

~~572-0200~~
572-0199 (nuclear)
Jan 1 - 2006
Dec 31 - 2010
2,100 empls.

Memorandum of Settlement
Between
Ontario Power Generation Inc

- and -

The Society of Energy Professionals
(on behalf of the Nuclear and OPGI Bargaining Units)

OPGI and **The** Society agree to the **following** memorandum of settlement subject to ratification by their respective principals.

Unless otherwise noted, all amendments apply to both the OPGI and OPGI-Nuclear Collective Agreements.

Unless otherwise noted, all amendments are **in** effect on January 1, 2006.

_____	_____
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Date

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1 Compensation Plan

Conceptual elements of the new compensation plan:

- Steps for each band according to attached Wage Schedules (*See Wage schedules attached in Appendices*). **Economic increases to be added,**
- All former PIPs will be placed in MP-4 band.
- Qualifying accomplishments for **former PIPs to coincide with the existing crossover points.**
- Top step is equal to 103% for the **2006 schedule** (*See Wage schedules attached in Appendices, economic increases to be added*)
- Re-earnable performance pay at management discretion. Management will furnish The Society with a list how much was paid out and to whom.
- Re-earnable supervisory incentive at management discretion. Management will furnish The Society with a list how much was paid out and to whom.
- For clarity:
 - Incentives will not be included in economic arguments at mediation/arbitration
 - Incentives are not grievable
- Eliminate TMS Schedule and formula, employees **to be placed on the band January 2007** (i.e. TMS-04 to MP-4) at a rate **that is closest to but not less than their current base salary inclusive of TMS allowance. Over-band TMS staff to be red-circled until such time as the new top-step rate equals or exceeds the red-circled rate. For clarity, TMS employees will receive the TMS allowance in 2006.**
- Five bands
- Eliminate 04 Schedule by including training steps in standard progression.
- Make appropriate amendments to the collective agreement (e.g. delete LOU #77)
- Make appropriate amendments to collective agreement items referring to reference point (including but not limited to: Shift Premiums, Shift Differential, Article 65, Article 64) without increasing existing provisions. For example the language for Shift Premium would change to 50% of the equivalent hourly rate of Step 12 of the MP4 schedule per hour worked.
- New Job Evaluation plan implemented end of year 3, with mutual agreement, if no agreement revert to status quo.
- Retain Plan A for Jurisdiction only unless a mutually agreeable replacement can be found
- Placement on new schedule by finding closest but highest step to current base pay
- Excludes Band N (Nuclear Operations) payroll
- Year 1 provide one time lump sum non-pensionable bonus of \$2,000 for staff \geq 103% reference point (for clarity this applies to staff who are \geq 103% reference point following the payout of 2005 Performance Pay)

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- Year 2 placement on the bands effective January 4, 2007 (**before salary schedules have been escalated**). First incentive to be paid out (supervisory and top-step as identified above) in early 2007
- Year 3 first progressions – progression will take place annually on the date that is nearest to the start of the first pay period from their placement on the band/step. (For clarity job changes resulting in a change of step and/or band will reset the annual progression date to the effective date in the position. Hire date will be used for annual progressions for new hires).
- All employees hired on or after January 1, 2006 will be placed directly on the new wage schedules **and annual progressions thereafter will be in accordance with the above bullet.**
- Those employees $\geq 103\%$ at time of placement on bands will be green circled.
- Movement through the band can be restricted where the employer demonstrates a performance problem. For clarity, progression restrictions are grievable.
- Movement through the band can be accelerated where management deems appropriate.

2 Wages

- Increase Salary Schedules by **3%** effective **January 5, 2006**.
- Increase Salary Schedules by **3%** effective **January 4, 2007**.
- Increase Salary Schedules by **3%** effective **January 3, 2008**.
- Increase Salary Schedules by **3%** effective **January 1, 2009**.
- Increase Salary Schedules by **3%** effective **January 7, 2010**.

3 Form of Collective Agreement

The parties agree to attempt to negotiate a new form of the existing collective agreements.

Guidelines for negotiating agreements:

- A Master Agreement covering only broad items such as wages and benefits as agreed to below
- Four Subsidiary Agreements (Nuclear, Fossil, Hydroelectric, Corporate)
- All Subsidiary Agreements to be negotiated and completed by June 30, 2006. If no agreement is reached on the subsidiary agreements the default shall be to use the current language in the subsidiary agreements.
- The term of all subsidiary agreements shall coincide with the term of the Master Agreement.
- Master agreement to be negotiated centrally and ratified by the entire OPG Society membership agree
- The goal of moving items to the subsidiary agreements is to align with the business and simplify provisions

