

Agreement

Between

FPL Energy Maine Operating Services, LLC

And

Local 1837

International Brotherhood of Electrical Workers

March 1, 2003 through February 29, 2008

INTRODUCTION

This Agreement is entered into by and between FPL Energy Maine Operating Services, LLC, hereinafter referred to as the “Company,” and Local Union No. 1837 of the International Brotherhood of Electrical Workers, hereinafter referred to as the “Union.”

Whereas both the Company and the Union desire to develop and maintain, with respect to the employees of the Company represented by the Union, a productive and cooperative collective bargaining relationship to ensure effective means for the amicable settlement of grievances and disputes, provide fair wages and benefits, provide reasonable and fair working hours and conditions, ensure safe, reliable and competitive generation costs, and conserve and promote the interests of both the members of the Union and the Company.

Now, therefore, in consideration of the mutual covenants and agreements hereinafter set forth, it is agreed as follows:

ARTICLE 1
RECOGNITION

1. The Company recognizes the Union as exclusive bargaining representative for the purpose of establishing conditions in relation to wages, hours and conditions of employment normally included within the realm of mandatory subjects for bargaining, pertaining to its employees as included within the classifications of Production Specialists, Senior Production Technicians, Production Technicians, Production Assistants and Production Clerks at its fossil and hydro electric generation facilities, both full- and part-time, regular and temporary or casual, hereinafter referred to as “employee(s).” Excluded from such representation shall be the employees in the positions/classifications such as, but not limited to, Hydro Headquarters Staff, Production Assurance Specialist-I.M., Production Assurance Specialists-Reliability, Production Assurance Specialists-River Engineer(s), Production Assurance Specialists-River Optimization, Production Leader (formerly referred to as Technician)-Business Planning, Environmental Specialists, Dam Keeper positions at Aziscohos, Upper, Middle, Errol, Flagstaff, Brassua and Moosehead, Production Leader (formerly referred to as Technician) of Recreational Support and directly related subordinate staff, and all other employees of the company.

It is agreed that in the event that FPL Energy Maine Operating Services, LLC during the term of the Agreement shall transfer the control and/or operation of FPL Energy Maine Operating Services, LLC (in whole or in part) to another corporation, person or firm by assignment, lease, sale or other transfer, FPL Energy Maine Operating Services, LLC will require the transferee to assume the obligations of this Agreement to its termination by specific provision in the agreement of transfer and upon the assumption of this Agreement by the

successor. Upon such transfer, all obligations to be performed hereunder on the part of the FPL Energy Maine Operating Services, LLC shall cease and be terminated.

ARTICLE 2

MANAGEMENT RIGHTS

The Union agrees, for itself and the employees, not to hinder or interfere with the management and operation of the Company in its several departments, including the assignment of work, the direction of the work force, the right to hire, the right to suspend or discharge for just cause, and the right to furlough employees because of lack of work; but in the exercise of these responsibilities, management will act in accordance with the provisions of this Agreement. This Article is intended to set forth certain rights and principles without intending to alter or amend existing rights and prerogatives of the Company or the Union.

ARTICLE 3

NEW EMPLOYEES

1. New employees shall remain employed on a temporary basis until notified by the Company that their employment is considered regular. This period of temporary (probationary) employment shall not exceed six (6) months from the hire date. However, employees will be required to join the Union after three (3) months of employment, but the Union may not represent new employees in termination until the six (6)-month probationary period has been completed.
2. The Company will notify the Union of all new hires and terminations in represented classifications within one (1) week of their occurrence. Rates of pay for new hires shall be included in the notification.
3. For the purpose of this provision “new employees” shall be “probationary employees”.
4. New Employees shall be eligible to receive payment for Holidays in accordance with the terms of this Agreement after completing three months of continuous employment with the Company
5. New employees shall qualify for Health benefits as deemed appropriate and in accordance with the prevailing conditions set by the New England Electrical Workers Benefit Fund.

