

LETTER OF UNDERSTANDING

01-EWPI-CUPE21

between

EPCOR Water Prairies Inc.
(hereinafter referred to as the "Company" or "EPCOR" or "EWPI")

Of the First Part

-and-

CANADIAN UNION OF PUBLIC EMPLOYEES Local 21
(hereinafter referred to as the "Union")

Of the Second Part

(hereinafter referred to jointly as the "Parties")

RE: EMPLOYEE BENEFITS and VARIOUS LEAVES:

EMPLOYEE BENEFITS:

1. Effective January 01st, 2015, all permanent employees at the Regina Waste Water Treatment Plant (WWTP) will transfer from the City of Regina Employee Benefits Plan as outlined in Article 12 and Articles 15 (A); (B); (C) and (D) of the current Collective Bargaining Agreement (CBA), to the EPCOR Advantage Benefits Plan (see Attached EPCOR Advantage Benefits Program Booklet).
2. It is understood that the EPCOR Advantage Benefits Plan consists of Extended Health Care (Medical); Dental; Flex Credits; Health Spending Account; Basic Employee Life; Child Life and Optional Employee and Spousal Life Insurance, Short Term Disability and Long Term Disability benefits.
3. Prior to the annual re-enrollment for the EPCOR Advantage Benefits Plan, EPCOR Human Resources will contact the Union and ask for any feedback or input they may have on the existing plan.

SHORT - TERM DISABILITY (STD) and SICK LEAVE CREDITS:

4. As per participation in the EPCOR Advantage Benefits Plan, effective January 01st, 2015, CUPE Local 21 members at the Regina Waste Water Treatment Plant (WWTP) will be enrolled and participate in the EPCOR Short-Term Disability (STD) Plan. As such, as of this date, employees will not accumulate sick leave credits as per Article 5(1) of the current Collective Bargaining Agreement (CBA) and the EPCOR STD Plan language and information will supersede the current

language at Article 5.

"REVERSION" TO CITY OF REGINA EMPLOYMENT & TRANSFER OF CITY OF REGINA SICK LEAVE CREDITS

5. CUPE 21 member employees at the Regina WWTP who transfer to EPCOR effective January 01st, 2015 (date of transfer), will be provided with a twelve (12) month window to elect on a "one-time-only" basis, to port their seniority, service and sick leave credits from EPCOR back to the City of Regina. An employee must be successful on a posting at the City of Regina on or before December 31st, 2015 in order to exercise this "one-time-only" option.
6. The City of Regina will transfer the sick leave credits for all member employees transferring to EPCOR effective the date of transfer. EPCOR will retain all transferred employee's sick leave credits that were accumulated when employed by the City of Regina until December 31st, 2015. EPCOR will prepare a finalized list of transferred WWTP employees' and their accumulated sick leave credits as of December 31st, 2014. This list will be provided to the Union no later than January 30th, 2015. This will allow the employees who choose to revert back to the City of Regina to "transfer" back their accumulated sick leave credits for use with the City.
7. Following the date of transfer; the Company and the Union agree to meet to review, discuss and determine how any sick leave taken with EPCOR by a "reverting" member employee (between the date of transfer and December 31st, 2015 - the close of the reversion window) will be subtracted from that "reverting" employee's transferred City of Regina sick leave credits.

EMPLOYEES WHO CHOOSE TO STAY WITH EPCOR AFTER DECEMBER 31ST, 2015

8. All WWTP employees who choose to stay with EPCOR and choose not to revert to the City of Regina, regardless of their years of service or sick leave credits, will be paid out any outstanding sick leave credits as per Article 5 (3) of the Collective Agreement on the first EPCOR pay date following January 01st, 2016. This payout will be less any applicable taxes.
9. Consistent with a portion of Article 5(3) of the current Collective Bargaining Agreement, the calculation for such payout will be :
 - a.) Based on the permanent employee's rate of pay in effect on December 31st, 2015.
 - b.) Fifty percent (50%) of the payout of the total accumulated sick leave credits or the amount of seventy-eight (78) days (eight (8) hours / day) at their regular rate of pay; whichever is the lesser.

EMPLOYEES WHO CHOOSE TO REVERT TO THE CITY OF REGINA BEFORE DECEMBER 31ST, 2015

10. For all employees who choose to "revert" to the City of Regina to fill a posted position before December 31st, 2015, they will have their City of Regina "transferred" sick leave credits as of December 31st, 2014 (that will be confirmed on the list provided to the Union in # 03 above), "transferred" back to the City of Regina.

11. Consistent with the existing language in the CBA at Article 5(3), for all member employees who transfer to the EPCOR WWTP and retire or resign from EPCOR, and do not "revert" to the City of Regina between the dates of January 01st, 2015 and before December 31st, 2015, they may have their sick leave credits from the City of Regina paid out as long as they meet the following criteria:

- a.) they must have at least ten (10) years continuous service as defined in Article 1 (k) (i);
- b.) they must not be dismissed by the Company

If these two criteria are met, then the calculation would be as follow:

- a.) Based on the permanent employee's rate of pay in effect on January 01st, 2015 or their rate of pay at their time of departure.
- b.) Fifty percent (50%) of the payout of the total accumulated sick leave credits or the amount of seventy-eight (78) days (eight (8) hours / day) at their regular rate of pay; whichever is the lesser.

LONG - TERM DISABILITY (LTD):

12. As per participation in the EPCOR Advantage Benefits Plan, effective January 01st, 2015, CUPE Local 21 members at the Regina WWTP will have chosen to be enrolled in the EPCOR "Essentials" Long-term Disability (LTD) Plan (100% Company paid) or one of the EPCOR "Essentials + COLA" or "Enhanced + COLA" LTD Plans (if the employee chooses to pay the additional premiums). As such, as of this date, employees will no longer be enrolled in the Regina Civic Employees' Long-Term Disability Plan under by-law No. 9566 and the current Article 15(D) in the CBA is deemed deleted and is replaced with the EPCOR LTD Plan language.

