

Collective Agreement

Between

**Nevis
Oil and Gas Union
Local 506B**

And

**Keyera Corp.
Nevis Gas Plant**

Effective January 1, 2016 – December 31, 2019

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ARTICLE 1 - RECOGNITION

- 1.01** THE COMPANY recognizes THE UNION as the collective bargaining agent for all hourly paid employees, except temporary employees in the NEVIS GAS PLANT hereinafter referred to as the Plant and the Fenn Compressor Plant and pipelines, hereinafter referred to as the Plant. If Keyera Nevis Complex employees were to operate the other Compressor Plants or processing facilities as a part of the Nevis Complex, then these locations would be included in the agreement. The Company also recognizes that the Negotiating Committee of the Union shall be the sole bargaining agent with respect to rates of pay, hours of work and other conditions of the Company's employees covered by the Agreement.
- 1.02** The term "NEGOTIATING COMMITTEE" as hereinafter used shall mean the Negotiating Committee which is an elected body of the Union and is specifically authorized to negotiate Collective Bargaining Agreements on behalf of the Union. The term "EXECUTIVE" as herein used shall mean the Executive Officers of the Union who shall conduct the affairs of the Union and who are specifically authorized to sign and administer Collective Bargaining Agreements on behalf of the Union.
- 1.03** The Union agrees to inform the Company of the authorized membership of the Negotiating Committee and of the Executive of the Union and any changes thereto during the term of this Agreement within ten days of the election of or change in the Committee membership of the Union.
- 1.04** Nothing in this Agreement shall limit the Company in the exercise of its functions of Management under which it shall have, among others, the right to hire new employees and to direct the working force (including the promotion and demotion of employees as outlined in Article 7); to discipline, suspend, discharge for cause, transfer or lay off employees because of lack of work; require employees to observe Company rules and regulations not inconsistent with the provisions of this Agreement; to decide the number and location of its plants, products to be manufactured, the methods and schedules of production, including the means and processes of manufacturing; provided that the Company will not use its function of Management for the purpose of any improper discrimination against any member of the Union. It is agreed that these enumerations shall not be deemed to exclude the other functions of Management not enumerated.
- 1.05** The Company will not discriminate against any employee because of race, sex, color, nationality, religious or political affiliation, membership or non-membership in any labour organization.

- 1.06** The terms “Employee” or “Employees”, where used in this Agreement, means a worker employed by the Company at the Plants who is paid at an hourly rate except temporary employees and employees on layoff.
- 1.07** The following Appendices are attached to and incorporated in the Agreement: (a) Appendix A which is entitled “Schedule of Wages” (b) Appendix B which is entitled “Shift Differential Premium”
- 1.08** Accident and near miss reporting and investigation should be viewed as a “fact finding” rather than a “fault finding” effort. The primary purpose is to determine the cause(s) of the accident/incident so that a recurrence may be avoided.
- 1.09** After two (2) years an employee may apply to have a letter of corrective action removed from his/her file. Management has the sole discretion as to whether or not they will remove the letter. The employee and the Union will be notified of any letters being either inserted or removed from his/her file.

ARTICLE 2 - HOURS OF WORK

- 2.01** The regular working hours of the employees covered by this Agreement shall be forty (40) hours per week.
- 2.02** For the shift employees covered by this Agreement, a day means the period from 7:00 A.M. of one day to 7:00 A.M. of the following day. A work week means the period from 7:00 A.M. Monday to 7:00 A.M. the following Monday.
- 2.03** For all employees, shift work shall be defined as seven (7) days per week, twenty-four (24) hour rotation and the following hours will apply: Day Shift 07:00 A.M. to 07:00 P.M. Night Shift 07:00 P.M. to 07:00 A.M.
- 2.04** For the purpose of calculating premium pay on a Statutory Holiday the day shall be deemed to be the 24 hour period commencing at 07:00 hours on the day of the Statutory Holiday.
- 2.05** For a non-shift worker covered by this Agreement:

Employees to work a 10 hour work day scheduled as such that the employee averages 40 hours of work on a weekly basis.

Employees will be paid through lunch and coffee breaks. As such, employees will work through these breaks (to be taken later in the day) as

job priority dictates and is reasonable. Lunch breaks are normally from 12:00 to 12:30.

The schedule to be posted quarterly will reflect the employee's scheduled days off as mutually agreed to by the employee and Supervisor. Changes to the schedule will be granted at Management's discretion.

2.06 No employee working on shift will leave his position until properly relieved without the authority of his immediate Supervisor.

2.07 If an employee loses time through a change in work schedules from one shift to another or from shift work to day work or vice versa, he shall be entitled to work out such lost time at straight time at regular rates.

2.08 An employee may trade a full shift or any part of a shift with another employee provided that the trade is acceptable to the Company and is approved by it. A written request from both employees involved shall be submitted by them to their immediate Supervisor at least one (1) day prior to the commencement of the trade which shall show the date or dates and shift or part of shift concerned. If a trade is approved by the Company the employees will be paid the rate established for the job which they perform during the trade and it is agreed that such trades will not penalize the Company by requiring the payment of overtime or premium pay.