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			Master	Subsidiary
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2.2	FEDERAL JURISDICTION	14		Nuclear only
2.3	CLARITY NOTES	14	X	
2.4	SUPERVISORY EMPLOYEES - CODE OF ETHICS	17	X	
2.5	CONFLICT OF INTEREST - SECURITY STAFF	17	X	
2.6	EXCLUSIONS PROCESS	18	X	
2.7	SUCCESSOR RIGHTS	21	X	
3	Employee Classifications	21	X	
3.1	PROBATIONARY EMPLOYEES	21	X	
3.2	REGULAR EMPLOYEES	21	X	
3.3	TEMPORARY EMPLOYEES	22	X	X
4	Service Credit Definitions	22	X	
5	Temporary Assignments	25	X	
6	Employees on Temporary Out-of-Province Assignment	26		X
7	Mid-Term Agreements -	29	X	
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PART IV - COLLECTIVE AGREEMENT TERM - NO STRIKE/NO LOCKOUT				
9	Collective Agreement Term - No Strike/No Lockout	34	X	
9.2	NO STRIKE/NO LOCKOUT	34	X	
9.3	OPERATION OF THE COLLECTIVE AGREEMENTS	34	X	
9.4	TRANSITION PROVISIONS	34	X	
PART V - UNION SECURITY				
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10.1	MEMBERSHIP IN THE SOCIETY	37	X	
10.2	DUES DEDUCTION (RAND FORMULA)	37	X	
10.3	BARGAINING UNIT INFORMATION	37		X
11	Principles Regarding Involvement With Respect to Successor Rights	37	X	
PART VI - DISPUTE RESOLUTION PROCESSES				
12	No Discrimination	39	X	
13	Employee Indemnification	39	X	
14	Voluntary Recognition Agreement Disputes	40	X	
15	Collective Agreement Negotiation Disputes	41	X	
16	Complaint and Grievance/Arbitration Procedure	41	X	
17	Discipline and Discharge	47		X
18	Principle and Process of Prior Involvement in Jurisdictional Issues/Disputes	47		X
19	Job Challenges	48		X
20	Performance Pay Complaints	49		X

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21	Performance Appraisal Feedback and Advanced Warning of Reduced Performance Pay Standing	50		X
22	Role of Supervisors	51	X	
PART VII - SALARY				
23	Salary Schedules	52	X	
24	Escalator Clause	52	X	
25	Pay and Benefits Treatment of Staff Paid From Salary Schedule 04 Management and Professional (M&P) Development Schedule	61	X	
26	FM&P Salary Schedule 02	63	X	
27	Office Supervisory and Services (OSS) Salary Schedule 05	63	n/a	n/a
28	Trades Management Supervisors/Trades Supervisors (TMS/TS) Salary Schedule 08	63		X
29	Short-Term Absences	63	X	
30	TMS Agreements (deleted, see comp plan)	63		
31	Job Evaluation Plans	65	X	
32	Performance Pay Plan	66	X	
33	PROMOTION-IN-PLACE PLANS	67		X
34	Temporary Employees	68		X
PART VIII - ABSENCE FROM WORK				
35	Paid/Unpaid Time Off	70	X	
36	Employees Hired as Society Staff	71	X	
37	Release of Society Representatives	72	X	
38	Vacations	73	X	
39	Statutory Holidays and Floating Holidays	77	X	
40	Unemployment Insurance Commission Rebate	78	X	
41	Pregnancy/Parental Leave	78	X	
42	Sick Leave Plan for to employees hired prior to January 1, 2001 or covered by the transition provisions in Article 9	83	X	
42A	Sick Leave Plan (For Employees Hired On Or After January 1, 2001)	83	X	
43	Long Term Disability for employees hired prior to January 1, 2001 or covered by the transition provisions in Article 9	84	X	
43A	Long Term Disability (For Employees Hired On Or After January 1, 2001)	86	X	
44	Workers' Compensation Leave	87	X	
45	Rehabilitation and Re-Employment	88	X	
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47	Dental Plan	90	X	
48	Semi-Private Hospital Accommodation Plan	91	X	
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54	House Evaluation and Guarantee Plan	108		X
55	Compensation When Assigned to Temporary Work Headquarters	108		X
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57	Overtime	113	X	
58	Travel Time	115		X
59	Shift Work (M&P, TMS/TS, OSS)	116		X
60	Shift Work (FM&P)	121		X
61	Compensation and Working Conditions - 12-Hour Shift Schedule	123		X
62	Shift Turnover	129		X
63	Compensation for Authorization as a Nuclear Shift Supervisor	130		X
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64	Employment Continuity (see our proposal below)	131	X	X
65	Vacancies (Relief, Rotations and Selections)	161	X	X
65.1	Intent	161	X	
65.2	Definitions	161	X	
65.3	Advance planning	162	X	
65.4	Relief	162		X
65.5	Rotations within the Bargaining Unit	162		X
65.6	Selection for Assignments Other than Relief and Rotations - Note: selection rights unchanged from 2005 OPGI and OPG-N collective agreements	164	X	
66	Salary Treatment For Promotions, Temporary Assignments, Lateral Transfers and Demotions	169	X	
67	Purchased Services Agreement (PSA)	172	X	
	Local Implementation of PSA			X
68	Hours of Work (68.1 to 68.6 and 68.8)	178	X	
68.7	Reduction of Hours of Work	178		X
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70	Alternate Hours of Work Arrangements	179		X
71	Reduced Hours of Work (RHOW) Arrangements	183		X
72	Peak Demand Hours Arrangements / Project Crews	192		X
73	Work Sharing	193		X
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75	Teleworking	195		X
76	Direct Deposit	196	X	
77	Crossing Picket Lines of Other Unions	196	X	
78	The Provision of French Language Services	197		X
79	Preferred Parking Arrangements	198		X
80	Special Clothing	199		X
81	Payment for Use of Personal Vehicle	199	X	
82	Bush Fire Fighting and Volunteer Fire Brigades	200		X

