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No. OF EMPLOYEES	253	
NOMBRE D'EMPLOYÉS	E.M.	

AGREEMENT

EFFECTIVE JANUARY 1, 1999

BETWEEN

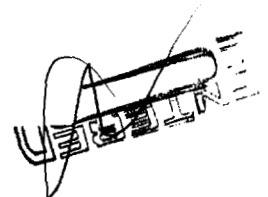
TRANSALTA UTILITIES CORPORATION

and its subsidiary company, FARM ELECTRIC

SERVICES LTD.,

AND

TRANSALTA EMPLOYEES' ASSOCIATION



AGREEMENT

Effective **January 1, 1999 to December 31, 2001**

between

TRANSALTA UTILITIES CORPORATION

and its subsidiary company, FARM ELECTRIC

SERVICES LTD.,

hereinafter designated and referred to as the “Company”

and

TRANSALTA EMPLOYEES’ ASSOCIATION

hereinafter designated and referred to as the “Association”

Sections Still Under Review

Those articles or attachments that are under review by the TransAlta Employee's Association and TransAlta Utilities Corporation are labeled with an () in the body of the document and the Table of Contents.*

- *Article 7 – Promotions, Transfers and Job Postings*
- *Article 16 – Salaries, Rates of Pay and Other Payments*
- *Article 17.7 – (in relation to job titles)*
- *Attachment 3 – Entry Level Positions as per Article 7.3*
- *Attachment 10 – Monday to Saturday Work Week (in relation to job titles)*
- *Job titles will be reviewed by the Association and the Company*
- *New Pay Schedules*

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ARTICLE 1- SPIRIT OF AGREEMENT

WHEREAS the Company, its management and employees, comprise a team wherein the money of investors is combined with the judgment, abilities, experience and energy of the management and employees to provide public utility services to our consumers -- the public, industry, wholesale and retail business, and to the farmer and other engaged in basic industries, and

WHEREAS it is agreed that the service rendered by the Company and its employees directly or indirectly to electric consumers is essential to the welfare of these consumers, and

WHEREAS it is essential to the livelihood and in the best interests of the Company and its employees to direct their respective efforts towards the efficient and economical operation of the Company's business,

THEREFORE, this Agreement recognizes and accepts the principles and spirit of good teamwork, based upon mutual responsibility, respect, confidence, loyalty, integrity and friendliness and,

THIS AGREEMENT further recognizes that all successful employer-employee contacts must be mutually advantageous, fair and just, not more favourable to one than to the other and of the same spirit of cooperation and friendliness in which this Agreement is reached.

ARTICLE 2 - RECOGNITION

The Company recognizes the Association as the exclusive bargaining agent for all Permanent, Term and Probationary employees of the Company that come within the scope of the Association's unit of Certification.

A "Permanent" employee is one who occupies a position permanently established by the Company and has successfully completed a probationary period of six (6) months.

A "Term" employee is one who occupies a position established by the Company for a specified duration and has successfully completed a probationary period of **six (6)** months.

- a) The duration of a Term position shall be **more than six (6)** months and no greater than three years unless otherwise agreed by the Association and the Company.
- b) The duration of a Term position may be extended by agreement of the Association. For this purpose, a request to extend the duration shall be provided to the Association and affected employee at least thirty (30) days in advance of the expiry of the term.
- c) The term may be reduced for operational reasons provided the employee receives a minimum of two (2) weeks notice, unless a greater period of notice is required by the Employment Standards Code.

2.4 A “Probationary” employee is one who, at commencement of employment with the Company, occupies a Permanent or Term position for a trial period of six (6) months, and whose employment may be terminated at the Company’s discretion at any time during this probationary period. A review of such employee’s progress shall be made and discussed with the employee before or during the fourth month of employment.

2.5 A “Temporary” employee is an employee who is not covered by the terms of this Agreement and is:

A person who is hired as casual to perform emergency or other work on an irregular basis

or

A person who is hired to perform work for a period of six (6) months or less.

2.6 Wherever the singular or the masculine is used throughout this Agreement, the same shall be construed as meaning the plural or the feminine where the context or the parties so require.

ARTICLE 3 - ASSOCIATION RELATIONSHIPS

3.1 As a condition of continued employment, all employees shall pay each month to the Association monies equal to the established monthly dues of the Association.

- 3.2 The dues referred to in 3.1 shall be deducted monthly from the employee's salary and remitted to the Association within thirty (30) days following the deduction.
- 3.3 The payment of dues does not require the employee to become a member. Should an employee's membership be refused or revoked by the Association, the employee's continued employment shall not be affected.
- 3.4 The Company shall not be liable for any claims that may be made against the Company for amounts deducted in accordance with the above.
- 3.5 The Company shall not discriminate against any employee because of the employee's connection with the Association, or the employee's activities related thereto which are permitted by the Company, sanctioned by the terms of the Collective Agreement or are in accordance with those rights and privileges defined in the Employment Standards Code and the Labour Relations Code, nor shall the Association discriminate against any employee because of the employee's non-membership in the Association.
- 3.6 During the life of this Agreement, the Company shall not cause or direct any lockout of its employees, nor shall the Association cause, permit, or in any way encourage employees to participate in any strike, walkout, slowdown or suspension of work.

ARTICLE 4 - MANAGEMENT FUNCTIONS

- 4.1 The Association recognizes the right of the Company to hire, promote, demote, layoff, classify and transfer in accordance with the terms of the Agreement. The Association further recognizes the right of the Company to demote, discipline, suspend and discharge employees for cause. In cases of demotion, discipline, suspension and discharge the employee, if the employee so desires, may request the Association to review the action taken by the Company.
- 4.2 The Association further recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. In particular, without restricting the generality of the foregoing, the Association agrees that the Company has the sole authority and is exclusively responsible for assigning and scheduling of work; determining the number of employees needed at

any time in any classification and in any section, department or plant; directing its working forces except to the extent that these rights have been specifically limited by this Agreement. The Company also has the right to make and alter from time to time rules and regulations to be observed by the employees. Such rules and regulations shall not be inconsistent with the terms of this Agreement.

ARTICLE 5 - GRIEVANCES

Should an employee feel the employee has been unfairly treated or a dispute arises between the Company and an employee, an earnest effort shall be made to settle the dispute by the individuals involved.

A grievance is a matter concerning differences in interpretation, application, operation or alleged violation of this Agreement. Employees shall have the right to process grievances through the following procedure. Should the Association or the Company wish to initiate a grievance, it shall commence at the Third Step of the grievance procedure.

5.1 First Step

An employee who feels they have a grievance shall present their grievance **through the Association** in writing to their immediate supervisor within ten (10) working days from the date of the incident prompting the grievance. **The supervisor shall, within four (4) working days of receipt of the grievance, arrange a meeting with the grievor. An Association representative shall be present for this meeting unless the grievor requests that the representative not attend. The supervisor shall answer grievances in writing within three (3) working days of this meeting.**

Notwithstanding the above, a selection grievance resulting from a posted position, shall be submitted to the supervisor indicated on the job posting within five (5) working days from the date the employee was notified either verbally or in writing of the selection decision, whichever is earlier. If such notification is verbal it shall be made personally by the supervisor indicated on the job posting. The **Association** and the supervisor can mutually agree to waive the First Step for a selection grievance.

5.2 Second Step

If a satisfactory settlement is not reached in the First Step, the employee **through the Association**, within four (4) working days of receipt of the answer from the employee's immediate supervisor (or for selection grievances, the immediate supervisor with the vacancy), shall present the grievance in writing to the employee's Department Head (except for selection grievances in which case the employee shall **through the Association** present it to the Department Head with the vacancy). The Department Head (or appointee) shall, within four (4) working days of receipt of the grievance, arrange a meeting with the grievor. **An Association representative shall be present for this meeting unless the grievor requests that the representative not attend.** The Department Head (or appointee) shall answer the grievance in writing to the grievor, with a copy to the Association, within three (3) working days of this meeting.

5.3 Third Step

If on completion of the Second Step either the Association or the Company wishes to process the grievance further, either shall, within three (3) working days, submit the grievance in writing to a Grievance Committee consisting of three (3) representatives of the Company and three (3) representatives of the Association. The Grievance Committee shall arrange a meeting within five (5) working days of this notice and shall give its decision in writing to the Association and the Company, within three (3) working days of this meeting. **The employee may request to discuss their grievance with the Grievance Committee if the employee so desires.**

5.4 Fourth Step

Should a majority of the Grievance Committee fail to agree upon a settlement and if the Association wishes to process the grievance further, within three (3) working days, the grievance shall be referred to the **Chief Executive Officer** (or appointee) by a representative of the Association. The **Chief Executive Officer** (or appointee) shall answer the grievance in writing within three (3) working days of meeting with the representative of the Association. **The employee may request to be present for this meeting if the employee so desires.**

5.5 Fifth Step

If a satisfactory settlement is not reached in Step Four, within five (5) working days of receipt of answer from the **Chief Executive Officer** (or appointee), either the Company or the Association may notify the other party in writing of its desire to submit the difference to

arbitration and the notice shall contain a statement of the difference and name of the first party's appointee to an Arbitration Board. The recipient of the notice shall, within five (5) days, exclusive of Saturdays and Sundays and other holidays, inform the other party of the name of its appointee to the Arbitration Board. The two (2) appointees so selected shall, within five (5) working days, exclusive of Saturdays and Sundays and other holidays, of the appointment of the second of them, appoint a third person who shall be the chairman.

If the recipient of the notice fails to make an appointment within the time limits, the appointment shall be made by the Minister of Labour upon the request of either party. If the two (2) appointees fail to agree upon a chairman within the time limits, the appointment shall be made by the Minister of Labour upon the request of either party.

The Arbitration Board shall hear and determine the difference and shall issue an award in writing and the decision is final and binding upon the parties and upon any employee affected by it. The award of a majority is the award of the Arbitration Board, but if there is no majority, the decision of the chairman governs and shall be deemed to be the award of the Board. The Arbitration Board by its decision shall not alter, amend or change the terms of this Agreement.

Each party to the difference shall bear the expenses of its respective appointee to the Arbitration Board and the two (2) parties shall bear equally the expenses of the chairman.

- 5.6 The time limits expressed in the foregoing shall be observed by both parties. However, any one (1) or all of the time limits, as expressed, may be extended by mutual agreement.

ARTICLE 6 - RESIGNATIONS AND TERMINATIONS

- 6.1 A permanent employee who wishes to resign shall give **two (2) weeks'** notice in writing to the employee's supervisor or Department Head.
- 6.2 When the Company wishes to terminate the services of a permanent employee, as defined in 2.2, **due to layoff**, such employee shall be given one (1) month's notice or one (1) month's pay in lieu of notice except when the employee is discharged for just cause.
- 6.3 A claim by any permanent or term employee that the employee has been discharged without just cause may be the subject of a grievance and dealt with as provided under Article 5, Grievances.

(*)ARTICLE 7 - PROMOTIONS, TRANSFERS AND JOB POSTINGS

(This Article, specifically 7.3 and 7.7, are under review between the Company and the Association)

7.1 The Company agrees to fill vacancies above entry level ranges **firstly from Permanent employees and then from Term employees**, whenever qualified personnel are available, subject to the following provisions. In all promotions, voluntary demotions and transfers, the Company shall consider, as related to the vacancy, experience, education, ability and job-performance. Where these qualifications are relatively equal for two (2) or more employees being considered, preference shall be given to the employee with the greater seniority. Any or all employees being considered may be subject to such additional tests or examinations as the Company may require.

