

COLLECTIVE AGREEMENT

BETWEEN:

PARRY SOUND ENERGY SERVICES CORPORATION

AND

**THE CANADIAN UNION OF PUBLIC EMPLOYEES
AND ITS LOCAL NO. 17-1, C.L.C.**

Effective:
January 1, 2012
to
December 31, 2015

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COLLECTIVE AGREEMENT

BETWEEN:

PARRY SOUND ENERGY SERVICES CORPORATION

(Hereinafter referred to as the "Corporation" of the First Part)

AND:

THE CANADIAN UNION OF PUBLIC EMPLOYEES AND ITS LOCAL NO. 17, C.L.C.

(Hereinafter referred to as the "Union" of the Second Part)

ARTICLE 1 - RECOGNITION

1:01 Parry Sound Energy Services Corporation recognises the Canadian Union of Public Employees and it's Local # 17 as the exclusive collective bargaining agent for all of it's employees in the bargaining unit save and except Manager and those persons above the rank of Manager including but not limited to: Vice President /General Manager and Financial Officer.

1:02 Gender Neutral Language

For the purpose of gender neutrality, wherever the male pronoun is used within this Collective Agreement it is understood the female pronoun also applies.

ARTICLE 2 – UNION SECURITY

2:01 No employee covered by this Agreement shall be required or permitted to make any written or verbal agreement with the Corporation or his representative, which may conflict with the terms of this Collective Agreement.

2:02 The Corporation shall deduct from every employee, covered by this Agreement, any monthly dues in accordance with the Union constitution and/or by-laws and owing by the employee to the Union. In consideration of this deduction and forwarding service of the Corporation, the Union agrees to indemnify and save the Corporation harmless against any claim or liability arising out of or resulting from the collection and forwarding of these dues.

2:03 Deductions shall be made from each payroll period and shall be forwarded to the Secretary-Treasurer of the Union no later than the fifteenth (15th) day of the month following, accompanied by a list of the names and addresses of all employees from whose wages the deductions have been made.

ARTICLE 3 – SENIORITY, LAY-OFF AND RECALL

3:01 A seniority list of all employees covered by this Agreement shall be posted in January each year showing the names, positions and dates of last entry into the service of the Corporation covered by this Agreement.

1. **3:02** Ability to perform the work being equal, seniority in the grade and classification will be the governing factors in lay-offs and recalls. In the case of lay-offs and recalls of employees, seniority will prevail, that is, the last to be hired will be the first to be laid off and the last to be laid off will be the first to be recalled. Provided they are capable of performing the work and are prepared to resume working with the Corporation within seven (7) calendar days from the date of being notified. If not prepared to resume work within seven (7) calendar days, all seniority rights shall be lost.

3:03 Unless legislation is more favourable, the Corporation shall notify employees who are to be laid off ten (10) working days prior to the effective date of lay-off. If the employee has not had the opportunity to work the days as provided in this article, he shall be paid for the days for which work was not made available.

3:04 An employee shall lose his status and his name will be removed from records if he:

- a) Quits voluntarily;
- b) Is discharged for cause and is not reinstated through the grievance and/or arbitration procedure;
- c) Retires;
- d) Is laid off for a period exceeding twelve (12) calendar months;
- e) Is absent for more than three (3) working days without notification to the Corporation;

- f) Is absent from work because of occupational illness or injury for thirty-six (36) months;
- g) Is absent from work because of non-occupational illness or injury for twenty-four (24) months.

ARTICLE 4 - STATUS OF EMPLOYEES

4:01 a) Newly hired employees shall be considered on an assessment basis for a period of one (1) month from the date of hiring. During the assessment period employees shall only be subject to those provisions of this Agreement which pertain to hours of work: *Article 6*; wages: *Article 17*; and working conditions: *Articles 14 and 15*.

b) For the next five (5) month period, employees shall be considered on a probationary basis and shall be entitled to all rights and privileges of this Agreement except *Article 12: Job Posting and Selection*, and they shall not have the right to grieve on discharge should the discharge occur during this assessment period.

4:02 Upon completion of the probationary period, seniority shall be effective from the original date of hiring.

4:03 A regular employee is defined as a person who has successfully completed the probation period"

4:04 Temporary Employees

a) A temporary employee is one who is hired for a limited time for a special project not to exceed three (3) months unless otherwise mutually agreed to between the parties or to replace another employee(s) who is on approved leave (i.e. sick, maternity, parental) or is temporarily transferred to another position.

b) A temporary employee shall not accumulate seniority nor be entitled to the provisions of *Articles 7, 8, 9, 11* nor shall the employee be entitled to the provisions of *Article 5* in the event of discharge.

c) It is understood that the following will apply to a temporary employee:

- i) Compulsory check off of union dues as described under *Article 2*.
- ii) In the event that a temporary employee is hired in a permanent

capacity without a break in service, following the established probationary period, the employee will be granted seniority based on their last date of hire.