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84	Extreme Winter Weather Conditions	201		X
85	Extramural Training	202		X
86	Meal Expenses	202		X
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87	Representation on OPG Committees	203		X
88	Article 88 has been deleted	203	n/a	n/a
89	Tripartite Agreement on Joint Health and Safety Committees	203	X	X
90	Authority to Stop Work	204	X	
91	Health and Safety Disputes	206		X
92	Joint Health and Safety Committees	206	X	X
93	Joint Society-Management Committee (JSMC)	208	X	X
94	Problem-Solving Teams	208		X
95	Publication of Collective Agreement	209	X	
96	Use of OPG Computer Facilities	210	X	
97	Status of Certain Corporate Policies and Procedures	210	X	
98	Code of Conduct	211		X
99	Letters of Understanding & Mid-Term Agreements	211	X	X
100	Article 100 has been deleted	212	n/a	n/a
101	Note to Part XV - Appendices	212	X	
102	DECONTROL/ CHANGE OF EMPLOYER	212	X	
103	Change of Employer Transition Provisions	215	X	
104	Station Closure	216	X	
105	Change of Work Headquarters (<i>Nuclear Agreement Only</i>)	216		X
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	Appendix II - Re: Input To Association of Professional Engineers of The Province of Ontario (APEO) Salary Survey		X	
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	APPENDIX VI - PROJECT CREW ARRANGEMENTS	224		X
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	Appendix XIII - Clarification Notes for Article 74	246	X	
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	#2 Re: Peak Work Hours Arrangements	265	X
	#4 Re: Pre-Mix and Match Surplus Declarations(Combine with Article 64)	266	X
	#5 Re: Society-Management Function/ESR Boundary Issues	267	X
	#8 Re: Shift Differential	269	X
	#9 Re: Expediting Redeployment Grievances and Arbitrations(Combine with Article 16)	270	X
	#10 Re: Extended Health Benefits	272	X
	#13 Re: Surplus Staff On Rotations(Combine with Article 64)	273	X
	#14 Re: Hours of Work for Field Management and Professional (FM&P) Staff	274	X
	#15 Re: Article 20.1(b) Performance Pay Grievance Process	276	X
	#19 Re: First Line Management Supervisory Positions (TMS)	277	X
	#23 Re: Redeployment of Society-Represented Employees in OHN During NAOP	278	X
	#24 Re: Reimbursement for BNPD Home Equity Loss	289	X
	#30 Re: Process for Updating the Drug Formulary to December 31, 2000	291	X
	#68 Re: Centralization of the Organization Reporting to the Chief Information Officer	293	X
	#73 Re: Expediting Society/OPG Jurisdictional Arbitrations (Nuclear)	297	X
	#73GEN Re: Expediting Society/OPG Jurisdictional Arbitrations (Non-Nuclear)		X
	#77 Re: Settlement of PPM Policy Grievance (December 3, 1996) and Negotiation of New Performance Pay Plan and Job Evaluation Plan	301	X
	#84 Re: Compensation for CRSSs, CRSOSs and SSITs	303	X
	#91 Re: Policy #04-03-04 - "Rehabilitation and Reemployment" (Nuclear)	304	X
	#92 Re: Policy #04-03-04 - "Rehabilitation and Reemployment" (Non-Nuclear)	305	X
	#99 Re: TSSD Authorization Training Supervisors (ATS's) and Discussion of the Training		X
	Supervisor - Simulator Based Training (UO TS's) Positions for the Purpose of		X
	Conducting Simulator-Based Training Courses on Shift		X
	#112 Re: New Process for Employee Initiated Job Reviews	308	X
	# 119 CRSS, CRSOS, ATS, and UOTS and SSIT	309	X

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	Compensation			
	# 122 Re: The implementation of the PSA agreements:	313	X	
	# 124 Re: Article 67 Purchased Services Agreement (PSA) Nuclear (including Nuclear Waste and Nuclear Regulatory Affairs)	314		X
	# 125 Re: Article 67 Purchased Services Agreement (PSA) in Electricity Production	316		X
	# 126 Re: Article 67 Purchased Services Agreement (PSA) in the Corporate Groups (Finance, Human Resources, Corporate & Environmental Affairs, Law & Corporate Development, Energy Markets-including Evergreen Energy, CIO)	318		X
	# 133 Re: Authority to Stop Work and Joint Health and Safety Committee Training	320	X	
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	#135 Re: Article 72.2- Project Crews	323		X
	#136 RE: ELECTRICITY PRODUCTION SOCIETY-REPRESENTED STAFF RELOCATING TO NANTICOKE/NIAGARA	325		X
	#141 Grievance Backlog Resolution Process	326		X
	#142 Re: Amendments to LOU #119	328		X
	#143 RE: CORPORATE FINANCE- CONTROLLER SOCIETY-REPRESENTED STAFF RELOCATING TO NANTICOKE / NIAGARA	329		X
	#146 Re: Amendments to LOU #141 - Grievance Backlog Resolution Process	330		X
	#149 Re: Amendments to LOU #119	331		X
	#151 Re: EARLY HOUSEHOLD RELOCATION FOR NUCLEAR STAFF TRANSFERRING TO DURHAM HEADQUARTERS	332		X
	#152 Re: Move of Employees Represented by the Society to Durham Headquarters	333		X
	#153 Re: Purchased Service for OPG and Society Involvement in the OPG Business Planning Process	339	X	X
	#154 Re: Lakeview Closure	341		X
	#155 Re: Hours of Work Reduction (Combine with Article 64)	343	X	
	#156 Workplace Harassment and Human Rights Complaint Process	345	X	
	# 157 Compensation Systems	347	X	
	#158 - Bruce Relocation Assistance	348		X
	# 159 Hours of Work Reduction (Combine with Article 64)	349	X	
	# 160 Re: Amendments to LOU #119	351		X
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#2	Re: Nuclear Unit of Application - Future Downsizing(Combine with Article 64)	352		X
#10	Re: PND Local Agreement for #1 Shift Coverage by Society-Represented Employees Assigned to Days	353		X