2.09 Self Mutual Trades

Shift trade with self will be handled as follows:

1. Three (3) per year.
2. All persons on the shift affected must be in agreement.
3. Supervisor approval must be obtained one to seven (1-7) days prior to the day of the original/new mutual.
4. Shall not be worked back on a day in which there is a fourth person already scheduled.
5. Use of self mutuals will not result in any additional cost to the Company.
6. On statutory holidays, the person taking the shift off must be available for sickness or emergency relief.
7. Problems with the system will result in withdrawal of the privilege.

ARTICLE 3 - RATES OF PAY

- 3.01** The Company agrees to pay and the Union agrees to accept, during the life of this Agreement, the Schedule of Wages set forth in Appendix B of this Agreement.
- 3.02** In addition to the wage rates set forth in Appendix B, employees who are assigned to a 7-day continuous operation and rotate on a two 12- hour shift basis shall receive a shift differential payment as outlined in Appendix B-1. Shift differential premium will apply to in Plant Shift Operation positions only (except as referred to in Article 3.03). Time spent attending courses, meetings, etc. will not attract Shift Differential Premium.
Shift differential will not be included with basic rates in computing overtime pay, premium time pay, or pay for holidays not worked.
- 3.03** Regular non-shift workers who work overtime are compensated by the payment of overtime rates and will not be entitled to shift differential. If a regular non-shift worker is placed on shift for one (1) or more shifts, the employee will be paid his/her basic rate plus the shift differential which is applicable in accordance with Article 3.02.
- 3.04** It is agreed that if a new job classification is established during the life of this Agreement, which is not covered by the Schedule of Wages now in effect, the rate for such new job classification will be negotiated between the Company and the Union.
- 3.05** It is agreed that the rates of hourly wages now in effect apply to the various job classifications and not to individuals performing the work except as provided under Article 6. Individuals working in a specific job classification will be paid according to that job classification except as provided in Article 3.06.
- 3.06** When an employee is training on the job, the rate of pay will be that of his/her regular job classification.
- 3.07** Deductions from wages except those required by law shall be made only on written authority of an employee.
- 3.08** An employee covered by this Agreement, when asked by a Supervisor to relieve a higher paid job classification for a temporary period of two consecutive hours or more shall be paid the rate for the higher paid job classification as shown on the attached Schedule of Wages.
- 3.09** An employee covered by this Agreement when asked by a Supervisor to accept duties and responsibilities of a Supervisor for a temporary period of two (2) consecutive hours or more, shall be paid a premium of four dollars

and fifty cents (\$4.50) per hour while the employee is so engaged. This premium will not be included with basic hourly wage rates in computing overtime. Operators relieving Supervisory personnel will be entitled to day shift differential (Appendix B-1) for hours worked up to 8-1/2 hours per day.

3.10 Pay periods will be the first day to the fifteenth day of the month, and sixteenth day to month end. The Company shall pay wages twice monthly, on or before the fifteenth (15th) and on or before the last day of each month.

3.11 Hourly personnel will be paid as per their normal schedule or as scheduled, whichever is greater. If the course attendance requires more attendance time than the normal schedule, the difference will be paid at straight time.

Employees attending courses, including steam ticket courses, or meetings that are both authorized and sponsored by the Company and are held for mutual benefit of both the employee and the Company will be paid at their respective straight time hourly wage rate except -

Employees attending meetings and/or training on their scheduled days off that are deemed mandatory by the Company shall be paid at their respective overtime rate. Courses that are presently deemed mandatory include:

- First Aid training
- H2S Awareness training
- WHMIS training
- Transportation of Dangerous Goods certification
- Confined Space training
- Fire Fighting training
- High Vapour Pressure Ignition training
- Fall Protection Awareness
- Third Party or In House training

The Company reserves the right to determine the number and specifically which employees are required to attend mandatory training from the above list.

3.12 Operations employees will be eligible for hourly Steam Ticket Premiums based on the following schedule and guidelines:

- a) Hourly Steam Ticket Premiums will be paid on all regular hours worked including overtime and excluding vacation
- b) Hourly Steam Ticket Premium schedule is as follows

Third Class: 2016 & 2017 \$1.95 per hour

Second Class: 2016 & 2017 \$5.00 per hour

First Class 2016 & 2017 \$7.00 per hour

Maintenance employees will be eligible for a hourly Dual Ticket Premium based on following schedule and guidelines:

- a) The employee must possess a Dual Ticket
- b) There must be a business need for the Dual Ticket as determined by Management
- c) The employee must apply both tickets annually as determined by Management
- d) Hourly Dual Ticket Premium will be paid on all regular hours worked including overtime and excluding vacation
- e) Hourly Dual Ticket Premium schedule is as follows:
2016 & 2017 \$2.25 per hour

The Company will pay a bonus of \$2,500 upon successful completion of a 2nd Class Steam Ticket to all employees classified as Operator. The Company will pay a bonus of \$2,500 upon successful completion of a dual ticket, as recognized by the Alberta Apprenticeship and Industry Training program, to all employees classified as Maintenance.

