.1** When three (3) or more employees in any one classification, two (2) of whom are Journeymen, are assigned to work on a crew without immediate supervision, one (1) Journeyman will be upgraded to Foreman.

**7.6.2** When four (4) or more employees in any classification, one (1) of whom is a Journeyman, are assigned to work on a crew without immediate supervision, one (1) Journeyman will be upgraded to Foreman.

**7.6.3** Routine inspection and other plant personnel in an area shall not be counted in determining the requirements for a Foreman upgrade.

**7.6.4** When three (3) or more employees in a Generation Support Services classification with a Foreman job title are assigned to work together in the same general location and an employee is required to direct the work, one employee may be upgraded to Foreman, based on the nature of the work.

## **7.7 APPRENTICES**

**7.7.1** The District's Apprenticeship Program will be administered by the Joint Apprentice Training Committee ("JATC") and governed by the standards of apprenticeship adopted by the JATC, unless otherwise modified by this Agreement. Supervisors and Foremen at the work locations will endeavor to provide Apprentices with work exposure which will best enhance training in the apprentice's craft and will make a special effort to cover those areas required by the JATC training standards.

**7.7.2** Should an Apprentice be removed from the program for lack of desire, qualification or performance, his/her continued employment shall be at the option of the District, if no opening exists at the time of removal for which he/she has seniority or qualifications.

**7.7.3** Employees who successfully complete their respective Apprentice Trainee classification shall be reclassified to Apprentice I.

**7.7.4** Entry into all craft apprenticeships shall be through the District's Apprentice Trainee job titles, unless otherwise mutually agreed.

## **7.8 REVIEW COMMITTEE**

Candidates hired into the following positions who have not taken an IBEW journey level exam for the job title in which they were hired shall be expected to complete the IBEW requirements and pass the IBEW journey level exam.



Lineman, Wireman, Hydro-Mechanic, and Meterman shall be expected to pass the IBEW journey level exam within the first year of employment. Hydro-Operators IBEW requirements will be governed by LOU#2019.03.

Technicians hired externally to fill a journey level position will start as a Technician #1. For Technicians who have not participated in the District's apprenticeship program to advance beyond Technician #3, they will need to take and pass the IBEW journey level exam.

A Review Committee composed of equal representation from the Union and the District will decide on the eligibility of employees to take Journeyman examinations if the employees are not under the jurisdiction of the Joint Apprenticeship Committee. The Review Committee shall also have the right to recommend examination questions and to perform other review functions assigned by mutual agreement of the District and the Union.

## **7.9 TRAVEL**

### **7.9.1 Local Area Training:**

**7.9.1.1** For purposes of this section "local area" shall mean the area around the employee's headquarters with the understanding that Generation personnel may be assigned to attend training within the Wenatchee/East Wenatchee area.

**7.9.1.2** An employee will be paid while attending training programs and similar activities authorized by the employee's supervisor during the working hours defined in Section 7.1.3.1. An employee attending such activities during his/her scheduled work hours will attend and then finish his/her scheduled shift by returning to work, unless otherwise authorized by the employee's supervisor.

**7.9.1.3** Shift workers scheduled to attend authorized training programs and similar activities on a regularly scheduled day off will be compensated at the overtime rate for attendance. Shift workers scheduled to attend authorized training programs, and similar activities during a regularly scheduled shift will attend and then finish the scheduled shift by returning to work.

**7.9.1.4** Shift workers attending local training on a day they were scheduled to work an eight (8) hour shift may be rescheduled to the hours defined in Section 7.1.3.1 (b).

### **7.9.2 Out of District Travel and Training:**

**7.9.2.1** When an employee travels out of the District for training authorized by the employee's supervisor, time spent traveling or training will be paid at the straight time rate. Travel and training outside of working hours defined in section 7.1.3.1 (a) and (b) will be paid at the double time rate defined in Section 7.2.1

**7.9.2.2** Travel time includes time traveling between (a) the employee's Established Headquarters under Section 7.4 or the employee's home and the airport or other transit center; (b) the airport or transit center and lodging; (c) lodging and any training location; and (d) lodging or training location and the employee's Established Headquarters or the employee's home.

**7.9.2.3** If out of District training or similar activities end and the employee is scheduled to return to work the next day, and the majority of return travel would

exceed four (4) hours and occurs after 5:30 p.m., the employee shall have the pre-authorized option of one additional night's stay, including meals and lodging, and return the next day. The employee will be paid in accordance with Section 7.9.2.1 for time traveling on the following day.

**7.9.2.4** For shift workers the total number of hours regularly scheduled can be rescheduled to a "Training Week" for the purpose of traveling and attending authorized District training and similar activities. The minimum hours paid will equal the number of hours regularly scheduled work. Total travel and training exceeding the regularly scheduled defined workweek hours will be compensated at twice the straight time rate. Schedule changes affecting days off shall be by mutual agreement between the supervisor and employee. Schedule hours within a "defined workweek" will not be moved from one week to another for the purposes of attending training. Alternate travel arrangements such as arriving at the travel site early or extending past the end of the scheduled training are subject to supervisor approval, District travel policies and must not impact District Operations.

**7.9.2.5** Employees will be provided transportation and reimbursed for required expenses while traveling outside the District.

### **7.9.3 Voluntary Professional Development Programs:**

**7.9.3.1** Employees may request and seek supervisor approval to participate in District sponsored local area voluntary professional development programs. These programs are long-term, typically more than 3 weeks, and are intended to help employees develop professionally and align with their personal or career goals and are not required for their existing role. Employee will be paid while attending voluntary professional development programs and similar activities during the working hours as defined in Section 7.1.3.1.

**7.9.3.2** Voluntary Participation Outside Normal Shifts: If voluntary professional development takes place outside of the employee's regular work hours (e.g., evenings or weekends), participation is entirely voluntary. Employees are not required to attend.

**7.9.3.3** Waiver of Overtime Pay: By choosing to participate in voluntary professional development programs outside of normal work hours, the employee understands that this time is voluntary and agrees to waive any claim for overtime pay for those hours.

**7.9.3 Work/Job Assignments:** The provisions of Section 7.9 apply to work/job assignments.

## **7.10 REGULATORY CERTIFICATION**

The District agrees to pay a \$600.00 annual stipend to employees who, as a part of their assigned duties, are required by state or federal regulations to obtain and maintain formal Asbestos Supervisor certification through continuing education credits. Such payment will be made the first pay period of April per required certification as long as an individual remains responsible for all applicable work activity.

## **7.11 EMERGENCY MEDICAL TECHNICIAN STIPEND**

**7.11.1** The District will provide an annual stipend of up to \$1,200.00 to those regular full-time employees who obtain and maintain an EMT Certification, paid in equal payments of \$46.15. This stipend is in recognition of service to the District's employees and the public.

**7.11.2** With supervisory approval, EMT certified employees working in a seasonal or limited assignment classification are eligible for the EMT stipend on a prorated basis of \$46.15 per pay period.

## **7.12 COMMERCIAL DRIVER'S LICENSE**

The District will pay the cost of maintaining a Commercial Driver's License (CDL) for employees when required of them (including an initial test for Sleep Apnea if required). An employee who is promoted or transferred to a position which results in the District requiring a CDL shall have the cost of obtaining and maintaining such CDL (including an initial test for Sleep Apnea if required) paid by the District. Failure by the employee of any test for receipt or maintenance of the CDL shall result in the employee bearing the expense of any subsequent training and/or re-testing costs.

## **7.13 PAY DAYS**

Paydays are every other Friday. Employees hired on or after April 1, 2018, agree to make all necessary arrangements to have all sums paid pursuant to this Agreement direct deposited into (an) authorized account(s) as designated by the Employee.

Employees hired before April 1, 2018 who select direct deposit will not be able to return to a warrant draft.

## **7.14 TOOLS AND EQUIPMENT**

**7.14.1** The District agrees to furnish personal protective equipment and first aid kits for the protection of employees when necessary.

**7.14.1.1** The District, on the recommendation of the Foreman on the job, shall replace unrecoverable, broken or worn-out hand tools regularly used on the job. "Unrecoverable" shall be defined as hand tools lost in areas where retrieval is not possible or practical. This provision shall apply only to the apprenticeable crafts.

**7.14.1.2** Employees required by District Standard to wear safety footwear as a primary function of their job shall receive an annual stipend of \$200. Employees who are required by District Standard to wear safety footwear occasionally or on an intermittent basis may request reimbursement for safety footwear up to \$200.

## **7.15 BILINGUAL PAY**

The parties established a stipend of one hundred twenty-five (\$125) dollars per month for customer-facing employees currently identified to use a second language when needed by the District. Due to the availability of translating services, additional bilingual stipends may be requested by customer-facing employee(s) through their immediate supervisor for consideration by the District. An employee receiving the bilingual stipend who changes job titles may no longer be eligible for the stipend.

## **7.16 DISTURBANCE PAY**

Employees shall be paid one-half (1/2) hour of overtime at double the employee's regular rate of pay for contacts made to off duty employees regarding District operations, regardless of the time or length of the contact. Contacts longer than one-half (1/2) hour will be rounded up to the nearest one-half (1/2) hour. Multiple contacts in the

same one-half (1/2) hour will not result in additional compensation. It is understood call-outs are not entitled to disturbance pay.

### **7.17 UNAUTHORIZED OVERTIME**

Employees covered by this Agreement are prohibited from working overtime without supervisory authorization and, if unauthorized overtime is worked, are required to record the time as worked for payroll purposes. Pursuant to the FLSA, employees working unauthorized overtime will be compensated. Compensation will be paid pursuant to the applicable provisions of this Agreement. Employees working unauthorized overtime will be subject to formal or informal corrective action.

If an employee believes he/she is being asked to work in violation of this provision, or if he/she observes conduct that violates this provision, the occurrence should be reported to the employee's immediate supervisor and the appropriate shop steward. If the employee does not feel comfortable reporting the incident to their immediate supervisor, they should report the matter to another member of management or to a representative from Human Resources.

### **7.18 REST BREAKS**

Rest periods will be no more than fifteen (15) minutes in duration for each four (4) hours worked. Rest breaks will start and stop at the job location. Rest breaks cannot be combined with other rest breaks or meal periods and may not be used to arrive to work late or leave early at the end of the shift.

### **7.19 APPRENTICE INSTRUCTOR**

Bargaining Unit members acting as instructors in Joint Apprentice Training classes will be paid at two (2) times their hourly rate for all hours spent in classroom instruction outside of normal working hours.

## **ARTICLE 8**

### **WORKING RULES BY CLASSIFICATION GROUP**

The following working rules shall apply in addition to the general working rules to all employees in the following groups. However, with respect to work rules, the nature of the job shall dictate the resource and labor requirement, such that the work can be performed safely. This principle shall apply and cover any cases of conflict.

For information pertaining to job-related stipends refer to Exhibit "B."

#### **8.1 LINE, SERVICE AND SERVICE LINEMAN WORK**

**8.1.1** Basic line crews are normally composed of three (3) Linemen, one (1) of whom shall be Foreman. However, crew composition may be arranged or rearranged based on the nature of work.

**8.1.2** When three (3) or more employees, two (2) of whom are Journeyman are assigned to work in the same crew, in the absence of a Foreman, a Journeyman will be upgraded as Foreman, in accordance with the standards developed by the Joint Foreman Training Committee ("JFTC").

**8.1.3** It is recognized that Apprentices should be given as comprehensive work experience as possible. To this end, it is agreed that they may be used with Servicemen, with all regular crews and to fill crew vacancies for work for which they are qualified. An Apprentice in the last two periods may replace one (1) Lineman on a crew for work for which he/she is qualified. Nothing in this clause shall restrict or modify the work provisions of the Apprenticeship Agreement.

**8.1.4** If a Lineman Apprentice is notified of a headquarters change by 3:00 p.m. on Thursday of the week prior, the Apprentice will travel to the assigned headquarters on his/her own time and at his/her own expense. If such notice is not provided, the Apprentice will travel on District time, or the first four (4) hours of the first shift will be paid at twice the straight-time rate. Under this Section, Lineman Apprentices may be assigned to the Chelan/Leavenworth Headquarters for up to one thousand (1000) hours during their Apprenticeship.

**8.1.5** The District will supply and replace hook straps, hooks and safety belts worn out by employees on the job. One (1) body belt and hooks shall be furnished for each new Apprentice Lineman.

**8.1.6** Employees in the following classifications shall receive an annual climbing stipend equal to 1.5% of their current hourly rate multiplied by 2080, plus one-and-one-half percent (1.5%) multiplied by the employee's individual non-core overtime hours worked for that pay period:

- General Foreman
- Line Foreman
- Line Serviceman
- Journeyman Lineman
- Apprentice Lineman

**8.1.7** Regular line trucks, when manned by regular line crews, may be operated by Apprentices or higher classifications who shall operate all truck-mounted equipment and all power operated line equipment.