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#12	Re: Compensation & Working Conditions - 12-Hour Shift Schedule	360	X
#13	Re: Society Represented Employees in NTS - Periodic Assignment to Shift Work (Final)	365	X
#14	Re: Society Representation of Authorized Nuclear Operators in Rotations	368	X

5 Article 9 - Transition Provisions

- Delete Article 9.4 and remove reference to Article 9.4 in Article 4 (Service Credit Definitions) effective December 31, 2010. **AGREED**

6 Article 16 - Complaint and Grievance/Arbitration Procedure

- **Add to subsection 16.7 (a):**

Where resolution is not achieved at Step 2, **the Society may refer a grievance** ~~will automatically advance~~ to Step 3A (expedited arbitration) or Step 3B (regular arbitration) within 30 working days ~~unless withdrawn by The Society.~~

Grievances not referred within the time limits above shall be considered to be withdrawn. **AGREED**

- **Arbitrator list (Article 16.10)**
 - Delete P. Picher **AGREED**
 - Add the following language:

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- ***The following are agreed to arbitrators under Article 16. With mutual agreement the parties may use other arbitrators who are not found on these lists. AGREED***

7 Article 24 Escalator Clause

24.1 In the event that Ontario Power Generation and the Society negotiate a Collective Agreement for a term of more than one year, a Cost of Living Adjustment (COLA) escalator clause shall become part of such an Agreement and shall be applicable to all employees covered by that Agreement.

24.2 During the term of the Agreement, (January 1, 2006 to December 31, 2010), apply the following formula:

1. This escalator clause may generate a maximum of three lump sum payments, as soon as practical following December 31, 2008, December 31, 2009 and December 31, 2010.

2. In the third year of the Collective Agreement, namely January 1, 2008 to December 31, 2008. the following formula shall apply:

(a) An increase of more than 3.0% in the Ontario All Items index (1992 = 100) published by Statistics Canada in November, 2008 (published in December, 2008) over the index for November 2007 (published in December 2007) will activate the escalator clause.

(b) The lump sum payment will be an amount equivalent to the amount by which the increase in the Index exceeds a full 0.5% increment over the activation point specified in (a) above in the 12 month period specified in (a) above. But in no case shall the amount of such increases exceed 1%. For further clarity lump sum payments shall be in increments of 0.5% only.

e.g. Annual Index = 3.4%, payment = 0.0%;
Annual Index = 3.7%, payment = 0.5%;
Annual Index = 4.1%, payment = 1.0%

3. In the fourth year of the Collective Agreement, namely January 1, 2009 to December 31, 2009. the following formula shall apply:

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(c) An increase of more than 3.0% in the Ontario All Items index (1992 = 100) published by Statistics Canada in November, 2009 (published in December, 2009) over the index for November 2008 (published in December 2008) will activate the escalator clause.

(d) The lump sum payment will be an amount equivalent to the amount by which the increase in the Index exceeds a full 0.5% increment over the activation point specified in (a) above in the 12 month period specified in (a) above. But in no case shall the amount of such increases exceed 1%. For further clarity lump sum payments shall be in increments of 0.5% only.

e.g. Annual Index = 3.4%, payment = 0.0%;
Annual Index = 3.7%, payment = 0.5%
Annual Index = 4.1%, payment = 1.0%

4. In the fifth year of the Collective Agreement, namely January 1, 2010 to December 31, 2010, the following formula shall apply:

(a) An increase of more than 3.0% in the Ontario All Items index (1992 = 100) published by Statistics Canada in November, 2010 (published in December, 2010) over the index for November 2009 (published in December 2009) will activate the escalator clause.

(b) The lump sum payment will be an amount equivalent to the amount by which the increase in the Index exceeds a full 0.5% increment over the activation point specified in (a) above in the 12 month period specified in (a) above but in no case shall the amount of such increases exceed 1%. For further clarity lump sum payments shall be in increments of 0.5% only.

e.g. Annual Index = 3.4%, payment = 0.0%;
Annual Index = 3.7%, payment = 0.5%
Annual Index = 4.1%, payment = 1.0%

5. In the calculation of fractions, the simple 5/4 method of rounding will be used. That is, .00001 to .00499 rounds down

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and .00500 to .00999 rounds up. This rounding methodology is to be used in the calculation of wage rates.

The availability of the escalator shall depend upon the continued availability of the Index calculated on its present base and in its present form. If the Index is not available, the parties will meet and agree on an appropriate alternative conversion of the Index.