- iii) Temporary employees may demonstrate an interest in a permanent job posting by submitting an application within the defined job posting period, and such employee will be considered for the position after all permanent employees and prior to searching outside the Corporation.

4:05 Part-Time Employees

- a) A part-time employee is one who is hired to work not less than seventeen and a half (17 ½) hours per week Monday to Friday inclusive.
- b) A part-time employee shall not accumulate seniority for the first nine (9) months of employment nor be entitled to the provisions of Article 7, 8, 9, 11, nor be entitled to the provisions of Article 5 in the event of discharge.

It is understood the following will apply to a part-time employee:

- i) Compulsory check off of union dues as described under Article 2.

After nine (9) months of employment the following benefits will apply:

- ii) Article 7-Recognised Holidays: provided on a pro-rated pay basis (floating holidays excluded)
- iii) Article 9 Sick Leave Plan – provide on a prorated basis of days and pay. Clauses 9.06 and 9.07 excluded.
- iv) Article 11 – Benefits and Insurance Plans – The premium costs required in 11.01 and 11.02 will be paid by the Corporation and the part-time employee on a prorated basis, Clauses 11.03, 11.04 excluded.
- v) Article 13-Leaves of Absence: any leaves of absence will be granted in accordance with the employment standards act 2000.
- vi) Article 16-General 16.01 and 16.02 included.

Note: Current part-time employee is grandfathered

ARTICLE 5 - GRIEVANCE AND ARBITRATION PROCEDURE

- 5:01** If any difference of opinion relating to the interpretation, application, administration or an alleged violation of the terms of this Agreement occurs during the term of the Agreement which cannot be adjudicated by mutual agreement, it is agreed that the same will be settled by the grievance procedure as set forth herein.
- 5:02** Grievances as defined in Article (5:01) shall be dealt with in the following manner, providing such grievances are in writing and filed within ten (10) working days of the alleged grievance. Replies to grievances shall be in writing in all stages.
- 5:03** Step #1
The employee(s), assisted by a Steward shall first take the matter up with their immediate supervisor. Failing a settlement within two (2) working days at this stage, then Step #2 may be invoked.
- 5:04** Step #2
The grievance shall then be submitted to the Grievance Committee who shall take the matter up with the department head concerned. Failing settlement at this stage within two (2) working days, then Step #3 may be invoked.
- 5:05** Step #3
The Grievance Committee and a representative of the Canadian Union of Public Employees shall then take the matter up with the Corporation at the first regular meeting that the national representative of the Canadian Union of Public Employees can attend. The Corporation shall respond within seven (7) working days of the meeting. Failing settlement, the Union may, within fourteen (14) working days of receipt of the response from the Corporation, invoke the arbitration provisions of this Agreement.
- 5:06** The Union shall have the right at any time to have the assistance of a representative of the Canadian Union of Public Employees or any other advisor(s) when dealing or negotiating with the Corporation.
- 5:07** If an employee is to be discharged, suspended or disciplined, and if he believes that he has been unjustifiably discharged, suspended or disciplined, he may have his grievance taken up under the grievance procedure, provided the grievance is submitted in writing within seven (7) working days following the date of the alleged occurrence. If it should be settled finally in his favour, he shall be reinstated and paid his wages at his regular basic rate (less amounts earned during the time lost) for the time lost since the date of discharge, suspension or

discipline. If said discharge, suspension or discipline is taken to arbitration, the arbitrator may -

- a) Sustain the discharge, suspension or discipline;
- b) Reinstate the employee with full pay for the time lost (less monies earned during the time lost) with no loss of seniority;
- c) Dispose of the grievance by any arrangements, which the arbitrator deems just and equitable.

5:08 It is agreed by the Parties hereto that any difference of opinion relating to the interpretation, application or administration of this Agreement which cannot be settled after exhausting the grievance procedure shall be settled by arbitration as defined in the *Ontario Labour Relations Act*

5:09 Each of the Parties hereto shall bear the expense of the arbitrator appointed by it, and the Parties hereto shall jointly bear equally the expense of the third party, and any cost of a place of hearing of such arbitration, if and when the necessity arises.

5:10 Notwithstanding the foregoing, the Parties may mutually agree to utilize the services of a Grievance Mediation Officer.