ARTICLE 4
COOPERATION

Employees of the Company agree to perform efficient work and service and to support efforts of the Company to achieve greater productivity. It is also agreed that the employees and the Union shall make every effort to use their influence and best endeavor to protect the property of the Company and to avoid unproductive time, materials, tools, and equipment. Dishonesty in any circumstance or misrepresentation of facts presented to the Company shall be grounds for disciplinary action. At such time as there may be any dispute or concern regarding the direction of the Company, such dispute or concern shall be presented to the Company in the form of a grievance in accordance with the grievance procedures set forth by Article 16. At no time shall an employee disregard, disobey or fail to comply with a directive of the Company, except when the directive is either illegal, immoral and/or unsafe.

ARTICLE 5
DISCRIMINATION

Neither the Company nor the Union or its membership shall discriminate against any individual with respect to compensation, terms, conditions or privileges of employment because of such individual's race, color, religion, age, sex, national origin, sexual orientation, physical or mental disability, marital status or status as a disabled veteran inclusive of the Vietnam war, or Union membership. The Company will not discriminate against, interfere with, restrain, or coerce any employee because of membership in the Union. The Union agrees that it will not coerce or intimidate non-Union employees and that it will use its best efforts to prevent its members from so doing.

ARTICLE 6
WORKING HOURS

The work schedule shall be determined by the Company in a manner that recognizes the production requirements for the efficient operation of the facility. The schedule may consist of five (5), eight (8)-hour shifts, four (4) ten (10)-hour shifts or rotating schedules of twelve (12)-hour shifts as deemed necessary by the Company. Work schedules shall be defined as a number of hours regularly scheduled in a cycling or repetitive manner for the purpose of staffing the Company's operation.

Schedules of Work for Shift Workers

At fossil plants, unless otherwise required to meet unusual production demands related to maintenance or generation needs, the regular work schedule shall be four (4), twelve (12)-hour rotating crews.

The regular schedule hours of work for operating employees will consist of seven (7) days in a normal pay period. Three (3) workdays will be scheduled in one (1) week with four (4) work days in the other. The maximum normal scheduled workday length will be twelve (12) hours. In connection with the overtime hours provisions, all overtime hours worked will be paid for and no employees shall be required to take time off to offset overtime hours worked.

Schedules of Work for Day Workers

The normal work week shall be from seven o'clock (7:00) AM to three-thirty (3:30) PM with a one-half (½) hour lunch between eleven-thirty (11:30) AM and twelve-thirty 12:30 PM. The normal work week shall be five (5) workdays per week, Monday-Friday, and the normal workday shall be eight (8) hours per day.

For the purpose of training and other special needs, employees may occasionally be rescheduled to work five (5) consecutive days of eight (8) consecutive hours (exclusive of meal time) per week between the hours of 7:00 AM and 3:30 PM, Monday through Friday.

Employees may be rescheduled to work on two (2) or three (3) shifts per day basis (by giving at least twenty-four (24) hours' prior notice) to handle prearranged repair or maintenance jobs or emergency repairs or maintenance jobs which will require more than four (4) days for completion on a rush basis. These employees may be assigned to any shift needed, and will be paid the equivalent of the "S" classification. All hours worked for the next twenty-four (24) hours following a change in schedules, where the twenty-four (24) hours' notice was not given, shall be paid at one and one-half (1½) times the regular straight-time hourly rate. For the purpose of this paragraph, "rush basis" means the work will be scheduled at least six (6) days per week.

The Company will be allowed to change the schedule of employees, and have them stay on that schedule, for a minimum period of two (2) workdays. An individual will not be required to work an assignment of this type (less than the normal assignment of more than four (4) workdays)

more than once during a pay period. Assignments made under the provisions of this contract that are more than four (4) days will not be affected in any way due to this modification.

Remote Worksites/Locations

When crews are scheduled to work for five (5) or more consecutive days away from their regular reporting location, and the location of the job assignment is more than one and one half (1½) hours from their regular reporting location, the employees will be allowed to travel back to their regular reporting location at the completion of work on Wednesday, and will return to the remote job site on Thursday morning.

