

February 28, 2017

P-2017-0019

Mr. Epifanio Martinez
Business Manager/Financial Secretary
IBEW Local Union 111
5965 East 39th Avenue
Denver, CO 80207

Dear Mr. Martinez:

In accordance with Article 25, Section 2 of the OP&M Collective Bargaining Agreement, below are the items the Company desires to open for general negotiations:

1. **Article 25 - Term of Agreement**
 - Modify Article, including, but not necessarily limited to:
 - Section 3.
 - Remove interest arbitration from the CBA.¹ The Company does not consent to having future bargaining disputes decided by interest arbitration. Remove the underlined sentence in Art 25, Section 3 from the Agreement. Remove any and all other language that might in any way relate to interest arbitration, including but not necessarily limited to Article 25, Section 4. Clarify that Article 22 will not be used to resolve bargaining disputes.
 - Remove 60 day “further negotiation” period.
 - Sections 6 & 8 – eighteen (18) month agreement, adjust wage rates to reflect agreement or arbitration award

2. **Article 2– Company-Union Relationship**
 - Modify Article, including, but not necessarily limited to:
 - Section 1 – Management of Company
 - Revise to verify Section 1 continues post contract expiration
 - Sections 3 & 4 & 5 – Union Security & Check-Off & COPE
 - Revise so these sections do not continue post contract expiration
 - Section 9(a) – Core Workforce
 - Reduce Core Workforce minimum number of employees to reflect changing staffing needs.
 - Remove reference in Gas Distribution to PCT
 - Section 9(b) – Core Workforce
 - Remove reference to Seniority Listing.

3. **Article 3 – Definitions**
 - Modify Article, including, but not necessarily limited to:
 - Section 2 – Modify to provide for one hundred and eighty (180) calendar day probationary period.

¹ This item is listed solely to comply with Article 25. The removal of interest arbitration is not something the Company need obtain the Union’s agreement to effectuate.

4. Article 5 – Wage Rates

- Modify Article, including, but not necessarily limited to:
- Section 1 – Modify wage rates; some increases, some decreases. For example, decrease Design Department wage rates.
- Section 2 - Eliminate section

5.

Article 7 – Overtime

- Modify Article, including, but not necessarily limited to:
- Section 9 (b) – Overtime Meals
 - Modify language regarding “2.25” hour meal payment
- New section – add mandatory response requirements for overtime

6. Article 10 - Sick Leave

- Modify Article, including, but not necessarily limited to:
 - Section 7 (b) -- Eliminate section.

7. Article 11 – Other Employee Benefits

- Modify Article, including, but not necessarily limited to:
- Section 2 –
 - Delete section 2(d). In the alternative, if any form of retiree medical remains, employees entering bargaining unit on or after July 1, 2003 shall continue to not be eligible for retiree medical.
 - New subsection -- Provide only a five percent Cash Balance Plan for new hires, rehires and transfers on or after June 1, 2017 similar to the bargaining new hires at the other Xcel Energy Operating Companies and all Xcel Energy non-bargaining new hires. Existing pension not applicable to such persons.
 - New subsection - Reduce overall pension benefit level for employees hired on or after January 1, 2012, but before June 1, 2017.
- Section 3 – Medical Insurance
 - (a) Eliminate retiree medical. Specifically delete sentence, “Retirees’ and future retirees’ and their dependents’ health care benefits will be provided according to the terms of Retirees’ Medical Managed Care/Medicare Coordinated Plan (M/M).” In the alternative, negotiate a different retiree medical plan, or different M/M terms.
 - (b) (I), (II) -- Modify cost sharing schedules and implement a spousal surcharge on top of the cost sharing schedule percentages.
 - (b) (IV) (a) -- Delete section - No Company HSA contributions other than annual health assessments
 - (b) (IX) Modify to allow the Company to unilaterally change the design, terms and conditions of the HDHP plan at any time; in alternative negotiate Company desired changes
 - (d) Delete Section 3.d. in its entirety, or in the alternative, negotiate different terms or a different retiree medical plan.
- Section 9 – Employees’ Savings Plan
 - 401K – Align plan to all other Xcel Energy Operating companies including enhancements, modifications and contribution levels.