**8.1.8** Journey Lineman Assigned to Networks

**8.1.8.1** When a Journeyman Lineman is assigned to support Networks the job assignment will be filled as follows:

**8.1.8.1.1** Journeyman Lineman will be selected on a volunteer basis from the Wenatchee headquarters and be selected in order of most senior qualified. A lack of volunteers will result in the selection of the least senior qualified Journeyman Lineman.

**8.1.8.1.2** Journeyman Lineman must have one year experience at the District to be qualified for a Networks assignment.

**8.1.8.1.3** Journeyman Lineman that are assigned to Networks will be assigned a four (4) month rotation (Section 6.2.2 of this agreement will not apply). To maintain core electrical competencies, volunteers are limited to two (2) consecutive rotations and then must return to the line crews for at least four (4) months before volunteering again.

**8.1.8.2** During the assignment the Lineman will:

- Be placed in extended Foreman upgrade status for the duration of their assignment
- Report and return to the Service Center daily
- Be scheduled in accordance with Section 7.1.3.1 of this agreement
- Maintain their position on the Lineman call out list
- Be provided tools including a bucket truck
- May intermittently return to Line Crews when Networks does not require Journeyman Lineman support

### **8.1.9 Lineman Apprentice Trainee.**

A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period a Trainee may operate any line equipment which he/she is qualified to operate, and he/she may perform such minor climbing functions as may be assigned by the Foreman. The Trainee shall work under the supervision of a Journeyman. It is understood that a Lineman Apprentice Trainee shall demonstrate the ability and desire to become a Journeyman Lineman. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

### **8.1.10 Head Groundman**

Head Groundman will be expected to operate line trucks, bucket trucks and forklifts as part of their normal job. A Head Groundman will receive the Equipment Operator rate when operating backhoes, pulling equipment and other heavy equipment when fully trained.

**8.1.10.1** Head Groundman (first step) may operate backhoes, pulling equipment and other heavy equipment without an upgrade to Equipment Operator rate to facilitate training and while under direct supervision.

**8.1.11** Groundman (first step) will not typically operate equipment. Groundman (second step) under direct supervision, may operate equipment such as line trucks, bucket trucks and forklifts as part of their normal job.

**8.1.11.1** Upon completion of one year in the Groundman position, employees will be eligible to progress to the Head Groundman position once they demonstrate the following proficiencies:

- a. A basic understanding of line construction practices;
- b. The ability to identify the tools and materials used in everyday line construction;
- c. The ability to stock and maintain crew trucks with needed parts and tools, and keep them orderly and clean;
- d. The ability to communicate effectively with crew members, follows instructions, and retains information.

**8.1.10.2** Groundman will be provided a "Qualification Card" listing these requirements and shall have his/her Card signed by two (2) Foremen and four (4) Journeyman Linemen signifying that the Groundman has demonstrated these skills to their satisfaction. Once completed, the Card shall be presented to the Superintendent for the final determination that the Groundman has met the requirements and is suitable for the Head Groundman position.

**8.1.12 Lineman Seniority Determination** modifies the application of Section 6.1 (seniority) of the Collective Bargaining Agreement with respect to the Linemen titles of the Line Crews series listed in Exhibit "A." To minimize the administrative burden associated with these changes, the Lineman Shop Steward and the Line Department Superintendent commit to maintain the necessary records and provide a "seniority list" whenever vacancies are posted in this series.

**8.1.12.1** When an Apprentice Lineman completes his or her apprenticeship and passes his or her Journeyman Examination, the apprentice shall be credited with one-year Journeyman Lineman seniority.

**8.1.12.2** When a Journeyman Lineman is hired on the same calendar day as a "hot" apprentice, the Journeyman Lineman shall have seniority over the apprentice.

**8.1.12.3** When a Journeyman Lineman is hired on the same calendar day an indentured apprentice reaches his or her fifth period, the Journeyman Lineman shall have seniority over the apprentice.

**8.1.12.4** No Lineman Apprentice shall receive more job title seniority than they have District seniority.

## **8.2 TROUBLE CALLS AFTER HOURS**

**8.2.1** Two (2) employees shall be dispatched on trouble calls between dusk and dawn, except as otherwise described below;

**8.2.2** The initial investigation of unknown or questionable trouble within corporate city limits or within ten (10) miles of the headquarters, or when the employee is advised to go to a specific location and report the trouble, may be assigned to one (1) Journeyman at any hour of the day or night; and

**8.2.3** Physical turn-ons and shut-offs at any hour are typically the work of one (1) Journeyman.

### **8.2.4 Call Out Pay (Line Operations)**

**8.2.4.1** A and B lists are defined as:

a) “A” List: Residence is less than or equal to thirty (30) minutes from reporting Headquarters. For those on the “A” list, all provisions of 7.2.4 apply.

b) “B” List: Residence is greater than thirty (30) minutes from reporting Headquarters. For those on the “B” list, time will start when the employee reaches their headquarters or reporting place. All other provisions of 7.2.4 shall apply.

### **8.3 SERVICE LINEMAN**

**8.3.1** Service Linemen shall be qualified Journeyman Linemen.

**8.3.2** Service Linemen residency requirements of 16 miles or 30 minutes will remain in place unless specific situations and changes are mutually agreed to.

**8.3.3** Service Linemen shall do any line work at any time and any incidental work that is required, as long as safety regulations are not violated. A Service Lineman may be assigned to a line crew to work as a Lineman.

**8.3.4** Remote disconnects and/or reconnects by themselves shall not cause a reduction in the number of Service Linemen employed.

### **8.4 POWER PLANT OPERATOR**

**8.4.1** The term “Power Plant Operator” shall mean the Operators on duty at the generation plants of the District.

**8.4.2 Chief Operator** The term “Chief Operator” shall mean an employee promoted or appointed by the District as a working supervisor who shall work a regular scheduled shift and is qualified by capability and training to assign work, direct employees, and to take full charge of the station or project. The Chief Operator shall perform any operation of the District’s generation equipment and associated facilities. It is understood and agreed that a Chief Operator can test, troubleshoot, inspect and assist plant maintenance employees as directed by the Operations Superintendent.

**8.4.3 Senior Operator** The term “Senior Operator” shall mean an employee who shall work a regular scheduled shift and is qualified by capability and training to perform any operation of the District’s generation equipment and associated facilities. It is understood and agreed that a Senior Operator can test, troubleshoot, inspect and assist plant maintenance employees as directed by the Chief Operator or Operations Superintendent. The Senior Operator will direct and train an Apprentice Operator or Generation Apprentice Trainee assigned to work under his/her direction.

#### **8.4.4 Apprentice Operator:**

**8.4.4.1** The term “Apprentice Operator” shall mean an employee in training in an operating classification who, after a reasonable break-in period, shall be capable of performing most of the work required of an Operator at the station or project while working under the direction of a Senior Operator, Journeyman Operator, Chief Operator or Operations Superintendent.

**8.4.4.2** An Apprentice Operator shall normally work on a shift under the direction of a Senior Operator, Journeyman Operator or Chief Operator. A fifth period Apprentice shall be trained and capable of performing any operation at the District’s generating facilities under the direction of a Senior Operator, Journeyman Operator, Chief Operator or Operations Superintendent. A fifth period Apprentice



or above may replace another Operator on shift, provided however, any high voltage switching shall be performed under the direction of another Operator.

**8.4.5 Operator Apprentice Trainee:** A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period a Trainee may assist with the operating, testing, troubleshooting, inspecting and plant maintenance, as assigned or directed by a Senior Operator, Journeyman Operator, Chief Operator or Operations Superintendent. The Trainee shall work under the supervision of a Journeyman. It is understood that an Operator Apprentice Trainee shall demonstrate the ability and desire to become a Senior Operator. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

**8.4.6** The principles of Section 1.2 (Productivity Commitment) applies to Operators scope of work which involves testing, troubleshooting, inspecting and assisting composite crews. The intent is to meet business needs and provide plant reliability.

**8.4.7** The relief and upgraded Operators at all generation facilities shall receive as wages the prevailing rate of pay of Operators relieved.

**8.4.8** Whenever overtime is involved to cover a shift, an Operator of equal classification to the one replaced shall be used whenever such Operator is available.

**8.4.9** Operators shall not be required to take off from their regular shift as a result of working overtime.

**8.4.10** Operators shall have the privilege, by mutual agreement, of exchanging work schedules provided it does not inconvenience the operation or increase the expenses of the District.

**8.4.10.1** An Operator who has exchanged a work schedule with another Operator by mutual agreement must return to the work schedule last held by the Operator under the application of existing seniority rules for a least thirty-five (35) days before making another change; and

**8.4.10.2** When an Operator who has exchanged a work schedule with another Operator by mutual agreement and vacates that work schedule for reasons other than bidding, the other Operator with whom the Operator has exchanged the work schedule has the privilege of returning to the schedule the Operator formerly held.

#### **8.4.11 OPERATOR/MAINTAINER – CHELAN FALLS HYDRO**

**8.4.11.1** The District will, at this time, retain one (1) regular full time Operator/Maintainer at the Chelan Falls Hydro power plant.

**8.4.11.2** The scheduled shift will be five (5) days on, two (2) days off, Monday through Friday. Other day shift schedules and days off may be required per the Collective Bargaining Agreement.

**8.4.11.3** This job will be open to Journey Level Operators or Hydro Operator Trainees as outlined in Letter of Understanding #2019.01 which will accrue seniority in the Operator classification.

### **8.5 METERMAN**

**8.5.1** Meter personnel shall be referred to herein as follows: Meter Shop Foreman, Journeyman Meterman, Apprentice Meterman and Meterman Apprentice Trainee.

**8.5.2** Qualified third or fourth period Apprentice Metermen working unassisted may install and perform routine testing of self-contained single phase meters (two and three phase) up to 50 amperes capacity, and on such meters when used in polyphase installations. Apprentice Metermen in the shop may test all classes of meters.

**8.5.3** Journeymen Metermen shall be qualified to do all types of meter work as applies to the Distribution System.

**8.5.4** When three (3) or more Journeyman Metermen are employed by the District, one (1) shall be rated as a Meter Shop Foreman.

**8.5.5 Meterman Apprentice Trainee:** A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period the Trainee may assist with the operation of test equipment, maintain meter shop records and perform minor maintenance tasks on meters and other equipment as assigned by the Meter Shop Foreman. The Trainee shall work under the supervision of a Journeyman Meterman. It is understood that a Meterman Apprentice Trainee shall demonstrate the ability and desire to become a Journeyman Meterman. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

#### **8.5.6 Meter Connects – Disconnects:**

**8.5.6.1** Meter connects and disconnects may be performed by Meter Readers and other identified classifications who have successfully completed a meaningful training program. The following conditions shall be used as guidelines:

- a) May be performed on Class 200 single phase and lower rated meters only;
- b) The District shall furnish each such employee a hard hat with face shield, leather gauntlet gloves, screwdriver and side cutters;
- c) Such employees shall not perform connects on newly constructed or altered meter installations; and
- d) These meter connects-disconnects by themselves shall not cause a reduction in the number of Linemen employed.

### **8.6 POWER SYSTEM WIREMAN**

**8.6.1** Power System Wiremen shall be qualified to perform all types of electrical maintenance and construction for the District's Switchyards/Substations and related equipment and facilities.

**8.6.2** Depending on workload, nature of the work and other business needs the District may assign Power System Wiremen to work with Generation Wiremen.

**8.6.3 Power System Wireman Apprentice Trainee:** A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period the Trainee may operate any Substation/Switchyard or other equipment and perform minor construction or maintenance tasks as may be assigned by the Foreman. The Trainee shall work under the supervision of a Journeyman. It is understood that a Power System Wireman Apprentice Trainee shall demonstrate the ability and desire to become a Journeyman Power System Wireman. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

### **8.7 HYDRO WIREMAN**

**8.7.1** Generation Wiremen shall be qualified to perform all types of electrical maintenance and construction for the District's generating facilities and related equipment and facilities.

**8.7.2** Depending on workload, nature of the work and other business needs the District may assign Generation Wiremen to work with Power System Wiremen.

**8.7.3 Hydro Wireman Apprentice Trainee:** A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period the Trainee may operate any equipment and perform electrical tasks as assigned by the Foreman. The Trainee shall work under the supervision of a Journeyman. It is understood that a Hydro Wireman Apprentice Trainee shall demonstrate the ability and desire to become a Journeyman Hydro Wireman. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

## **8.8 HYDRO MECHANIC**

**8.8.1** Hydro Mechanics shall be qualified to perform all types of mechanical maintenance and construction for the District's generating facilities and related equipment and facilities.