The Company agrees to allow for reasonable conditions pertaining to the employee's ability to take a lunch break inclusive of limited travel to an acceptable location or facility. Workers assigned by the Company to provide coverage at remote facilities where residence is required at the worksite, and are therefore expected to be available for call at that worksite, shall be paid an additional amount equal to two (2) straight-time hours of pay per day to a maximum of ten (10) straight-time hours per seven (7) day period for each pay period so assigned. Alternate job schedules will be negotiated with the Union.

Rest Period

During extreme or unusual circumstances, employees may be required to work hours beyond sixteen (16) consecutive hours of work. In such an extreme circumstance, employees shall be paid an amount equal to two (2) times that employee's regular rate of pay. For the purpose of

this provision, this double time rate shall be payable for all hours actually worked beyond sixteen (16) hours and continue until such time as that employee has been granted eight (8) consecutive hours off as rest time. For the computation of sixteen (16) consecutive hours of work, a break up to and including two (2) hours shall be included for employees who have left the worksite/ premises and are required to return.

An employee required to change crews at the prerogative of the company, shall do so without loss of scheduled time off, during scheduled days off.

ARTICLE 7

HOLIDAYS

Employees who have been continuously employed with the Company for a period of no less than three (3) months from their most recent date of hire shall be entitled to receive nine (9) holidays, (New Years' Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving and Christmas), and three (3) days as "floating" holidays, which shall be scheduled for use subject to the approval of management. Such approval shall not be unreasonably denied. Utilization of such "floating" holidays shall be in a manner recognizing the Company's production requirements. Hours actually worked on a day designated as a holiday shall entitle employees to one and one-half (1½) times the normal hourly rate of pay.

Holiday pay will be paid when an employee is on jury or witness duty, out due to sickness, accident or funeral leave or other paid company leave; provided, however, that in the case of extended sick leave, the employee shall receive pay only for the holidays which fall within the calendar year in which the employee actually worked for the Company. In cases where an employee receives holiday pay within a sick leave period, the employee shall be entitled to a substitute day of sick leave, if necessary.

If a holiday is observed on a day within the employee's vacation period, the employee shall receive an additional day off, with normal straight-time pay, at a time to be designated by the Company, or holiday pay in lieu thereof, at the employee's election, provided (1) the employee

notifies the Company of his/her election, (2) the Company determines that operating conditions permit it, and (3) there is no additional cost or other penalty to the Company.

When a holiday falls on Sunday, Monday will be the day observed for the purposes of this Agreement. Likewise when a holiday falls on Saturday, Friday will be the day observed. When a holiday falls on any other day, that day will be the day observed for the purposes of this Agreement, unless the Company and the Union mutually agree upon a different day. If in some community there is a practically unanimous shift of observance of the holiday from one day to another, the Company's observance of the holiday in that community may shift to coincide with that of the community.

Holidays Worked: Shift Workers

1. Employee receives eight (8) hours of holiday pay plus twelve (12) hours at one and one-half (1½) times their normal regular hourly rate of pay.
2. Employee scheduled off or requests to be scheduled off. Company grants time off considering adequate staffing. Seniority prevails. Employee receives eight (8) hours of holiday pay, and may choose to add four (4) hours of vacation pay, to cover the difference between eight (8) hours and those hours normally scheduled.

Scheduled Floating Holidays

Employees required to report on a day observed for hours which had been scheduled as off duty, shall be paid at one and one-half (1½) times the regular rate of pay.

Regular Calendar Holidays

When an employee has more than four (4) consecutive days off, and the holiday falls on one (1) of these days off, the closest scheduled workday will be observed as the holiday. The holiday will be observed on the last scheduled workday if the holiday falls in the middle day of an odd number of days off.

Alternate schedules of rotating shifts may require a modification to this provision in application. In such a case, the past practice agreed to by management and the Union shall continue. This would apply where a two-three-two schedule is in practice. In all cases, the conditions set forth by Article 8 Overtime of this Agreement shall apply.

Employees who are required to work on a holiday, at such time as the requirement of work concerns hours which are normally outside of hours constituting a normal workday or shift, those hours actually worked, and those hours only, require payment to the employee at the rate of two (2) times the normal hourly rate of pay.