7.2 The Company shall not necessarily be obliged to consider the transfer, including promotion, of any employee with less than one (1) year of service with the employee's present accountabilities.

(*)7.3 Vacancies in all Office Staff positions within the scope of this Agreement above Salary Group 2, excluding:

- A. Entry Range positions, and
- B. Schedule A. Groups 1 through 4 inclusive in the Area, Regional, and Thermal Generating Plant offices where, at these locations there are no lower Schedule A positions,

shall be posted on all applicable bulletin boards for a period of not less than seven (7) working days. No more than two (2) postings shall be required in any one (1) sequence with the exception that all work leader positions, identified in the office salary schedules, will be posted.

Vacancies in all Field Staff positions within the scope of the Agreement above entry level and the following entry level jobs:

- a. High Voltage Tester

- b. Plant Clerk 2
- c. Plant Stores Clerk 2
- d. Senior Plant Stores Clerk

shall be posted on all bulletin boards for a period of not less than seven (7) working days. No more than two (2) postings shall be required in any one (1) sequence with the exception that all work leader positions, identified in the field salary schedules, will be posted.

Any employee who submitted a bid on a posted position and whose application was not successful shall upon the employee's request be given the reason for not being selected.

- 7.4 It is agreed that a change in Pay Level for any position does not constitute a vacancy unless there is a change of incumbent.
- 7.5 Applications from employees for transfer to positions not subject to a required job posting, shall be given consideration. Such applications should be made in writing to the Recruitment and Selection Section of the Human Resources Department in Calgary. When a transfer is made at the request of an employee, the employee may be required to take a classification and rate of pay appropriate to the employee's new duties and may be required to bear the cost of the employee's move.
- 7.6
 - a. **In the event of a layoff of employees, layoff will be conducted on the basis of overall job performance. Where overall job performance is relatively equal, seniority will be the deciding factor.**
 - b. **The effect of layoff on benefits and vacation shall be in accordance with Attachment 9 at the back of the Agreement.**

(*)7.7 When a promotion occurs in an above Entry Level position, the following conditions shall apply:

- a. When a promotion occurs, the employee concerned shall be placed in that position within the employee's new pay level which reflects an increase in pay which shall be no less than one (1) step in the level from which the employee was promoted or to the bottom of the new pay level, whichever is the greater.
- b. On any promotion in the same pay schedule (a) above shall be adjusted as required so that no promoted employee shall receive less than the employee's immediate subordinate and subject to

16.3 the employee shall not be held at the same rate as the employee's subordinate for more than six (6) months.

ARTICLE 8 - HOURS OF WORK

The hours of work stated in this Article shall not be construed as a guarantee of any minimum nor as a restriction on any maximum hours to be worked, but serves only as a basis for the calculation of overtime and establishing work schedules.

8.1 a. Office Staff - General

1. Seven (7) hours and **fifty-five (55)** minutes shall constitute a regular work day and five (5) days shall constitute a regular work week. A Monday or Friday off per month shall be designated by the Company for each employee.
2. Normal office hours shall be from 7:35 a.m. to **4:30** p.m. Monday through Friday with one (1) hour off for lunch. It is agreed that on forty-eight (48) hours notice the Company may change the normal starting time providing the regular hours of work occur between 6:30 a.m. and 5:30 p.m. If mutually agreeable between the Company and an employee, the duration of the lunch period may be varied by up to one-half (1/2) hour.

b. Office Staff - Shift Employees

1. Shifts shall be scheduled and posted by the Company. Seven (7) hours and fifty-five (55) minutes shall constitute a regular shift or work day and thirty-seven and one half (37.5) hours shall constitute an average work week. A Monday or Friday off for each employee shall be designated each month by the Company.

2. Normal hours for shifts shall be as follows:

A Day Shift - shall be a shift which commences between the hours of 6:30 a.m. and 8:30 a.m.

An Evening Shift - shall be a shift which commences between the hours of 3:00 p.m. and 5:00 p.m.

A Night Shift - shall be a shift which commences between the hours of 11:00 p.m. and 1:00 a.m.

c. Hydro and Thermal Plant Clerical Staff

1. Eight (8) hours shall constitute a regular work day and five (5) days shall constitute a regular work week.
2. Normal office hours shall be from 8:00 a.m. to 5:00 p.m., Monday through Friday, with one (1) hour off for lunch. It is agreed that on forty-eight (48) hours' notice the Company may change the normal hours shown by one (1) hour or less.
3. Office staff employees who are normally required to vary their starting, finishing and lunch time will be considered as working a normal day if their regular hours of work occur between 7:30 a.m. and 5:30 p.m.

d. Area and Project Clerical Staff

1. Seven (7) hours and **fifty-five (55)** minutes shall constitute a regular work day and five (5) days shall constitute a regular work week. A Monday or Friday off per month shall be designated by the Company for each employee.
2. Normal office hours shall be from 8:00 a.m. to **4:55 p.m.**, Monday to Friday with one (1) hour off for lunch. It is agreed that on forty-eight (48) hours' notice the Company may change the normal starting time providing the regular hours of work occur between 6:30 a.m. and 5:30 p.m. If mutually agreeable between the Company and an employee, the duration of the lunch period may be varied to **up** to one-half (1/2) hour.

8.2 FIELD STAFF

Eight (8) hours shall constitute a regular work day and five (5) days shall constitute a regular work week from November 1 to April 30. Eight (8) hours and thirty (30) minutes shall constitute a regular work day and five (5) days shall constitute a regular work week, except that a Monday or Friday off per month shall be designated by the Company for each employee from May 1 to October 31.

a. Non-Shift Employees - General

1. From November 1 to April 30, normal field hours shall be from 8:00 a.m. to 5:00 p.m., Monday through Friday, with one (1) hour off for lunch. **Eight (8) hours shall constitute a regular work day and five (5) days shall constitute a regular work week.** It is agreed that on forty-eight (48) hours' notice the Company may change the normal field staff hours shown above by one (1) hour or less.
2. From May 1 to October 31, normal field staff hours shall be from 8:00 a.m. to 5:30 p.m., Monday through Friday, with one (1) hour off for lunch, except that in each of the aforementioned months, a Monday or Friday off shall be designated by the Company for each employee. **Eight (8) hours and thirty (30) minutes shall constitute a regular work day and five (5) days shall constitute a regular work week.** It is agreed that on forty-eight (48) hours' notice the Company may change the normal field staff hours shown above by one (1) hour or less.
3. If mutually agreeable between the Company and the majority of the employees in a work unit, a one-half hour (1/2) lunch period may be considered.
4. If mutually agreeable between the Company and an employee(s) in a work unit, a one-half (1/2) hour lunch period will be granted provided the employee(s) has been requested to bring a home prepared lunch as per Article 15.3.

b. Non-Shift Employees - Area Operating and Company Construction Personnel

1. From November 1 to April 30, normal field staff hours shall be from 8:00 a.m. to 5:00 p.m. and the regular work week shall be any five (5) consecutive days, Monday through Saturday, with one (1) hour off for lunch. **Eight (8) hours shall constitute a regular work day and five (5) days shall constitute a regular work week.** It is agreed that on forty-eight (48) hours' notice the Company may change the normal field staff hours shown above by one (1) hour or less.
2. From May 1 to October 31, normal field staff hours shall be from 8:00 a.m. to 5:30 p.m. and the regular work week shall be any five (5) consecutive days, Monday through Saturday, with one (1) hour off for lunch, except that in each of the aforementioned months, a Monday or Friday off

shall be designated by the Company for each employee. **Eight (8) hours shall constitute a regular work day and five (5) days shall constitute a regular work week.** It is agreed that on forty-eight (48) hours' notice the Company may change the normal field staff hours shown above by one (1) hour or less.

3. If mutually agreeable between the Company and the majority of the employees in a work unit, a one-half (1/2) hour lunch period may be considered.
 - (i) If mutually agreeable between the Company and an employee(s) in a work unit, a one-half (1/2) hour lunch period will be granted provided the employee(s) has been requested to bring a home prepared lunch as per Article 15.3.
 - (ii) It is further agreed that where there is only one (1) man qualified to be on standby or where vacations reduce the remaining staff coverage to less than fifty percent (50%) of total staff available as a result of the day off, employees shall revert to the hours as outlined in 8.2(b)(1).

c. Shift Employees

Schedules of regular shifts shall be as arranged and posted from time to time by the Company, but may be further varied by mutual agreement between the Company and the Association. From November 1 to April 30, eight (8) hours shall constitute a regular work day or shift and forty (40) hours shall constitute an average work week. From May 1 to October 31, eight (8) hours and thirty (30) minutes shall constitute a regular work day and forty (40) hours shall constitute an average work week, except that in each of the months May through October, a Monday or Friday off shall be designated by the Company for each employee.

Normal hours for shifts shall be as follows:

- | | | |
|---------------|---|---|
| Evening Shift | - | considered as a shift which commences between the hours of 3:00 p.m. and 5:00 p.m. |
| Night Shift | - | considered as a shift which commences between the hours of 11:00 p.m. and 1:00 a.m. |

- d. When a field staff employee is rescheduled, at the Company's request, to work a normal work period or shift other than the employee's regular scheduled hours or shift with less than fifteen (15) hours off between work periods or shifts, the employee shall receive applicable overtime rates computed on basic salary for this initial period or shift as per Article 10.2.
- 8.3 Hours of work vary only as stated in Attachments 4,5,6, and 7 at the back of this Agreement.
- 8.4 If mutually agreeable between the Company and the employee, another work day may be substituted for the designated day off

ARTICLE 9 - SHIFT DIFFERENTIAL

9.1 Evening Shifts

Employees scheduled to work evening shifts shall receive, in addition to regular pay, ninety-seven cents (9795) per hour for evening shifts worked.

9.2 Night Shifts

Employees scheduled to work night shifts shall receive, in addition to regular pay, ninety-seven cents (9795) per hour for night shifts worked.

ARTICLE 10 - OVERTIME

10.1 OFFICE STAFF

Employees in this category shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked outside their scheduled hours of work on a regular work day and for all time worked on scheduled days off and Holidays as specified in Article 14.1 of this Agreement.

10.2 FIELD STAFF

Employees in this category shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked outside their scheduled hours of work on a regular work day and for all

time worked on scheduled days off and Holidays as specified in Article 14.1 of this Agreement.

10.3 Where an employee is required to work overtime and receives less than six (6) consecutive hours off duty in the nine and one half (9 1/2) hour period immediately prior to the commencement of the employee's regular hours of work, that employee shall continue to be paid at double the employee's regular rate of pay for the hours worked until such time as the employee is relieved from duty for not less than six (6) consecutive hours. For each case, unless otherwise notified by the Company, the employee will consider themselves relieved from duty at the completion of the overtime work. An employee relieved from duty shall be paid at the employee's regular rate of pay for the employee's regular hours of work which fall within this prescribed relief period.

10.4 TIME OFF WITHOUT PAY IN RECOGNITION OF OVERTIME WORKED

- a. When mutually agreeable to the employee and the Company, time off without pay, may be taken in consideration of **paid** overtime worked in the same calendar year.
- b. Such time off, up to a maximum of five (5) days at any one time, will be permitted provided that the requested time off does not result in additional overtime for that employee **and**/or other employees. Therefore, requests for time off more than thirty (30) days in advance of the actual time off cannot be considered.

ARTICLE III - CALL-OUTS

- 11.1 Employees called out for emergency and maintenance work following their normal work day or shift and after they have left the Company work place, including Company owned and rented vehicles, shall be paid a minimum of two (2) hours at the applicable overtime rate subject to the provisions of 11.2.
- 11.2 Employees called out during the two (2) hours preceding the commencement of their normal work day or shift shall be paid at their applicable overtime rate for the time worked and the time remaining until the start of their work day or shift.