**8.8.2** When a Dive Supervisor/Foreman opening occurs the District will solicit interest from qualified employees. Qualifications for the Dive Supervisor/Foreman position are detailed in the Dive Operations Safe Practices Manual. The selection process for the Dive Supervisor/Foreman position will involve a committee of Bargaining Unit and Management employees including the Superintendent, the current Dive Supervisor/Foreman and one (1) member of the dive crew. Section 6.2 of the CBA will not apply. If a current Dive Foreman/Supervisor leaves the dive program, they will return to their previous or similar position.

**8.8.3** Plant and Central Maintenance Mechanics may be assigned to work as Diver Mechanics.

**8.8.4** Diver Mechanics will work as Hydro Mechanics when not diving.

**8.8.5** Eligibility for the Learner Diver classification shall be limited to third (3<sup>rd</sup>) through sixth (6<sup>th</sup>) period Hydro Mechanic Apprentices and Journeyman Hydro Mechanics. The posting and bidding procedures in Section 6.2 of the Agreement shall not apply to the selection of personnel for the Learner Diver classification. Seniority need not apply. A Hydro Mechanic Learner Diver may be transferred by the District to an established headquarters to ensure dive crew structure.

**8.8.5.1** A panel consisting of active Journeymen Diver Mechanics and management will select the Learner Diver. Management will appoint the selected candidate to the Learner Diver position. Either the dive team or management may reject a Learner Diver candidate from consideration.

**8.8.5.2** Learner Diver training shall not impede the Hydro Mechanic Apprentices' scheduled class time or progress in meeting the core hours and evaluations required by the District's apprenticeship program governed by the JATC.

**8.8.5.3** Divers leaving the Dive Program shall return to the Hydro Mechanic position afforded him/her based on District seniority and displace the least senior employee.

**8.8.6** Journeyman Diver Mechanic status shall be acquired only after completing thirty-three (33) dives, in District water, as an employee of the District, and acquiring Journeyman Hydro Mechanic status. All dives including repetitive dives made after completion of required dive school training will count towards obtaining the thirty-three (33) dive total. Time spent in the chamber will not be calculated as a dive for the thirty-three (33) dive requirement.

**8.8.7** A Diver treated in the recompression chamber for bends or other diving related illnesses, shall receive his/her hourly rate of pay for the time period spent during treatment, plus scheduled diving pay for the deepest depth obtained, calculated the same as a dive.

**8.8.8** An employee attending a Diver or Learner Diver being treated in the recompression chamber for the bends or other medical purposes, or for normal surface decompression, shall receive his/her hourly dive pay for the time period spent in the chamber, plus the scheduled diving pay for the deepest depth obtained, calculated the same as a dive. Chamber pay shall be for time actually spent in the chamber, calculated at twelve and one-half percent (12.5%) of the appropriate pay schedule rate for each full or partial fifteen (15) minute period.

**8.8.9** Diving procedure and safety shall be governed by federal and state regulations, covering commercial diving operations, and Chelan PUD No. 1 Dive Operations Safe Practices Manual, which is jointly reviewed by the parties annually.

**8.8.10** Diving pay rates are contained Exhibit A and are calculated as a percentage of the Journeyman rate. A minimum dive is two (2) hours. Dive pay is in addition to the hourly rate for the period worked. Diving time starts when diver's head leaves the surface and ends when it returns to surface, is cumulative for each pay schedule (I or II) separately and includes chamber time.

**8.8.11** Calculate both Schedule I and Schedule II diving time exceeding two (2) hours minimum as twelve and one-half percent (12.5%) of the Schedule II rate for each full or partial fifteen (15) minute period.

**8.8.12** Calculate a Schedule I dive extended into Schedule II as a minimum two (2) hour dive at Schedule I rate plus twelve and one-half percent (12.5%) of Schedule II rate for each full or partial extended fifteen (15) minute period.

**8.8.13** Calculate a Schedule II dive extended into Schedule I as a minimum two (2) hour dive at Schedule II rate plus twelve and one-half percent (12.5%) of Schedule I rate for each full or partial extended fifteen (15) minute period.

**8.8.14** Calculate a repetitive dive, made within a different pay schedule (I or II), as a separate dive.

**8.8.15 Hydro Mechanic Apprentice Trainee:** A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period the Trainee may operate any equipment and perform mechanical tasks as assigned by the Foreman. The Trainee shall work under the supervision of a Journeyman. It is understood that a Hydro Mechanic Apprentice Trainee shall demonstrate the ability and desire to become a Journeyman Hydro Mechanic. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

## **8.9 TECHNICIAN/METER RELAY TECHNICIAN**

**8.9.1** The term "Technician" shall refer to any of the technician group consisting of Technician Foreman, Technician, Apprentice Technician, Technician

**8.9.1.1** There are three routes to become a Technician; the Technician Apprentice, Meter Relay Technician progression, and being hired as a Journeyman Technician.

## **8.9.2 Technician Apprenticeship**

The progression of a Technician Apprentice shall follow this section

**8.9.2.1** Technician Apprentice Trainee: A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period the Trainee may operate any Technician equipment and perform other tasks as assigned by the Technician Foreman and/ or Technician. The Trainee shall work under the supervision of a Technician. It is understood that a Technician Apprentice Trainee shall demonstrate the ability and desire to become a Technician. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

**8.9.2.2** Apprentice Technicians will be advanced from the Apprentice Trainee position as defined in 8.9.2.1.

**8.9.2.3** Apprentice Technicians who have reached year three (3) of the apprenticeship may be expected to work without Technician Supervision on assignments when the Apprentice, Technician Foreman and Supervisor agree that the Apprentice has sufficient training and knowledge to perform such assignment safely and competently. Each assignment will be considered and approved by the parties listed above.

**8.9.2.4** All Apprentices will be required to receive a FCC General Radio Operators License (GROL) or comparable by the end of year four (4) of the apprenticeship and pass the Technician Examination to advance to the Technician 2 position.

**8.9.2.5** Employees completing the District Technician Apprenticeship will be governed by the following progression with wages as established in Exhibit A of this Agreement:

### Step Exhibit A

1<sup>st</sup> 6 Months Tech #2  
2<sup>nd</sup> 6 Months Tech #2  
3<sup>rd</sup> 6 Months Tech #3  
4<sup>th</sup> 6 Months Tech #4  
5<sup>th</sup> 6 Months Tech #5  
6<sup>th</sup> 6 Months Tech #5  
Thereafter Tech #6

**8.9.2.6** Post Apprenticeship at each six (6) month interval the Technician Supervisor, Technician Foremen, and the Technician will meet to ensure the Technician is getting the proper training and work assignments needed to meet the requirements for continued

advancement.

**8.9.2.7** Technicians having three (3) years of post-apprentice experience will be expected to demonstrate proficiency in at least three (3) areas as outlined in the "Technician Area Responsibility Form".

**8.9.2.8** The District may also advance a Technician based on the Technician's certifications, endorsements and/or experience and knowledge as determined by the Technician Supervisor and Technician Foreman.

- a) Technician Apprentices are required to complete the four (4) year Technician Apprenticeship and three years' technical experience as a District Technician with demonstrated proficiency to advance to Tech #6.

### **8.9.3 Progression for the Meter Relay Technician**

**8.9.3.1** The Meter Relay Technician position is the avenue for advancement for Journeyman Wiremen and Journeyman Metermen.

- a) The Meter Relay Technician position will not abrogate the District's existing Technician apprenticeship program nor entirely supplant meter relay work performed by existing qualified Technicians

**8.9.3.2** Meter Relay Technician selection is open to Journeyman Wiremen or Metermen. The District will post bids for Meter Relay Technicians. An examination, prepared by the District and approved by the Union will be given to all applicants. The examination is based upon, for the most part but not limited to, material covered in the course of the District's Wireman and Meterman Apprenticeship Program. Prequalification examination test results will be valid for five (5) years from the test date and be retroactive to include current qualified applicants (i.e. anyone who has taken the examination in the last five (5) years).

**8.9.3.3** The Meter Relay Technician is headquartered in the Tech Shop under the Technician Supervisor. The Meter Relay Technicians primary responsibility is to test, calibrate, repair and keep appropriate records on the District's relay, Production System Meter equipment and SCADA. Meter Relay Technicians will work with Technicians on other regular duties when no Meter Relay duties exist.

**8.9.3.4** Meter Relay Technicians will spend one (1) year performing maintenance on the appropriate equipment under the supervision of a qualified Technician. During this time and the following year, the individual will complete TVPPA Course II and III or comparable.

**8.9.3.5** Meter Relay Technician advancement will be governed by the following progression with wages as established in Exhibit A of this Agreement:

#### Step Exhibit A

1st 6 Months M/R Tech #1

2nd 6 Months M/R Tech #2

3rd 6 Months M/R Tech Thereafter (TVPPA or comparable)

4th 6 Months M/R Tech Thereafter

5th 6 Months Tech #5

Thereafter Tech #6 (CIE Course Completed or comparable)

**8.9.3.6** To move to Technician #5 the Meter Relay Technician must be enrolled in an 18-Month Cleveland Institute Electronics (CIE) Course or comparable and demonstrate that the course is halfway complete. Advancement to Technician #6 shall require completion of the electronics course.

**8.9.3.7** After four (4) years the Meter Relay Technician will demonstrate proficiency in at least three (3) areas as outlined on "Technician Area Responsibility Form". At each pay raise interval, the Technician Supervisor, the Technician Foremen, and the Technician will meet to ensure the Technician is getting the proper training and work assignments needed to meet the requirements for advancement.

- a) The District has the right to return unsuccessful Meter Relay Technicians back to their previous job within one (1) year. Employees selected for these jobs shall also have the right to return within one (1) year to the job they previously held.
- b) Meter Relay Technicians are required to complete a three (3) year Wireman/ Meterman Apprenticeship, two (2) years as a Meter Relay Technician and two (2) years technical experience as a District Technician with demonstrated proficiency to advance to Tech #6.

#### **8.9.4 Hired as Journeymen Technician**

#### **See Section 7.8 REVIEW COMMITTEE**

**8.9.4.1** All Technicians hired as a Journeyman Technician will be required to receive a General Radio Operators License (GROL) or comparable by the end of the first year of employment.

**8.9.4.2** All Technicians hired as a Journeyman Technician will be governed by the following progression with wages as established in Exhibit A of this Agreement:

#### Step Exhibit A

1<sup>st</sup> 6 Months Tech #1

2<sup>nd</sup> 6 Months Tech #2

3<sup>rd</sup> 6 Months Tech #3

4<sup>th</sup> 6 Months Tech #4

5<sup>th</sup> 6 Months Tech #5

6<sup>th</sup> 6 Months Tech #5

**8.9.4.3** At each six (6) month interval the Technician Supervisor, Technician Foremen, and the Technician will meet to ensure the Technician is getting the proper training and work assignments needed to meet the requirements for continued advancement.

**8.9.4.4** Technicians hired as a Journeymen Technician and having three (3) years of employment will be expected to demonstrate proficiency in at least three (3) areas as outlined in the "Technician Area Responsibility Form" to advance to Tech #6.

**8.9.4.5** The District may also advance a Technician hired as a Journeyman Technician based on the Technician's certifications, endorsements and/or experience and knowledge as determined by the Technician Supervisor and Technician Foreman.

### **8.9.5 Technician Foreman**

**8.9.5.1** In order to be qualified to bid a Technician Foreman position over either the Meter/Relay or Communication specialties, the bidder must have worked four (4) years in that specialty.

## **8.10 SYSTEM OPERATIONS**

The progression arrangement for the System Operator classification is outlined in Letter of Understanding #32.

## **8.11 FLEET SERVICES**

**8.11.1** The day shift will be 7:00 a.m. to 3:30 p.m. Monday through Friday

**8.11.2** The mid-shift will be 12:30 to 9:00 p.m., Monday through Friday

**8.11.3** The swing shift will be between 1:00 p.m. and 3:00 to 11:30 p.m., Monday through Friday. The 1:00 p.m. to 3:00 p.m. Swing Shift start time is to provide an eight (8) hour rest period between shifts.

**8.11.3.1** Employees may be scheduled from swing shift to day shift for less than a full week schedule change for the purposes of training or compliance obligations such as: Traveling for Hazmat License endorsement background verification.

**8.11.3.2** Employees may be scheduled from swing shift to day shift for less than a full week schedule change for the purpose of staffing work at the District's Stehekin facility no more than four (4) times per year. Opportunities will be filled on a voluntary basis by qualification, with the lowest in overtime accrual at the time of scheduling and rotating thereafter. If there are no volunteers, the District will assign the qualified available employee(s) lowest in overtime.