BEREAVEMENT:

13. Effective January 01st, 2015, the bereavement provisions at Article 4(A)(1) of the CUPE Local 21- City of Regina Collective Agreement will be replaced with the following language:

Bereavement

A permanent employee will be granted time off with pay, at the regular rate of pay, for the position to which such employee is permanently appointed or serving a required trial term thereof, for the purpose of making arrangements for, or attending, a funeral in accordance with the following:

- (i) An employee will be granted five (5) regularly scheduled consecutive working days without loss of pay at the employee's regular rate of pay for the death of a spouse, parent, or child provided the employee attends the funeral. The leave will extend past the day of the funeral if there is a demonstrated need for the leave. However, in no event will the leave exceed five (5) working days.

- (ii) For other members of the employee's family – that is, grandparent, grandchild, guardian, parent of current spouse, brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent of current spouse, or a related dependent of the employee, the employee, on request, will be excused for any three (3) regularly scheduled consecutive working days without loss of pay at the employee's regular rate of pay, provided the employee attends the funeral. Such leave will extend past the day of the funeral if there is a demonstrated need for the leave. However, in no event will such leave exceed the three (3) working days.
- (iii) One-half (1/2) day's leave with pay to attend funeral services of persons related more distantly than those listed in (i) and (ii) above will be granted upon request. Upon demonstrating the need for additional time due to extenuating circumstances, this leave will be extended up to one (1) day.
- (iv) The word "funeral" when used in respect of bereavement leave will include the initial memorial service which is held in conjunction with a cremation.
- (v) The term "extenuating circumstances" may include travelling time, shift schedule conflicts, or such other reasons which may be applicable to the individual circumstance.
- (vi) A permanent employee on leave of absence other than annual vacation leave will not be eligible for bereavement leave.

14. Effective January 01st, 2015, WWTP employees will have access to up to twenty – four (24) hours annual paid Leave for Employee or Family Related Responsibilities as per the following language until the end of the current CBA – December 31, 2015 (at which time the parties will be in negotiations):

Leave for Employee or Family Related Responsibilities

Permanent part-time employees will receive a pro-rated number of hours as outlined in the Advantage Benefits program handbook.

New employees hired after January 01st, 2015 will have their Employee and Personal Responsibility Leave hours pro-rated based on their hire date.

These hours may not be carried over into the next benefit year.

These hours may be used for the following purposes:

- (1.) The care of a sick child, parent or other immediate defined family member for which the employee is responsible.
- (2.) Attendance at medical or dental appointments for the employee's spouse, their child or their parent.
- (3.) Attendance at medical or dental appointments for the employee in the event the required absence is longer than three (3) hours.

- (4.) Childcare due to reasons that could not have reasonably been anticipated or where normal arrangements are not available.
- (5.) A personal need that requires the employee's immediate attention and that is approved by the Company. **

****Note - The Company will provide the Union with EPCOR Guidelines regarding Employee and Family Responsibility Leave that will assist Managers, Supervisors and member employees in determining what types of scenarios would be approved for this type of leave referenced in 14 (5.) above.**

15. Effective January 01st, 2015, the parties agree to add the following Medical and Dental leave language to the Collective Agreement:

Leave for Medical and Dental Appointments

Employees will endeavour to schedule medical and dental appointments off work hours where possible or at the beginning or ends of their shifts.

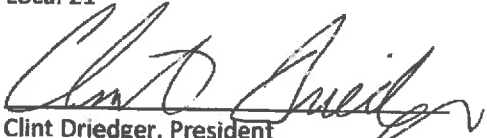
A permanent employee who is required to arrange a medical or dental appointment during working hours will be allowed to attend such appointment on Company time and without loss of pay, provided that they are not absent from work for a maximum of three (3) hours. Such employee will not be obliged to make up the time spent away from work to keep the appointment.

An employee whose absence exceeds three (3) hours for a medical or dental appointment may use banked overtime, vacation credits, short term disability benefits (where applicable and authorized), Employee and Family Responsibility Leave or such other arrangement mutually agreed to by the employee and their immediate supervisor and signed-off by their management supervisor, to avoid a loss of pay for the period in excess of three (3) hours.

16. Effective January 01st, 2015, in accordance with paragraphs 13, 14 and 15 above, WWTP employees will no longer have access to Special Leave as per Article 4(A) (2) of the CBA; the parties deem this Article to be deleted from the Collective Agreement effective January 01st, 2015.

SIGNED this 27 day of November A.D 2014

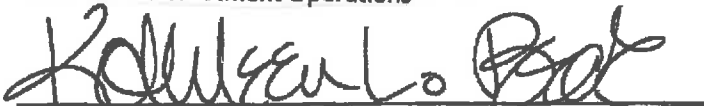
CANADIAN UNION OF PUBLIC EMPLOYEES
Local 21


Clint Driedger, President
CUPE Local 21


Guy Marsden
National Representative CUPE 21

EPCOR UTILITIES INC. – EPCOR Water Prairies Inc.


Vicki Campbell, Senior Manager Operations
Waste Water Treatment Operations


Kathleen Beck, Specialist, Labour Relations

Witnessed By: Ada Tai
Ada Tai, Human Resource Consultant – EPCOR Human Resources

[CUPE 21_EPCOR_LofU#01_Combined_EPCORAd_Benefits_VariousLeaves_FINAL_Nov26_2014_(v4).docx]