5:11 The Parties may mutually agree to extend the time limits in the grievance and arbitration process.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

6:01 This Article provides the basis for establishing work schedules and for the calculation and payment of overtime but shall not be read or construed as a guarantee of hours of work per day or week or a guarantee of days of work per week, notwithstanding the provisions of *Article 15:01*.

6:02 The following are considered normal hours of work:

- a) Day employees - forty (40) hours per week;
- b) Normal hours - Monday to Friday inclusive - 07:30 to 16:30 hours, one (1) hour for lunch;
- c) Powerhouse Maintenance - forty (40) hours per week as mutually agreed;
- d) Administration - thirty-five (35) hours per week Monday to Friday inclusive - 08:30 to 16:30 hours, one (1) hour for lunch.

6:03 a) All time worked outside the above-noted normal hours of work is classified as overtime and paid at double time;

- b) All hours worked on a recognized holiday shall be paid for at the rate of double time in addition to the normal day's pay.

6:04 a) On-call duty is defined as that duty performed by qualified employees who are required by the Corporation to be readily available within thirty (30) minutes by means of normal driving conditions of the normal work headquarters for emergency service at other than normal hours of work;

- b) Employees designated for on-call duty will be paid at the rate of \$2.10 per hour in 2012, \$2.20 per hour in 2014. This rate will be paid for sixteen (16) hours per day on weekdays and twenty-four (24) hours per day on Saturdays and Sundays for a total of 128 hours per week. An additional \$42.00 will be paid for on-call duty on recognized holidays. Only the employee on call during the normal hours of work on the recognized holiday shall receive these rates.

- c) Employees on on-call duty will be supplied with paging devices. The on-call employees will be responsible to ensure that their pagers are in proper working condition and that they can be reached when paged.

- d) On-call duty shall commence Friday at normal quitting time and cease the following Friday at normal quitting time. An employee may exchange on

call duties with another qualified employee provided the supervisor is made aware of the exchange.

- e) On-call duty for emergency services for the operation of the Cascade Street Hydraulic Generating Station, including necessary water control, will be paid to qualified employees who are designated by the Corporation for on-call duty. On-call duty will only be required during the periods of time the generators are operating. On-call duty will not be required if the generators are operating only during normal hours of work.
- 6:05** When an employee is called in to work outside normal scheduled hours the time will commence when he is called and continue to a reasonable time allowance for returning home, with a minimum allowance for the job of two (2) hour's pay at the applicable overtime rate. Should other calls be received after the completion of the work needed on a call-out, within one (1) hour from the commencement of the call-out for which two (2) hour's overtime is paid, such calls shall be immediately answered without additional pay up to the one (1) hour limit;
- 6:06** The Corporation agrees to try to distribute scheduled overtime work equitably among all employees in the appropriate job classification.
- 6.07** A meal allowance of \$12.00 will be provided for work performed two (2) hours or more in excess of the normal workday and every four (4) hours thereafter upon receipt of the same.
- 6:08**
- a) Outside employees will be scheduled to complete routine checks at the Power Generating Station on a weekly basis, including Saturdays, Sundays and holidays.
 - b) Routine checks consist of, but are not limited to, the following: monitoring the head pond water level, monitoring generator bearing temperature, and adjusting equipment as required for the operation of the generating facility.
- 6:09** Employees will be compensated one and one half (1 ½) hour per routine check on weeknights and two (2) hours per routine check on weekends and holidays. Employees may, at the discretion of management, bank these hours as lieu time with the following provision:
- i) The maximum hours in the bank may not exceed forty (40) hours and

- ii) Employees may only carry forward twenty (20) hours from this bank into the next calendar year. Unless mutually agreed to, carry forward lieu time accumulated from routine checks must be used by March 31 of the year into which they are carried forward.

6:10 Employees on call will be allowed to use the company vehicle for business purposes only. Employees will be subject to compensate the Corporation for any damages which occur to the vehicle not related to business purposes.

ARTICLE 7 - RECOGNIZED HOLIDAYS

7:01 The following holidays are recognized as time off with pay for all employees:

- | | |
|--------------------------------|--|
| New Year's Day | Thanksgiving |
| Good Friday | One-half (1/2) day before Christmas |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |
| Civic Holiday | Two (2) Floating holidays (one (1) floating holiday is in lieu of Remembrance Day) |
| Labour Day | |
| One-half (1/2) day December 31 | Family Day |

and any other day proclaimed as a holiday by the Federal, Provincial or Municipal Governments, providing the employee works the working day preceding and the working day following the holiday, unless the absence is due to sickness or with permission. Should a recognized holiday fall within an employee's vacation period, he will be allowed an extra day's vacation with pay. Payment made for recognized holidays will be for all normal hours on such a holiday. The two (2) floating holidays to be taken at a time mutually agreed upon by the Corporation and the employee.