One-day change examples:



	Monday	Tuesday	Wednesday	Thursday	Friday
<b>Swing-Shift</b>	<b>2:30 pm-11 pm</b>	<b>2:30 pm-11 pm</b>	<b>2:30 pm-11 pm</b>	<b>2:30 pm-11 pm</b>	<b>2:30 pm-11 pm</b>
<b>Example</b>	7 am-3:30 pm	2:30 pm-11 pm	2:30 pm-11 pm	2:30 pm-11 pm	2:30 pm-11 pm
	1 pm-9:30 pm	7 am-3:30 pm	2:30 pm-11 pm	2:30 pm-11 pm	2:30 pm-11 pm
	2:30 pm-11 pm	1 pm-9:30 pm	7 am-3:30 pm	2:30 pm-11 pm	2:30 pm-11 pm
	2:30 pm-11 pm	2:30 pm-11 pm	1 pm-9:30 pm	7 am-3:30 pm	2:30 pm-11 pm
	2:30 pm-11 pm	2:30 pm-11 pm	2:30 pm-11 pm	1 pm-9:30 pm	7 am-3:30 pm

**8.11.4** The modified shift will be 9:30 a.m. to 6:00 p.m. Monday through Friday.

**8.11.5** Refer to 7.3 Meal Provision for the above listed shifts.

**8.11.6** Affected employees shall be notified of work schedule changes by the end of their shift on the Thursday of the week prior to the beginning of the new work schedule or the first shift of the new work schedule will be paid at twice the straight-time rate.

**8.11.7** Temporary upgrading to Fleet Services Shop Foreman on either the day or swing shift will occur only when the work complement number three (3) or more.

**8.11.8** The day *shift* Foreman will establish the work for both the day and mid-shifts as well as can be planned, recognizing the nature of the work. The swing shift will usually consist of three individuals one of whom will be a Foreman.

**8.11.9** Seniority shall be based exclusively on Fleet Services classification seniority for employees working in the following job titles:

- Fleet Shop Foreman
- Fleet Regional Technician
- Fleet Technician

The Fleet Services Shop Steward and the Fleet Services Department Manager commit to maintain the necessary records and provide a “seniority list” whenever vacancies are posted in this series.

**8.11.10** The District shall pay at the first pay period following April 1 of each year a tool allowance of \$350.00 to any employee in Fleet Services who is in a classification Service Person, Mechanic, Technician, or Foreman that requires the employee to supply their own tools. When Fleet Services informs payroll that an employee has been newly hired or promoted into a classification eligible for the tool allowance, that employee shall receive in the next full pay period a prorated tool allowance based upon the number of months between the point of hire or promotion and the next full pay period in April.

**8.11.10.1** Fleet Service employees in the classifications Service Person, Mechanic, Technician, and Foreman, the District will replace tools that have been damaged during normal use. The District will not be liable for tools damaged or lost due to the event of an employee’s misuse or negligence.

**8.11.10.2** The District will arrange for the storage of toolboxes in a secure building when employees are off duty. It shall be the employee’s responsibility to lock up their own toolboxes at the end of their shift before going off duty.

**8.11.11** Each employee will provide the District with a complete tool inventory which will be verified and approved by the Fleet Services Department Manager. Tool

inventories shall be clear, legible and accurate. It shall be the employee's responsibility to provide the District with any updated tool inventory. The tool inventory on file will be the basis of any subsequent claim for losses as the result of fire or theft. Employees must notify the District when they remove their tools from the District's premises. The District will not be liable for theft or the destruction of tools which are removed from the District's premises.

**8.11.12** Fleet Services employees with a job classification of Service Person, Mechanic, Technician or Foreman will be required to wear boots approved by the Supervisor. Typically, these must be safety-toe boots with an eight (8) inch high upper during on-duty hours. The soles of the boots must be oil resistant and of a non-slip tread design. The District reserves the right to modify the boot requirements for safety reasons.

**8.11.13** Shop Mechanic notified of a headquarters change by 3:00 p.m. on Thursday of the week prior will travel to the assigned headquarters on his/her own time and at his/her own expense. If such notice is not provided, the Shop Mechanic will travel on District time, or the first four (4) hours of the first shift will be paid at twice the straight-time rate.

**8.11.14** For advancement from position to position within the Fleet titles refer to LOU 2024.02.01 Fleet Apprenticeship Program.

## **8.12 FISH AND WILDLIFE SPECIALIST**

**8.12.1** When three (3) or more employees are assigned to work on a crew without immediate supervision, a Fish and Wildlife Specialist will be upgraded to Foreman.

**8.12.2** In special circumstances, primarily scientific research studies and tests, temporary contracted professionals or laborers may be placed under the supervision of a Fish & Wildlife Specialist. Should this occur, the Foreman rate shall apply if the composite crew consists of three (3) or more individuals.

## **8.13 PARKS**

**8.13.1** When three (3) or more Parks employees, one (1) of whom is a Park Maintenance 2, are assigned to work on a crew without immediate supervision, the Park Maintenance 2 will be upgraded to Foreman, in accordance with the standards developed by the Joint Foreman Training Committee ("JFTC").

**8.13.2** The District has a business need to have the Parks and Recreations Department work a Non-Standard shift schedule. The shifts will fall between the hours of 6:00 a.m. to 11:00 p.m. 7 days a week.

**8.13.3** Park Foremen have the ability to work a flex schedule throughout the shifts Monday through Friday.

**8.13.4** Evening closures will be conducted with 2 employees.

**8.13.5** Park employees who are scheduled more than five consecutive days due to a schedule change will be paid double-time for the sixth consecutive day worked. If the sixth day worked falls on a holiday, Section 5.8.4 will apply.

## **8.14 NETWORKS**

**8.14.1** Hubs for residential and wholesale customers may be located in a substation as part of residential and backbone service system, and any qualified classification may perform duties in and around the hubs.

**8.14.2** Work below 40 inches of the neutral can be performed by either fiber optic personnel or a composite crew of qualified classifications. With proper training including safety issues, fiber optic employees are qualified to enter into substations.

**8.14.3** Fiber crews will troubleshoot in and around District hubs but will not patch panels traditionally handled by District Technicians. A separate panel will be installed for Fiber Optics at each substation.

**8.14.4** Employees in the following classifications who have six (6) months of continuous full-time employment with the District as of March 31, will be granted an annual \$500.00 climbing stipend to be paid the first pay period in April::

- Communications Foreman
- Communications Specialist
- Communications Serviceman
- Communications Lineman

## **8.15 WATER/WASTE WATER TECHNICIAN**

**8.15.1** Water/Wastewater classification shall refer to any of the Water/Wastewater Technician group consisting of Water Technician Foreman, Water Technician Journeyman, Water Technician Serviceman, Water Quality Program Coordinator, Operations and Maintenance Coordinator, Treatment Plant Operator II, Water Technician apprentice, Water Technician Trainee, and Laborer

**8.15.2** Water/Wastewater Technicians shall obtain and maintain formal certification required by the Washington State Departments of Health and Ecology through continuing education credits, be qualified to perform all types of mechanical maintenance and construction for the District's water/wastewater system facilities and related equipment. The district shall provide training and reimburse employees for costs directly related to obtaining required formal certifications.

**8.15.3** Seniority will be defined exclusively by Water/Wastewater System classification for employees working in the job titles listed above with the exception of Water Technician Trainee and Laborer.

**8.15.4** When three (3) or more Water/Wastewater employees, two (2) of whom are Journeyman or higher are assigned to work in the same crew, in the absence of a Foreman, a Water Technician Journeyman or higher will be upgraded as Foreman. The predominate nature of the work, Water or Wastewater will determine the appropriate employee for upgrade which will be at the Water Technician Foreman rate.

**8.15.4.1** Foreman upgrades based on the predominate nature of the work and work location:

- Wastewater: The Treatment Plant Operator II will be upgraded as Foreman for assignments involving wastewater work from collection to processing.
- Water: A Water Technician Journeyman or higher will be upgraded as Foreman for assignments involving water work at the treatment plant facilities.

**8.15.4.2** The below listed job titles are considered as Journeyman for the purpose of Foreman upgrade:

- Water Technician Journeyman
- Water Technician Serviceman
- Water Quality Program Coordinator

- Operations and Maintenance Coordinator
- Treatment Plant Operator (Treatment Plant Operator II or higher)

**8.15.5** Water Technician Serviceman shall be a qualified Water Technician Journeyman. Water Technician Servicemen shall do any water work at any time and any incidental work that is required, as long as safety regulations are not violated. A Water Technician Serviceman may be assigned to a water crew to work as Water Technician.

**8.15.5.1** The current Water Technician Journeymen will rotate through the Water Technician Serviceman position based on the following criteria:

- Rotations will be one (1) month in duration unless otherwise agreed;
- The Serviceman truck will be assigned to the Journeyman on rotation and will be available to take home for emergency responder use;
- The Journeyman on rotation will be first called for after-hours response. Response will remain voluntary;
- The Journeyman on rotation will not be utilized in the foreman capacity for upgrades except;
- The Journeyman on rotation may be upgraded to Foreman when the scheduled upgrade is for five (5) or more days.

**8.15.6** It is recognized that Apprentices should be given as comprehensive work experience as possible. To this end, it is agreed that they may be used with Water Technician Servicemen, with all regular crews and to fill crew vacancies for work for which they are qualified. An Apprentice in the last two (2) periods may replace one (1) Water Technician on a crew for work in which he/she is qualified. Nothing in this clause shall restrict or modify the work provisions of the Apprentice Agreement.

**8.15.7 Water Technician Apprentice Trainee:** A Trainee may serve up to twelve (12) months in the Trainee classification. During the (12) month period the Trainee may assist with the operation of water department, equipment and perform other minor tasks as assigned by the Foreman and/or Journeyman. The Trainee shall work under the direct supervision of a Foreman and/or Journeyman Water Technician. It is understood that a Water Technician Trainee shall demonstrate the ability and desire to become a Journeyman Water Technician. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instructions.

## **8.16 BUILDING MAINTENANCE**

**8.16.1** When three (3) or more Building Maintenance employees, one (1) of whom is a Building Maintenance Person, are assigned to work on a crew without immediate supervision, the Building Maintenance Person will be upgraded to Foreman, in accordance with the standards developed by the Joint Foreman Training Committee ("JFTC").

## **8.17 LANDS AND FACILITIES MAINTENANCE**

**8.17.1** Lands Maintenance classification shall refer to any of the Lands Maintenance group consisting of Lands positions such as Lands Foreman, Lands Maintenance 1 and Lands Maintenance 2.

**8.17.2** Lands Foreman and Lands Maintenance 2 shall obtain and maintain a Washington State Department of Agriculture public applicator pesticide license (appropriate sub-categories as needed; aquatic, right-of-way, turf, ornamental, insect). The District will pay the cost of obtaining and maintaining required formal licenses and endorsements.

**8.17.3** When three (3) or more Lands Maintenance employees, and at least one is a Lands Maintenance 2, are assigned to work on a crew without immediate supervision, the Lands Maintenance 2 will be upgraded to Foreman, in accordance with the standards developed by the Joint Foreman Training Committee (“JFTC”).

## **8.18 PROCUREMENT/CONTRACT SERVICES/WAREHOUSE OPERATIONS**

**8.18.1** Materials Specialist Foremen will be accountable for assigning temporary upgrades to Materials Specialist Foreman during a Foreman’s absence. It is the Foreman’s responsibility to use discretion and good judgement in their decision-making when assigning Foreman upgrades.

**8.18.2** A temporary Foreman upgrade will be assigned to the senior qualified Materials Specialist in that work location (Rocky Reach, Rock Island, Distribution) in the following situations;

- a) When a Foreman is away from his/her work location for a period of two (2) hours and
- b) The Materials Specialist receiving the upgrade is a Step 2 or higher.

**8.18.3** Overtime and callouts will be covered by each headquarters overtime list. If coverage is not available, materials specialist from other locations will be called out to provide coverage.

## **8.19 ENGINEERING CLASSIFICATION PROGRESSION**

**8.19.1** Career progression in the Engineering Classification series shall be from the Drafting Technician/Surveyor pool to Engineer Aide/Distribution & Transmission, Engineer Aide/Fiber & Telecom or FM/GIS Aide as shown. Advancement or promotion within these series shall be at the discretion of the Supervisor. Advancement and promotion shall not require posting or bidding as provided in Section 6.2 of the Collective Bargaining Agreement except that changes for lateral moves, location or headquarters must be posted and bid.

Beginning at the Aide position, the normal progression through the following Engineering Classification series shall be:

Fiber Telecom	Distribution T & D	FM/GIS
Assistant Engineer “A” Assistant Engineer Junior Engineer Engineer Aide	Assistant Engineer “A” Assistant Engineer Junior Engineer Engineer Aide	FM/GIS Analyst FM/GIS Assistant FM/GIS Editor FM/GIS Aide

The knowledge, skill and ability required for the Aide positions are interchangeable for lateral moves.