8 Article 30 TMS Agreements

As per compensation item, delete this article

9 Article 36 – Vacation

- Add to 38.5:

In the year in which the employee is first eligible for 25 working days' vacation, he/she shall be granted it in one continuous period if he/she so requests. **AGREED**

10 Article 42 – Sick Leave Plan

Sick Leave Credits – Old Sick Leave Plan

To amend language to indicate that an employee receives only one reaccumulation following approval for LTD. **AGREED**

11 Part IX – Health Benefits (Articles 46, 47, 48)

11.1 Prostate Specific Antigen (PSA)

- Add PSA test provided unless covered by OHIP **AGREED**

11.2 Add Dental Codes

- Add the following dental codes as class “B” coverage **25731, 25732 and 25733 AGREED**

11.3 Dispensing Fees

Dispensing fees covered to a maximum of **\$5.00**

11.4 Eyeglasses

Increase to \$550 effective January 1, 2007 and \$600 effective January 1, 2008.

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- 11.5** Dental Implants and Dental Inlays
Based on least costly alternative effective January 1, 2006 **AGREED**
- 11.6** Dental Code Review
The parties will conduct a dental code review. **AGREED**
- 11.7** Custom Made Shoes
Require **IME** or treatment plan by a licensed practitioner as per the Health & Dental brochure for coverage of custom made shoes
- 11.8** Post Retirement Spouses
Eliminate post retirement spouses as eligible/qualified dependent for Health & Dental benefits unless provided with survivor pension benefits
AGREED
- 11.9** Over the Counter Drugs

Cease reimbursement for non life sustaining over the counter drugs
Add language to require a prescription to accompany any life sustaining over the counter drugs in order to be reimbursed and meet tax legislation

12 Article 50 – Pension Plan

12.1 Contributions

Add a new provision to increase employee contributions by increasing contribution rate to 7% below and above the YMPE.

12.2 Contribution Holidays

Add the following new provision:

At any time during the period that this collective agreement is in effect and that either OPG or the PWU members stop their contributions to the pension plan, the Society will be given the opportunity to stop contributions by Society represented pension plan members for an equivalent period.

12.3 Buy-back of Service (Article 50.5)

Delete Article 50.5, effective January 1, 2007. **AGREED**

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For clarity: The company is not proposing to remove existing provisions in the pension plan dealing with:

- buyback of temporary service Subrule 16c(1);
- leaves of absences - Subrule 11(2) leave of absence WITH pay, Subrule 11(6) leave without pay, 11(7) covers sick leave without pay not leading to LTD, 11(7a) covers any leave without pay of less than 15 days in a calendar year and 11(8) covers off sick leave leading to LTD and LTD.
- pregnancy/parental leave - Subrule 11(5)
- broken service - rule 26

12.4 Administrative Pension Plan Changes

Please see Attachment, **Agreed to in principle subject to agreement on language. AGREED**

13 Part XI – Relocation Assistance (Articles 51 – 55)

- Amend Article 52.3.3(a): the person must travel farther than their previous commute and will receive the mileage to the new work location minus the mileage to the old work location. **AGREED**
- Employees are entitled to only one move per household per redeployment or transfer. **AGREED**
- Re: Article 53 – Financial Assistance Plan amend brochure to delete paragraphs which reference taxable treatment of “Home Relocation Loan Deduction”. **AGREED**
- Change the definition of 40 kms to say “Distances on which calculations will be made are land distances by the most direct route.” **AGREED**

14 Article 59 – Shift Work

- Increase the periodic time on shift to **21 weeks** in 2006, **17 weeks** in 2007 and **13 weeks** per year thereafter in article 59.6 and 59.7

15 Article – 64 Employment Continuity

15.1 Restructure

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Agreement to restructuring in principle to a consolidated Employment Continuity Article i.e.

- o *Integration of Article 64, Article 102, LOU #4, LOU #9, LOU #13, Business Unit Midterm #2 and the side-letter in Appendix XIV dated December 3, 1998 "Allocation and Redeployment Issues" without changing any of the rights or processes save and except as identified below.*
- o *Part A - Redeployment Surplus to remain the same except as amended by management proposal below*
- o *Part B - Redeployment of Society represented employees in Non-Surplus situations to include LOU #23 with no changes to apply to Nuclear only*
- o *Part C - Decontrol/Change of Employer - Article 102 with **no** changes*
- o *Agree to integrate Hours of Work Reduction LOU (#159) into Article 64 (Will apply to all involuntary reduction in hours of work situations)*
- o *Agreement subject to word-by-word review*

15.2 Units of Application

Divisional Units of Application for Nuclear to be amended to:

- *Pickering (including any Head Office Nuclear Staff)*
- *Darlington*
- *Nuclear Waste*
- *IMS*
- *The above amendment contingent upon agreement Article 105 amendment.*

15.3 JROT Process

- Add the following paragraphs to Article 64.7.3 to read as follows:

Members of the JROT may request assistance from either the Society or OPG.