- 11.3 Employees called out for work on scheduled days off and Company recognized Holidays shall be paid a minimum of two (2) hours at two (2) times the basic hourly rate. This shall not apply in the case of employees who perform regularly assigned duties on such days.
- 11.4 Employees on standby shall be paid for call-outs on the same basis as employees not on standby.
- 11.5 Where employees are called out for work, they are deemed to be on duty for the specified minimum period or until the work for which they have been called out is completed, whichever is the longer period. Further calls received during this period shall be considered a continuation of the initial call-out and shall not be subject to minimum call-out pay.
- 11.6 When employees are scheduled to work overtime on normally scheduled days off and the scheduled overtime is cancelled by the Company with less than eight (8) hours notice to the employees, the employees shall receive two (2) hours pay at overtime rates.

ARTICLE 12 – STANDBY

- 12.1 Employees shall receive standby pay only when on scheduled standby or when specifically requested to perform standby duties.
- 12.2 Employees who are requested to standby at their headquarters or work location shall receive **\$19.57 (January 1,2000) \$20.25 (January 1, 2001)** per day for each scheduled work day and **\$50.73 (January 1, 2000) \$52.51 (January 1,2001)** per day on scheduled days off and Company recognized holidays, plus applicable overtime rate for all call-outs.
- 12.3 Employees on standby to handle trouble calls and maintain good service to our customers shall be available for the full twenty-four (24) hours of each standby day.
- 12.4 The number of employees required for standby in each district or location shall be determined from time to time by the Company and arranged by the Supervisor or the employee in charge.
- 12.5 The Supervisor shall be responsible for scheduling standby duties as equitably as possible having regard for safety and experience.

- 12.6 No employee shall be required to standby for more than twenty-five (25) consecutive days except by mutual agreement between the Company and the employee concerned. Where there is no agreement to an extension beyond the twenty-five (25) days, the Company will arrange to relieve the employee of standby duties for the following seven (7) days.
- 12.7 An employee required to standby for a weekend, shall be considered to be on standby from normal quitting time on Friday afternoon (or Thursday afternoon if Friday is a Company recognized Holiday) until normal starting time on Monday morning (or until normal starting time on Tuesday morning if Monday is a Company recognized Holiday). The employee shall be paid three (3) days standby pay (one (1) day at the scheduled work day rate and two (2) days at the scheduled day off rate). On weekends which include a Company recognized Holiday, the employee shall be paid an additional day at the scheduled day off rate.

ARTICLE 13 – VACATIONS

13.1 Employees shall **earn** vacation with pay **at an accrual rate** as follows:

Years of Service Completed	Vacation Earned
less than 1 year	10 days/year
1 to 6 years	15 days/year
7 to 15 years	20 days/year
16 to 23 years	25 days/year
24 years +	30 days/year

- 13.2 Pay for vacations under 13.1 shall be at the employee's basic scheduled rate of pay applicable during the employee's vacation period. "Basic scheduled rate" for vacation pay purposes excludes overtime pay, standby pay and any temporary (less than three (3) months) higher or lower pay level/step.
- 13.3 **As far** as possible, employees will be granted their choice of vacation periods, but the right to allot vacation periods is reserved by the Company in order to ensure efficient operations. In the event that the

Company and an employee cannot agree upon the date of commencement of an employee's vacation, the Company shall set a vacation period and shall give the employee at least two (2) weeks' notice in advance.

- 13.4 In the event that a Company-recognized Holiday falls within an employees' vacation period, the employee will receive either, a regular day's pay or an additional day off in lieu of the Holiday at the discretion of the Company.
- 13.5 In the event that an employee is laid off, resigns or is discharged, the employee will be compensated in money in lieu of the accrued vacation due.
- 13.6 Employees, while working a twenty-four (24) hour continuous rotating shift schedule shall receive one (1) additional day of vacation upon completion of two (2) years of continuous shift service and an additional day upon completion of each subsequent year of continuous shift service up to a combined maximum of five (5) days. For the purpose of this clause, continuous service shall accrue beginning **January 1, 1981**. Vacation pay earned under this clause will not be paid on voluntary termination.

ARTICLE 14 - HOLIDAYS

- 14.1 The following days will be recognized as paid holidays:

- New Year's Day	- Civic Day
- Family Day	- Labour Day
- Good Friday	- Thanksgiving Day
- Easter Monday	- Remembrance Day
- Victoria Day	- Christmas Day
- Canada Day	- Boxing Day

- 14.2 Any additional holidays proclaimed by the Provincial and/or Federal Governments, and generally recognized by industry, will be recognized as paid holidays.

Any additional holidays proclaimed by the Civic Governments, and generally recognized by industry, will be recognized as paid holidays, if approved by the Company.

In the event that the Legislature removes Alberta Family Day as a paid holiday, it will be removed from the above list of holidays.

- 14.3 The period of time recognized as a holiday is the twenty-four (24) hour period beginning at 00:01K on the day which is observed as the holiday.
- 14.4 When any of the holidays listed above fall on a Saturday or Sunday, the Company, at its discretion, shall declare either the preceding Friday or the following Monday as the day to be observed. When Christmas Day is observed on a Monday, Boxing Day will be observed on the following Tuesday. Shift employees shall observe the holidays listed in Article 14.1 on the calendar days on which they fall.
- 14.5 Observance of Civic Day for crew personnel and employees not otherwise provided for shall be as arranged with their supervisors.
- 14.6 When one of these holidays is observed on an employee's day off, and such day is not worked by the employee, the employee shall at the discretion of the Company, receive a regular day's pay or another day off in lieu of the holiday.

ARTICLE 15 - EXPENSES

- 15.1 The payment of expenses to employees is made upon the principle that employees should be reimbursed for reasonable 'out of pocket' expenses so incurred. It is considered that employees should neither lose nor profit from expense allowances. This principle shall be followed in dealing with questions which may arise in connection with expenses.
- 15.2 While working away from headquarters, employees shall be reimbursed for actual expenses of board and lodging. Rooms, as required, shall be arranged for by the employee in charge.
- 15.3 While working at or out of headquarters (generally within an eight (8) kilometre (five (5) mile) radius or ten (10) minutes one way travel time from permanent headquarters), the employees shall normally provide their own noon meals. However, under special circumstances or job requirements, the employee in charge, at their discretion, may allow the employees to have noon meals at Company expense.

If the employee is working beyond the guide limits stated above and a restaurant is readily available to the job site, the Company shall reimburse the employee for the actual cost of the restaurant meal purchased. If the employee cannot be taken to an eating establishment for a noon meal because of job requirement or distance involved and is requested to bring a home prepared lunch, the employee shall receive \$4.40 for each lunch supplied.

- 15.4 Transportation between headquarters and the job shall be arranged by the Company.
- 15.5 Employees who are authorized to use their cars while on Company business shall be reimbursed as follows:
- First eight thousand (8,000) kilometers driven per year - twenty-nine cents (29¢) per kilometer.
 - Next eight thousand (8,000) kilometers driven per year - twenty-five cents (25¢) per kilometer.
 - Kilometers driven thereafter - twenty cents (20¢) per kilometer.
- 15.6 Transfer expenses shall be paid in accordance with Attachments 1, 2 and 3 at the back of this Agreement.
- 15.7 An employee who is required to work away from the employee's headquarters for three (3) or more consecutive nights, shall be paid incidental expenses at \$4.75 per night for all such nights away from headquarters. Exceptions to this include training, seminars and meetings.
- 15.8 Coveralls/overalls or smocks/aprons shall be in accordance with Attachment 8 at the back of this Agreement..

(*) ARTICLE 16 - SALARIES, RATES OF PAY AND OTHER PAYMENTS

(This Article, specifically 16.2 and 16.4, are under review between the Association and the Company)

- 16.1 During the life of this Agreement, the Company agrees to pay the rates in the Pay Schedules which are attached and the Association agrees to the principle of a full day's work for a full day's pay.
- 16.2 a. When new job classifications are established, the Company shall set and implement the wage rates thereof, and shall notify

the Association thereof within fourteen (14) days of the classification being established.

- b. When significant changes are effected to existing job classifications to the extent that the **job requires re-evaluation**, or the job is re-evaluated as a result of the job evaluation maintenance program, the following procedure shall be followed:
 - 1. Where, in the opinion of the Association, a job classification requires re-evaluation, it shall request the Company to proceed with re-evaluation and the Company shall do so within one hundred and twenty (120) days. Upon completion of any evaluation, the Company shall promptly inform the Association of any changes arising therefrom.
 - 2. Should a request for re-evaluation, resulting from changes in job content be initiated by an employee, or by the Association on the employee's behalf, and the re-evaluation results in a reclassification to a higher pay level, the reclassification shall be retroactive to the date the Company received the "Request for Review" application.
 - 3. When the Company initiates a re-evaluation of a job and the re-evaluation results in reclassification to a higher pay level as a result of changes in job content, the reclassification shall be retroactive to the date the employee returns the updated job description to the Company after receiving the "Notification of Review" letter.

- c. When a dispute arises between the Association and the Company regarding a job evaluation, a Board of six (6) persons shall be established, within ten (10) working days of receipt by the Company, of the Association's notice of appeal to attempt to resolve the dispute. Three (3) representatives will be appointed by the Company and three (3) representatives will be appointed by the Association, each of the six (6) persons having one (1) equal vote. It is understood that a Job Evaluation Analyst will not be one of the six (6) Board members, but will be available to the parties as a resource person. Every effort should be made to resolve the dispute within ten (10) working days of the Board's appointment. In the event that the dispute remains unresolved, the following method of settlement shall be adopted:

The Company and the Association shall submit the dispute jointly to two (2) appointees qualified in wage determination and administration, one (1) appointed by the Company and the other by the Association. Such appointees shall meet and hear all pertinent matters and render a decision within fourteen (14) days of their first meeting. In the event that the appointees cannot reach unanimity in their decision, they may appoint a third party of similar qualifications to act as Chairman, such party to be experienced in the field of job evaluation. The unanimous decision of the first two (2) appointees, or a majority decision of the three (3) appointees, shall be final and binding upon both parties.

- d. When a job classification has been evaluated and assigned a tentative rating, the classification shall be reviewed and a rating confirmed within twelve (12) months, provided the classification has been filled by the same employee.

16.3 Scheduled increases are intended to be paid for satisfactory progress. In the event that an employee is not making satisfactory progress, one (1) or more increases may be withheld, provided that the employee concerned and the Association are notified in writing by Management of the reason for withholding such increases. Should the employee fail to give satisfactory service following the withholding of an increase, the employee may be demoted or discharged at the discretion of the Company, subject to the provisions of Articles 5 and 6 of this agreement.

(*16.4 An employee temporarily assigned in writing by the supervisor for a period in excess of five (5) continuous working days to a position of higher classification shall, from the first day, be paid at the next higher pay rate applicable to the new classification.

16.5 No employee shall be required to take a lesser rate of pay when assigned at the Company's request to temporarily perform the duties of another employee. The foregoing shall not be construed as applying to demotion for just cause or assignment to a lower classification to provide continued employment.

16.6 PYRAMIDING

If two (2) or more premiums are applicable to the same hours worked, an employee shall receive only the highest premium applicable to such hours. For the same hours worked, an employee shall not receive a

premium rate under more than one (1) provision of this Agreement unless otherwise specifically provided.