Movement between the series above the Aide position will require documented experience and demonstrated proficiency in the knowledge, skill and ability required to meet the essential functions of the available position.

The District will assign work such that the employee will be exposed to all aspects of the work in his/her classification in preparation for meeting the requirements for advancement to the higher levels.

Movement between series where experience, knowledge, skill and ability are insufficient will require a return to the next lower step in the specific line of progression for which they are qualified.

Successful bidders for the Engineer Aide Distribution & Transmission /Engineer Aide Fiber & Telecom /FM GIS Aide positions will be slotted to the nearest pay rate. Credit for relevant work experience can be used to slot at a higher pay rate.

## ARTICLE 9

### COMPENSATION

#### 9.1 GENERAL WAGE INCREASES

**9.1.1** Except as otherwise provided below, the wage rates set forth hereinafter become effective April 1, 2025. These are minimum rates and nothing contained herein shall prohibit the District from paying higher rates provided that no adjustment in individual pay rates shall be made without first notifying the Union.

April 1, 2025	4.5% GWI
April 1, 2025	7.52% market adjustment in addition to GWI for the titles listed in Article 9 Section 2.

April 1, 2026	4.41% GWI
---------------	-----------

April 1, 2027

A 4% general wage increase (GWI) will take effect on April 1, 2027. However, it is possible that in addition to the GWI, employees in certain craft classifications may receive an additional market adjustment, depending on a comparative analysis of wage rates at certain other Washington PUDs. Whether an increase on April 1, 2027, will include this additional market adjustment depends on the following factors:

- A market adjustment will if available, apply only to the craft classifications, as agreed to by the District and the Union listed in Article 9 Section 2.
- The District will complete a comparative market analysis by February 2027, using data available as of December 31, 2026, from the following ten (10) east and west public utilities: Benton PUD, Clark PUD, Cowlitz PUD, Douglas PUD, Franklin PUD, Grant PUD, Grays Harbor PUD, Mason PUD 3, Okanogan PUD, and Snohomish PUD.
- The market average will be based on each utility's published hourly Journeyman Lineman wage rate scheduled to be effective April 1, 2027. The average will be derived by the basic average or mean.
- If the April 1, 2027, Chelan PUD rate for Journeyman Linemen, including the 4% GWI, is below the market average, the percentage difference will be applied as a one-time market adjustment to the agreed-upon craft classifications effective April 1, 2027. Any market adjustment under this section applies only for the period April 1, 2027, to March 31, 2028.
- For example, if the market average for other Washington PUDs' Journeyman Lineman hourly wages is 1.1% higher than the Chelan PUD rate for Journeyman Lineman including the 4% GWI adjustment, Chelan PUD employees in the crafts listed in Article 9 Section 2 will receive both the 4% GWI adjustment plus an additional 1.1% market adjustment effective April 1, 2027. If the market average is lower than the Chelan PUD hourly wage rate for Journeyman Lineman only the 4% GWI applies.

## 9.2 APPRENTICEABLE CRAFT POSITIONS

Line Crews Apprentice Lineman (1) (3)	Wireman #
Equipment Operator	Journeyman Wireman #
General Foreman #	Plant Foreman Wireman #
Groundman *	Relief Wireman #
Head Groundman	Wireman Apprentice (1) (3)
Journeyman Lineman #	Wireman Apprentice Trainee *
Line Foreman #	Generation Mechanical Maintenance Foreman
Lineman Apprentice Trainee *	Mechanic #
New Construction Inspector #	Journeyman Mechanic #
Contractor Field Inspector#	Mechanic Apprentice (1) (3)
Service Lineman #	Mechanic Apprentice Trainee *
Meter Shop Journeyman Meterman #	Plant Foreman Mechanic #
Meter Shop Foreman #	Relief Mechanic #
Meterman Apprentice (1) (3)	Power Plant Operation Apprentice Operator
Meterman Apprentice Trainee *	(1)(3)
Network Crews Communications Serviceman	Chief Operator #
Communications Foreman	Journeyman Operator #
Communications Foreman-Outside	Operator Apprentice Trainee*
Communications General Foreman	Operator/Maintainer - Chelan #
Communications Lineman	Relief Operator #
Communications Lineman Trainee	Senior Operator #
Communications Lineman-in-Training	Technician Apprentice Technician (1) (3)
Communications Specialist	Meter Relay Technician #
Power System Electrical Maintenance PS	Technician (4)
General Foreman	Technician 1 #
PS Journeyman Wireman #	Technician 2 #
PS Wireman Apprentice (1) (3)	Technician 3 #
PS Wireman Apprentice Trainee *	Technician 4 #
PS Wireman Foreman #	Technician 5 #
PS Wireman Shop Foreman #	Technician 6 #
Water/Wastewater System Treatment Plant	Technician Apprentice Trainee * (7)
Operator	Technician Foreman 1 # (2)
W/WW Operations and Maintenance	Technician Foreman 2 # (2)
Coordinator	Technician Foreman 3 # (2)
Water Quality Program Coordinator	Technician Foreman 4 # (2)
Water Technician Apprentice	Technician Foreman 5 # (2)
Water/Wastewater System Water Technician	Technician Foreman 6 # (2)
Foreman	Power Management/System Operations Senior
Water Technician Journeyman	System Operator
Water Technician Serviceman	System Operator
Water Technician Trainee	System Operator-In-Training
Generation Electrical Maintenance Foreman	
Wireman #	



## CONCLUSION

### 10.1 LETTERS OF UNDERSTANDING

The Union and the District may mutually develop Letters of Understanding to resolve the various labor relations issues confronting the parties. These Letters of Understanding will carry the same weight and value as this Agreement. This Agreement may be amended only by the mutual written agreement of the Parties. Such amendment shall be dated and signed by the Parties, and together with the attached Appendices, shall constitute a part of this Agreement.

#### 2025 Letters of Understanding

Revised Number	Subject	Previous Number
2019.01	Revised Hydro Operations Qualification Standards & Progression for Advancement Review	14R
2019.02	Chief Operator – Relief Operator – Succession Hydro Facilities	3
2019.03	Chief Operator Clearance Chief Operation Duties and Schedules	15
2019.04	Revised Journeyman Level Hydro Operations	59
2018.01	Revised Fleet Services	7
2018.02	Dive Foreman Supervisor	21
2018.03	Revised Learner Diver Eligibility	11R
2017.01	Revised – Addendum Fleet Services	7R
2017.02	New Services Coordinator	17
2014.01	Revised Stehekin Operations Attendant	37R
2014.02	Revised Flex Time for Customer Accounting, Offices Services, General Accounting	31R
2014.03	Revised Prof Development Courses for Office Support Specialists	38
2008.01	Corrective Action Record Keeping	8
2008.02	Impact of Failing to Meet Job Requirements Related to Driver's Licenses	71
2006.01	Rotating Shifts	
2022.01	Rotating Shifts #55, #47, #48, #57, #60, #58	
2022.02	Revised – System Operators Qualification Stds & Prof for Adv Review	32
2023.01	Fiber Customer Service Rep Selection	
2023.04	Tools and Equipment Person Selection Process	
2023.05	Progression from PM1 to PM2	
2024.01	Cell Phone Stipend	
2025.01	Beebe Park Location Stipend	
2025.02	Letter of Intent Voluntary PFML	
2025.03	Corrective Action	#8
2025.04	Impact of Losing CDL	#73

**2025 Letters of Understanding Archived**

<b>Number</b>	<b>Subject</b>	
2023.01	Gary Klingele Grievance	

## **10.2 OPPORTUNITY TO NEGOTIATE**

During the term of this Agreement, the District and Union are not obligated to entertain requests from the other for modification or amendment to the terms of this Agreement, except as set forth in Section 10.5 below. The Union does not waive its rights as the bargaining agency for the employees covered by the Agreement, unless expressly set forth herein.

## **10.3 SAVINGS CLAUSE**

Nothing in this Agreement shall be construed as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions of this Agreement and any statute, law, or public regulation (i.e. safety standards, etc.), the latter shall prevail, but in such event, the parties will amend the provisions of this Agreement affected to the extent necessary to bring it within legal requirements. All other provisions of this Agreement shall remain in full force and effect for the duration of the Agreement.

## **10.4 ENTIRE AGREEMENT**

This Agreement incorporates all prior agreements and amendments, and it is intended to and does supersede all such prior agreements and amendments.

## **10.5 DURATION**

Unless otherwise agreed, this Agreement shall be effective April 1, 2025, and shall remain in full force and effect through March 31, 2028, and from year to year thereafter, unless either party requests, in writing at least sixty (60) days prior to March 31, 2028, that the Agreement be amended, terminated or extended.

DATED AT WENATCHEE, WASHINGTON, THIS \_\_\_\_\_ of \_\_\_\_\_, 2025,  
PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON:

---

Kirk Hudson  
General Manager

This Agreement is subject to the approval of the District's Board of Commissioners and International President of the International Brotherhood of Electrical Workers.

APPROVED \_\_\_\_\_, 2025, INTERNATIONAL OFFICE, INTERNATIONAL  
BROTHERHOOD OF ELECTRICAL WORKERS.

---

Rex Habner  
Business Manager

---

Josh Hoyt  
Business Representative

## **EXHIBIT "C"**

### **PAST PRACTICES**

1. To be binding, a past practice must be:
  - clear and
  - consistently followed and
  - followed over a reasonably long period of time and
  - shown by the record to be mutually accepted by the parties
2. Past practices are used to:
  - interpret ambiguous contract language
  - establish wages, hours of work or working conditions not in the contract
3. Clear contract language always takes precedence over a past practice (with advance notification).

4. Past practices may vary between one location/shop and another location/shop.
5. Employees who transfer from one location/shop to another location/shop will abide by the past practices of the location/shop they transfer to.

## EXHIBIT “D”

### INTEREST BASED BARGAINING (“IBB”) PRINCIPLES

IBB principles include the following:

1. Set up a joint meeting to discuss the issue.
  - Have you included all interested parties?
  - Do you need a facilitator?
  - Agree on a location for this meeting.
2. Think about and list your interests surrounding this issue.
3. Agree on the issue or problem to be addressed or solved.
  - If this is difficult, try coming back to this step after you list the interests.
4. Identify and list the interests of both parties (jointly). Check for common interests.
5. Develop options around the issue.
  - Brainstorming jointly
6. Checkpoint: check brainstormed solutions against standards of safety, cost savings, customer needs, employee needs, productivity, compliance with the intent of the contract, or others that apply to your situation.
7. Announce agreement when both have an option better than any other alternative available.

#### **Definitions:**

Issue – a subject of discussion or negotiation; the WHAT; the problem to be solved.

Interest – one party’s goal, fear, hope, dream, concern, need, or desire behind an issue; WHY the issue is raised.

Position – one party’s proposed solution to an issue.

**Remember:** A grievance settled at the first step shall be non-precedent setting on either party.

## ISSUE ANALYSIS WORKSHEET

**PURPOSE:** To be used as a tool to apply the principles of interest based bargaining (IBB) to resolve the grievance and labor/management issues.

**ISSUE:** (State the situation in terms that would complete the following sentence, "How might we ...". The idea is to state the problem without taking or stating positions.)

---

---

---

**INTERESTS:** (List the interests of the parties. Ask questions that develop an understanding of why these interests are held. "What are the concerns, fears, hopes, needs ...?")

**Interests of** \_\_\_\_\_ **Interests of** \_\_\_\_\_

---

---

---

---

**OPTIONS:**

(Brainstorm options that could possibly address the interests. Ask the question: "What if we ...?")