8. Article 15 – Seniority

- Modify Article, including, but not necessarily limited to:
- Section 4 – Eliminate section

9. Article 16 – Promotions and Demotions

- Modify Article, including, but not necessarily limited to:
- Section 6 – Eliminate section

10. Article 20– Departmental Rules

- Modify Article, including, but not necessarily limited to:
- IV. (A) (4) Modify to include minimum qualifications for entry into Designer, Planner and Technician classifications within the Design Department
- VI (A) (B) Modify to provide for Line Department to set any self-contained meters and to provide for Field Metering to connect secondaries.
- VIII. Modify to include Electrician Specialist – Plants and Electricians Specialists currently assigned to plants into the departmental rules & modify in Exhibit A & B
- IX (A) (E) Modify to provide that all Gas Employees wear Company provided long sleeve shirts.
- IX (D) Modify (including appropriate Exhibits) to eliminate all references to Utility Services
- IX (C) Create entry level classification for Sr. Fitter and modify appropriate Exhibits
- IX (E) Modify to allow High Pressure Field Operators to be included as First Responders
- IX (E) Create entry level classification for Locator and modify appropriate Exhibits
- IX (E) New Section – add section regarding selection of Working Foreman by Advancement Committee as provided for in IX (A) (8)
- XV – Modify to remove reference to Electrician Specialist – Plants and Electricians Specialists assigned to plants from this section & modify in Exhibit A & B
- XV (D) – Modify to allow for Transmission and Distribution Qualified Linemen to go into Substations and verify circuits to be worked are set to reclose/non-reclose (AKA Hot-Line Tag)
- XV (D) – Modify to assign all testing of recloser circuits on or connected to circuit breakers at or above 10kV to System Operations System Protection Department Technician Specialists and Sr. Technician Specialists.
- XV (E) (4) (4) (5) - Modify language which allows for the unrestricted return to previous position.
- XVII (5) Modify to remove section
- XVII (6) Modify to remove section
- XVII (18) Modify to remove section
- XVII (20) Modify to remove section

11. Article 21 – Grievance Procedure

- Modify Article, including, but not necessarily limited to:
- Allow for participation in all grievance meetings via telephone.

12. Apprenticeship Standards

- Modify Article, including, but not necessarily limited to:
Modify to provide for ability to hire apprentices off the street and slot into the appropriate step of the Apprenticeship program based upon experience.

13. Exhibit A

- Modify Article, including, but not necessarily limited to:
- Create separate line of flow for Gas Operations
 - Establish Locator classification as entry level position
 - Separate line of flow for Gas Operations Apprentices
 - Incorporate Electrician Specialist and Electrician Specialist – Plants in Energy Supply
 - Eliminate Electrician Specialists assigned to Plants and Electrician Specialists – Plants from System Operations
 - Gas Division – Denver – Eliminate Note 3
- Modify Design Line of Flow to eliminate Associates and BCL
 - Create separate Line of Flow for Associates, BCL and Admin. Assistants

14. Exhibit B

- Modify Article, including, but not necessarily limited to:
- Reflect Changes agreed to or imposed by arbitrator
- Modify Designer, Planner and Technician wage scales

15. Miscellaneous

- Revise all letters of agreement or other agreements, including, but not necessarily limited to, P-02-0062, to remove all restrictions on the Company's right to use GPS or telematics or similar data for disciplinary purposes.
- Delete Grievance Settlement FL7436 regarding bucket washing

The Company reserves the right to open any Article or Section as appropriate in conjunction with proposals concerning the Articles and Sections listed above.

In addition, the parties agree to meet and incorporate any interim or clean up items the parties have identified prior to the printing of the new Agreement, including a review of Exhibit E.

The Company's committee will consist of Bernice Eden, Greg Bennett, Mike King, Mark Fox, Luke Litteken, David Hoskins and Makayla Jacob and me as the spokesperson. Additional participants will be brought in to discuss specific topics.

Sincerely,



Bruce R. Anderson
Director Workforce Relations