ARTICLE 8 - ANNUAL VACATIONS

- 8:01** For the purposes of this Article, the vacation year commences January 1st and ends December 31st.
- 8:02** Whenever possible, vacations will be granted at times requested by the employees but in view of the Corporation role in providing a vital service at all times, the Corporation reserves the right to determine dates when vacations may be taken.
- 8:03** Probationary employees and employees with less than one (1) year's service shall be entitled to a vacation of one (1) working day for each full month of service completed between January 1 and December 31, of the current year up to a maximum of ten (10) working days. The days accumulated must be taken during the current calendar year, recognizing that the days are being advanced.
- 8:04** An employee shall be granted ten (10) working days vacation at normal straight time wage rate at any time during the calendar year subject to the supervisor's approval in which he completes one (1) year of continuous service and each succeeding year up to but not including the completion of three (3) years of continuous service.
- 8:05** An employee shall be granted fifteen (15) working days vacation at normal straight time wage rate at any time during the calendar year in which he completes three (3) years of continuous service and in each succeeding year up to but not including the completion of nine (9) years of continuous service.
- 8:06** An employee shall be granted twenty (20) working days vacation at normal straight time wage rate at any time during the calendar year in which he completes nine (9) years of continuous service and in each succeeding year up to but not including the completion of eighteen years (18) of continuous service.
- 8:07** An employee shall be granted twenty-five (25) working days vacation at normal straight time wage rate at any time during the calendar year which he completes eighteen (18) years of continuous service and in each succeeding year up to but not including the completion of twenty-five (25) years of continuous service.
- 8:08** An employee shall be granted thirty (30) working days vacation at normal straight time wage rate at any time during the calendar year in which he completes twenty-five (25) years of continuous service and in each succeeding year.

8:09 Temporary and Part-time employees will be allowed vacation in accordance with the *Employment Standards Act 2000*.

ARTICLE 9 – SICK LEAVE PLAN

9:01 The Corporation's sick leave plan for employees has been created by the Corporation to reduce the financial hardship that bona fide illness or injury can create so far as inability to do Corporation work and consequent loss of normal straight time wage rates are concerned. It is the employee's responsibility to report for work in proper physical condition in order to perform his/her assigned duties.

9:02 An employee returning to work after sickness or injury will provide a doctor's certificate upon request, satisfactory to the Corporation, confirming the employee's illness or injury in order to qualify for sick pay allowance. In any case, if absent for three (3) days or more, the employee must submit a medical certificate of fitness to return to work signed by a qualified doctor of medicine which is satisfactory to the Corporation. The cost of the doctor's certificate shall be borne by the Corporation .

9:03 In order to receive sick plan payments the employee must also report any illness or injury to his immediate supervisor by normal starting time on his first day of absence.

9:04 Short-term coverage will apply up to seventy-five (75) consecutive working days for each occurrence of sickness or injury in accordance with the following schedule:

Length of Service	Disability period at 100% normal Straight time Wage rate	Disability period at 75% of normal Straight time Wage rate
Less than one (1) year	5 days	70 days
1 year but less than 2 years	10 days	65 days
2 years but less than 3 years	15 days	60 days
3 years but less than 4 years	20 days	55 days
4 years but less than 5 years	25 days	50 days
5 years but less than 6 years	30 days	45 days
6 years but less than 7 years	35 days	40 days
7 years but less than 8 years	40 days	35 days
8 years but less than 9 years	45 days	30 days
9 years but less than 10 years	50 days	25 days
10 years but less than 11 years	55 days	20 days
11 years but less than 12 years	60 days	15 days
12 years and over	75 days	0 days

Payments from the previous noted schedule will be made on the following basis with the provision that any absence of a half workday will constitute an occasion.

For the purpose of this provision, a half workday is understood to be three and one-half hours (3 1/2).

- a) From the first day of absence for the first four (4) occasions of absence in a calendar year, and;
- b) From the 2nd second day of absence for the fifth 5th and subsequent absences in the calendar year.