3.13 Daylight Saving Time (Twelve (12) Hour Shift)

During the switch to Daylight Saving Time, the night shift employee who works eleven (11) hours is paid twelve (12) hours. In reverting to Mountain Standard Time, the night shift employee who works thirteen (13) hours is paid twelve (12) hours straight time and one (1) hour overtime.

3.14 Time Slips Hourly Time Slips

All time slips submitted by hourly personnel will be checked for accuracy and signed by the Supervisor responsible. Any revisions required to time slips should not be made but returned to the employee for correction. If time does not allow for a complete revision to the time slip, then the time slip should be corrected and a copy returned to the employee. Errors made by employee or company can be retroactively corrected on future time sheets. During periods when a Supervisor is covered by an hourly employee, the Supervisor's relief will check all time slips for accuracy, initial, and then forward them to his immediate supervisor for approval.

3.15 Employees classified as Operator will be eligible to be paid out 12 hours at straight time per year or a paid day off per year as compensation in lieu of time worked during shift changes.

- 3.16 Union members will have the ability to bank up to 2 OT shifts (ie maximum 24 hours for Operators and 20 hours for Maintenance employees per year) to take off as paid days in the year in which they were earned. The paid day off cannot create an OT situation.

ARTICLE 4 – OVERTIME

- 4.01** Only authorized work over an employee's scheduled hours will be considered overtime and overtime rates will be paid in accordance with the provisions of this Article 4, except as set forth in Articles 2.08, 2.09, and 14.02.
- 4.02** An employee shall be paid at the rate of double time for all overtime work performed.
- 4.03** The Company agrees that only those employees as are necessary, in the judgment of Management, to perform the business of the Company, shall be required to work overtime and any reasonable request by an employee to be excused from overtime shall be given consideration by Management.
- 4.04** Employees required to perform work outside of, but not continuous with, the regular work period shall be paid for a minimum of four (4) hours at straight time or the applicable overtime rate for the hours worked whichever is greater. If an employee (other than twelve (12) hour shift worker) works four (4) or more hours between midnight and 7:30 A.M. and, due to fatigue, cannot report for the regular scheduled working day, he shall not be required to return to their normal work within eight (8) hours. They shall however be paid their regular hours of work for that day.
- 4.05** When an employee is required to work long hours of overtime without advanced notice, the Company will supply the employee with adequate meals.
- 4.06** When an employee's schedule is changed by the Company, the employee will be paid at the rate of double time for the first shift worked on the new schedule except:
1. When the employee has been given seventy-two (72) hours notice of a schedule change which has been made necessary in order to provide vacation relief.
 2. When the employee is permanently promoted.
 3. When the change is at the employee's request.
 4. When the employee is transferred to a new job classification.
 5. When the employee reverts to his original schedule after a temporary change has been made.
 6. When the employee is assigned to an on-the-job training.

If a change in schedule coincides with a recognized holiday, as per Article 5.01, change of schedule premium will be applied to the employee's next regular shift of the employee's new schedule.

- 4.07** Regardless of the number of hours of overtime worked, the Company agrees not to suspend or lay off any employee to avoid payment of overtime.
- 4.08** Hourly paid personnel called out other than on their regular scheduled day of work will receive the prevailing corporate mileage rate for personal vehicle use for round trip distance travelled equivalent to 67 kilometers.

ARTICLE 5 - VACATIONS/STATUTOR Y HOLIDAYS

5.01 The Company recognizes the following Statutory Holidays:

| | |
|----------------|-----------------------|
| New Year's Day | Labour Day |
| Family Day | Thanksgiving Day |
| Good Friday | Remembrance Day |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |
| Civic Day | 12th Floating Holiday |

The 12th Floating Holiday shall be deemed to occur on the day of any new Statutory Holiday which may subsequently be proclaimed by either the Federal or Provincial Governments. The above holidays will be observed in the following manner: a) Shift workers and those day workers who are regularly scheduled to work on Saturday and/or Sunday will observe the holiday on the calendar day on which it falls. b) Day workers who are not regularly scheduled to work on Saturday and/or Sunday will observe the holiday on the day designated by Management as the holiday for all other employees of the Plant.

5.02 All employees shall receive eight (8) hours holiday pay at their straight time hourly wage rate except as follows:

1. When an employee works in a higher paid job classification on the day on which the holiday is observed, the employee will receive the eight (8) hours holiday pay at the wage rate applicable to that higher paid classification.