In the event that the JROT is unable to reach a decision within the three (3) working days the appeal will be heard by a standing arbitrator within three (3) days. In the case of extenuating medical circumstances the three (3) days for the appeal may be extended to **thirty (30) days to complete entire appeal process.**

64.8.16 In the application of a mix and match, the JRPT *may* consider an expedited priority selection to vacancy process at each salary grade level in descending order with the expectation of making additional positions available for the process. **AGREED**

64.8.17 The JRPT will identify all X, Y and Z positions in accordance with LOU #5 "Society-Management Function/ESR Boundary Issues". The

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JRPT will ensure that positions so identified will be treated in accordance with the procedure outlined in the LOU unless agreed to otherwise by the parties. AGREED

16 Article 65 – Vacancies (Relief, Rotations and Selections)

16.1 Article 65.6.1

- *Amend to read as follows:*

“All vacancies for assignments which do not fall into the category of relief or rotations shall be advertised OPG-wide unless there is Agreement with The Society Local Vice-president or the following conditions apply...” AGREED

17 Article 67 – Purchased Services Agreement

Article 67 and LOU’s 122, 124, 125, 126 and 153

- Extend the current LOUs, as amended below, (122, 124, 125, 126) for five additional years beyond 2006.
- Delete LOU 153 *save and except that Parts 2 and 3 will be maintained for the purposes of establishing a definition of base/non-base work and augmented staff.*
- During the term of this collective agreement (January 1, 2006 to December 31, 2010) no employee will be declared surplus as a direct result of contracting out.
- Remove payment of \$750,000.
- Notwithstanding the suspension of Article 67, item 67.6.2 still applies. Management will provide the Society with a list of work being contracted to business organizations under 67.6.2. For further clarity Article 67.6.2 is:

Where a service **is** obtained for a business organization corresponding to one OPG bargaining unit from another business organization corresponding to another OPG bargaining unit, or a business which has Society-represented employees who are providing the service, The Society will agree to waive the application of Article 67 (Purchased Services Agreement – PSA) provided that such purchased service does not directly result in a surplus of Society-represented staff **in** OPG. Article

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67 shall be applied in the service provider bargaining unit or business where the service provider wishes to purchase external services in order to provide service to another OPG bargaining unit.

- Notwithstanding paragraph #3 in each LOU #124, #125 and #126, the parties agree to the fixed dollar envelopes as outlined below.
 - The fixed dollar envelope for Nuclear including Nuclear Waste and Nuclear Regulatory Affairs will be the dollar amounts agreed to for 2006. The proportion of this fixed dollar envelope that represents base work will not exceed 10%. The fixed dollar envelopes will each have a **5%** contingency for each year.
 - The fixed dollar envelope for Electricity Production and each of the Corporate Groups other than Business Development and Energy Markets will be the dollar amounts agreed to for 2005. **The fixed dollar envelopes will each have a 7.5% contingency for each year.**
 - The fixed dollar envelope for Business Development and Energy Markets for each year will be \$5.5M. For clarity there is a separate agreed to PSA for the Niagara Tunnel which is not included in the envelope. **The fixed dollar envelopes will each have a 7.5% contingency for each year.**
- **The company will report on an annual basis on the status of its expenditures on the envelopes above.**
- Arbitrations for disputes over amounts above the envelope will be expedited, i.e.
 - Business case briefs no longer than 10 pages;
 - No witnesses;
 - No lawyers (save and except LR and Society staff);
 - Multiple cases per day **if possible**;
 - Expanded list of arbitrators;Agreed to arbitrator(s) will be used who will hear cases on short notice and will give a verbal ruling on the day of the hearing or as soon as possible thereafter.
- *For clarity the intent of these provisions is to reduce the administration associated with the LOU's.*

18 Article 74 – Assignment of Non-Bargaining Unit Work During a Strike/Lockout

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- Delete Article 74, LOU #1 and Appendix XIII – Clarification Notes for Article 74

19 Article 79 – Preferred Parking Arrangements

- Delete this Article. **AGREED**

20 Article 80 – Special Clothing Article 80.2

- Delete Article 80.2. **AGREED**

21 Article 85 – Extramural Training

- Amend the Article to define reasonable costs as registration/tuition fees and costs for textbooks. **AGREED**

22 Article 94 - Problem-Solving Teams

- Delete items (b) Benefits and (c) Total Compensation. **AGREED**

23 Article 105 – Change of Work Headquarters (*Nuclear Subsidiary Agreement Only*)

Add the following language:

Employees may be moved from an over complement at one Work Headquarters to an under complement at another Work Headquarters within classifications on a Senior Choice/Junior Force basis subject to unit viability.

24 General Administrative

- In accordance with Article 99 review all Letters of Understanding and Mid-terms (not otherwise referenced in Management's agenda) for either deletion or renewal. - **AGREED**

25 Closure of Coal Stations

Per attached LOU.

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26 Corporate Restructuring

- As of the date of ratification employees working in the Nuclear Business organization will all be part of that organization. **AGREED**
- JSMC to allocate corporate staff to the Subsidiary Business organizations as appropriate. **AGREED**
- On an annual basis, the parties will meet to discuss any changes to the organization and realignments as necessary. **AGREED**

27 Transition Pay

- Transition pay to be repaid to OPG deducting \$20 per pay period, commencing as soon as practical in 2006, from the gross pay of each employee until the transition week is fully repaid. If the employee's employment terminates prior to full repayment, any balance owing will be deducted from the employee's final pay. **AGREED**

28 Schedule 01 and 11 – Clarification

- Add language to Article 68 to clarify that schedules 01 and 11 are lateral pay schedules for all purposes under the collective agreement. **AGREED**

29 CRSS

28.1 LOU #119 – CRSS Compensation

- Amend LOU #119 to “The payment will be made as soon as practical each year.” By end of 1st quarter – **AGREED**
- Change point 8 to reflect \$140,080 cap in 2005 escalated by the regular negotiated annual economic increases. **AGREED**

28.2 New LOU re – Retention of ATS and CRSS/SOS

- Will be discussed post bargaining with Nuclear Business organization **AGREED**

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30 Shime Award re: Jurisdictional Issues dated September 10, 2004

Jurisdiction Backlog

- Pursuant to the Shime Award re: Jurisdictional Issues dated September 10, 2004, the Society submitted a list of positions they were challenging in November 2004. Any of the outstanding cases that are not pursued by the submission of a written brief in accordance with the award within 180 days of the signing of the memorandum of agreement are considered withdrawn.