9:05 General Conditions of Sick Leave Coverage

- a) After the twelfth (12th) month an employee shall cease to accrue seniority and any vacation or recognized holiday shall be paid and pro-rated only on the basis of time worked.
- b) The Corporation shall continue to pay for a period of time not to exceed twenty-four (24) months from the first day of sickness or injury the premiums for benefits in Article Eleven (11) of this Agreement.
- c) It is recognized and agreed that the benefits granted by the Corporation satisfy the requirements of the refund provisions of the rebate sections of the employment insurance legislation.
- d) In order to have short term sick leave period reinstated up to seventy-five (75) days, an employee who has been on such a leave of absence must return to work for two (2) full days in the case of an unrelated and different disability cause, and for fifteen (15) calendar days in the case of the same disability cause.
- e) Successive absences due to the same or related cause may be considered as one continuous period of disability if the employee has met the qualifying conditions for LTD coverage.

9:06 The Corporation agrees to contribute one hundred percent (100%) of the total premiums for a Long Term Disability Plan as prepared by the insurance company providing sixty-seven percent (67 %) of wages up to a maximum monthly benefit of four thousand five hundred dollars (\$4,500.00). Can be amended subject to wage increases during the term of this Collective Agreement.

9:07 Long Term Coverage

Benefits in the long term are those provided under the Long Term Disability Plan in Article Ten (10) of this Agreement and begin after the seventy-fifth (75) working day of illness at which time the Corporation shall maintain payments in the amount of the Long Term Disability coverage under the LTD Plan as provided by the Corporation's insurer. Long Term Disability payments will not be paid to an employee receiving benefits under the Workplace Safety & Insurance Board. For a period of time not to exceed twenty-four (24) months from the first day in receipt of Long Term Disability benefits, the employee shall be eligible to return to the same job if capable of performing the required work. If unable to perform the

required work, the employee shall be given all reasonable consideration for any available job for which the employee is able and qualified to perform. In the event the employee is unable to return to work at the end of twenty-four (24) months, the employee shall lose seniority and be removed from the payroll.

ARTICLE 10 - WORKPLACE SAFETY & INSURANCE BOARD

10:01In the event an injury is covered by payments from the Workplace Safety & Insurance Board, an employee shall receive ninety percent (90%) wage of the pre-accident net normal straight time wage rates provided gross negligence or obvious misconduct on the part of the employee has not contributed to his disability, and the accident is reported to his supervisor before the end of the next regular working day. In consideration of this continuation of pay the employees shall sign over all Workplace Safety & Insurance Board payments to the Corporation. For a period of time not to exceed twenty-four (24) months from the first day of occupational illness or injury, an employee receiving benefits under the Workplace Safety & Insurance Board shall be eligible to return to the same job if capable of performing the required work. If unable to perform the required work, the employee shall be given modified work for which he is able and qualified to perform.

ARTICLE 11 – BENEFITS AND INSURANCE PLANS

11:01The Corporation agrees to contribute one hundred percent (100%) of the total premiums for:

Life Insurance Plan, Accidental Death and Dismemberment;

Extended Health Care Plan, Deluxe Travel;

For all employees covered by this Agreement or other equivalent Life and/or Health Care Plan (including optical coverage three hundred and seventy five dollars (\$375.00) per family member per twenty-four (24) month period and hearing aid coverage - five hundred dollars (\$500.00) per family member per sixty (60) month period).

11:02The Corporation agrees to contribute one hundred percent (100%) of the total premiums for:

Equivalent of Green Shield Dental Plan No. 9 at the current O.D.A. fee schedule, including Orthodontic coverage reimbursed at 50% (fifty percent) to a lifetime maximum of two-thousand (\$2,000.00) per family member for all employees covered by this Agreement.

11:03 The Corporation agrees to pay:

One hundred and thirty dollars (\$130.00) in 2012, and one hundred and forty dollars (\$140.00) in 2014 will be towards the cost of purchase of prescription safety eyeglasses for employees only, upon surrender of a receipt for same, once every two years.

11:04 Provided that the carrier is in agreement, retirees can purchase group benefit. The Corporation agrees to pay fifty (50%) of the cost of extending group benefits for any employee who retires before the age of sixty-five (65) who has a minimum of thirty (30) years' service with the Corporation. This benefit will expire when the retiree reaches age sixty-five (65).

ARTICLE 12 - JOB POSTING AND SELECTION

12:01a) Wherever possible, promotions, staff changes and appointments to new or vacant positions will be made from within the service of the Corporation. The selection of the successful applicant shall not be made before all employees who have applied have been considered.

In promotions and transfers to posted jobs, the following factors shall be considered:

- (i) qualifications required of the job, experience, knowledge, skills, abilities, etc., and
- (ii) seniority.

