

**Temporary Paid Time Off Practice**

As COVID-19 continues to spread in the U.S., and with an understanding of the unprecedented challenges it may present, PSEG is offering a temporary change, effective retroactively to March 1, 2020, to its paid time off practices for employees who may be affected.

All full-time and part-time employees (whether MAST or union-represented) who are advised by the Pandemic Response Hotline to self-monitor due to COVID-19 concerns and are unable to work remotely will continue to be provided paid time off.

In addition, all full-time and part-time employees (whether MAST or union-represented) are eligible for a Pay Allotment of up to 80 hours ***for a combination of the reasons*** described in this temporary practice. After your Pay Allotment ends, you may be eligible for other pay (e.g., short-term disability, vacation, floating holidays, etc.) pursuant to existing Company practices, law, and, for those employees who are union-represented, the applicable collective bargaining agreement.

First, there is an important term for you to understand:

**Pay Allotment:** For MAST employees, Pay Allotment means regular base salary or wages for your regularly scheduled hours. For employees covered by a collective bargaining agreement, Pay Allotment means pay at your regular, straight-time hourly rate of pay.

**Pay Practice by Scenario**

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| **Reason for Absence** | **Pay Practice** | **Employee Action** |
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| 1. Employees Who Have COVID-19 Symptoms, Have COVID-19 Diagnosis, or are Deemed at Greater Risk  If you are directed by a health care provider to remain out of work, and you are unable to work remotely, because of a COVID-19 diagnosis, because you are exhibiting COVID-19 symptoms, or because your health care provider deems you to be at greater risk. | Pay Allotment for up to 80 hours, which will not reduce full-pay disability days. | Call Sedgwick (1-855-myPSEG1) or, for employees in Long Island, United Review (973-430-5176) |
| 2. Employees Who Need to Care for a Family Member Outside the Household with COVID-19 Diagnosis  If you need to care for a family member (i.e., child or parent) who resides outside of your household and has a COVID-19 diagnosis and there is no flexible work option available. | Pay Allotment for up to 80 hours. | Call Sedgwick (1-855-myPSEG1) or, for employees in Long Island, United Review (973-430-5176)  You will be required to contact the Pandemic Response Hotline before returning to work. |
| 3. School Closure/Child Care Closure/Elder Care Impacted  If you need to care for your child (under 18) or parent if their school (for a child) or place of care (for a child or parent) is closed due to COVID-19, or a care provider is unavailable to care for your child or parent due to COVID-19, and there is no flexible work option available. | Pay Allotment for up to 40 hours.  Absences may be used intermittently (in separate blocks of time). By way of example, rather than taking 40 hours in one block of leave, you can take 8 hours/week as Pay Allotment to care for your child or parent.  PSEG may limit parents who are both employed by the Company to a combined Pay Allotment of 40 hours for absences due to a school closure/child care closure. | Call Sedgwick (1-855-myPSEG1) or, for employees in Long Island, United Review (973-430-5176)  Record your time as follows:  Time A/A Code: 0135 (Misc. w/ pay)  Required Short Text: PD-3 |
| \*Part-time employees are entitled to an allotment for reasons (1) – (3) above, on a prorated basis, based on the number of hours they are regularly scheduled to work. By way of example, if you regularly work 20 hours/week, you are eligible for 40 hours of Pay Allotment for reasons (1) – (2), 20 hours of Pay Allotment for reason (3), and a maximum of 40 hours of Pay Allotment for a combination of reasons (1) – (3) above.  \*\*Your Pay Allotment will run at the same time as any applicable federal or state protected leave laws and benefits, to the fullest extent permitted by law. | | |

**You Will Not Be Negatively Impacted Because of the Absences**

Absences taken pursuant to this temporary paid time off practice for which you receive Pay Allotment will not subject you to discipline, and they will not have an impact on your compensation (e.g., Performance Incentive Plan and merit increases for MAST employees).

**Requests for Absence Associated with Pay Allotment**

In addition to the Employee Action above, the employees should request an absence associated with Pay Allotment from their supervisor as far in advance as possible. That notice should be at least two (2) days in advance for reasons (2) and (3) above. If that is not possible due to an emergency, you must give notice to your supervisor as soon as practicable. Employees who are requesting intermittent leave for reason (3) above should consult with their supervisor to work out a schedule that best suits the needs of the employee and the Company.

**Verification of Need for Absence**

In order to receive Pay Allotment, PSEG reserves the following rights to the extent permitted by law:

* The designated absence vendor may request certification by your (or your family member’s) health care provider attesting to your or your family member’s COVID-19 related medical situation; and
* PSEG or the designated absence vendor may request certification by your child’s or parent’s care provider attesting that your child or parent is under the provider’s care, and the school or place of care has closed due to COVID-19.

You must also comply with the instruction provided by the designated absence vendor regarding status updates, travel or other mobility restrictions, medical testing, and submission of medical or other documentation requested from you or your health care provider (or your family member’s health care provider).

Failure to provide requested information or comply with instructions may result in denial of your Pay Allotment.

PSEG reserves the right to deny Pay Allotment to employees who are subject to quarantine after travel for personal reasons to a CDC Level 2 or 3 destination. PSEG further reserves the right to investigate possible fraud and abuse of the Pay Allotment to employees. Confirmed cases of fraud may lead to discipline, up to and including discharge.

**Medical and Other Benefits**

While receiving an approved Pay Allotment, PSEG will maintain your group health insurance coverage as if you were working. The Company will deduct your part of the health plan premiums as a regular payroll deduction. All other applicable taxes will be withheld from the Pay Allotment.

**Return from Absence Associated with Approved Pay Allotment**

Upon returning from an absence associated with an approved Pay Allotment, you have the right to the same job you held immediately prior to your absence or a substantially similar position with one exception: if your employment with PSEG would have ended, or you would have been reassigned to another position, had you not taken paid time off pursuant to this temporary paid time off practice.

**No Carryover or Payouts at Separation**

The Pay Allotment must be used on or before the end of the business continuity activation period, or longer, as determined by the SVP HR & CHRO & CDO. Any requests for Pay Allotment after that date will be denied. You may not carry over the Pay Allotment. There will be no payout for unused Pay Allotment under any circumstances, including if your employment with PSEG ends before you use your full Pay Allotment because of discharge, resignation, retirement, or for any other reason.

This temporary practice will remain in place during the business continuity activation period, or longer, as determined by the SVP HR & CHRO & CDO. This temporary practice is not permanent, and it does not mean PSEG will implement similar practices in the future. This practice may be modified based on law, further COVID-19 developments, and/or operational needs at the discretion of the Company.

Any questions relating to this Temporary Paid Time Off Practice should be sent to employeerelations@pseg.com.