An employee will not be entitled to Holiday Pay if:

1. The holiday falls during an employee's leave of absence.

2. The employee fails to report for work without just cause on the holiday when scheduled to do so.
 3. An employee is absent on the last scheduled day of work prior to or the first scheduled day of work following the holiday without just cause or without the consent of his immediate Supervisor.
- 5.03** Holiday Pay, as set out in Article 5.03 and pay for work performed will be considered as separate items of pay. In addition to the holiday pay specified, an employee shall be paid at the rate of double time for the time worked on a Company recognized holiday.
- 5.04** The anniversary date for vacation purposes is January 1, therefore additional vacation entitlement is available on January 1 of the milestone year. The vacation year is defined as the twelve months from January 1 to December 31.
- 5.05** The Company agrees to give vacations with pay to employees in accordance to the employee's recognized vacation date:
1. Three (3) weeks vacation annually, prorated in the first year.
 2. Four (4) weeks vacation in the calendar year in which the employee's 9th vacation date anniversary falls and annually thereafter.
 3. Five (5) weeks vacation in the calendar year in which the employee's 19th vacation date anniversary falls and annually thereafter.
 4. Six (6) weeks vacation in the calendar year in which the employee's 24th vacation date anniversary falls and annually thereafter.
- 5.06** Employees may express their preference for the time of their vacation and due consideration will be given. Where possible, the employee's wishes will be granted, but vacations must be taken at times most conducive to the efficient and safe operation of Company facilities.
- 5.07** Vacation deferment will only be considered through written request for exceptional circumstances.
- 5.08** Wages paid during vacation period will be the wages applicable to the job classification which is the basic rate of pay for that employee.
- 5.09** When a Company recognized holiday is observed in accordance with Article 5.02 on an employee's normal working day during his vacation, he shall be entitled to an additional paid day off within the current calendar year to be taken at a time acceptable to the employee and his immediate Supervisor.
- 5.10 Christmas Season**

All shift workers will work their normal shifts, according to the master schedule, from December 15 through to the New Year unless prior agreement of Management and Union is obtained. The intent is to ensure Christmas and New Year planning is not upset. There may be conditions where vacations can be granted if the shift can be covered without affecting other shift workers' days of rest.

5.11 Vacation Schedules

Each Supervisor shall maintain an up-to-date vacation schedule. This schedule should be set up indicating the first and second holiday time period choices for employees. It should be emphasized that these are only choices and that the time will have to be approved.

Guidelines are as follows:

1. No holidays during planned shutdown periods.
2. Only one person from a single classification in maintenance or on shift will be allowed to take vacation at the same time unless it is approved by the immediate Supervisor.
3. The current maintenance vacation schedule should be made available to Operations personnel to assist in callouts.

5.12 Shift Coverage Guidelines

This policy is to be regarded as a guideline only to assist in preparing schedules or arranging for coverage.

1. Shift coverage should be provided by the "move up" concept whenever possible. "Move ups" are possible only when the individuals being moved up are competent to fill the vacant position.
2. When overtime is required, vacancies should be filled by personnel permanent in the classification where the vacancy originated. When this is not possible, personnel of lower classifications may provide coverage. In no case may an operator lower than #2 Operator cover a Chief Operator shift.
3. Coverage for two or more vacant positions occurring on the same - 10 - day by people in the same permanent classifications will be such that the more senior person will cover the higher positions. This is contingent upon the individuals involved being trained in adequately handling the job and that they hold the required Steam certification.
4. Where possible, overtime will be equalized among those individuals who have expressed an interest in working overtime.

5. In situations of doubtful shift strength (excessive overtime fatigue, move ups, etc.) the scheduler will arrange overtime as approved by Management.

5.13 Time Off In Lieu of Statutory Holidays

Shift Operators will be allowed to use up to seventy-two (72) hours (six (6) twelve (12) hour shifts) of Statutory Holidays to be taken as time off without pay upon approved notification and scheduling with their immediate supervisor. Use of Statutory Holiday time will be subject to the following conditions:

1. Employee must declare specific period of time to be taken off as Statutory Holiday time prior to the beginning of a new work schedule.
2. Scheduling of Statutory Holiday time must have management approval and must not interfere with vacation schedules of others.
3. Statutory Holiday time must be taken prior to any consideration for any Leave of Absence.
4. Scheduling of Statutory Holiday time will not be considered between December 15 and December 31.
5. Employee must indicate on his time slip the shifts which are to be taken as Statutory Holiday time.
6. No funds will be banked.

5.14 Shiftworkers will continue to be paid the dayshift or nightshift differential, as per the worker's regular schedule, while on vacation.

ARTICLE 6 – OPERATOR/MAINTENANCE DEVELOPMENT PROGRAM

6.01 The Gas Plant Operator Development Program is effective July 7, 1976. The Company agrees to pay and the Union agrees to accept the progression of rates set forth in Appendix B.

The Program is optional for employees hired before July 7, 1976, but future progress must be through the program.

Participation in the Gas Plant Development Program shall be a condition of employment for employees hired on or after July 7, 1976. –

The Company shall not be required to retain an employee who was employed on or after July 7, 1976 who fails to make satisfactory progress in the Gas Plant Operator Development Program.