- 16.7 An employee who is required to work at or above a height of twenty-four and four tenths (24.4) meters [eighty (80) feet] free fall above ground level on power line structures and radio towers will receive, in addition to their regular rate of pay, a premium of one (1) times their normal straight time rate while so engaged. Premium height pay will be paid for each hour or part of an hour so worked. The provision of Article 16.6 shall not apply to height pay premium.
- 16.8 SICK PAY will be in accordance with the provisions of the “Group Salary Continuance Plan” in effect throughout the Company.

ARTICLE 17 - MATERNITY LEAVE

- 17.1 A pregnant employee will be entitled to maternity leave without pay consisting of a period not exceeding twelve (12) weeks immediately preceding the estimated date of delivery and a period not exceeding twenty-seven (27) weeks immediately following the estimated date of delivery. The combined period of absence is not to exceed twenty-seven (27) weeks.
- 17.2 The pregnant employee shall give the Company two (2) weeks’ notice in writing of the day upon which she intends to commence maternity leave and provide a medical certificate certifying that she is pregnant and the estimated date of delivery.
- 17.3 An employee, with the agreement of the Company, may shorten the duration of the twelve (12) week and/or the twenty-seven (27) week period in 17.1 by providing the Company with a medical certificate indicating that the continuation of work, up to the estimated date of delivery or the resumption of work by the employee will not, in her doctor’s opinion, endanger her health.
- 17.4 An employee who wishes to resume her employment upon the expiration of maternity leave shall give the Company two (2) weeks’ notice in writing of the day on which she intends to resume employment.



- 17.5 The Company will reinstate her in the position she occupied at the time her maternity leave commenced or provide her with alternative work at a salary comparable to her former pay.
- 17.6 During maternity leave, the Company will make premium contributions as per normal policy to continue coverage for the following benefits: Alberta Health Care, Major Medical/Dental, Group Life Insurance and Pension Plan. Upon reinstatement, the employee will be given full credit for seniority that had accrued to the date that the employee commenced maternity leave.
- *17.7 Job vacancies resulting from employees taking maternity leaves shall not require posting, as provided in Article 7.3. (see Article 7)
- 17.8 The Company shall grant an employee a leave of absence without pay for a maximum of twenty-seven (27) weeks immediately subsequent to the adoption of a child, provided the employee has, prior to the adoption, notified the Company in writing of an intent to adopt, giving the estimated adoption date.

Further, an employee's entitlement to adoption leave is conditional on having at least twelve (12) months of continuous service immediately preceding the estimated adoption date. Where both prospective parents are employees of the Company, only one shall be eligible for the leave of absence.

Articles 17.4, 17.5, 17.6 and 17.7 shall apply to adoption leave as well as maternity leave.

ARTICLE 18 - TERMINATION OF AGREEMENT

- 18.1 This Agreement shall be effective from **January 1, 1999** and shall remain in full force up to and including **December 31, 2001** and shall continue in force thereafter unless in any year not more than one hundred and twenty (120) days, and not less than sixty (60) days before the date of its termination, either party shall furnish the other with notice of intention to amend this Agreement. Both parties agree to commence negotiations within thirty (30) days from date of notice.
- 18.2 If notice to negotiate has been given by either party prior to date of termination, this Agreement shall remain in full force and effect during any period of negotiations, in accordance with the provisions of the Labour Relations Code.

18.3 In the event that the Company and the Association wish to alter any Article or Attachment during the term of this Agreement, the parties may, by mutual agreement, negotiate such alterations.

Signed on behalf of
TRANSALTA UTILITIES CORPORATION

and its subsidiary Company (F.E.S.L.)

Signed on behalf of
TRANSALTA
EMPLOYEES'
ASSOCIATION

Signed on the day of, _____ at Calgary, Alberta.

PAY SCHEDULES

**(PAGES 22 TO 76 OF THE ORIGINAL AGREEMENT CONTAINING
SALARY SCHEDULES HAVE BEEN REMOVED)**

Salary Schedule - Business Services

Effective: January 1, 2000

		<i>Step</i>								
		1	2	3	4	5	6	7	8	9
\$/Hour	B1	\$12.24	\$13.26	\$14.28	\$15.30	\$16.32				
	B2	\$13.88	\$14.80	\$15.73	\$16.65	\$17.58	\$18.50			
	B3	\$15.04	\$15.87	\$16.71	\$17.54	\$18.38	\$19.22	\$20.05		
	B4	\$16.97	\$17.78	\$18.59	\$19.40	\$20.20	\$21.01	\$21.82	\$22.63	
	B5	\$19.96	\$20.79	\$21.62	\$22.45	\$23.28	\$24.11	\$24.94	\$25.78	\$26.61
\$ Semi-Monthly 37.5 Hr. Work Week	B1 37.5H	\$994.50	\$1,077.38	\$1,160.25	\$1,243.13	\$1,326.00				
	B2 37.5H	\$1,127.75	\$1,202.50	\$1,278.06	\$1,352.81	\$1,428.38	\$1,503.13			
	B3 37.5H	\$1,222.00	\$1,289.44	\$1,357.69	\$1,425.13	\$1,493.38	\$1,561.63	\$1,629.06		
	B4 37.5H	\$1,378.81	\$1,444.63	\$1,510.44	\$1,576.25	\$1,641.25	\$1,707.06	\$1,772.88	\$1,838.69	
	B5 37.5H	\$1,621.75	\$1,689.19	\$1,756.63	\$1,824.06	\$1,891.50	\$1,958.94	\$2,026.38	\$2,094.63	\$2,162.06
\$ Semi-Monthly 38 Hr. Work Week	B1 38H	\$1,007.76	\$1,091.74	\$1,175.72	\$1,259.70	\$1,343.68				
	B2 38H	\$1,142.79	\$1,218.53	\$1,295.10	\$1,370.85	\$1,447.42	\$1,523.17			
	B3 38H	\$1,238.29	\$1,306.63	\$1,375.79	\$1,444.13	\$1,513.29	\$1,582.45	\$1,650.78		
	B4 38H	\$1,397.20	\$1,463.89	\$1,530.58	\$1,597.27	\$1,663.13	\$1,729.82	\$1,796.51	\$1,863.20	
	B5 38H	\$1,643.37	\$1,711.71	\$1,780.05	\$1,848.38	\$1,916.72	\$1,985.06	\$2,053.39	\$2,122.55	\$2,190.89
\$ Semi-Monthly 40 Hr. Work Week	B1 40H	\$1,060.80	\$1,149.20	\$1,237.60	\$1,326.00	\$1,414.40				
	B2 40H	\$1,202.93	\$1,282.67	\$1,363.27	\$1,443.00	\$1,523.60	\$1,603.33			
	B3 40H	\$1,303.47	\$1,375.40	\$1,448.20	\$1,520.13	\$1,592.93	\$1,665.73	\$1,737.67		
	B4 40H	\$1,470.73	\$1,540.93	\$1,611.13	\$1,681.33	\$1,750.67	\$1,820.87	\$1,891.07	\$1,961.27	
	B5 40H	\$1,729.87	\$1,801.80	\$1,873.73	\$1,945.67	\$2,017.60	\$2,089.53	\$2,161.47	\$2,234.27	\$2,306.20

Salary Schedule - Business Services

Effective: January 1, 2001

		<i>Step</i>								
		1	2	3	4	5	6	7	8	9
\$/Hour	B1	\$12.67	\$13.72	\$14.78	\$15.83	\$16.89				
	B2	\$14.36	\$15.32	\$16.28	\$17.23	\$18.19	\$19.15			
	B3	\$15.56	\$16.43	\$17.29	\$18.16	\$19.02	\$19.89	\$20.75		
	B4	\$17.57	\$18.40	\$19.24	\$20.08	\$20.91	\$21.75	\$22.58	\$23.42	
	B5	\$20.65	\$21.51	\$22.38	\$23.24	\$24.10	\$24.96	\$25.82	\$26.68	\$27.54
\$ Semi-Monthly 37.5 Hr. Work	B1 37.5H	\$1,029.44	\$1,114.75	\$1,200.88	\$1,286.19	\$1,372.31				
	B2 37.5H	\$1,166.75	\$1,244.75	\$1,322.75	\$1,399.94	\$1,477.94	\$1,555.94			
	B3 37.5H	\$1,264.25	\$1,334.94	\$1,404.81	\$1,475.50	\$1,545.38	\$1,616.06	\$1,685.94		
	B4 37.5H	\$1,427.56	\$1,495.00	\$1,563.25	\$1,631.50	\$1,698.94	\$1,767.19	\$1,834.63	\$1,902.88	
	B5 37.5H	\$1,677.81	\$1,747.69	\$1,818.38	\$1,888.25	\$1,958.13	\$2,028.00	\$2,097.88	\$2,167.75	\$2,237.63
\$ Semi-Monthly 38 Hr. Work	B1 38H	\$1,043.16	\$1,129.61	\$1,216.89	\$1,303.34	\$1,390.61				
	B2 38H	\$1,182.31	\$1,261.35	\$1,340.39	\$1,418.60	\$1,497.64	\$1,576.68			
	B3 38H	\$1,281.11	\$1,352.74	\$1,423.54	\$1,495.17	\$1,565.98	\$1,637.61	\$1,708.42		
	B4 38H	\$1,446.60	\$1,514.93	\$1,584.09	\$1,653.25	\$1,721.59	\$1,790.75	\$1,859.09	\$1,928.25	
	B5 38H	\$1,700.18	\$1,770.99	\$1,842.62	\$1,913.43	\$1,984.23	\$2,055.04	\$2,125.85	\$2,196.65	\$2,267.46
\$ Semi-Monthly 40 Hr. Work	B1 40H	\$1,098.07	\$1,189.07	\$1,280.93	\$1,371.93	\$1,463.80				
	B2 40H	\$1,244.53	\$1,327.73	\$1,410.93	\$1,493.27	\$1,576.47	\$1,659.67			
	B3 40H	\$1,348.53	\$1,423.93	\$1,498.47	\$1,573.87	\$1,648.40	\$1,723.80	\$1,798.33		
	B4 40H	\$1,522.73	\$1,594.67	\$1,667.47	\$1,740.27	\$1,812.20	\$1,885.00	\$1,956.93	\$2,029.73	
	B5 40H	\$1,789.67	\$1,864.20	\$1,939.60	\$2,014.13	\$2,088.67	\$2,163.20	\$2,237.73	\$2,312.27	\$2,386.80