---

---

---

---

---

**CHECKPOINT:** How does your solution measure up against the following standards:  
Safety? Saves money? Productivity? Better customer service? Employee needs?  
Compliance with intent of the contract? Or other standards that fit your situation:

---

---

---

---

---

**SOLUTION / NEXT ACTION(S):** (Who does what by when?)

---

---

---

---

---



EXHIBIT "A"

TABLE OF CONTENTS

Line Crews .....	1
Network Crews .....	1
Meter Shop.....	2
Dispatcher .....	2
Water/Wastewater System.....	2
Power System Electrical Maintenance .....	3
Fleet Services.....	3
Engineering.....	4
Power Plant Operation .....	5
Generation Mechanical Maintenance .....	6
Generation Electrical Maintenance.....	6
Technician.....	7
..... Generation Support	
Services .....	7
Parks .....	9
Facilities Maintenance.....	10
Real Estate Services .....	10
Fish & Wildlife.....	10
Customer Accounting .....	11
Customer Service.....	12
Procurement/Contract Services/Warehouse Operations.....	13
Accounting .....	12
Power Resources .....	13
..... Power Management/System	
Operations.....	13
Office.....	13
On-Call .....	14
Diver Pay Schedules – Learner Diver .....	18
Diver Pay Schedules – Diver Mechanic .....	18
Diver Pay Schedules – Dive Site Supervisor.....	18
Engineering Student.....	14
Student.....	14
Stehekin Operations Attendant.....	15
Inactive Jobs .....	15

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ADOPTING REVISED RATE  
SCHEDULE 36 DATA CENTERS AND SIMILAR  
LOADS AND RATE SCHEDULE 4 LARGE LOADS**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The District has the authority to create rate classes and to establish and modify rates. The District, if it has revenue obligations outstanding, is required to establish, maintain, and collect rates or charges for electric energy and water and other services, facilities, and commodities sold, furnished, or supplied by the District in compliance with RCW 54.24.080. The rates and charges must be fair, nondiscriminatory and adequate to provide revenues sufficient for the payment of the principal of and interest on such revenue obligations for which the payment has not otherwise been provided and all payments which the District is obligated to set aside in any special fund or funds created for such purpose, and for the proper operation and maintenance of the public utility and all necessary repairs, replacements, and renewals thereof. This resolution revises Rate Schedule 36, Data Centers and Similar Loads, and Rate Schedule 4, Large Loads.

The District adopted Rate Schedule 4 in 1996 to allow market-based rates for large loads. Rate Schedule 4 was most recently updated by Resolution No. 19-14323 to better reflect services offered, prevailing market conditions, and evolving customer interest. Recently, the District has seen increased interest from large loads seeking to interconnect to its electrical system. In response, the District developed large load guiding principles and a power supply framework, which have been presented to the Commission in 2024 and 2025. The guiding principles include ensuring service to large loads does not reduce reliability and stable and predictable rates for other customers, protecting management of hydroelectric resources, preserving local control of District assets, and developing a durable and consistent way to serve all large loads. The large load power supply framework includes three arrangements: (1) the District procures wholesale energy for periods of one to five years; (2) the customer identifies wholesale energy which the District procures; and (3) the District and customer negotiate an arrangement.

On June 2, 2025, District staff presented proposed revisions to Rate Schedule 36 and Rate Schedule 4 to the Board. Proposed changes to Rate Schedule 4 incorporate the large load guiding principles and framework by establishing possible power supply arrangements, updating charges to reflect current market conditions, updating some methodologies for existing charges, and adding new charges to cover necessary services required to support large load customers. Applicable Rate Schedule 4 rates, terms and conditions will be negotiated between the customer and District and included in a contract.

The proposed revisions to Rate Schedule 36 set a maximum size limit of 5 megawatts (MW) for loads served under the rate schedule. Under current Rate Schedule 36, customers with loads above 3 MW are required to negotiate customized contracts with the District, but there is no maximum size limit. Setting a size limit clarifies that data centers and similar loads above the size limit will be served under Rate Schedule 4, which is tailored to the service of larger customers.

As directed by the Board, a public hearing was held on June 16, 2025 to provide additional information, review public comments, and collect additional public comments from interested parties. Staff provided legal notice of the hearing at 1:00pm on June 12, 2025

Staff recommends that the Board of Commissioners amend and restate Rate Schedule 36 and Rate Schedule 4 as attached hereto as Exhibit A.

The General Manager has reviewed District staff's recommendations and concurs in the same.

### **ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO.1 OF CHELAN COUNTY, WASHINGTON as follows:

Section 1. The requirements for meetings and notices as established by Resolution No. 18-14256 have been met and exceeded.

Section 2. The electric rate classification, rates, and terms set forth in the rate schedules attached hereto as Exhibit A are determined to be fair, reasonable, necessary, and non-discriminatory. The rate schedules set forth in Exhibit A are effective August 1, 2025.

Section 3. The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such it is categorically exempt under S.E.P.A. guidelines, WAC 1978-11-800-(14)(i).

Section 4. This resolution rescinds and supersedes prior resolutions and Commission actions that are inconsistent with this resolution and exhibits. This resolution shall not render invalid any previous action by this Commission regarding rates, service regulations, policies, fees, charges or agreements except as specifically included in this resolution and exhibits.

DATED this 16<sup>th</sup> day of June 2025.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

SEAL

## EXHIBIT A

# Small Data Centers and Similar Loads

## Rate Schedule 36

### **AVAILABILITY:**

This Schedule applies to data centers and similar computing or data processing loads with a maximum authorized Demand of 5 MW or less, regardless of the number of servers/processors, including those related to rack space rental, hosting services, cryptocurrency mining, blockchain, data processing or other loads having, in the District's determination, similar characteristics including any of the following: high energy use density, high load factor, need for more than routine alterations to the District's Electric Service Facilities in order to main safety, load that is portable and distributable, highly variable load growth or load reduction as an individual customer and/or in aggregate with similar customers in the District's service area, able to relocate quickly in response to short-term economic signals, high sensitivity to volatile commodity or asset prices, or part of an industry with potential to quickly become a large concentration of power demand in the District's service area. This Schedule does not apply to common computing loads typical in residences and in premises or businesses not primarily involved in data processing.

This rate schedule is available throughout the District's service area with the exception of the Stehekin area and new or expanded service in the areas north and northwest of Leavenworth served by the Anderson Canyon-Summit transmission line and with further exception of locations that would cause the serving substation to exceed 70% of design capacity or the total load under this rate schedule served by a substation to exceed 3 MW.

Service under this schedule requires a power sales Contract between the Customer and the District prior to connection of service. Changes in Load, as defined in Utility Service Regulations 41, require a new service application to be submitted to the District to evaluate the impact of that changed load to existing Electrical Service Facilities.

Customers subject to the terms and conditions of Schedule 36 must meet the following characteristics:

- Be served at one Premise through a single Point of Delivery as defined in the District's Service Regulations;
- Be in compliance with Chapter 296-46B WAC electrical safety standards, administration and installation; and
- Maintain satisfactory Power Factor determined in Schedule 24; and
- Agree to provide a minimum 60-days advance notice of termination, reduction or change of service.

Customers with multiple locations and Energy loads will not be aggregated for billing purposes unless the District, in its sole discretion, determines the Customer is circumventing the size cap to meet the load requirements of a common Premise. A Customer with measured total connected loads may be required to be served under the rates and terms applicable to such total size.

### **UPFRONT CAPITAL CHARGE:**

Prior to approval of service or increase in capacity, Customers to be served under this schedule must pay an Upfront Capital Charge based upon the requested size of the new or increased amount of

electrical load. The Upfront Capital Charge does not apply to load amounts approved by the District prior to the effective date of this Schedule where the load is transferred onto this Schedule as of the effective date of the Schedule. Current amounts are included in the District's Fees and Charges schedule. Additional state and local taxes may apply. Additional charges may apply, including Line Extension costs.

### **SERVICE OVER 3 MW:**

Service will require a Contract between the Customer and the District prior to connection of Service that will address any special circumstances and conditions applicable to the Customer's needs. Contracts will establish the rate and address any terms and conditions considered appropriate by the District, which may include but are not limited to scheduling, maintenance and decommissioning of infrastructure, load balancing, ancillary services, transactional costs, security, and financial risk.

### **CHARACTER OF SERVICE:**

Service to be furnished under this Schedule may be either:

- Three phase, sixty hertz alternating current at primary voltage, or
- Secondary power single phase, three phase or four wire three phase, 60 cycle, alternating current at available phase and voltage up to 1 MW.

### **RATES - 3MW AND LESS**

Rate Schedule 36 Data Centers and Similar loads		6/1/2024	6/1/2025	6/1/2026
<b>Monthly Basic Charge up to 300kW, per meter</b>		\$155	\$160	\$165
<b>Monthly Basic Charge 300kW - &lt;1MW, per meter</b>		\$650	\$670	\$690
<b>Monthly Basic Charge 1MW - ≤ 3MW, per meter</b>		\$995	\$1,025	\$1,055
<b>Monthly Demand Charge non-residential, per kW</b>		\$6.40	\$6.60	\$6.80
<b>Monthly Demand Charge residential, per kW</b>		\$16.85	\$17.35	\$17.90
<b>Monthly Energy Charge*, per kWh</b>		\$0.0313/kWh*	\$0.0322	\$0.0332
<b>Upfront Capital Charge</b>	Per kW of new or expanded Electrical Service under this Schedule. Amount of Upfront Capital Charge is set forth in the District's Fees and Charges Schedule			

\*The effective Energy Charge is recalculated at least annually in accordance with the provisions of this Rate Schedule 36. Visit [chelanpud.org](http://chelanpud.org) or call (509) 663-8121 for current effective Energy Charge. In the event of conflict, the Energy Charge Blending formula below will control.

### **RESIDENTIAL**

For the purposes of the Demand Charge under this rate schedule, residential means premises located in areas of the distribution system that have been designed and constructed for loads with residential characteristics, such as high load diversity and low load size.

### **BILLING DETERMINANTS**

The billing determinant (in kW) for the Monthly Demand Charge is the greater of the Customer's maximum authorized Demand or the measured demand adjusted for Schedule 24, Power Factor. The billing determinant (in kWh) for the Energy Charge is the greater of the Customer's (a) maximum

authorized Demand multiplied by the number of hours in the Billing Period multiplied by 0.9; or (b) Energy usage in the Billing Period.

#### **ENERGY CHARGE BLENDING:**

Total load on rate schedule	Energy Charge (¢/kWh)		
≤ 10,000 kW	Production Energy Charge:		
	6/1/2024	6/1/2025	6/1/2026
	\$0.0313/kWh	\$0.0322/kWh	\$0.0332/kWh
> 10,000 kW	<p>A blend of the Production Energy Charge (PEC) and the Market Energy Charge (MEC) using the following ratio, where total load (TL) is in kW:</p> $\text{Energy Charge} = \frac{10,000kW}{TL} * PEC (\text{¢/kWh}) + \frac{TL - 10,000kW}{TL} * MEC (\text{¢/kWh})$		

Total load is the sum of the maximum authorized demand of all loads expected to be taking service under the rate schedule during the upcoming 12-month Market Energy Charge period described below. Loads will be expected to be taking service if they are currently taking service or if they have applied for service and made substantial commitments towards commencing service prior to the end of the upcoming 12-month Market Energy Charge period. Loads greater than 3 MW that contract for an energy charge other than the Blended Energy Charge will not be counted towards the total load for purposes of rate blending unless otherwise specified by contract.

The expected total load will reset annually as of the date the Market Energy Charge is fixed. The District reserves the right to reset the total load at any time, provided that the District will provide affected customers at least 60 days advance notice before an out-of-cycle reset goes into effect.

#### **MARKET ENERGY CHARGE:**

The Market Energy Charge will be fixed as of February 1 of each year by the District at the average flat price of the Mid-C Peak and Off-Peak Futures as published daily by the Intercontinental Exchange (ICE) for the 12-month period starting on June 1 plus a 6% administrative fee and plus 3.10¢/kWh. If ICE futures are not published on February 1, they will be fixed as of the next following date they are published. If ICE Mid-C Peak and Off-Peak Futures cease to be published, the District, in its reasonable discretion, may select a replacement source of forward prices for the purpose of fixing the Market Energy Charge.

#### **DEMAND EXCEEDANCE:**

In addition to all other rates and charges, in each billing period in which Demand exceeds the Customer's maximum authorized demand, Customer will be assessed \$150 plus, in each day an exceedance occurs, 1.5 times the applicable monthly demand charge on the amount by which the highest Demand in the day exceeded the maximum authorized demand. This charge is in addition to, not exclusive of, the District's rights to require additional protective measures, recover for damages sustained to the Electric Service Facilities, disconnect Service, terminate any Contract, or take any other remedial action available to recover losses and prevent future exceedances.

#### **SECURITY DEPOSIT:**

The security deposit will be based on the highest previous or projected monthly billed amount, multiplied by a factor of three (3). At the District's sole discretion, the District may increase or decrease the security deposit in accordance with Section 8 of the Utility Service Regulations.

#### **INTERRUPTION OF SERVICE:**

In exercising its discretion to interrupt service as described in the District's Utility Service Regulations, the District may prioritize interruption of service to loads on this rate schedule ahead of other loads. Except as may be specifically provided in a Contract, in the event that service is interrupted or fails by reason of accident or any other cause whatsoever, the Customer shall not be entitled any compensation or reduction in charges and the District shall not be liable for any damages for such interruption or failure, nor shall such failure or interruption be held to constitute a breach of Contract on the part of the District or in any way relieve the Customer from performing the obligations of the Customer's Contract. This limitation of liability includes all damages of any nature, including direct, indirect or consequential.

**TAX ADJUSTMENT:**

The amount of any tax levied by any city or town, in accordance with R.C.W. 54.28.070 of the laws of the State of Washington, will be added to all charges for electricity sold within the limits of any such city or town.

