

August 31, 2016

SP-2016-0047

Robert Melton Business Manager IBEW Local 602 P.O. Box 143 Amarillo, TX 79105

RE: General Negotiations

Dear Mr. Melton:

In accordance with Article 1, Section 2, of the Collective Bargaining Agreement the Company provides the following list of items to be open for general negotiations. The Company reserves the right to add, subtract or modify the subjects for discussion during the course of negotiations. The Company is prepared to meet at the Drury Inn in Amarillo, Texas to negotiate concerning these issues.

Item 1 Article I, Section 1 – Effective Date

Modify language to reflect the term agreed to by the parties.

Item 2 Article 1, Section 5 & Article II, Section 1.G.:

Remove interest arbitration from the collective bargaining agreement and also remove the corresponding exception to the rule that arbitrators do not have authority to change any of the provisions of the Agreement. [NOTE – By listing these items in this letter, the Company does not admit or imply that it should have listed the same items in its 2014 opening letter. The Company lists these items in this letter solely as a precaution should an arbitrator rule that the Company was precluded from objecting to the continuation of interest arbitration in the 2014-2016 agreement because removal of interest arbitration was not listed in the Company's 2014 opening letter. That is, should Arbitrator Bennett rule against the Company, then it is clear that the Company does not agree to the continuation of interest arbitration in the next collective bargaining agreement, i.e. the one that begins in 2016.]

Item 2 Article II, Section 1A – Grievances – Arbitration

Modify language from 30 days to 10 days

Item 3 Article III, Section 2 – Temporary Employees

Modify language from 90 days to 180 days.

Item 4 Article IV, Section 8D - Vacancy

Reduce moving allowance for non-home owners.

Item 5 Article IV, Section 9 - Seniority

Provide for qualification based selection in all classifications.

Item 6 Article IV, Section 11 – Advancement in Classification

Modify language from 30 days to 90 days.

Item 7 Article IV, Section 16 – Duration of Benefits

Eliminate Sick Pay. Implement a Short Term Disability Plan

Item 8 Article V, Section 1F – Work Away from Headquarters

Modify to provide lunch only if working outside of district

Item 9 Article VI, Section 4 – Maintenance Work on Temporary Multiple Shifts

Develop mutual agreement on interpretation of language regarding pay and rest time for shift changes with less than a week's notice.

Item 10 Article VI, Section 6 – Apprentices Maintenance and Plant Controls Department

Combine the language of the Maintenance, Plant Controls, and Operators apprentices into one section. Change the language to reflect the Instrument/Maintenance apprentice recommendation from Foreman to Management to reflect the Operators language.

Item 11 Letter of Agreement – New Classification Power Plant Subsection 8

Change Letter of Agreement on the Chemical Technician item number 8. All Chemical Technicians within the pool shall be selected on the basis of qualifications. Strike "and local department seniority".

Item 12 Article VIII, Section 1 – Classifications and Minimum Rates of Pay, Wage Increases Increases

Modify to reflect agreement between the parties.

Item 13 Relay Technicians

Currently Relay Technicians are permitted to take Company vehicles to their homes. The basis for this is no longer well founded. Although the Company's position is that it could unilaterally end this arrangement at any time, this is notice that the Company does not agree to the continuation or carry-over of this arrangement in the next contract term. The Company also intends to discuss with the Union during these negotiations the addition of digital fault recorder duties for Relay Technicians.

The Company's committee will be Brad Baldridge, Perry Foster, David Low, Jeff Kennedy, Rex Kirk, Makayla Jacob and myself as the chief spokesperson. We will also bring in other members as needed. As you are aware, the initial dates that we have agreed to are September 28-30, 2016.

Sincerely,

B. Anorson

Bruce Anderson Director, Workforce Relations