Salary Schedule - Operational Services

Effective: January 1, 2000

\$/Hour	O1	\$12.24	\$13.26	\$14.28	\$15.30	\$16.32		
	O2	\$13.80	\$14.95	\$16.10	\$17.25	\$18.40		
	O3	\$15.17	\$16.19	\$17.20	\$18.21	\$19.22	\$20.23	
	O4	\$16.90	\$17.84	\$18.78	\$19.72	\$20.66	\$21.59	\$22.53
	O5	\$18.73	\$19.77	\$20.81	\$21.85	\$22.89	\$23.93	\$24.97
\$ Semi-Monthly 37.5 Hr. Work Week	O1 37.5H	\$994.50	\$1,077.38	\$1,160.25	\$1,243.13	\$1,326.00		
	O2 37.5H	\$1,121.25	\$1,214.69	\$1,308.13	\$1,401.56	\$1,495.00		
	O3 37.5H	\$1,232.56	\$1,315.44	\$1,397.50	\$1,479.56	\$1,561.63	\$1,643.69	
	O4 37.5H	\$1,373.13	\$1,449.50	\$1,525.88	\$1,602.25	\$1,678.63	\$1,754.19	\$1,830.56
	O5 37.5H	\$1,521.81	\$1,606.31	\$1,690.81	\$1,775.31	\$1,859.81	\$1,944.31	\$2,028.81
\$ Semi-Monthly 38 Hr. Work Week	O1 38H	\$1,007.76	\$1,091.74	\$1,175.72	\$1,259.70	\$1,343.68		
	O2 38H	\$1,136.20	\$1,230.88	\$1,325.57	\$1,420.25	\$1,514.93		
	O3 38H	\$1,249.00	\$1,332.98	\$1,416.13	\$1,499.29	\$1,582.45	\$1,665.60	
	O4 38H	\$1,391.43	\$1,468.83	\$1,546.22	\$1,623.61	\$1,701.01	\$1,777.58	\$1,854.97
	O5 38H	\$1,542.10	\$1,627.73	\$1,713.36	\$1,798.98	\$1,884.61	\$1,970.24	\$2,055.86
\$ Semi-Monthly 40 Hr. Work Week	O1 40H	\$1,060.80	\$1,149.20	\$1,237.60	\$1,326.00	\$1,414.40		
	O2 40H	\$1,196.00	\$1,295.67	\$1,395.33	\$1,495.00	\$1,594.67		
	O3 40H	\$1,314.73	\$1,403.13	\$1,490.67	\$1,578.20	\$1,665.73	\$1,753.27	
	O4 40H	\$1,464.67	\$1,546.13	\$1,627.60	\$1,709.07	\$1,790.53	\$1,871.13	\$1,952.60
	O5 40H	\$1,623.27	\$1,713.40	\$1,803.53	\$1,893.67	\$1,983.80	\$2,073.93	\$2,164.07

Salary Schedule - Operational Services

Effective: January 1, 2001

		Step						
		1	2	3	4	5	6	7
\$/Hour	O1	\$12.67	\$13.72	\$14.78	\$15.83	\$16.89		
	O2	\$14.28	\$15.47	\$16.66	\$17.85	\$19.04		
	O3	\$15.70	\$16.75	\$17.80	\$18.85	\$19.89	\$20.94	
	O4	\$17.49	\$18.46	\$19.44	\$20.41	\$21.38	\$22.35	\$23.32
	O5	\$19.39	\$20.46	\$21.54	\$22.62	\$23.69	\$24.77	\$25.85
\$ Semi-Monthly 37.5 Hr. Work Week	O1 37.5H	\$1,029.44	\$1,114.75	\$1,200.88	\$1,286.19	\$1,372.31		
	O2 37.5H	\$1,160.25	\$1,256.94	\$1,353.63	\$1,450.31	\$1,547.00		
	O3 37.5H	\$1,275.63	\$1,360.94	\$1,446.25	\$1,531.56	\$1,616.06	\$1,701.38	
	O4 37.5H	\$1,421.06	\$1,499.88	\$1,579.50	\$1,658.31	\$1,737.13	\$1,815.94	\$1,894.75
	O5 37.5H	\$1,575.44	\$1,662.38	\$1,750.13	\$1,837.88	\$1,924.81	\$2,012.56	\$2,100.31
\$ Semi-Monthly 38 Hr. Work Week	O1 38H	\$1,043.16	\$1,129.61	\$1,216.89	\$1,303.34	\$1,390.61		
	O2 38H	\$1,175.72	\$1,273.70	\$1,371.67	\$1,469.65	\$1,567.63		
	O3 38H	\$1,292.63	\$1,379.08	\$1,465.53	\$1,551.98	\$1,637.61	\$1,724.06	
	O4 38H	\$1,440.01	\$1,519.87	\$1,600.56	\$1,680.42	\$1,760.29	\$1,840.15	\$1,920.01
	O5 38H	\$1,596.44	\$1,684.54	\$1,773.46	\$1,862.38	\$1,950.48	\$2,039.40	\$2,128.32
\$ Semi-Monthly 40 Hr. Work Week	O1 40H	\$1,098.07	\$1,189.07	\$1,280.93	\$1,371.93	\$1,463.80		
	O2 40H	\$1,237.60	\$1,340.73	\$1,443.87	\$1,547.00	\$1,650.13		
	O3 40H	\$1,360.67	\$1,451.67	\$1,542.67	\$1,633.67	\$1,723.80	\$1,814.80	
	O4 40H	\$1,515.80	\$1,599.87	\$1,684.80	\$1,768.87	\$1,852.93	\$1,937.00	\$2,021.07
	O5 40H	\$1,680.47	\$1,773.20	\$1,866.80	\$1,960.40	\$2,053.13	\$2,146.73	\$2,240.33

Salary Schedule - Technical Services

Effective: January 1, 2000

		Step											
		1	2	3	4	5	6	7	8	9	10	11	
\$/Hour	T1	\$15.49	\$16.64	\$17.79	\$18.94	\$20.08	\$21.23	\$22.38	\$23.53	\$24.67	\$25.82		
	T2	\$16.84	\$17.96	\$19.08	\$20.20	\$21.33	\$22.45	\$23.57	\$24.69	\$25.82	\$26.94	\$28.06	
	T3	\$17.33	\$18.48	\$19.64	\$20.79	\$21.95	\$23.10	\$24.26	\$25.41	\$26.57	\$27.72	\$28.88	
	T4	\$22.57	\$23.64	\$24.71	\$25.79	\$26.86	\$27.94	\$29.01	\$30.09				
	T5	\$23.18	\$24.28	\$25.39	\$26.49	\$27.59	\$28.70	\$29.80	\$30.90				
\$ Semi-Monthly 37.5 Hr. Work	T1 37.5H	\$1,258.56	\$1,352.00	\$1,445.44	\$1,538.88	\$1,631.50	\$1,724.94	\$1,818.38	\$1,911.81	\$2,004.44	\$2,097.88		
	T2 37.5H	\$1,368.25	\$1,459.25	\$1,550.25	\$1,641.25	\$1,733.06	\$1,824.06	\$1,915.06	\$2,006.06	\$2,097.88	\$2,188.88	\$2,279.88	
	T3 37.5H	\$1,408.06	\$1,501.50	\$1,595.75	\$1,689.19	\$1,783.44	\$1,876.88	\$1,971.13	\$2,064.56	\$2,158.81	\$2,252.25	\$2,346.50	
	T4 37.5H	\$1,833.81	\$1,920.75	\$2,007.69	\$2,095.44	\$2,182.38	\$2,270.13	\$2,357.06	\$2,444.81				
	T5 37.5H	\$1,883.38	\$1,972.75	\$2,062.94	\$2,152.31	\$2,241.69	\$2,331.88	\$2,421.25	\$2,510.63				
\$ Semi-Monthly 38 Hr. Work	T1 38H	\$1,275.34	\$1,370.03	\$1,464.71	\$1,559.39	\$1,653.25	\$1,747.94	\$1,842.62	\$1,937.30	\$2,031.16	\$2,125.85		
	T2 38H	\$1,386.49	\$1,478.71	\$1,570.92	\$1,663.13	\$1,756.17	\$1,848.38	\$1,940.60	\$2,032.81	\$2,125.85	\$2,218.06	\$2,310.27	
	T3 38H	\$1,426.84	\$1,521.52	\$1,617.03	\$1,711.71	\$1,807.22	\$1,901.90	\$1,997.41	\$2,092.09	\$2,187.60	\$2,282.28	\$2,377.79	
	T4 38H	\$1,858.26	\$1,946.36	\$2,034.46	\$2,123.38	\$2,211.47	\$2,300.39	\$2,388.49	\$2,477.41				
	T5 38H	\$1,908.49	\$1,999.05	\$2,090.44	\$2,181.01	\$2,271.58	\$2,362.97	\$2,453.53	\$2,544.10				
\$ Semi-Monthly 40 Hr. Work	T1 40H	\$1,342.47	\$1,442.13	\$1,541.80	\$1,641.47	\$1,740.27	\$1,839.93	\$1,939.60	\$2,039.27	\$2,138.07	\$2,237.73		
	T2 40H	\$1,459.47	\$1,556.53	\$1,653.60	\$1,750.67	\$1,848.60	\$1,945.67	\$2,042.73	\$2,139.80	\$2,237.73	\$2,334.80	\$2,431.87	
	T3 40H	\$1,501.93	\$1,601.60	\$1,702.13	\$1,801.80	\$1,902.33	\$2,002.00	\$2,102.53	\$2,202.20	\$2,302.73	\$2,402.40	\$2,502.93	
	T4 40H	\$1,956.07	\$2,048.80	\$2,141.53	\$2,235.13	\$2,327.87	\$2,421.47	\$2,514.20	\$2,607.80				
	T5 40H	\$2,008.93	\$2,104.27	\$2,200.47	\$2,295.80	\$2,391.13	\$2,487.33	\$2,582.67	\$2,678.00				

Salary Schedule - Technical Services Effective: January 1, 2001

		<i>Step</i>												
		<i>Level</i>	1	2	3	4	5	6	7	8	9	10	11	
\$/Hour	T1		\$16.04	\$17.22	\$18.41	\$19.60	\$20.79	\$21.97	\$23.16	\$24.35	\$25.54	\$26.73		
	T2		\$17.43	\$18.59	\$19.75	\$20.91	\$22.07	\$23.23	\$24.40	\$25.56	\$26.72	\$27.88	\$29.04	
	T3		\$17.93	\$19.13	\$20.32	\$21.52	\$22.72	\$23.91	\$25.11	\$26.30	\$27.50	\$28.69	\$29.89	
	T4		\$23.36	\$24.47	\$25.58	\$26.69	\$27.80	\$28.92	\$30.03	\$31.14				
	T5		\$23.99	\$25.13	\$26.27	\$27.42	\$28.56	\$29.70	\$30.84	\$31.99				
\$ Semi-Monthly	T1 37.5H		\$1,303.25	\$1,399.13	\$1,495.81	\$1,592.50	\$1,689.19	\$1,785.06	\$1,881.75	\$1,978.44	\$2,075.13	\$2,171.81		
	37.5 Hr. Work	T2 37.5H	\$1,416.19	\$1,510.44	\$1,604.69	\$1,698.94	\$1,793.19	\$1,887.44	\$1,982.50	\$2,076.75	\$2,171.00	\$2,265.25	\$2,359.50	
	Week	T3 37.5H	\$1,456.81	\$1,554.31	\$1,651.00	\$1,748.50	\$1,846.00	\$1,942.69	\$2,040.19	\$2,136.88	\$2,234.38	\$2,331.06	\$2,428.56	
		T4 37.5H	\$1,898.00	\$1,988.19	\$2,078.38	\$2,168.56	\$2,258.75	\$2,349.75	\$2,439.94	\$2,530.13				
		T5 37.5H	\$1,949.19	\$2,041.81	\$2,134.44	\$2,227.88	\$2,320.50	\$2,413.13	\$2,505.75	\$2,599.19				
\$ Semi-Monthly	T1 38H		\$1,320.63	\$1,417.78	\$1,515.76	\$1,613.73	\$1,711.71	\$1,808.86	\$1,906.84	\$2,004.82	\$2,102.79	\$2,200.77		
	38 Hr. Work	T2 38H	\$1,435.07	\$1,530.58	\$1,626.08	\$1,721.59	\$1,817.10	\$1,912.60	\$2,008.93	\$2,104.44	\$2,199.95	\$2,295.45	\$2,390.96	
	Week	T3 38H	\$1,476.24	\$1,575.04	\$1,673.01	\$1,771.81	\$1,870.61	\$1,968.59	\$2,067.39	\$2,165.37	\$2,264.17	\$2,362.14	\$2,460.94	
		T4 38H	\$1,923.31	\$2,014.70	\$2,106.09	\$2,197.48	\$2,288.87	\$2,381.08	\$2,472.47	\$2,563.86				
		T5 38H	\$1,975.18	\$2,069.04	\$2,162.90	\$2,257.58	\$2,351.44	\$2,445.30	\$2,539.16	\$2,633.84				
\$ Semi-Monthly	T1 40H		\$1,390.13	\$1,492.40	\$1,595.53	\$1,698.67	\$1,801.80	\$1,904.07	\$2,007.20	\$2,110.33	\$2,213.47	\$2,316.60		
	40 Hr. Work	T2 40H	\$1,510.60	\$1,611.13	\$1,711.67	\$1,812.20	\$1,912.73	\$2,013.27	\$2,114.67	\$2,215.20	\$2,315.73	\$2,416.27	\$2,516.80	
	Week	T3 40H	\$1,553.93	\$1,657.93	\$1,761.07	\$1,865.07	\$1,969.07	\$2,072.20	\$2,176.20	\$2,279.33	\$2,383.33	\$2,486.47	\$2,590.47	
		T4 40H	\$2,024.53	\$2,120.73	\$2,216.93	\$2,313.13	\$2,409.33	\$2,506.40	\$2,602.60	\$2,698.80				
		T5 40H	\$2,079.13	\$2,177.93	\$2,276.73	\$2,376.40	\$2,475.20	\$2,574.00	\$2,672.80	\$2,772.47				