**SERVICE POLICY:**

Service under this schedule is subject to the rules and regulations as defined in the District's Utility Service Regulations.

**EFFECTIVE:** August 1, 2025

# LARGE LOADS

## Schedule 4

### **AVAILABILITY:**

This schedule applies to Customers with electrical use above 5 annual average megawatts (aMWs), or as warranted by special circumstances notwithstanding that another rate schedule might otherwise apply, and is available throughout the District's service area with the exception of the Stehekin area. Service under this schedule will require a written contractual arrangement ("Contract") between the Customer and the District prior to connection of Service that will address any special circumstances and conditions applicable to the Customer's Energy needs.

The Customer is responsible for procuring, installing and maintaining all necessary wiring, transformers, switches, cut-outs and protection equipment beyond the Point of Delivery, with such service facilities and equipment being of a type and character acceptable to the District. The entire service installation, protection coordination and the balance of the load between phases is subject to approval by the District.

### **RATES, TERMS AND CONDITIONS:**

Rates, terms, and conditions of Service will be established by Contract and will be at the District's sole discretion. Terms and conditions may include load following, load shaping, imbalance, firming, reactive power, voltage control, environmental attributes, conservation requirements, duration, interruption, curtailment, credit requirements (including provision of financial statements), and other provisions relating to Service.

### **POWER SUPPLY:**

Service is contingent on an executed Contract between the District and Customer, which will specify the terms of the power supply arrangement for Customer, and is limited to, availability of power supply, District transmission capabilities, and other constraints identified by the District. The Contract will provide for procurement of power supply by the District. The Customer may identify power supply for consideration by the District. Power supply will be on terms acceptable to the District. The District reserves the right to consider alternative arrangements for power supply. As specified by the Contract, all power supply must be of quality that meets District standards and satisfies applicable law, and Customer will assume all costs and mitigate all risks associated with the power supply to the District's satisfaction.

The power supply described above is intended to be the primary source of power for Customer. This rate schedule includes supplementary services including services associated with the Load Imbalance Charge and the Day-ahead Charge. In no event will such supplementary services be the primary source of power to Customer. In exercising its discretion to interrupt or curtail service as described in the District's Utility Service Regulations, the District may reduce or suspend the provision of such supplementary services to loads on this rate schedule before curtailing or interrupting service to other loads. Except as may be specifically provided in a Contract, in the event that supplementary service is reduced or suspended, the Customer shall not be entitled to any compensation or reduction in charges and the District shall not be liable for any damages (including direct, indirect, consequential, or of any other nature) for such interruption or failure, nor shall such failure or interruption be held to constitute a breach of Contract on the part of the District or in any way relieve the Customer from performing the obligations of the Customer's Contract.



## **SPECIFIC CHARGES:**

Such Contract may incorporate one or more of the following charges by reference:

4.a Energy Capacity Charge. The energy capacity charge applies in all billings periods beginning with the first billing period in which Demand first exceeds 5000 kW. The charge is \$10.93/kW of the positive difference, if any, of 90% of the Demand minus the average demand during the billing period (which is the total delivered Energy for the billing period divided by the number of hours in the billing period).

4.b Load Imbalance Charge. The Load Imbalance Charge shall be determined by the District for each clock hour period as follows:

“Actual Load” means the average hourly Energy delivered to the Point of Delivery.

“Available Power Supply” means, unless otherwise provided by Contract between Customer and the District, the Load Forecast plus the Forecast Reserve Amount.

“Forecast Reserve Amount” means an amount added by the District to the Load Forecast to account for load forecast uncertainty and is determined at the District’s sole discretion.

“Load Forecast” means, unless otherwise provided by Contract between Customer and the District, an hourly load forecast provided by Customer to the District by 5:00 p.m. Pacific Time on each business day in the format specified by the District for the seven days that start two days after the day the forecast is delivered. In the event the District does not receive a timely Load Forecast from Customer for a given day, the Load Forecast shall be the last forecast provided to the District for that day, or if the Customer has not provided a forecast for that day, the Load Forecast shall be deemed zero for each hour.

“Load Imbalance energy” means Actual Load minus Available Power Supply, expressed in kWhs.

A. If the Actual Load is less than or equal to the Load Forecast, then the Load Imbalance Charge is calculated by summing the results of Step 1 and Step 2 below.

- Step 1. Forecast Reserve Amount multiplied by the applicable Deviation Band 1 Load Imbalance Price
- Step 2. Multiply the difference between the absolute value of the Load Imbalance energy and the Forecast Reserve Amount by the applicable Load Imbalance Price as determined by the Imbalance Deviation (%) and tables below where:
  - $\text{Imbalance Deviation (\%)} = \text{Absolute value of (Load Imbalance energy)} / \text{Available Power Supply}$ .

B. If the Actual Load is greater than the Load Forecast, then the Load Imbalance Charge is calculated by:

Multiplying the Load Imbalance energy by the applicable Load Imbalance Price as determined by the Imbalance Deviation (%) and tables below where:

- Imbalance Deviation (%) = Absolute value of (Load Imbalance energy) / Available Power Supply.

Applicable when the Hourly Index price is greater than or equal to \$0.00/kWh:

Imbalance Deviation (%) or Load Imbalance energy (kWh)	Load Imbalance Price when Load Imbalance energy is negative (District will credit Customer for Load Imbalance energy) (\$/kWh)*	Load Imbalance Price when Load Imbalance energy is positive (Customer will pay District for Load Imbalance energy) (\$/kWh)
Deviation Band 1: If Imbalance Deviation (%) is less than or equal to 1.5% and the absolute value of the Load Imbalance energy is less than or equal to -2,000 kW	90% of the Hourly Index	110% of the Hourly Index
Deviation Band 2: If Imbalance Deviation (%) is (i) greater than 1.5 percent or the absolute value of the Load Imbalance energy is more than 2,000 kW and (ii) less than or equal to 7.5% and the absolute value of the Load Imbalance energy is less than or equal to 10,000 kW	82.5% of the Hourly Index	117.5% of the Hourly Index
Deviation Band 3: If Imbalance Deviation (%) is greater than 7.5% or the absolute value of the Load Imbalance energy is greater than 10,000 kW	75% of the Hourly Index	125% of the Hourly Index

\*For any hour in which the District incurs spill at any of its hydroelectric projects and Actual Load is less than Available Power Supply, and the Load Imbalance Price is positive for an hour, the Load Imbalance price shall be \$0.00.

Applicable when the Hourly Index is less than \$0.00/kWh:

Imbalance Deviation (%) or Load Imbalance energy (kWh)	Load Imbalance Price when Load Imbalance energy is negative (Customer will pay District for Load Imbalance energy) (\$/kWh)	Load Imbalance Price when Load Imbalance energy is positive (Customer will pay District for Load Imbalance energy) (\$/kWh)
Deviation Band 1: If Imbalance Deviation (%) is less than or equal to 1.5% and the absolute value of the Load Imbalance energy is less than or equal to 2,000 kW	The absolute value of 110% of the Hourly Index	\$0.004

Deviation Band 2: If Imbalance Deviation (%) is (i) greater than 1.5 percent or the absolute value of the Load Imbalance energy is more than 2,000 kW and (ii) less than or equal to 7.5% and the absolute value of the Load Imbalance energy is less than or equal to 10,000 kW	The absolute value of 117.5% of the Hourly Index	\$0.004
Deviation Band 3: If Imbalance Deviation (%) is greater than 7.5% or the absolute value of the Load Imbalance energy is greater than 10,000 kW	The absolute value of 125% of the Hourly Index	\$0.006

A persistent deviation occurs if Customer engages in a pattern of providing Load Forecasts that result in deviations that are greater than 1.5% in one direction where deviations are calculated as the absolute value of the difference between the Actual Load and Load Forecast, divided by Load Forecast. If the District, in its sole discretion, determines that the Load Forecasts result in a persistent deviation, the District may adjust the Forecast Reserve Amount and/or impose the Demand Exceedance Charge and the Excess Energy Charge on all Load Imbalance energy in all relevant hours, notwithstanding that the Demand Exceedance Charge and Excess Energy Charge as if such deviations were in excess of Customer's maximum authorized demand.

In addition to the foregoing, in the event the District procures or otherwise provides Customer with Energy to replace a quantity of Available Power Supply that was not delivered or otherwise made available to the District despite being expected to be delivered as of the District's day-ahead transaction window, Customer will be charged for all costs, penalties, fines, and other expenses incurred by the District in providing such Energy.

### Example Load Imbalance Calculations

#### Example 1: Load Imbalance Charge calculation:

Actual Load (kWh):	9,100
Load Forecast (kWh):	10,000
Forecast Reserve Amount (kWh):	500
Available Power Supply (kWh):	10,500
Load Imbalance energy (kWh):	-1,400 (9,100 – 10,500)
	<i>Actual Load is less than or equal to Load Forecast</i>
Imbalance Deviation (%):	13% Absolute value (-1,400) / 10,500 kWh
	<i>Deviation Band 3 applies</i>
Hourly Index price (\$/kWh)	\$0.025
Step 1 (\$):	<b>\$11.25</b>
	500 (kWh) X \$0.025 (\$/kWh) X 90% (Deviation Band 1)
Step 2 (\$):	<b>\$16.88</b>
	(1,400 - 500) (kWh) X \$0.025 (\$/kWh) X 75% (Deviation Band 3)
Load Imbalance Charge (\$)	<b>\$28.13</b> (District pays Customer)

(\$11.25 + \$16.88)

**Example 2:** Load Imbalance Charge calculation:

Actual Load (kWh):	10,200
Load Forecast (kWh):	10,000
Forecast Reserve Amount (kWh):	500
Available Power Supply (kWh):	10,500
Load Imbalance energy (kWh):	-300 (10,200 – 10,500)
	<i>Actual Load is greater than Load Forecast</i>
Imbalance Deviation (%):	3% Absolute value (-300) / 10,500 kWh
	<i>Deviation Band 2 applies</i>
Hourly Index price (\$/kWh)	\$.025
Load Imbalance Charge (\$)	<b>\$6.19</b> (District pays Customer)
	300 (kWh) X \$.025 (\$/kWh) X 82.5% (Deviation Band 2)

**Example 3:** Load Imbalance Charge calculation:

Actual Load (kWh):	11,300
Load Forecast (kWh):	10,000
Forecast Reserve Amount (kWh):	500
Available Power Supply (kWh):	10,500
Load Imbalance energy (kWh):	800 (11,300 – 10,000 - 500)
	<i>Actual Load is greater than Load Forecast</i>
Imbalance Deviation (%):	8% Absolute value (800) / 10,500 kWh
	<i>Deviation Band 3 applies</i>
Hourly Index price (\$/kWh)	\$.025
Load Imbalance Charge (\$)	<b>\$25.00</b> (Customer pays District)
	(800 kWh) X \$.025 (\$/kWh) X 125% (Deviation Band 3)

**4.c Load Following Charge.** The load following charge applies in all billing periods beginning with the billing period in which Demand first exceeds 5000 kW. The charge is calculated by multiplying \$13.66 per load-following kilowatt by the maximum hourly load-following kilowatt amount in the billing period. The highest 1-minute demand minus the lowest 1-minute demand in each hour will establish the load-following kilowatt amount for that hour.

In calculating the maximum load-following kilowatt amount in the billing period, a change in Demand will not count towards the Load Following Charge if the change was a direct result of an interruption, suspension or curtailment directed or caused by the District that was not due to the fault or unexcused nonperformance of Customer.

**4.d Demand Exceedance Charge.** In addition to all other rates and charges, in each billing period in which Demand exceeds the Service's maximum authorized demand, Customer will be assessed \$150 plus, for each day an exceedance occurs, 1.5 times the applicable demand charge on the amount by which the highest Demand in the day exceeded the maximum authorized demand. This charge is in addition to, not exclusive of, the District's rights to require additional protective measures, recover for damages sustained to the Electric Service Facilities, disconnect Service, terminate any Contract, or take any other remedial action available to recover losses and prevent future exceedances.

**4.e Excess Energy Surcharge.** In addition to all other rates and charges, a surcharge of the greater of the highest energy charge applicable under the Contract or the Hourly Index price for

each applicable hour will apply to all Energy used within an hour in excess of the Customer's maximum authorized demand. Any surcharge is in addition to, not exclusive of, the District's rights to require additional protective measures, recover for damages sustained to the Electric System, disconnect Service, remedies available by Contract, or take any other remedial action available to recover losses and prevent future exceedances.

4.f Scheduling Charge. The scheduling charge equals the total quantity of energy procured or reserved by the District for Service pursuant to the Contract (expressed in kWh) multiplied by \$0.00644/kWh.

