

LETTER OF UNDERSTANDING

BETWEEN

The EPCOR Utilities Inc.
("The Company")

AND

Civic Service Union 52 ("The Union")

RE: Transition Terms as an outcome of Letter of Understanding #12 – Joint Union-Company Jurisdictional Review

The Parties agree that the transition of previously excluded positions to the Union's jurisdiction shall occur as follows:

1. Application

The Parties understand and agree that this LOU supersedes Inclusions Subsection.

Where conflict or differences exist between the clauses contained in the main body of the collective agreement and this LOU, the specified provisions contained in this LOU shall prevail.

Further it is understood and agreed between the Parties, that after the conclusion of this organization-wide review, a moratorium shall be in place and no further omnibus jurisdictional reviews will be undertaken until at least five (5) years after the completion of this jurisdictional review process.

Individual position reviews will be administered as per Article 21 Hay Job Evaluation Process.

The Parties further agree that a list of positions agreed to be transitioned moving into the Union's jurisdiction will be kept up to date by the Company and the Union and shared with the Union as requested.

2. Effective Date

EPCOR will provide CSU 52 with confirmation of the positions that are agreed to transfer into the bargaining unit within 60 days of the completion of the jurisdictional review for the area.

Where agreement was reached between the Parties to move the position into the Union's jurisdiction, the employee will transition to the new terms and conditions on the pay period immediately following 120 calendar days after EPCOR provided confirmation to CSU on the positions that will go in-scope. A longer transition period may be agreed to by EPCOR and CSU 52.

If the ALRB issues a decision on a position moving into the Union's jurisdiction the employee will transition beginning on the first day of the pay period following a 120 calendar day notice.

The effective date for employees on leaves of absence is as per Article 8.03 of CSU52 Collective Agreement is outlined in Section 12 this LOU.

3. Job Classification

The Parties will review each position affected by this LOU to determine their placement within the current Collective Agreement classifications. Where this review results in the creation of a new classification, the provisions of Article 14: Creation of a New Stream or Job Level.

Employees shall be placed into the mutually agreed to a classification and pay step in accordance with item 4. below and any pay adjustments will be implemented based on the agreed to Effective Date.

4. Salaries

Employees transitioning to the Union will be placed on the salary step on the schedule of wages at the applicable hours per week, which is closest to but not less than their pre-transition transfer annual salary.

It is agreed that employees whose salaries are over-ranged shall be red-circled, as a result of this Jurisdictional Review Process. A red circled employee (Article 3.12 is an employee whose regular rate of pay exceeds the maximum salary of their current job level. Employees with this status will not be eligible for any negotiated increases until such time as the maximum salary for their current job levels meets or exceeds their regular rate of pay.

a) Permanent Employees who receive a pay increase, shall have their increment anniversary date for future increases established commencing on the Effective Date.

b) Provisional Employees if appropriate, who receive a pay increase, shall earn hours towards their next salary increment commencing on their Effective Date.

7. Seniority

a) The Employee shall be awarded seniority status based upon their length of unbroken full-time service prior to the position being transitioned into the bargaining unit and shall have their previous unbroken full-time service in positions within the jurisdiction of the Union applied to their seniority status, provided that such unbroken service occurred immediately prior to their being assigned to their current position. The Parties agree to consider the circumstances of anomalies or unusual situations to determine seniority.

b) Employees with a seniority date shall have thirty (30) consecutive calendar days from the date they receive their letter in a) above, to advise the Union in writing if they believe the seniority date is incorrect. Where the Union agrees with the Employee that the seniority date is incorrect, the Union will review and discuss with the Company. The Union will then inform the Company of their determination of the appropriate seniority date who will issue an amended letter to the Employee with the revised seniority date.

8. Probation Periods

Employees who have not completed their six (6) month probation period as of the Effective Date, shall serve the remainder of the six (6) month probation period under the terms of CSU52 Collective Agreement. By mutual agreement with the Union, the probation period may be extended up to one year.

9. Vacation

Vacation entitlement shall be in accordance with Article 8.02: Annual Vacation Leave of CSU52 collective agreement and the Effective Date of the employee's transition.

10. Employee Leaves of Absence

Employees who are absent on approved leaves of shall continue under the Out-of-Scope I Management plan terms and conditions until such time as they return to work from such absence.

The Effective Date for employees shall be the date the Employee returns to full duties as well as regular hours of work as assigned to the position.

11. Union Dues Deduction

Union dues deduction shall commence on the Effective Date unless the Employee is on a leave of absence in which case union dues shall commence as per item #11 above.

12. Other Items

Except as otherwise specified within this LOU, all terms and conditions of the Company and the Union's collective agreement shall apply on the Effective Date.

13. Letters to Employees

a) Transitioning Employees shall receive a letter from EPCOR with a copy to the Union, which shall include the following:

- i. Confirmation of the Effective Date for their transition
- ii. Hours of Work
- iii. Allocated EPCOR Job Classification
- v. Salary step and Pay Grade (provide next increment review date if applicable)
- vii. Seniority date (if applicable)
- viii. Confirmation that vacation entitlement, accruals and vacation anniversary date remain the same as prior to transition.
- ix. Changes to Short Term Incentive - as per terms of the CURRENT Collective Bargaining Agreement (CBA)

14. Employees who Remain Out of the Bargaining Unit

a) Where it is practical that the Employee remain outside the Union's bargaining unit, the Union may agree to exclude the Employee. Dues will be forwarded to the Union by the Company. The duration of this exemption from the bargaining unit will be up to twenty-four (24) months, after which time the parties may mutually agree to extend the time period. At the expiry of the time period, the position will transition under to the Union if it is unencumbered or the incumbent of the position shall be removed from the position through resignation, termination, retirement or transfer.

b) As agreed by the Parties, where the Employee transitioning to the Union or other unique terms and conditions of employment in place, as agreed between EPCOR and the Employee, EPCOR reserves the right to determine the timing of the transition to the Union and whether the Employee will or won't be transitioned into the jurisdiction of the Union at all.

15. Expiry of this Letter of Understanding

This letter of understanding was developed to resolve jurisdictional changes as a result of Letter of Understanding #12 – Joint Union-Company Jurisdictional Review in the current Collective Agreement. This letter may be terminated by either party upon 30 days written notice,

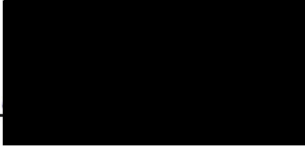
otherwise this letter will expire at the end of the current collective agreement unless both parties agree to renew.

EPCOR Utilities Inc.

Civic Service Union 52

On behalf of EPCOR Utilities Inc:

On behalf of the Union:

_____  _____

_____  _____

Aaron Miller, Senior Manager
Labour Relations
EPCOR Utilities Inc.

Date _____ MARCH 12, 2026.