



December 15, 2016

Public Utility Construction and Gas Appliance Workers
UA Local 855
261 East Main Street
Somerville, N.J. 08876-3008

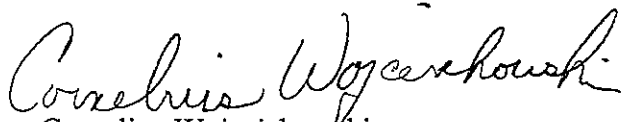
**TEMPORARY 9302M SERVICE MECHANICS 1ST CLASS
(GAS CONSTRUCTION MOBILE WORKFORCE)**

**TEMPORARY 9322N UTILITY MECHANIC APPRENTICES
(GAS DISTRIBUTION)**

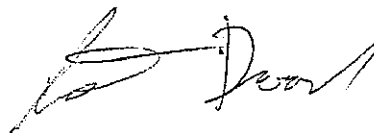
Per the "Capital Gas Main and Gas Service Replacement Project and Required Programs" agreement between the parties dated July 28, 2016, the Company committed to hire 27 temporary 9302M Service Mechanics 1st Class into the Gas Construction mobile workforce and 27 temporary 9322N Utility Mechanic Apprentices into the Gas Distribution workforce. This letter outlines the terms and conditions of employment for these temporary employees. Unless otherwise specified in this agreement, all other aspects of the Collective Bargaining Agreement ("CBA") remain in force. This agreement shall be in effect through December 31, 2018 and may only be extended through written mutual consent between the parties.

- These temporary employees may be assigned any work within their classification. The full scope of the existing 9302M Service Mechanic 1st Class and 9322N Utility Mechanic Apprentice job specifications shall apply.
- These temporary employees shall be paid in accordance with the Schedule "A" wage progression for 9302M Service Mechanics 1st Class and 9322N Utility Mechanic Apprentices, and shall receive the annual general wage increases.
- The regular hours of work for the temporary 9302M Service Mechanics 1st Class shall mirror the regular hours of work of the permanent mobile workforce, and the regular hours of work for the temporary 9322N Utility Mechanic Apprentices shall mirror the regular hours of work of the permanent Gas Distribution workforce.

- Temporary 9302M Service Mechanics 1st Class and temporary 9322N Utility Mechanic Apprentices shall be subject to a background check; pre-employment testing; must satisfactorily pass a drug and alcohol screening; and must possess a driver's license valid in the state of New Jersey.
- Temporary 9302M Service Mechanics 1st Class and temporary 9322N Utility Mechanic Apprentices shall be eligible for the Health Savings Medical plan only, after a 90-day waiting period. This plan is offered to the employee and their dependent child(ren). Dependent coverage is offered at full cost. Employees are eligible for participation in the cash balance pension plan and the 401k Savings Plan. They shall not be eligible under any other employer sponsored benefit plans. However, they are eligible for state plan disability benefits.
- Temporary 9302M Service Mechanics 1st Class and temporary 9322N Utility Mechanic Apprentices shall be considered probationary during their first 12 months of employment. While probationary, these employees shall not be subject to Positive Discipline, and shall be dischargeable at the sole discretion of the Company for any reason. These employees shall be considered to have completed a probationary period upon attaining 1 year of service.
- Temporary 9302M Service Mechanics 1st Class and temporary 9322N Utility Mechanic Apprentices will remain in a temporary employment status for the duration of this agreement, or until they successfully bid into a permanent position.
- Temporary 9302M Service Mechanics 1st Class and temporary 9322N Utility Mechanic Apprentices that have completed the probationary period may be released from the company and no grievance shall be raised by the Union due to any of the following reasons: (1) funding for the Capital Gas Main and Gas Service Replacement project is not continued, (2) budgetary reasons, (3) the expiration of this agreement, or (4) the temporary employee tests positive for drugs and/or alcohol during a Fitness for Duty test.



Cornelius Wojciechowski
Business Manager
UA Local 855



Patrick Doonan
Labor Relations Manager

Gas Construction Mobile Workforce (*Attachment*)

One-Time Process to Double the Size of the Mobile Workforce

Per the “Capital Gas Main and Gas Service Replacement Project and Required Programs” agreement between the parties dated July 28, 2016, the Company committed to double the size of the mobile workforce to 128 employees in 2017, plus hire an additional 20 permanent and 27 temporary 9302M Service Mechanics 1st Class into the mobile workforce.

Seniority of Current Mobile Workforce Employees

All current mobile workforce employees as of the date of this Agreement will be given a period of 5 business days to elect to return to the district they were last assigned to, prior to accepting the position in the mobile workforce, if they so choose. If their former position has already been backfilled, the junior employee in that classification shall be bumped back to his former classification, and so on, to avoid overstaffing in non-entry level positions.

Employees who chose to remain in the mobile workforce will keep their seniority, including employees in entry level positions.

Staffing Process to Double the Workforce

To double the size of the mobile workforce, the parties have agreed to a one-time simultaneous posting process as follows:

50% Internal Mobile Workforce Postings

- 50% of the open mobile workforce positions will be posted internally within the mobile workforce to afford current mobile workforce employees promotional opportunities.

Non-Entry Level Positions:

- If there are not enough qualified bidders from within the specific mobile workforce division, field operations employees from the 3 districts that comprise that mobile division will be given the opportunity to bid on those positions.
- If there are still not enough qualified bidders, the positions will be posted statewide in the field operations locations.

Entry Level Positions:

- These positions will be posted on *Careers*.

50% Field Operations Postings

- The other 50% of the open positions will be posted within the 3 districts that comprise each of the mobile divisions to allow field operations employees the opportunity to join the mobile workforce.

Non-Entry Level Positions:

- If there are not enough qualified bidders from within the 3 districts that comprise the mobile division, the positions will be posted statewide in the field operations locations.

Entry Level Positions:

- Successful bidders will be required to waive their accumulated seniority and assume a new seniority date effective the date of transfer.
- If there are not enough qualified bidders from field operations, the positions will be posted on *Careers*.

Temporary 9302M Service Mechanics 1st Class

These positions will be posted simultaneously, statewide at all field operations locations and on *Careers*.

Field Operations Caps

To avoid a negative impact to each district as a result of the loss of qualified employees, the parameters below will be enforced when awarding mobile workforce positions:

- No more than 1 Street Leader, 2 Machine Operators, 2 Utility Mechanics, and 2 Appliance Service department employees from each district may be awarded positions within the mobile workforce.
 - Either party may request a local meeting to discuss modifying the above parameters. If an agreement cannot be reached, a discussion between the Vice President – Gas Operations or designees and the Union Grievance Committee shall occur.
- The Company reserves its right to delay or deny a position to qualified applicants based on operating needs and to fill an entering level position with a direct hire. If the Company denies such a position to any interested Local 855 applicants, the Company will meet with the Union locally to discuss the reasons for this action. In the case where all interested Local 855 Service Specialists and Service Apprentices are denied a position in another District (including the mobile workforce), the open position will be filled as a Service Apprentice only and the successful applicant must start at the first pay step of the Service Apprentice wage progression schedule and follow this schedule as specified in the Agreement.