Where those items listed in factor (I) are relatively equal, the applicant with the greatest seniority will be appointed.

b) An employee who is promoted under this Article shall be provided a ninety (90) working day trial period to prove efficiency. The Corporation shall be the judge of those items listed in *Article 12.01 (A)(i)*, provided however, that the Corporation shall agree that these functions shall be exercised in a manner consistent with the general purpose and intent of this Agreement

and subject to the employee's right to lodge a grievance as set forth herein. If the employee proves unsuccessful during the trial period, the employee shall be returned to his or her former position, without loss of seniority.

12:02 All positions will be posted in all sections for a period of seven (7) working days, during which time the current employees will have an opportunity to apply for the position as determined under Clause 12:01.

ARTICLE 13 - LEAVES OF ABSENCE

13:01 Leave of absence with pay will be granted to all employees for the purpose of voting in accordance with the Dominion and Provincial Election Act.

13:02 Leave of absence with pay will be granted to representatives of the Union while in consultation with the Corporation on matters pertaining to this Agreement during working hours.

13:03 Leave of absence without pay and without loss of seniority will be granted to an employee to attend functions of the Union, if efficiency of maintenance is not impaired. In such case, the Corporation shall continue to pay the employee and bill the Union for the wages involved with two weeks prior written notice from the Secretary of the Canadian Union of Public Employees, Local 17, C.L.C.

- 13:04**
- a) An employee shall be granted five (5) regularly scheduled workdays leave without loss of wages following the date of death of an employee's child and/or spouse or common-law spouse.
 - b) An employee shall be granted three (3) regular scheduled workdays' leave of absence without loss of salary or wages when a death occurs in their immediate family or that of the employee's spouse, including common-law spouse. Immediate family is defined as: mother, father, sister, brother, brother-in-law, sister-in-law, grandparents, grandchildren, common-law spouse, or any other relative residing with the employee
 - c) In addition to the entitlement in (a) and (b) an employee shall be granted upon request up to an additional (2) two days unpaid leave for the purpose of travel.
 - d) Any employee shall be granted one (1) regular scheduled work day leave of absence without loss of wages when a death occurs to an aunt or uncle.

13:05 The Corporation shall grant leave of absence without loss of seniority to an employee who serves as a juror or witness in any court. The Corporation shall pay such an employee the difference between his normal earnings and the payment he receives for any jury duty or as a witness in the Province of Ontario. The employee shall present proof of service and the amount of pay received. When an employee is subpoenaed as a witness outside the Province of Ontario, the Employer shall grant a leave of absence without pay and without loss of seniority or benefits.

13:06 With the exception of pregnancy leave and parental leave, vacation pay will be reduced on a prorata basis where total unpaid leaves of absences aggregate in excess of thirty (30) cumulative days during the vacation accumulation period. In the case of an employee on Worker's Compensation for greater than thirty (30) consecutive working days, vacation will be pro-rated as above.

13:07 Pregnancy and parental leave shall be granted in accordance with the current *Employment Standards Act* for the Province of Ontario.

ARTICLE 14 - CLOTHING AND EQUIPMENT

14:01 The Corporation will supply the regulation rubber gloves and covers to all employees called upon to work on line. Rubber gloves to be tested by approved methods at least once per month or more often if employee believes same have become defective.

14:02 The Corporation will supply all tools and equipment necessary to carry out the work of the Corporation.

14:03 The Corporation will supply work gloves to the employees strictly on an exchange basis.

14:04 First Aid Kits will be supplied by the Corporation and kept in places easily accessible to all employees.

14:05 A member of the Union, in conjunction with the immediate supervisor, will check First Aid Kits at regular intervals. Any articles taken from kits must be reported to the immediate supervisor.

14:06All accidents must be reported immediately, no matter how small, to the immediate supervisor.

14:07The Corporation agrees to pay two hundred and eighty five dollars (\$285.00) in 2012, two hundred and ninety five dollars (\$295.00) in 2014 per year towards the cost of purchase or repairs of C.S.A. approved safety footwear upon surrender of a receipt for same. The employee has the option of foregoing his annual allowance and adding it to the next year's allowance.

Meter Reader to be paid two hundred and eighty five dollars (\$285.00) per year towards the cost of purchase or repairs of C.S.A. approved safety footwear upon surrender of a receipt for same.

14.08The Corporation agrees to pay for the initial issue of the following articles of Fire Retardant clothing and or any other clothing deemed necessary to work on live lines or electrical equipment by the Electrical and Utility Safety Association or government legislation.