AGREED

Documentation Provided

- In practice the documentation provided under 1(a) and 1(b) have proven to be the same in most circumstances, therefore management proposes that the documentation be provided at Step 1(a) at Step 1(b) management will either send revised documentation or notify the Society that there are no revisions.

AGREED

31 Appendices

Administrative Changes to the Pension Plan

- Refinement and simplification of pre-retirement benefits - the current rules show inconsistencies between single and married plan members - which are not justifiable.
- Change the membership date to first day of probationary service this requires a Pay System change plus several hundred calculations. The effective date will be January 5, 2006 (which coincides with a biweekly pay cycle). Effective April 1, 2002 - we provided for counting service in days. For anybody who became a member since April 1, 2002 and who had completed a buyback under the existing rule which we interpreted as only providing for purchases in whole calendar months, they would be allowed to purchase the missing days from April 1, 2002 on - to a maximum of 183 days - at the same unit cost as the original purchase. This rule is NOT supposed to open up a new window for those who missed the old window. For anybody who had become a member prior to January 5, 2006 and who had submitted a request under the old rule for an estimate, then they would be provided with a cost and allowed to elect to purchase the requested service in days (ie. they don't have to re elect and there wouldn't be an extension in the deadline just because of this rule change). For anybody who became a member on January 5, 2006 because of this rule change, then they would have the 3 months to complete the process.

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- Commuted values - termination options - there was a problem in that the commuted value for a terminating employee who is age 55 with 15 to 25 years of service did NOT reflect the preferred discount rate. In cleaning up this language, would also maintain the current number of termination options available to avoid the IESO issue (eliminating commuted value options).
- Family Medical leave and Emergency leave provision - We need an addition to rule 11 to cover off these new leave provisions provided under the Employment Standards Act - otherwise they fall under the ordinary "leave of absence without pay" that isn't sufficient for ESA purposes. Where the Corporation grants leave of absence without pay with respect to family medical leave and emergency leave under the Employment Standards Act, such leave shall be included in the member's continuous employment and upon termination of the leave of absence, the member must contribute to the fund within 6 weeks of being notified by the Corporation of the amount and subject to CRA approvals, the amount the member would have contributed at the member's base earnings if the member wants the period of leave of absence to be included in calculating established service or else forfeit this forever. 11(6) should have deadlines.

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31.2 ANNUAL WAGE SCHEDULE FOR NEW COMPENSATION PLAN – 35 Hour

- for clarity, does not include 2006 economic increase

35 hour schedule									
Step	MP 2	Step	MP 3	Step	MP 4	Step	MP 5	Step	MP 6
								10	105,662
								9	103,000
								8	101,500
						10	99,087	7	99,087
						9	98,000	6	98,000
						8	96,000	5	96,000
						7	94,982	4	94,982
						6	93,982	3	93,982
				15	92,930	5	92,982	2	92,982
				14	91,052	4	91,052	1	91,052
				13	89,121	3	89,121		
		12	87,190	12	87,190	2	87,190		
		11	84,477	11	84,477	1	84,477		
10	81,764	10	81,764	10	81,764				
9	79,300	9	79,300	9	79,300				
8	76,500	8	76,500	8	76,500				
7	74,000	7	74,000	7	74,000				
6	71,632	6	71,632	6	71,632				
5	68,632	5	68,632	5	68,632				
4	65,632	4	65,632	4	65,632				
3	62,632	3	62,632	3	62,632				
2	60,632	2	60,632	2	60,632				
1	54,161	1	54,161	1	54,161				

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31.3 ANNUAL WAGE SCHEDULE FOR NEW COMPENSATION PLAN – 40 Hour

- for clarity, does not include 2006 economic increase

40 hour schedule									
Step	MP 2	Step	MP 3	Step	MP 4	Step	MP 5	Step	MP 6
								10	123,768
								9	122,000
								8	120,500
						10	116,097	7	119,000*
						9	114,500	6	117,500
						8	113,000	5	116,097
						7	111,500	4	114,500
						6	110,000	3	113,000
				15	108,897	5	108,897	2	111,500
				14	106,500	4	106,500	1	110,000 *
				13	104,114	3	104,114		
		12	102,113	12	102,113	2	102,113		
		11	98,931	11	98,931	1	98,931		
10	95,800	10	95,800	10	95,800				
9	92,000	9	92,000	9	92,000				
8	88,015	8	88,015	8	88,015				
7	85,015	7	85,015	7	85,015				
6	82,015	6	82,015	6	82,015				
5	79,015	5	79,015	5	79,015				
4	76,015	4	76,015	4	76,015				
3	73,015	3	73,015	3	73,015				
2	71,015	2	71,015	2	71,015				
1	63,449	1	63,449	1	63,449				

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Coal Plant Closure

Letter of Understanding
Between
Ontario Power Generation Inc.
- and -
The Society of Energy Professionals

The purpose of this LOU is to provide fair and reasonable treatment of Electricity Production employees at the coal fired generating stations identified for future closure per the government's plan and to facilitate the continued safe operation of these stations until their closure.