Satisfactory progress will mean the successful completion of any given phase within the maximum time. The phases and maximum completion times are those described in the Operator Development Program. If qualifications and experience are met within the minimum time, the phase shall be considered complete. The employee shall be notified by his immediate supervisor at the minimum time of his/her progress. Failure of an employee to comply with the above conditions shall result in termination.

Under extreme and unusual circumstances the Operations Supervisor may approve additional time to complete the Program. This approval shall be subject to conditions specified by Plant Management and agreed to by the employee.

Advancement beyond the Operator #2 classification is on a voluntary basis for all employees.

When a vacancy in a higher classification occurs and when given the opportunity to fill the vacancy, an employee who qualifies under the Operator Development Program and is receiving a higher rate than the classification he/she is working in, must accept the vacancy in the higher classification or lose the higher rate.

Effective July 7, 1976, any vacancy which occurs and is covered by the Operator Development Program will be filled under the guidelines set out in the Operator Development Program.

1. General Information

The Operator Development Program is a system provided by The Company to allow each employee in the operations area to gain the experience, skill and qualifications necessary to obtain the mandatory Operator #2 classification, the minimum classification required of a permanent operations employee in the Nevis Gas Plant. The program consists of on-the-job study, home study and experience time which together will provide the employee the necessary background and qualifications to obtain this classification.

As an employee simultaneously receives training and experience and completes the home and job study portions of the program, the employee will progress through the various stages of the Development Program as detailed in the attached Progression Table. The Progression Table shows

the maximum number of months of training required before the average employee will be capable of managing an operating assignment and working alone. In certain individual cases, the employee may complete each phase in less time than indicated; however, he must spend the minimum time listed for each phase. The minimum time therefore is the period necessary to achieve the confidence and experience to be fully competent in the operating areas associated with each phase.

In summary, the Progression Table simply identifies the experience times and the minimum and maximum time duration to complete each Phase of the Development Program. On-the-job study and home study are strictly the responsibility of the employee. The Company is responsible for providing on-the-job training and experience time in the different areas to allow the employee to achieve Power Engineering Certification.

6.02 Maintenance Development Program

PURPOSE

- a) To provide an employee training program oriented towards current and future maintenance requirements.
- b) To provide an orderly progression system for all employees in the program to advance.

EMPLOYEE PARTICIPATION

1. Participation in the Nevis Gas Plant Complex Maintenance Development Program shall be a condition of employment for employees hired on or after August 01, 2009 and for all new entrants transferred into positions covered by the program up to and including the senior maintenance position.
2. The Company shall not be required to retain an employee who fails to make satisfactory progress in the Nevis Gas Plant Maintenance Development Program. An employee who fails to progress to the next higher rate in the specified time shall be deemed not to have made satisfactory progress at which time his/her case will be reviewed by management.
3. Advancement beyond the Maintenance #1 classification is on a voluntary basis for all employees.
4. All vacancies after August 01, 2009 will be completed through the development program.
5. Details around the apprenticeship program are to be adhered to as indicated in the Nevis Gas Plant Maintenance Development Program.

GENERAL INFORMATION

As an Employee simultaneously receives training, experience and completes study and school testing requirements, he/she will progress from one classification to the next.

The intent is to spell out the requirements for each job classification. Employees meeting these requirements and who have seniority would still have preference when a job position comes open.

Progression in the Program is compulsory up to and including the Maintenance #1 position.

A premium of \$4.50 per hour will be paid to maintenance personnel when acting as the project supervisor on capital and/or operating A.F.E. projects. The required criteria for this premium is at management discretion and decided upon by the depth and detail of the project.

Applicable maintenance personnel may be present for new hires and job move up interviews.

DEVELOPMENT PROGRAM PROGRESSION REQUIREMENTS

In order for an Employee to qualify for a classification, he/she must satisfy the timing, academic and Course level requirements for that classification as outlined below and on "Requirement for Job Classification Chart" outlined in the Maintenance Development Program.

TIMING

Minimum accumulated time required is the minimum total time required at the Nevis Gas Plant from hire date and includes the probationary period.

Maximum total time is the maximum time allowed for each level and may be extended by the length of the probationary period.

REGULATORY

The requirements will be satisfied by valid certificates in the following:

WHMIS / TDG / H2S Alive

Standard First Aid

Fall Protection Awareness training

If required, an apprenticeship entrance exam must be taken.

ACADEMIC

An employee will be considered proficient in the various maintenance levels upon completion of the following:

Minimum Training Time (as described in Maintenance Development Program) has been completed.

Training guides for all applicable maintenance levels have been completed and signed off.

Employee will pass a written or oral test by the Senior Technician and may be requested to demonstrate his/her abilities.

Work performance and attitude must be considered satisfactory by the Senior Technician and management.

TRADES

Recognized trades by Alberta Apprenticeship and Industry Training program.