ATTACHMENT 1

TRANSFER EXPENSES - IN-SCOPE EMPLOYEES

The intent of the following transfer expense enhancements are to support the career choice of staff while strengthening our capacity to do business. The enhancements are for **a trial period effective January 1, 2000 to December 31, 2001**. Either the Company or the Association can cancel this arrangement by serving two (2) weeks notice to the other. In that event, the Company and the Association would share responsibility to create a mutually acceptable alternative.

Part 1 When an employee is transferred at the request of the Company or is transferred as a result of being the successful bidder for a posted job, the following shall apply, provided the employee moves within one (1) year from the date of transfer and the position bid to is assessed by the Company to add value to the employee and the Company (e.g. includes lessening of responsibility where there is reasonable potential for that employee's growth in the near future to justify the investment).

a. Travel and Living Expenses of Employee and Members of Employees Family

1. Any trips that an employee makes to investigate a vacant position will be at the employee's expense and on his own time.
2. One (1) round trip to the new location for the employee (and spouse, if applicable) to locate suitable permanent accommodation, including mileage, meals and **three (3) nights lodgings (effective January 1, 2000)**.
3. Transportation to the new location for the employee and one (1) round trip later, if the employee is married, to transport his family. Transportation expenses will be limited to bus fare or payment for the use of the employee's personal car at the current Company car allowance rate.
4. Lodging and meals, if required, for the employee and his family while enroute to the new location.
5. After reaching the new location, reimbursement will be limited to living expenses, including lodging and meals for the

employee and members of his family until relocation or up to a maximum of fourteen (14) days, whichever is the shorter period of time.

6. Telephone, parking and gratuity expenses directly involved with the move.

c. Moving of Household Furnishings

1. Cost of packing, moving and unpacking normal household possessions being moved from the employee's former principal residence to the employee's new location.
2. Cost of insurance for normal household possessions while being moved or held in storage.
3. Cost of storage up to sixty (60) days when an employee is required to vacate their old residence before being able to occupy suitable accommodation at the new location.

When the senior supervisor has been advised and agrees that the original accommodation is unsatisfactory for permanent living quarters, allowable expenses will include the cost of a second move up to a maximum of one hundred dollars (\$100.00).

d. Miscellaneous Transfer Expenses

Payment of up to a maximum of seven hundred dollars (\$700.00) to cover actual miscellaneous expenses resulting from a transfer, but not to include replacement of drapes and/or rugs. Receipts are not required by the Company for miscellaneous expense claims of two hundred dollars (\$200.00) or less. If claims are in excess of two hundred dollars (\$200.00) receipts are required for all expenses claimed.

e. Duplicate Housing Expenses

Allowable expenses will consist of the following items, if duplication of costs occur:

1. Interest on mortgage or equivalent financing at former principal residence.
2. Real estate taxes at former principal residence.

3. Utility accounts at former principal residence.
4. House, garage and locker rent.
5. Room and board.

These expenses will be allowed from the date the employee begins to incur duplicate expenses and will continue up to a maximum period of three (3) months or until duplicate expenses stop, whichever is the shorter period.

f. Expenses Incurred on the Sale and Purchase of a Transferred Employee's Principal Residence

1. Actual brokerage fee to a licensed realtor up to a maximum of seven percent (7%) of the first \$100,000 and three percent (3%) on the balance of the selling price of the employee's principal residence, providing the home is sold within three (3) months of the transfer. If the residence is not sold within three (3) months, the brokerage fee to be paid will be based on an appraisal at the time of transfer or the actual sale price, whichever is the lower. The brokerage fee is to be supported by receipts.
2. Actual legal expenses up to a maximum of the tariff schedule of the Law Society of Alberta providing the fees are supported by receipts.
3. Actual lender-assessed interest penalty upon breaking a first mortgage up to a maximum of three (3) months. The penalty fee is to be supported by receipts.

g. Interim Financing

In cases where an employee must purchase a residence at the new location before having realized equity from the sale of the employee's former principal residence, the Company will pay the interest on interim financing for a period not to exceed ninety (90) days.

The amount of interim financing on which the Company will pay interest will be a maximum of the equity in the former principal residence that is being sold (equity being the guaranteed price less any mortgages and/or loans and less 1.5 % of the guaranteed price to cover closing adjustments)

h. Exceptions

When extraordinary or unforeseen circumstances arise, exceptions may be allowed to the above policy, but at the sole discretion of the Company.

Part 2 When an employee is transferred at the request of the Company or is transferred as a result of being the successful bidder for a posted job, the following shall apply provided the employee moves within one (1) year from the date of transfer and the position bid is assessed by the Company not to add value to the employee or the Company (e.g. includes lessening of responsibility where there is no reasonable potential for that employee's growth in the near future to justify the investment)

a. Travel and Living Expenses of Employees and Members of Employee's Family

1. Any trips that an employee makes to investigate a vacant position will be at the employee's expense and on his own time.
2. Transportation to the new location for the employee and one (1) round trip later, if the employee is married, to transport his family. Transportation expenses will be limited to bus fare or payment for the use of the employee's personal car at the current Company car allowance rate.
3. Lodging and meals, if required, for the employee and his family while enroute to the new location.
4. After reaching the new location, reimbursement will be limited to living expenses, including lodging and meals for the employee and members of his family until relocation or up to a maximum of fourteen (14) days, whichever is the shorter period of time.
5. Telephone, parking and gratuity expenses directly involved with the move.

b. Moving of Household Furnishings

1. Cost of Packing, moving and unpacking normal household possessions being moved from the employee's former principal residence to his new location.

2. Cost of insurance for normal household possessions while being moved or held in storage.
3. Cost of storage up to sixty (60) days when an employee is required to vacate his old residence before being able to occupy suitable accommodation at his new location.

When the senior supervisor has been advised and agrees that the original accommodation is unsatisfactory for permanent living quarters, allowable expenses will include the cost of a second move up to a maximum of one hundred dollars (\$100.00).

c. Miscellaneous Transfer Expenses

Payment of up to a maximum of seven hundred dollars (\$700.00) to cover actual miscellaneous expenses resulting from a transfer, but not to include replacement of drapes and/or rugs. Receipts are not required by the Company for miscellaneous expense claims of two hundred dollars (\$200.00) or less. If claims are in excess of two hundred dollars (\$200.00) receipts are required for all expenses claimed.

d. Duplicate Housing Expenses

Allowable expenses will consist of the following items, if duplication of costs occur:

1. Interest on mortgage or equivalent financing at former principal residence.
2. Real estate taxes at former principal residence.
3. Utility accounts at former principal residence.
4. House, garage and locker rent.
5. Room and board.

These expenses will be allowed from the date the employee begins to incur duplicate expenses and will continue up to a maximum period of three (3) months or until duplicate expenses stop, whichever is the shorter period.

e. Exceptions

When extraordinary or unforeseen circumstances arise, exceptions may be allowed to the above policy, but at the sole discretion of the Company.

ATTACHMENT 2

TRANSFER EXPENSES - MOBILE HOMES

When an employee is transferred at the request of the Company or is transferred as a result of being the successful bidder for a posted job, the moving of a mobile home and eventual reimbursement will be at the most competitive rate based on estimates received from three (3) carriers. All proposed moving arrangements will be approved by the applicable supervisor.

Persons transferred under the provisions of this policy are eligible for reimbursement, as outlined below, provided the employee moves within one (1) year from date of transfer.

- a. The Following Are Considered Allowable Expenses in the Moving of a Mobile Home
1. The towing by one (1) tractor unit of a single width mobile home and by two (2) tractor units for a double width mobile home from the employee's former location to his new location.
 2. The unblocking, packing, reblocking, separation, rejoining of the mobile home and the rental of wheels.
 3. Dead mileage charges where no local moving firm is available and the moving must be contracted to a firm from another city.
 4. Pilot car service as required by law.
 5. Insurance for the mobile home and for normal household possessions, while being moved, where sufficient insurance is not provided by the moving firm.
 6. Temporary parking, up to a maximum of ninety (90) days, of the mobile home at the new location when an employee is required to vacate his old location and is unable to immediately secure permanent mobile home rental space.
 7. Payment of up to a maximum of seven hundred dollars (\$700.00) to cover actual miscellaneous expenses resulting from a transfer, but not to include replacement of drapes and/or rugs. Receipts are not required by the Company for miscellaneous expense claims of two hundred dollars (\$200.00)

or less. If claims are in excess of two hundred dollars (\$200.00) receipts are required for all expenses claimed.

8. Auxiliary transportation for such items as: fuel tanks, blocks, skirts, sheds, fences and porches, up to fifty percent (50%) of the hauling cost of a single width mobile home (see item 1 above).

b. Travel and Living Expenses of Employee and Members of Employee's Family

1. Transportation to the new location for the employee and one (1) round trip later, if the employee is married, to transport their family. Transportation expenses will be limited to bus fare or payment for use of the employee's personal car at the current Company car allowance rate.
2. Lodging and meals, if required, for the employee and their family while enroute to the new location.
3. After reaching new location, reimbursement will be limited to living expenses, including lodging and meals for the employee and members of the family until relocation or up to a maximum of fourteen (14) days, whichever is the shorter period of time.
4. Telephone, parking and gratuity expenses directly involved with the move.

c. Exceptions

When extraordinary or unforeseen circumstances arise, exceptions may be allowed to the above policy but at the sole discretion of the Company.

(*) ATTACHMENT 3

(This Attachment is under review between the Company and the Association)

**TRANSFER EXPENSES -
ENTRY LEVEL POSITIONS AS PER ARTICLE 7.3**

Employees transferred as a result of being the successful bidder for one of the entry level jobs noted in Article 7.3 are eligible for reimbursement of either:

- a) Half the cost of packing, moving and unpacking normal household possessions from the employee's former principal residence to the new location or,
- b) The full cost of renting a moving vehicle for the purpose of moving normal household possessions from the employee's former principal residence to the new location.

These transfer expenses apply providing the employee moves within one year from the date of transfer.