The intent of this document is to minimize the impact on affected staff at these sites by affording employees an opportunity for placement in Electricity Production or an avenue to voluntarily depart with the associated separation entitlements.

PROCESS:

For clarity, the term "closure" applies to both full and partial station closures (e.g. unit closure or fuel conversion) as announced by the Government.

Effective on the date the Company officially informs the Society that a station is to be closed (hereinafter called "the affected station"), it is agreed that the following shall apply:

1. Based on requirements at the station, management will determine the release date for employees. Local management and the Vice President of the OPGI Society local, or a delegate as appointed by the VP, will meet regularly to discuss issues associated with release dates.
2. Local management may hire Society represented temporary employees to occupy positions as a result of the departure or proposed departure of regular employees. Society represented temporary employees may be hired at other locations in the company to hold a position or to facilitate longer release dates for employees who were successful candidates for positions outside the station.
3. Notwithstanding Article 67, if qualified temporary employees are not available, local management will meet with the Vice President of the OPGI or OPG-N Society local as appropriate, or a delegate as appointed by the VP in order to facilitate the use of contract employees required as a result of circumstances outlined in point #2 above. A business case will not be required in this circumstance, however, the agreement of the appropriate Local Vice-president shall be required and such approval shall not be unreasonably withheld

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4. Local Management will keep the Vice President of the OPGI Society local, local Unit Director, and the local Delegate informed on a bi-monthly basis of staffing changes as a result of employees departing from the station.
5. Notwithstanding the provisions of Article 3.3.1, temporary employees will retain their temporary status until the position they were hired to cover is no longer required. Severance of two weeks per year of service (prorated for the partial year) shall be paid upon termination of employment for other than cause.
6. Approximately one year prior to the specific closure:
 - In the case of a partial closure, management will identify employees whose experience skills and qualifications are necessary for the on-going operation of the station based on Unit viability and employee choice (senior choice/ junior force). Management will discuss the foregoing with the Society Vice-president of the OPGI Society local. All other employees not identified, with the exception of those who have accepted a vacancy outside of the station, will elect either A, B or C below.
 - In the case of a full closure, all employees within the affected station, with the exception of those who have accepted a vacancy outside the station, will elect either A, B or C below.

Option A Voluntary surplus in accordance with the collective agreement. The termination date will be determined by management, however, such termination date cannot be extended beyond 21 months from the date that the employee's application is confirmed and finalized, unless the employee agrees otherwise.

Employees will be allowed to delay their termination dates for a period not to exceed twenty one (21) months in order to achieve the earliest of the following pension milestones:

- Twenty-Five (25) years service
- Rule of 82
- Or age 65

Employees who avail themselves of this option will have their severance reduced by the amount of time elapsed between the date the employee's application is approved and finalized and their actual termination date.

Consideration of voluntary surplus will be based on seniority. Voluntary surplus may be denied in order to maintain the skills and qualifications required to operate the affected plant.

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Option B: Employees will rank all of the available EP locations, in order of preference. Placements will be made on a seniority and qualification basis.

Where Option B is elected, the employee must return their rankings within 14 days or they will be deemed to have elected Option A.

Option C: Employees who cannot elect either Option A or Option B because of compelling personal circumstances will identify themselves to management.

- (i) If management agrees that the employee has a compelling personal circumstance the employee will be declared surplus and may use his/her full search notice period as a surplus employee, as of the date of closure, to search for another acceptable position:
 - If located at Atikokan or Thunder Bay, within NW Fossil or NW Plant Group;
 - If at another affected station, within the local community of the affected station.
- (ii) If management does not agree that the employee has a compelling personal circumstance, management will meet with the Local Society Vice-President and attempt to resolve the issue. If the issue cannot be resolved the parties agree to expedited arbitration in accordance with paragraph (7) below.

If the arbitrator agrees that he/she has compelling personal circumstances, then he/she will be declared surplus in accordance with Option C (i) above.

If the arbitrator does not agree that he/she has compelling personal circumstances, then he/she shall have the option of accepting the position under Option B above within two (2) working days or terminating with 75% of lump sum payments as per Article 64.9.2(a).

All arbitration decisions will be non-precedent setting.

7. Elections and placements will be confirmed and finalized approximately 3 months prior to the closure, and discussed with the Local Society Vice President prior to finalization.
8. Management agrees this LOU will be used to deal with the reduction of staff at an affected station. There will be no involuntary surplus of staff at other affected stations to accommodate the placements under Option (B) above.
9. **All** disputes regarding an election under Option (A) or Option (B) will be filed within 20 working days following the confirmation in paragraph (7) above. All disputes will

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be heard within 30 working days following the 20 working day filing period. All such disputes shall be governed by the provisions of Article 16 of the Collective Agreement.

10. If, during the life of this agreement there is a significant change to the timeframe for the coal station closure, management may terminate any process initiated in paragraphs (1) through (7) above.
11. The Society reserves the right to grieve any unreasonable or arbitrary exercise of management rights and violations in the execution of this LOU.
12. This agreement will expire upon completion of the closure of the Fossil Stations or 2015 whichever comes first.

Date

on behalf of the Society OPGI Bargaining Unit

on behalf of OPG

on behalf of the Society OPG-N Bargaining Unit

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