For "dual ticket" purpose, trades must be complimentary as recognized by management.

If more than one employee wishes to dual ticket, seniority might play a factor in the choice for that position, however the final decision will be at management's discretion (more than one may apprentice at a time if work load permits).

COURSES

The Courses required for maintenance personnel to advance.

In order for maintenance personnel to continue progression they can complete courses as described on the requirements for the job classification chart.

Progression will be upon completion of the minimum number of courses as indicated on the "Course Level Document".

It should be noted that some Courses would change as technology and the plant advances.

Timing for attendance to school of any kind will be dependent upon work load, existing courses, school and at management's discretion.

6.03 Management of and Changes to the Operator and Maintenance Development Programs

The Operator Development Program and the Maintenance Development Program are to be considered "live" documents. A joint committee of Management and Union members will review and recommend changes regarding the specific detail of the programs. The specific detail of the programs will be kept outside of the contract in order that timely reviews and subsequent revisions keep the intent, training and competencies of the programs in line with current standards. Management, as well as Local 506B membership must ratify all changes proposed by the joint committee.

6.04 Exam Expenses

The Company agrees to compensate hourly paid employees of Nevis Gas Plant while writing the examinations to acquire an approved Steam Ticket, to meet the requirements for classification standards at the Nevis Gas Plant.

1. Writing of Steam Examination:

- (a) The Company agrees to maintain the employee's salary whole while writing examinations related to approved Steam Tickets on scheduled day of work. Operators are eligible for 2 days off with pay in the 4 day period prior to and including the day of the exam.
- (b) During a regular day off the employee will be entitled to six (6) hours straight time for each attempted examination.

2. The above will apply to two (2) attempts of each of the following:

- (a) Fourth Class Power Engineering
- (b) Third Class Power Engineering
- (c) Part A of Second and First Class Power Engineering
- (d) Part B of Second and First Class Power Engineering

Compensation for any further attempts will be subject to Management approval.

3. Further expense. i.e. overnight accommodations, will be at the discretion of the Plant Management.

4. Payment will be made upon submission of results and supporting documents of an examination to the Operations Supervisor for approval of payment.

ARTICLE 7 - PROMOTIONS AND TRANSFERS

7.01 When a vacancy occurs in a regular job classification it will be open posted throughout the Company for a period of at least seven (7) days before transfers or appointments are made. The announcement of appointments will be made in a similar manner to which the vacancy was posted not later than fourteen (14) days after bidding has ceased. If no announcement has been made of a

reduction in staff, any unfilled job classification shall be considered a vacancy.

- 7.02** When a job vacancy occurs, any employee may make written application through his immediate Supervisor for the said job classification. Due consideration will be given to all applications before appointments are made. An employee away due to illness, vacation or authorized leave will be considered as having applied for the vacancy.
- 7.03** When making transfers or promotions, it is agreed that qualifications, ability, competence and efficiency shall be the governing factors, but in a case where two or more employees are equally qualified and are of sufficient skill, competence and efficiency, preference shall be given to the employee with the longest term of service with the Nevis Gas Plant.
- 7.04** Employees may make applications in writing to their immediate Supervisor to be transferred to another department within the Plant, and due consideration will be given to the employee's request within fourteen (14) days.
- 7.05** When increasing staff, preference will be given to employees who have been laid off through staff reduction during the past year over new applicants provided such employees have proper qualifications for the jobs to be filled and are available to accept such employment. A notice to such former employees to report for duty may be given by registered letter to the last address of such former employees on the records of the Company and such former employee shall have ninety six (96) hours from the time the notice was dispatched to accept such employment.
- 7.06** Employees whose position has been eliminated, shall be transferred to other positions and given preference over junior employees, provided they have the skill, qualifications, ability, competence and efficiency to perform the duties of such other positions.
- 7.07** In reducing forces qualifications, seniority, competence and efficiency shall be given due consideration.
- 7.08** An employee returning after a leave of absence or vacation shall resume his/her former classification or may within five (5) days thereafter exercise his/her rights to apply for any job classification bulletined during such absence, qualifications being sufficient. An

employee being displaced will be permitted to exercise seniority in a job classification the employee is qualified to fill.

7.09 No employee shall suffer any reduction in his basic job classification through another employee being transferred into a plant department for training purposes.

7.10 The Company agrees to give the Union two (2) weeks notification of any major reduction in forces, this meaning a reduction of at least five (5) percent, except through discharge for cause or for reasons beyond the control of the Company, prior to such reduction. In the case of failure to give such notification, the Company agrees to pay the employee or employees laid off two weeks pay at regular basic rates for the classification or classifications concerned.

7.11 Promotion Policy

The guidelines for promotions in the Plant are included in the Collective Agreement under Article 6 entitled "Operator Development Program" and "Maintenance Development Program", and Article 7 entitled "Promotions and Transfers".