ATTACHMENT 4

RE: REARRANGED HOURS OF WORK

(10 Hour Day, 4 Day Week)

TRANSMISSION TECHNOLOGISTS, TRANSMISSION CREWS, SPECIALTY CREWS, AND HYDRO TECHNOLOGISTS (WHEN PERFORMING SURVEY WORK)

Employees Covered

Relay Technologist, Substation Technologist, Telecom System Technologist, Electronic Systems Technologists, Hydro Technologists, Telecom System Tower Servicemen, Specialty Crews, Specialty Crew Foreman, Transmission Crews, Transmission Crew Foreman, Transmission Maintenance Assistant

Duration

During the months of May to October and beyond as mutually agreed between the Company and employees.

Conditions

1. Generally, the principle followed for instituting rearranged hours of work is based on the premise that no additional costs are incurred by the Company, and that the quality of work does not deteriorate.
2. Ten (10) hour days from 7:00 a.m. to 6:00 p.m. with one (1) hour off for lunch and the work week shall be any four (4) consecutive days, Monday through Saturday.

In a week there is a Company-recognized holiday, the employees shall work the other four (4) days as four (4), eight (8) hour days, 8:00 a.m. to 5:00 p.m., with one (1) hour off for lunch.

3. Any paid days off, as stated in Company policies, will remain at eight (8) hours per day.

Article Changes

The following Articles in the Agreement are amended as follows during the period noted above.

ARTICLE 8 - HOURS OF WORK

8.2 Field Staff

Eight (8), ten (10) hour days shall constitute a regular two (2) week work period.

a. Non-Shift Employees

Normal field hours for Transmission Technologists, Transmission Crews, Specialty Crews and Hydro Technologists (when performing Survey work) shall be from 7:00 a.m. to 6:00 p.m., with one (1) hour off for lunch. The regular work week shall be any four (4) consecutive days, Monday through Saturday. In the week that there is a Company-recognized holiday, the other four (4) days shall be worked from 8:00 a.m. to 5:00 p.m. on an eight (8) hour day, with one (1) hour off for lunch. It is agreed that on forty-eight (48) hours notice, the Company may change the normal hours shown by one (1) hour or less.

ARTICLE 13 - VACATIONS

For the purposes of this Article, a day equals eight (8) hours.

ATTACHMENT 5

RE: REARRANGED HOURS OF WORK

ACHESON SERVICE CENTRE

1. Employees covered

All employees working in the Acheson Service Centre - Warehouse and Reconditioning Shops.

Agreement Changes

The Collective Agreement between TransAlta Utilities Corporation and TransAlta Employees' Association is amended as follows:

ARTICLE 8 - HOURS OF WORK

8.2 - Field Staff

d. Shift Employees

1. Duration of Peak Work Periods

The Peak Work Period shall normally be considered as May **1** to October **31**. The Company may extend or reduce the Peak Work Period by giving one (1) months' advance notice when revising the start date and one (1) months' advance notice when revising the end date.

2. Peak Work Periods

- i) During Peak Work Periods, eight (8) hours and thirty (30) minutes shall constitute a regular work day or shift and five (**5**) days or shifts shall constitute a regular work week, Monday through Friday. A Monday or Friday off per month shall be designated by the Company for each employee. Normal hours shall be Monday to Friday, from 6:00 a.m. to **12:30** a.m. the following day. A one-half (1/2) hour unpaid meal period will be provided.
- (ii) Prior to the start of the Peak Work Period, the Company, affected employees and TAEA will mutually agree on a schedule of shifts. If mutual

agreement is not reached prior to the start of the Peak Work Period or if there ceases to be mutual agreement during the Peak Work Period, the Company shall schedule and post shifts in accordance with point iii) below.

- iii) During Peak Work Periods, shifts shall be scheduled and posted by the Company. Normal Hours for Shifts shall be as follows:

Day Shift - considered as a shift which commences between the hours of **6:00** a.m. and **8:00** a.m. inclusive.

Evening Shift - considered as a shift which commences between the hours of **3:00** p.m. and **5:00** p.m. inclusive.

3. Non-Peak Work Periods

- i) During Non-Peak Work Periods, eight (8) hours and thirty (30) minutes shall constitute a regular work day and five (5) days shall constitute a regular work week. A Monday or Friday off for each employee shall be designated each month by the Company.
- ii) Normal hours shall be from **7:30** a.m. to **5:00** p.m., Monday to Friday with one (1) hour off for lunch. It is agreed that on forty-eight (48) hours' notice the Company may change the normal starting time providing the regular hours of work occur between 6:30 a.m. and 5:30 p.m. If mutually agreeable between the Company and an employee, the duration of the lunch period may be varied to up to one-half (1/2) hour.

ARTICLE 13 - VACATIONS

For the purpose of these Articles, a day equals eight (8) hours.

ATTACHMENT 6

RE: REARRANGED HOURS OF WORK

FIELD STAFF WORKING IN SHOP ENVIRONMENTS

Employees covered

Field staff employees working in the: Transformer Shop – Calgary, Building Maintenance – Calgary, Meter Shop – Acheson, Material Yard – Janet, Distribution Project Consultants – Deerfoot and Sherwood Park.

Agreement Changes

The Collective Agreement between TransAlta Utilities Corporation and TransAlta Employees' Association is amended as follows:

ARTICLE 8 - HOURS OF WORK

8.2 Field Staff

a. Non-Shift Employees - General

1. Eight (8) hours and thirty (30) minutes shall constitute a regular work day and five (5) days shall constitute a regular work week. A Monday or Friday off per month shall be designated by the Company for each employee.
2. Normal field staff hours shall be from 7:30 a.m. to 5:00 p.m., Monday through Friday with one (1) hour off for lunch. It is agreed that on forty-eight (48) hours notice the Company may change the normal starting time providing the regular hours occur between 6:00 a.m. and 6:00 p.m. If mutually agreeable between the Company and an employee in a work unit, a one-half (1/2) hour lunch period may be granted.

ARTICLE 13 - VACATIONS

For the purposes of these Articles, a day equals eight (8) hours.

ATTACHMENT 7

RE: REARRANGED HOURS OF WORK HYDRO AND THERMAL PLANT CLERICAL STAFF

Employees covered

All Hydro and Thermal Plant Clerical Staff

Agreement Changes

The Collective Agreement between TransAlta Utilities Corporation and TransAlta Employees' Association, is amended as follows:

ARTICLE 8 - HOURS OF WORK

8.1 c. Hydro and Thermal Plant Clerical Staff

1. Eight (8) hours and thirty (30) minutes shall constitute a regular work day Monday through Thursday and eight hours shall constitute a regular work day on Friday. Five (5) days shall constitute a regular work week and four (4) days shall constitute a regular work week in the week there is a day off. A Monday or Friday off every four (4) weeks shall be designated by the Company for each employee.
2. Normal office hours shall be from 7:30 a.m. to 4:30 p.m. Monday through Thursday and from 7:30 a.m. to 4:00 p.m. on Friday, with one-half (1/2) hour off for lunch. It is agreed that on forty-eight (48) hours notice the Company may change the normal hours shown by one (1) hour or less.
3. Office staff employees who are normally required to vary their starting, finishing and lunch time will be considered as working a normal day if their regular hours of work occur between 7:00 a.m. and 5:30 p.m.

ARTICLE 13 - VACATIONS

For the purposes of these Articles, a day equals eight (8) hours.

Conditions

1. The guiding principle in rearranged hours of work is that neither party should gain or lose compared to eight (8) hour days as outlined in the Collective Agreement. Continuation of rearranged hours will be subject to no additional costs or reduced plant operating efficiency resulting from this agreement.
2. All paid days off, as stated in Company policies will remain at eight (8) hours except for general holidays, sick leave and bereavement which will be up to eight (8) hours on an eight (8) hour day or up to eight and one-half (8 1/2) hours on ~~an~~ eight and one-half (8 1/2) hour day.
3. During turnaround or emergency shutdown work the Company reserves the right to change the hours of work back to eight (8) hours per day five (5) days per week for the duration of the project.
4. If employees are required to work on a designated day off due to operational requirements the employee will receive another, mutually agreed to, Monday or Friday off in its place. It is the intent of the Company to discuss any changes in Mondays or Fridays off with employees as ~~far~~ in advance as possible.

ATTACHMENT 8

RE: THE SUPPLY OF COVERALLS/OVERALLS OR SMOCKS/APRONS

Individual employees whose immediate Supervisor deems that the employee regularly performs work significantly damaging or destructive to clothing, may be eligible for reimbursement through expense accounts to a maximum of forty-five dollars (\$45.00) for coveralls/overalls and twenty dollars (\$20.00) for smocks/ aprons.

Employees will be limited to one pair of coveralls/overalls or one smock/apron at one time. Approval for all replacements will be the responsibility of the immediate supervisor, based on evidence that the previous pair of coveralls/overalls or smock/apron is sufficiently worn to warrant a new purchase.

Supervisors may consider rental or disposable coveralls/aprons under circumstances where work that is significantly damaging or destructive to clothing is performed on **an** irregular basis.

ATTACHMENT 9

RE: THE EFFECT OF LAYOFF ON BENEFITS AND VACATION

Purpose

This Attachment will serve to clarify the effect layoff **has** on an employee's benefit and vacation entitlements. Also provided are details pertaining to the administration of benefits and vacations in **this circumstance**.

1. **Retirement Pension Plan**

An employee on **layoff will be counseled as to the options available to them**.

2. **Vacation**

When laid off, an employee would be paid out the vacation the employee had not taken and any accumulated vacation pay owing, from their vacation accrual date to the date of the layoff.

3. **Other Benefits**

A laid off employee's life insurance coverage ceases following 31 days of layoff. If desired, the employee may convert part or all of the employee's coverage to an individual policy within the thirty-one (31) days following layoff.

Eligibility under the Dental Plan and the Short Term and Long Term Disability Plan cease upon layoff. Entitlement to Alberta Health Care and the Voluntary Major Medical Plan benefits continue to the end of the month in which the employee was laid off.

(*) ATTACHMENT 10

(This Attachment is under review between the Company and the Association as it relates to Job Titles)

RE: MONDAY TO SATURDAY WORK WEEK

(5 consecutive days)

Purpose

This Attachment outlines the conditions under which the office staff could be requested to work any five (5) consecutive days, Monday through Saturday.

Employees covered

Office staff employees covered under Schedules A to E inclusive.

Conditions

1. The change to a Tuesday to Saturday work week must be by mutual agreement between the Company and the employee.
2. The work week may be varied to include any five (5) consecutive days Monday to Saturday inclusive.
3. The Company must make the request to the employee forty-eight **(48)** hours prior to the proposed change.

ATTACHMENT 11

RE: EXTENSIVE OVERNIGHT ABSENCES

The intent of this provision is to recognize and provide additional vacation to compensate for the disruption and inconvenience resulting from extensive occurrences of overnight absences from home.

Overnight absences in excess of twenty (20) per calendar year will be credited towards additional vacation days as described below.

Determining the Amount of Additional Vacation

After reaching twenty (20) nights the employee will be eligible for one additional day vacation for each eight (8) nights absence thereafter. At the end of the calendar year the number of additional vacation days earned will be determined by subtracting twenty (20) from the total overnight absences and dividing by eight (8). Any nights remaining will be carried over to the next year.

For example:

$$\frac{67 \text{ absences} - 20}{8} = 5 \text{ vacation days plus, } 7 \text{ absences carried over to be credited to next year's total nights absent.}$$

No carryover will occur if the total number of absences is less than twenty (20).