- choice of two (2) of the following: smocks/jackets/hoodie sweatshirts
- three (3) pairs of overalls/pants unlined/ optional
- one (1) lined winter jacket
- one (1) pair of overalls lined
- five (5) long sleeve shirts
- two (2) baseball style caps with company logo (i.d.)

All the above apparel will be replaced on an as needed basis to ensure the initial supply quantities are maintained. The Corporation and the employees will be responsible for the ordering in a timely manner. The Corporation will coordinate the ordering of fire retardant and safety clothing for all employees.

ARTICLE 15 - INCLEMENT WEATHER

15:01Inside work will be provided for all regular employees if, in the opinion of the immediate supervisor it is not reasonable to work outside during wet, stormy, or extremely cold weather to complete the time for that day.

ARTICLE 16 - GENERAL

16:01 Merger/Amalgamation/Sale of Business

The Corporation agrees that in the event of a merger/amalgamation/sale of business with another company/corporation or municipal utility, all employees covered by the Collective Agreement between Parry Sound Energy Services Corporation and the Canadian Union of Public Employees and its Local 17, will be treated fairly and given a chance for employment in the new organization. The Corporation will make every effort to retain the seniority status, wages and benefits for the former employees of the Corporation with the new employer.

16:02 In the event of a merger/amalgamation/sale of business with another company/corporation/municipality, employees not offered employment or opt not to work for the new employer will receive a severance in an amount of two (2) week's wages for each year or part year of service.

16.03 Any regular fulltime employee hired prior to December 31, 2011 who bumps or job posts from one (1) corporation to another will be credited with the service and seniority achieved with Parry Sound Energy Service Corporation and the Collective Agreement in effect between January 1, 2009 and December 31, 2011 at the time of transfer to Parry Sound Power Corporation and Parry Sound Energy Services Corporation on the last day prior to the transfer. In the event a transferred regular employee receives a notice of layoff for any reason, the employee, at the employee's option may exercise their right to bump back to their prior or equivalent position within the two (2) corporations and will be entitled to displace an employee with less seniority provided the employee is qualified and able to do the work. A regular employee shall be permitted to job post into either corporation without loss of seniority or service.

Note: The only eligible regular employees are listed in Appendix A of the Agreement

16:04 Correspondence

All correspondence between the parties, arising out of this Agreement or incidental thereto, shall pass to and from the Corporation and the Unit Vice-President of the Union or his designate, and/or the CUPE National Representative.

A copy of any correspondence between the Corporation and any employee in the bargaining unit, pertaining to the interpretation, administration, or application of

any part of this Agreement shall be forwarded to the Unit Vice-President of the Union or his designate.

16:05 Contracting Out

The Corporation agrees to meet with the Union, in the event that efficiencies to the benefit of the Corporation could be achieved by contracting out work, to discuss ways the Union employees might competitively bid to maintain the work within the Corporation.

ARTICLE 17 - WAGE RATE

17:01 Wage Rate Classification – Operations

Position	Jan. 1, 2012	Jan. 1, 2013	Jan. 1, 2014	Jan. 1, 2015
Field Crew Leader	\$ 35.75	\$ 36.65	\$ 37.75	\$ 38.88
Customer Service Field Rep.	\$ 27.86	\$ 28.56	\$ 29.41	\$ 30.30
Powerhouse Operator	\$ 27.20	\$ 27.88	\$ 28.72	\$ 29.58
Meter Reader	\$ 24.86	\$ 25.48	\$ 26.24	\$ 27.03
Labourer	\$ 18.93	\$ 19.41	\$ 19.99	\$ 20.59
Service Technician/ Plant Operator	\$ 27.86	\$ 28.56	\$ 29.41	\$ 30.30

17:02 Wage Rate Classification – Office/Clerical/Administration

Wage Schedule	0 - 6 mos	6 - 12 mos	12 - 24 mos	24 mos
Sr. Cust. Accts/Accounting	85%	90%	95%	100%
Jan. 1, 2012	23.38	24.75	26.13	27.50
Jan. 1, 2013	23.96	25.37	26.78	28.19
Jan. 1, 2014	24.68	26.13	27.58	29.03
Jan. 1, 2015	25.42	26.91	28.41	29.90
Customer Accts. Rep.				
Jan. 1, 2012	21.67	22.94	24.22	25.49
Jan. 1, 2013	22.21	23.52	24.82	26.13
Jan. 1, 2014	22.88	24.22	25.57	26.91
Jan. 1, 2015	23.56	24.95	26.33	27.72
Part Time Clerk/CSR				
Jan. 1, 2011	16.00	16.94	17.88	18.82
Jan. 1, 2012	16.40	17.36	18.33	19.29
Jan. 1, 2013	16.81	17.80	18.79	19.78
Jan. 1, 2014	17.31	18.33	19.35	20.37
Jan. 1, 2015	17.83	18.88	19.93	20.98

Note: Pay Equity plan to be updated as required by legislation.