ARTICLE 8 - SENIORITY

8.01 No new employee shall have seniority status until he has been continuously employed by the Company for ninety (90) calendar days and has been accepted as medically fit for employment.

8.02 Seniority list will show name, job classification and date of last entry into the service of the Plant, from which date seniority shall accumulate.

8.03 Copies of seniority lists shall be supplied to the Union as requested.

8.04 Protests in regard to seniority standing must be submitted in writing within sixty (60) days from the date seniority lists are posted. When proof of error is presented by the employee or member of the Executive of the Union, such error will be corrected and when so corrected, agreed upon date shall be final. No change shall be made in the existing seniority status of an employee unless agreed by the Executive of the Union.

8.05 If an employee is permanently promoted to a supervisory job classification, his/her name will be removed from the seniority list, but such person when released from excepted employment may,

within thirty (30) days, resume his seniority which will be the period worked in the Plant prior to promotion to a supervisory classification, plus time worked at the plant in a supervisory capacity up to the date of reversion from excepted employment to an hourly rated classification.

- 8.06** An employee who has left and subsequently returned to the service in a job classification covered by this Agreement may only have his seniority reinstated by agreement between the Company and Executive of the Union.
- 8.07** The Company agrees to notify the Executive in writing of any dismissals or suspensions.
- 8.08** An employee who has been laid off due to a work shortage and returns to the service in a job classification covered by this Agreement when notified to do so as described in Article 7.05 will be credited with his former service so far as his seniority under this Agreement is concerned.

ARTICLE 9 - LEAVE OF ABSENCE

- 9.01** Individual employees may, with the Company's consent in writing, obtain a leave of absence without pay, when in Management's opinion, conditions warrant it. The written consent will state the dates at which the leave of absence begins and ends and unless the employee concerned returns to work on or before the end of such leave of absence, his name shall be removed from the seniority list. If such an employee is allowed to return to work after the expiration date of the leave of absence, he shall, for seniority purposes, be considered as a new employee.
- 9.02** The name of an employee on an authorized leave of absence will be continued on the seniority list.
- 9.03** For the purpose of this Agreement, absence due to illness or carrying on the Company's business in another location is not considered leave of absence.

ARTICLE 10 - FREEDOM OF EMPLOYEE ACTION

- 10.01** Members of the Executive, the Negotiating Committee or subcommittees of the Executive shall be free to discharge their

union duties without fear that their relations with the Company may be affected in any way.

- 10.02** Employees shall not leave their work to attend to Union business without first securing permission from their immediate supervisor.

ARTICLE 11 - ADJUSTMENTS OF DISPUTES AND GRIEVANCES

- 11.01** The Company and the Union both agree that the settlement of any dispute arising out of the terms of this Agreement should, so far as possible, be arranged between the Company's representatives and the Executive. If a dispute cannot be resolved in this manner, a grievance must be submitted in accordance with Article 11.02 Step 1 within seven (7) days from the date of the incident which gave rise to the grievance, otherwise the grievance need not be entertained by the Company.

- 11.02** It is agreed that the employee or employees concerned, in person or with an executive representative in attendance, will first seek to settle any dispute with the immediate supervisor. If the employee is not satisfied with the answer of his immediate supervisor, the grievance procedure set forth below shall be followed.

Step 1

Any grievance which affects one or more employees shall be submitted by the employee or employees to the immediate supervisor and plant senior supervisor. Grievances are to be submitted in writing, one copy sent to the immediate supervisor and one copy sent to the Executive of the Union. The immediate supervisor and plant senior supervisor shall render a decision in writing within forty-eight (48) hours excluding holidays and days off.

Step 2

Failing a satisfactory settlement of the grievance in Step 1, the employee, with or without the assistance of an Executive representative may submit the grievance in writing to the Area Manager who will make known his decision in writing within seventy-two (72) hours excluding holidays and days off.

Step 3

Failing a satisfactory settlement in Step 2, the employee, with or without the assistance of an Executive Representative, may submit the grievance in writing to senior management (based in Calgary) who will make known their decision in writing within seventy-two (72) hours excluding holidays and days off.

Step 4

If the decision of senior management is still unsatisfactory then, at the request of either party to this Agreement, the grievance shall be referred to a Board of Arbitration. The request must be within twenty-five (25) days of the date of the decision by senior management.

11.03 Once arbitration is initiated, it will be carried forth as per Alberta labour law.

ARTICLE 12 - SAFETY & HEALTH

12.01 Union Members will participate in the Company's protective equipment policy that provides fire resistant clothing adequate for the working conditions of each employee, a footwear allowance of up to two hundred and fifty dollars (\$250.00) per calendar year and prescription safety eyewear.

ARTICLE 13 - STRIKES & LOCK-OUTS

13.01 There shall be no lock-out by the Company or strike, walk-out, sit-down or suspension of work either complete or partial by the employees during the life of this Agreement.