For example:

$$\frac{18 - 20}{8} = 0 \text{ vacation days and } 0 \text{ carried over.}$$

The maximum number of additional days that can be earned is ten (10). No carryover will be credited to the next year's total nights absent if an employee earns the maximum ten (10) days.

Scheduling Vacations

The additional days earned will be added to the subsequent year's vacation entitlement and will be administered as per the policy for regular vacation, termination payout will also be administered in accordance with the policy for regular vacation.

Some Absences Will Not Be Credited

Only overnight absences resulting from the performance of normal duties will be credited in determining additional vacation. For example, absences due to training or departmental meetings will not be credited.

LETTER OF UNDERSTANDING

BETWEEN

TRANSALTA UTILITIES CORPORATION

AND

TRANSALTA EMPLOYEES' ASSOCIATION

RE: FLEXIBLE HOURS OF WORK AGREEMENTS

The intent of this Letter of Understanding is to recognize that there are personal and work situations for employees and supervisors alike where mutual advantage may be gained from agreement to modify the hours of work contained in the Collective Agreement. Either employees or supervisors can propose flexible hour arrangements.

1. Proposals for flexible hours of work will be considered which meet the following conditions of satisfaction:
 - a) Flexible hour agreements will be entered into by employees and supervisors on a voluntary basis.
 - b) In spirit, flexible hours proposals must foresee tangible benefits for the employee and the Company. For example, quality of life of employees, service to customers, quality of work or productivity improvements are tangible benefits where such benefits can be demonstrated.
 - c) All requests to introduce flexible hours of work will receive due consideration from impacted supervisor(s) and employee(s). Where a request is declined, in the spirit of mutual understanding and co-operation, a substantiated explanation will be provided.

- d) Any agreement to introduce flexible hours of work must include **an** understanding between the supervisor and employee(s) involved of the hours to be worked, the duration of the agreement and the length of notice required to cancel the agreement. For clarity, the supervisor and employee(s) are encouraged to have a written agreement.
- e) Either party to a flexible hours of work agreement can end the flexible hours of work agreement provided they give the appropriate notice as per condition 1.d above. Neither party shall be discriminated against for declining to participate in a flexible hours of work agreement or for providing notice to end an agreement.

This Letter of Understanding shall serve to modify Article 8.3 of the Collective Agreement to mean:

Hours of work vary only as stated in Attachments 4, 5, 6 and 7 at the back of this Agreement, unless mutually agreed between the employee and supervisor.

For purposes of Article 10 of the Collective Agreement the agreed upon hours of work shall become the "scheduled hours of work on a work day". Hours worked outside the agreed upon hours shall be overtime.

This Letter of Understanding shall come into effect on (1992-08-01) and will continue for a trial period expiring **December 31, 2001**. During this period this Letter of Understanding shall be considered to be part of the Collective Agreement in effect. At the end of this period the impact of this Letter of Understanding will be jointly evaluated by the Company and Association to determine if permanent changes to the Collective Agreement should be adopted.

Signed on behalf of
TRANSALTA UTILITIES CORPORATION
and its subsidiary Company (F.E.S.L.)

TRANSALTA
EMPLOYEES'
ASSOCIATION

DATED

DATED

MEMORANDUM OF AGREEMENT

BETWEEN

TRANSALTA UTILITIES CORPORATION

AND

TRANSALTA EMPLOYEES' ASSOCIATION

REGARDING PART-TIME EMPLOYEES

COLLECTIVE AGREEMENT

The following provisions of the Collective Agreement between TransAlta Utilities and the TransAlta Employees' Association apply to part-time employees:

Article 1 - Spirit of Agreement - amend by adding as following:

The Company and the Association acknowledge the principle of full-time employment while recognizing the value of flexibility through the inclusion of part-time employees in the Collective Agreement.

Article 2 - Recognition

Clause 2.1 applies

Clause 2.2 - amend by adding as follows:

A "Permanent" employee is a full-time or part-time employee who occupies a position permanently established by the Company and has successfully completed a probationary period equivalent to six (6) months.

A permanent part-time employee is a person who is hired to perform work in a classification covered by this Agreement for an aggregate of not more than nine (9) months for each calendar year of employment. This equates to 1,560 hours per year for field classifications and 1,462.5 hours per year for office classifications. Aggregate part-time hours worked will include regular hours worked in an employee's normal position and location. The following hours worked will not be included in the computation of aggregate hours in another position or location; hours to provide coverage for medical purposes; hours on or covering for Association business; hours for training or covering for training purposes.

The Company holds accountability for respecting the part-time hours arrangement. Part-time employees hold accountability for identifying exceptions to aggregate hours. As early as possible, if it appears likely that an assignment may extend beyond an aggregate of nine (9) months in a calendar year, the Company will seek such agreement with the Association. If agreement is not reached, then the Company and the Association share the responsibility to create a mutually acceptable arrangement.

Clause 2.3 applies

Clause 2.4 is amended as follows:

A "Probationary" employee is one who, at commencement of employment with the Company, occupies a Permanent **or Term** position for a trial period equivalent to six (6) months, and whose employment may be terminated at the Company's discretion at any time during this probationary period. A review of such employee's progress shall be made and discussed with the employee before or during the fourth month of employment or equivalent.

Clause 2.5 applies

Clause 2.6 applies

Article 3 - Association Relationships

Clause 3.1 - amend as follows:

As a condition of employment, all new part-time employees and all part-time employees who have become members of the Association shall pay each month to the Association monies equal to the established monthly dues of the Association.

Clause 3.2 to 3.6 inclusive apply

Article 4 to **Article 6** inclusive apply

Article 7 - Promotions, Transfers and Job Postings

Clause 7.1 - amend by adding a new second paragraph as follows:

The above definition of “vacancies” excludes part-time positions. For part-time positions which exceed the equivalent of six (6) months in a calendar year, employees will be informed of such opportunities through the Personnel Information Bulletin (P.I.B.) system.

Clause 7.2 applies

Clause 7.5 applies

Clause 7.6 - amend in its entirety as follows:

In the event of a layoff of part-time employees, layoff will be conducted on the basis of overall job performance. Where overall job performance is relatively equal, seniority will be the deciding factor.

Clause 7.7 - amend by adding new last paragraph as follows:

A permanent part-time employee’s change in status to permanent full-time shall not be considered a promotion under this clause.

Article 8 - Hours of Work - amend in its entirety as follows:

Given the Company need for flexibility in scheduling part-time employees to get the work done, hours of work for individual part-time employees may vary.

The intent of this provision is that prior to January 1 of each calendar year, supervisors and individual part-time employees shall hold a conversation to reach general agreement on the hours to be worked over the coming twelve (12) month period. Such agreement shall not be construed as a guarantee of any minimum nor as a restriction to any maximum hours to be worked.

Working hours and lunch periods will generally be aligned with those of the full-time employees in the same work unit. It is understood that part-time employees may work less than full shifts or may work on Saturdays.

Article 9 - Shift Differential applies

Article 10 - Overtime - amend in its entirety as follows:

The intent of this Article is to designate working hours for which overtime rates are paid. Outside of the normal hours of the work unit, (a) hours required to be worked shall be paid as overtime and (b) hours offered on a voluntary basis shall be paid overtime only for those hours which exceed the amount of the applicable daily standard.

Office, Area, and Regional Staff

Part-time employees shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked in excess of seven (7) hours and **fifty-five (55)** per day, or in excess of thirty-seven (37) hours and five (5) minutes Monday through Saturday, or on Holidays as specified in Article 14.1 of this Agreement.

Field Staff - May 1 to October 31

Part-time employees shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked in excess of eight (8) hours and thirty (30) minutes per day, or in excess of forty-two (42) hours and thirty (30) minutes Monday through Saturday, or on Holidays specified in Article 14.1 of this Agreement.

Field Staff - November 1 to April 30

Part-time employees shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked in excess of eight (8) hours per day, or in excess of forty (40) Monday through Saturday, or on Holidays specified in Article 14.1 of this Agreement.

Thermal and Hydro Staff

Part-time employees shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked in excess eight (8) hours and thirty (30) minutes per day Monday through Thursday, or in excess of eight (8) hours per day on Friday, or in excess of forty-two (42) hours Monday through Saturday, or on Holidays specified in Article 14.1 of this Agreement.

Article 11 - Call-Outs - amend by adding as follows:

Part-time employees qualify for this Article if called out for work outside of the normal hours of the work unit.

Article 12 - Standby applies

Article 13 - Vacation

Clause 13.1 - amend as follows:

Part-time employees will receive vacation pay on each paycheque. Vacation pay will be based on the employee's accumulated years of equivalent full-time service and basic rate calculated as follows:

Equivalent Years of Accumulated Service	% of Basic Rate
less than 1 year	4%
1 to 6 years	6%
7 to 15 years	8%
16 to 23 years	10%

Clause 13.2 - amend in its entirety as follows:

“Basic rate” for vacation pay purposes excludes overtime pay, standby pay and any temporary (less than three months) higher or lower pay level/step.

Clauses 13.3 and 13.5 apply

Article 14 - Holidays

Clause 14.1 - amend by adding new last paragraph as follows:

Part-time employees who would normally work the day on which a holiday falls will be paid what they would have been paid had they worked. Holiday pay for employees who work irregular days will be at the discretion of the Supervisor.

Clauses 14.2 to 14.5 inclusive apply

Article 15 - Expenses applies

Article 16 - Salaries, Rates of Pay and Other Payments

Clause 16.1, Clauses 16.3 to 16.8 inclusive apply

16.10 Part-time service for pay purposes will be calculated as follows:

(Field) 1,040 regular hours worked equals six (6) months of full-time equivalent service.

(Office) 975 regular hours worked equals six (6) months of full-time equivalent service.

Article 17 - Maternity Leave applies

Article 18 - Termination of Agreement

Clause 18.1 - applies

Clause 18.2 applies

Clause 18.3 applies

PAY SCHEDULES apply

ATTACHMENTS

Attachment 1 to **Attachment 5** inclusive apply

Attachment 6 - amend in its entirety as follows:

Subject to Article 8 above, it is generally understood that the hours of work for a regular work day set out in Attachment 6 shall also apply to part-time employees.

Such employees shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked in excess of eight (8) hours and thirty (30) minutes per day, or in excess of forty-two (42) hours and thirty (30) minutes Monday through Friday, or on Holidays specified in Article 14.1 of this Agreement.

Attachment 7 - amend in its entirety as follows:

Subject to Article 8 above, it is generally understood that the hours of work for a regular work day set out in Attachment 7 shall also apply to part-time employees.

Such employees shall receive overtime pay at the rate of two (2) times their regular rate of pay for authorized overtime worked in excess of eight (8) hours and thirty (30) minutes per day Monday through Thursday, or in excess of eight (8) hours per day on Friday, or in excess of forty-two (42) hours Monday through Friday, or on Holidays specified in Article 14.1 of this Agreement.

Attachment 8 applies

Attachment 9 - amend only as follows:

a3. - Other Benefits

A laid off part-time employee's life insurance coverage ceases following 31 days of layoff. If desired, the employee may convert part or all of their coverage to an individual policy within the thirty-one (31) days following layoff.

Eligibility under the Dental Plan and the Short Term Disability Plan cease upon layoff. Entitlement to Alberta Health Care and the Voluntary Major Medical Plan benefits continue to the end of the month in which the employee was laid off.

Signed on behalf of
TRANSALTA UTILITIES CORPORATION
subsidiary Company (F.E.S.L.)

Signed on behalf of
TRANSALTA and its
EMPLOYEES'
ASSOCIATION

Signed on the _____ day of _____, 1999 at Calgary, Alberta.