- 17:03a)** When an employee is assigned by the corporation to relieve another employee in a higher classification for a period, which exceeds (1) one continuous working day, the employee will be paid the rate for the position for which the employee is relieving.
- b) When an employee is assigned by the corporation to relieve in a position outside the bargaining unit for a period which exceeds (1) one continuous working day a premium of one hundred and seven percent (107%) of the relieving employee's current rate of pay will be paid.

- c) When a new classification is created or established within the Bargaining Unit, the rate of pay for the new classification shall be subject to negotiation between the Corporation and the union.

ARTICLE 18 - SAFETY AND HEALTH

18:01 The Corporation will establish a policy of holding regular meetings of all employees with the purpose of discussing matters of mutual concern to the Corporation and the employees.

18:02 The Corporation will provide training for First Aid and C.P.R. Time spent for such training will be without normal wage loss or seniority.


ARTICLE 19 - TERM OF AGREEMENT

19:01 This Agreement will be effective from January 1, 2012 until December 31, 2015 and from year to year thereafter unless either Party gives notice in writing to the other Party within ninety (90) days previous to the 31st day of December in any year of its desire to amend same.

In witness hereof: The Parties hereto have hereunto set their hands and seals this 8th day of December, 2011.

Signed on behalf of:

Parry Sound Energy Services Corporation



Vice President/General Manager



Financial Officer

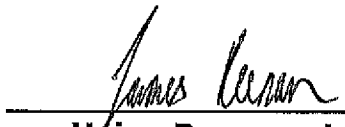
The Canadian Union of Public Employees, Local 17, C.L.C.



Unit Vice-President



Recording Secretary



Union Representative

LETTER OF UNDERSTANDING

between
Parry Sound Energy Services Corporation
and
Canadian Union of Public Employees
and its Local 17, C.L.C.

RE: LABOUR-MANAGEMENT COMMITTEE

A Labour-Management Committee shall be established consisting of two (2) representatives appointed by the Union and two (2) representatives of the Corporation. The committee shall enjoy the full support of both parties in discussing matters of mutual interest.

It is agreed and understood that under no circumstances, unless otherwise mutually agreed shall matters be discussed that are properly the subject of a grievance or negotiations for the amendment or renewal of this Collective Agreement. The frequency of Committee meetings will be determined by the parties, but will normally be established every six (6) months at a mutually agreed upon time and place. Employees shall not suffer any loss of pay for time spent at joint meetings with the Corporation.

The purpose of the Committee will be to enhance the communication between CUPE Local 17 and the Corporation. Normal subjects for discussion will include, but not be limited to: Business Arising (from a previous meeting); updates concerning the business (productivity improvement; customer service improvement; efficiency issues; impact of government legislation and regulatory rulings; and mergers, acquisitions and amalgamations); and, health and safety matters previously raised with a member of the Corporation but not resolved.

Dated at Parry Sound, Ontario this *8th* day of *December*, 2011.

Parry Sound Energy Services Corporation

Colin G...

Michelle Simpson

The Canadian Union of Public Employees, Local 17, C.L.C.

Darrell Bulbrook

Dwain Bartlett

James Keenan

LETTER OF UNDERSTANDING

Between:

Parry Sound Energy Services Corporation

And:

The Canadian Union of Public Employees Local No. 17, C.L.C.

RE: TIME OFF IN LIEU OF PAYMENT

The Corporation may at their sole exclusive discretion grant time off in lieu of cash payment for overtime to employees who so request it. This letter is only in effect during the term of this Collective Agreement.

The maximum number of overtime hours that an employee may accumulate at any one time during the calendar year shall not exceed forty(40) hours.

Dated at Parry Sound, Ontario this *8th* day of *December*, 2011.

PARRY SOUND ENERGY SERVICES CORPORATION

CANADIAN UNION OF PUBLIC EMPLOYEES AND ITS LOCAL 17

Colin...

Darrell Peabrook

...

Sven Bartleit

James Keenan

Appendix A

Employees Eligible to the Rights Contained clause 16.03

JIM HURD
CRIS LEE
CAMERON
SPROULE
MICHAEL
HANNATH
JOANNE KEMPTON
WENDY STEPHENS
SARAH DENBOER
GWEN BARTLETT
DARREL
AULBROOK
DENNIS MCEWEN