4.g Reserves Charge. The reserve charge equals \$13.66/kW-month multiplied by 3.5% of the Demand (kW) for the billing period.

4.h Transmission Charge. The transmission charge is \$2.10/kW-month multiplied by the Customer's twelve-month coincidental peak (12CP). Customer's 12CP is set on July 1 of each year and equals the average of the Customer's Demand coincident with the District's transmission system monthly peak in in each month of the previous calendar year. Being assessed this charge does not make Customer a transmission customer of the District or grant any rights to Customer with respect to the District's Open Access Transmission Tariff.

4.i Transmission Losses Charge. Transmission losses are financially settled with the District. The hourly transmission losses charge is calculated by multiplying the Transmission Loss Factor (%), as set forth in the District's Transmission Rate Schedules, by the total energy usage (kWh) and the Hourly Index (\$/kWh). The transmission losses charge is the sum of the hourly transmission losses charge for all hours during the delivery period.

4.j Basic Charge. The basic charge is, for each billing period, \$0.10/kW multiplied by the amount (in kW), if any, by which Customer's maximum authorized demand exceeds 5,000 kW, plus \$1000.

4.k Power Factor Charge. A charge will be assessed in billing periods when the average power factor is less than 0.95 ("Power Factor Limit"). "Average Power Factor" is the average metered power factor over the billing period or, if that is not available, is calculated as follows, where "kilowatt-hours" and "kilovolt-ampere-reactive-hours" are total amounts during the billing period:

$$\text{Average Power Factor} = \frac{\text{kilowatt-hours}}{\sqrt{(\text{kilowatt-hours})^2 + (\text{kilovolt-ampere-reactive-hours})^2}}$$

The "PF Demand" equals the Demand multiplied by the Power Factor Limit divided by the Average Power Factor, then subtracting the Demand. The power factor charge equals the PF Demand multiplied by the applicable demand charge. For avoidance of doubt, in no event will the power factor charge be negative.

4.l Day-Ahead Charge. The day-ahead charge is the Day Ahead Mid-C Peak Index Price or Day Ahead Mid-C Off-Peak Index Price published by ICE. The day-ahead charge applies to day-ahead Energy adjustments as specified by Contract.. If ICE ceases to publish these indices the District, in its reasonable discretion, may select a replacement index.

A persistent deviation occurs if Customer's load forecasts used for day-ahead purchases are frequently greater than the primary power supply associated with Customer's load (minus any portion of the power supply required by the Contract to be reserved). If the District, in its sole discretion, determines that the forecasts result in a persistent deviation, the District may adjust the forecasted amount and/or impose the Demand Exceedance Charge and the Excess Energy Charge on all day-ahead energy in all relevant hours as if such deviations were in excess of Customer's maximum authorized demand.

**4.m Liquidity Risk Charge.** The liquidity risk charge equals all invoiced amounts in the billing period, ~~except the Transaction Specific Charge (4.n)~~, multiplied by the rate set forth in the level below corresponding to the lowest Rating on the last day of the billing period.

Level	Moody's Rating	S&P Rating	Fitch Rating	Rate
1	Aa3 or above	AA- or above	AA- or above	0.50%
2	A3 to A1	A- to A+	A- to A+	0.75%
3	Baa3 to Baa1	BBB- to BBB+	BBB- to BBB+	1.50%
4	Below Baa3	Below BBB-	Below BBB-	3.00%

Notwithstanding the foregoing, the liquidity risk charge will be calculated using the rate in level 4 of the table above if, as of the last day of the billing period, (i) a Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency for a credit related reason; (ii) an event of default, as defined in the Contract, on the part of Customer has occurred and is ongoing; or (iii) less than two Rating Agencies have assigned a Rating to Customer. The term "Rating" means the unenhanced long-term senior unsecured debt rating or issuer rating assigned by a Rating Agency to the Customer.

**4.n Transaction Specific Charge.** The Transaction Specific Charge equals all invoiced amounts in the billing period multiplied by a factor that is equivalent to 6.4 percent.

**4.o Transitional Energy Service.** Service under this Section 4.o is available exclusively where the District elects to continue service on a transitional basis to Customers that were served by Contract under this Schedule 4 but for which the Contract has terminated while a replacement Contract is being negotiated. Service under this Section 4.o is not available to new Customers or to Customers that have not paid the required deposit. Transitional Energy Service includes the following:

Transitional Energy Charge: The Day-Ahead Charge in Section 4.I plus \$0.06887/kWh.  
Transitional Demand Charge: \$6.60/kW-month.

Security Deposit: A security deposit will be required in the amount of the highest previous or projected monthly billed amount, multiplied by a factor of three (3). At the District's sole discretion, the District may increase or decrease the security deposit in accordance with Section 8 of the Utility Service Regulations.

Interruption of Service: In exercising its discretion to interrupt service as described in the District's Utility Service Regulations, the District may prioritize interruption of service to loads taking Transitional Energy Service ahead of other loads. In the event that service is interrupted or fails by reason of accident, energy scarcity, or any other cause whatsoever, the Customer shall not be entitled to any compensation or reduction in charges and the District shall not be liable for any damages for such interruption or failure, nor shall such failure or interruption be held to constitute a breach of Contract on the part of the District or in any way relieve the Customer from performing its obligations related to service. This limitation of liability includes all damages of any nature, including direct, indirect or consequential.

Other Costs: All other costs of complying with, and costs reasonably attributable to non-compliance with, District Requirements related to providing Transitional Energy Service where "District Requirements" means any law, regulation, rule, tariff, rate schedule, standard, procedure, order or other obligation or standard imposed on the District or Customer, and any policies of the District approved by District's Board of Commissioners and then in effect, including in relation to capacity, resource adequacy, and environmental attributes.

Demand Limit: The demand limit for Transitional Energy Service will be the demand limit for Customer's service under the Contract as of the termination of the Contract. The demand limit is subject to change in accordance with the District's Utility Service Regulations.

Other Rate Schedules: 4.b, 4.c, 4.d, 4.e, 4.f, 4.g, 4.i, 4.j, 4.k, 4.l, 4.m, and 4.n.

## **Definitions**

"Fitch" means Fitch Ratings, Inc., or any successor thereto.

"Hourly Index" means the Powerdex Mid-Columbia Hourly Index. If the Powerdex Mid-Columbia Hourly Index ceases to be published or is no longer representative of the District's real-time purchases and sales, the District, in its reasonable discretion, may select a replacement source for the Hourly Index.

"Moody's" means Moody's Ratings, or any successor thereto.

"Rating Agencies" means, collectively, Fitch, Moody's and S&P. If any Rating Agency is dissolved or liquidated or no longer performs the functions of a securities rating agency, it may be replaced by any other nationally recognized securities rating agency designated by the District.

"Rating Agency" means any one of the Rating Agencies.

"S&P" means S&P Global Ratings, a Division of S&P Global, Inc., or any successor thereto.

## **CONTRACTS ENTERED INTO BEFORE FEBRUARY 19, 2019:**

For Contracts that include a scheduling services charge and were executed prior to February 19, 2019, the scheduling services charge for Energy scheduled by the District is as follows:

Charges for energy scheduled by the District for the benefit of the customer shall be as follows:

0.1 mills per kilowatt hour for energy from one month or longer block purchases from less than two suppliers;

0.2 mills per kilowatt hour if a one month or longer block is supplied from three or more suppliers.

For energy scheduled by the District in blocks of less than one month, the following rates shall apply to transactions for each day, and summed over the billing month:

0.25 mills per kilowatt hour for energy scheduled when the Intercontinental Exchange Mid-C Day-Ahead Peak (ICE Peak) index is greater than \$0 but less than or equal to \$50 per MWH;

0.50 mills per kilowatt hour for energy scheduled when the ICE Day Ahead Peak index exceeds \$50 but is less than or equal to \$100;

0.75 mills per kilowatt hour for energy scheduled when the ICE Day Ahead Peak index exceeds \$100.

## **TAX ADJUSTMENT:**

The amount of any tax levied on the service by any state, city or town or other jurisdictional entity in accordance with R.C.W. 54.28.070 or other applicable law will be added to the above charges.

**SERVICE POLICY:**

Service under this schedule is subject to all the rules and regulations as set forth in the District's Utility Service Regulations.

EFFECTIVE: **DRAFT**



## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE GENERAL  
MANAGER TO ENTER INTO A LARGE LOAD  
SERVICE AGREEMENT AND RELATED  
CONTRACTS WITH MICROSOFT CORPORATION  
FOR ELECTRIC SERVICE UNDER RATE  
SCHEDULE 4, LARGE LOADS

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

Microsoft Corporation (“Microsoft”) has requested electric service from Public Utility District No. 1 of Chelan County (the “District”) at a location in the vicinity of Malaga, Chelan County. Microsoft’s requested demand capacity is 288,000 kW. The District's Rate Schedule 4, Large Loads, requires a contract between the customer and the District for all electric use in excess of 5 annual average megawatts.

Guiding principles and a framework for serving large loads have been presented to the Board in 2024 and 2025. The guiding principles include ensuring service to large loads does not reduce reliability and stable and predictable rates for other customers, protecting management of hydroelectric resources, preserving local control of District assets, and developing a durable and consistent way to serve all large loads. The large load power supply framework includes three arrangements: (1) the District procures wholesale energy for periods of one to five years; (2) the customer identifies wholesale energy which the District procures; and (3) the District and customer negotiate an arrangement. Under the framework, any arrangement that includes generation from District-owned resources would require Commission approval.

The District and Microsoft have negotiated contracts for electricity service to the Malaga load consistent with the large load guiding principles and within the power supply framework. The contracts are the Large Load Service Agreement, Master Power Supply Agreement, Power Supply Rider No. 1 to Master Power Supply Agreement (Interim Rider), and Power Supply Rider No. 2 to Master Power Supply Agreement (WSPP Rider). The rates, terms and conditions in the contracts are tailored to Microsoft’s energy needs, characteristics, and operating plans while adhering to the District’s guiding principles and framework. The contracts incorporate rates from Rate Schedule 4 and include rates specific to the load, all of which are subject to adjustment throughout the contract term by the Commission.

The District has the authority to purchase and sell electric energy and capacity pursuant to RCW 54.16.040 and other applicable laws. RCW 54.16.040 provides that the contracts shall extend over such period of years and contain such terms and conditions as determined appropriate by the Commission. RCW 54.16.040 also requires that the Commission, prior to selling energy to other entities for resale, shall first make adequate provision for the needs of the District, actual and prospective. RCW 54.16.040 further requires that a resolution authorizing such transactions must

be introduced at a Commission meeting at least ten (10) days prior to the adoption of the resolution. The Master Power Supply Agreement includes purchase of long-term power supply by the District on behalf of Microsoft. In the event such purchased power later exceeds the needs of Microsoft's load, the District may, with Microsoft's agreement, sell the excess to third parties under the terms of the Master Power Supply Agreement. As such, sales would be surplus to the actual and prospective needs of the customer and the District. Drafts of the proposed contracts have been provided to the Board and are on file in the offices of the District.

Staff recommends that it is in the best interest of the District to enter into the Large Load Service Agreement, Master Power Supply Agreement, Power Supply Rider No. 1 to Master Power Supply Agreement (Interim Rider), and Power Supply Rider No. 2 to Master Power Supply Agreement (WSPP Rider) consistent with the large load power supply framework and Rate Schedule 4. The General Manager has reviewed staff's recommendation and concurs in the same.

### **ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. At a public meeting on June 4, 2025, this Resolution was introduced to the Commission seeking authorization to enter into a proposed Master Power Supply Agreement and related contracts, all consistent with the large load power supply guiding principles and framework. Pursuant to RCW 54.16.040, the Commission did not vote on the Resolution until at least ten (10) calendar days had passed.

Section 2. The Commission hereby approves the proposed Resolution and authorizes and directs the General Manager (or designee) to execute the proposed Large Load Service Agreement, Master Power Supply Agreement, Power Supply Rider No. 1 to Master Power Supply Agreement (Interim Rider), and Power Supply Rider No. 2 to Master Power Supply Agreement (WSPP Rider) on behalf of the District on terms and conditions consistent with the large load guiding principles and power supply framework.

Section 3. The Commission hereby authorizes the General Manager (or designee) to execute on behalf of the District any necessary or appropriate agreements and to take actions necessary to effectuate this Resolution and the Large Load Service Agreement, Master Power Supply Agreement, Power Supply Rider No. 1 to Master Power Supply Agreement (Interim Rider), and Power Supply Rider No. 2 to Master Power Supply Agreement (WSPP Rider) on behalf of the District except prior Commission authorization is required for additional power supply riders that source power from District-owned generation.

Resolution No. \_\_\_\_\_

Page 3

DATED this 16<sup>th</sup> day of June 2025.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

S E A L