ARTICLE 14 - JOB SECURITY (PERMANENT WORKFORCE REDUCTION)

14.01 In the event of a permanent reduction of the workforce resulting from a permanent closure of all or part of the Plant or resulting from a change in methods or facilities in the Plant, the Company shall, give advance notice of the closure or change to the Union of either three (3) months or statutory notice, where applicable, whichever is the greater. Article 7.10 may apply.

14.02 After providing such notice, the Company will meet with the Union to discuss the impact of the change or closure on the affected employees.

14.03 An employee covered by this collective agreement who is permanently laid off pursuant to Article 14.01 shall be entitled to receive a severance payment from the Company as outlined in Article 14.06 provided that: (a) the employee remains available for

work until the date of lay-off; and (b) the employee is not terminated for just cause prior to the lay-off.

- 14.04** In the event of a lay-off due to lack of work in situations other than those covered by Article 14.01 and Article 14.03, employees will be entitled to severance payments as set out in Article 14.06 when the lay-off exceeds one (1) year. An employee who fails to report for work within seven (7) days after recall within the one (1) year period forfeits any rights under this Article.
- 14.05** Upon acceptance and receipt of such severance payment, the employee's employment with the Company is terminated and the employee will have no further seniority rights notwithstanding Article 14.08 - Seniority of the Collective Agreement.
- 14.06** Employees entitled to the severance payment as outlined in 14.03 or 14.04 shall receive as such severance the greater of: (a) severance pay required by The Employment Standards Code. (b) an amount equivalent to not less than three (3) week's pay for each year of continuous service in the employ of the Company. Less any payment made by the Company in lieu of notice of termination greater than any payment in lieu of notice required by statute.
- 14.07** For the purpose of this Article, one (1) week's pay is defined as the employee's basic hourly wage rate at the time of lay-off times the hours in a regular work week as defined in Article 14.02, Hours of Work.
- 14.08** An employee terminated pursuant to this Article remains eligible to be considered for re-employment as a new employee

ARTICLE 15 – MEETINGS

- 15.01** The Company shall provide the Union a suitable place for meetings, however, it is understood that any meetings held during working hours will be with the approval of the Management.
- 15.02** The Company agrees to pay the Executive and the Negotiating Committee, maximum four people, at their regular straight time hourly rates for all meetings with Management.
- 15.03** The Company and the Union agree to meet at the request of either party for the purpose of discussing matters of mutual concern.

ARTICLE 16 – DURATION

16.01 This Agreement shall become effective on the 1st day of January, 2016 and shall remain in full force and effect up to and including the 31st day of December, 2019 and from year to year thereafter, unless either party gives written notice of its desire to terminate the Agreement or to enter into negotiations for the purpose of amending the Agreement. Such notice must be delivered not more than sixty (60) days prior to the 31st day of December, 2019. Negotiations shall be commenced at a time mutually agreed upon by both parties.

16.02 A wage re-opener negotiation will occur for remaining 2 years duration of the Collective Agreement and will include wage rates, supervisor premium, steam/dual ticket premiums and shift differentials.

ARTICLE 17 - CONTRACT WORK

17.01 The Company will not replace Union Employees. However, it may supplement the work force with contract workers on a temporary basis to provide relief or emergency personnel. The Company will continue to supplement trades groups with contract apprentices and/ or tradesmen and to employ contract workers on a temporary basis to complete project or backlog/overload work.

IN WITNESS WHEREOF, the parties hereto have caused the Agreement to be executed by their proper representatives duly authorized in that behalf on the day of July, 2016.

For the Company:

For the Union:

Jim Tennant

Brian Yoshida

Bob Morrish

Cameron Scott

Reid Simonton

Chris Hetchler

Andrew Zak

APPENDIX A

OPERATORS

Schedule of Wages Effective January 1, 2016

JOB CLASSIFICATION

| | |
|--------------|-------|
| OP TRAINEE 3 | 33.05 |
| OP TRAINEE 2 | 35.92 |
| OP TRAINEE 1 | 40.43 |
| OP 4 | 42.95 |
| OP 3 | 44.50 |
| OP 2 | 48.41 |
| OP 1 | 53.19 |
| OP CHIEF B | 55.66 |
| OP CHIEF A | 58.92 |
| OP CHIEF SR | 61.66 |

MAINTENANCE WORKERS

Schedule of Wages Effective January 1, 2016

JOB CLASSIFICATION

| | |
|---------|-------|
| MTCE #6 | 33.05 |
| MTCE #5 | 35.60 |
| MTCE #4 | 39.45 |
| MTCE #3 | 41.96 |
| MTCE #2 | 46.35 |
| MTCE #1 | 49.48 |
| Sr MTCE | 50.99 |
| TECH 2 | 53.21 |
| TECH 1 | 55.47 |
| SR TECH | 59.35 |

APPENDIX B

Shift Differential Premium – 12 Hour Shifts

Effective
January 1, 2016

Hours worked between 1.51
7:00 AM – 7:00 PM

Hours worked between 3.32
7:00 PM – 7:00 AM