ARTICLE 8

OVERTIME

The premium rate equal to one and one-half (1½) times the normal hourly rate shall be paid for all hours actually worked beyond those hours normally constituting a workday, shift or period and for those beyond forty (40) hours in a work week without pyramiding or duplication. At such time as a work week shall be of a work schedule consisting of less than forty (40) total hours worked, additional days or hours of work scheduled on an additional report basis shall require payment of overtime after forty (40) hours of actual work. An employee required to report for additional workdays/shifts during a scheduled work week shall receive one and one-half (1½) times the normal hourly rate of pay for all hours actually worked beyond forty (40). An employee required to work an additional workdays/shifts when such days/shifts begin on a Sunday, shall receive pay at the rate of two (2) times the normal rate of pay for all hours actually worked. There shall be no duplication of hours or pyramiding of wages in the computation of overtime. The prerogative to determine or require the scheduling of work in a manner which would require the payment of premium rates of pay shall be at the sole discretion of the Company. At such time as an employee is required to work an extended shift without a rest or break in a manner creating time worked to be beyond sixteen (16) consecutive hours, those hours actually worked beyond sixteen (16), shall be compensated at the rate of two (2) times the normal or regular hourly rate of pay for that employee.

The Company has the authority and ability to avoid payment of premium wages to the extent allowable in accordance with provisions of this Agreement.

ARTICLE 9

CALL-OUTS/CALL-OFFS

Employees required to report to a generation work site for reasons compelled by the Company's operation, shall receive payment at the regular hourly rate of pay for a minimum of three (3) hours.

The overtime call list, rotation of overtime opportunities and equalization of overtime shall be established and administered as mutually agreed by the immediate supervisors and the Union Stewards representing the employees involved. Consideration in the distribution of overtime shall be made for purposes of maintaining skill sets and abilities as desired by the Company for progression or career development and to maintain the Company's high safety standards.

Overtime on call-outs required shall be at a frequency or number and for a period as determined by the Company. Once a process is established, there shall be no variance from that process to discriminate against any employee; however, by mutual agreement consideration may be given based upon the most productive manner to utilize required skills of employees to be called in.

Call-Offs

A call-off is a cancellation of a previously scheduled extra report overtime work opportunity, for which an employee has committed to report. The Company shall contact an employee who has agreed and committed to work an extra report scheduled overtime eight (8) hours prior to that employee's scheduled overtime of report at the employee's last known point of contact. If the company is unable to reach the employee at that employee's last known point of contact there shall be no call-off owed to the employee. However, if the Company does not provide eight (8)

hours' notice, the employee shall receive payment equal to two (2) hours at the straight time rate of pay. Hours paid in accordance with this provision shall not count as hours worked toward the calculation of overtime.

ARTICLE 10

WAGES

Progression through wage bands based upon an additional \$0.50 per hour, up to the top of the band, in six (6)-month intervals. (Fifty cent (\$0.50) six (6) month stipend limited by top level within classification).

Employees whose work schedule is that of fully rotating, twelve (12)-hour shifts shall be so designated by the placement of an "S" at the end of their classification, whether that be an "H" (Hydro) or "F" (Fossil) classification.

Production clerks will receive an additional \$0.50/hour to the top of the scale only, upon ratification notification. An additional \$0.50/hour to the top of the scale only will become effective on March 1, 2004.

Wage increases will be as follows (as reflected in the table below):

Year	Wages	Pension
2002	1.35% effective 08/01	
2003	\$250 02/01	2.5%
"	\$350 08/01	
2004	\$1000 02/01	1%
2005	2%*	1%
2006	2%*	1%
2007	2%*	1%

*Staggered into two (2) bi-annual increases of 1% in February and 1% in August

Wage Tables

Effective August 1, 2002

Hydro Classification

Production Specialist – RCC	\$ 20.12 to 22.28	Production Specialist – RCC /S	\$ 21.90 to 24.08
Sr. Production Tech	\$ 20.12 to 22.28	Sr. Production Tech/S	\$ 21.90 to 24.08
Production Tech	\$ 16.32 to 20.00	Production Tech/S	\$ 18.10 to 21.79
Production Asst.	\$ 14.14 to 16.08	Production Asst./S	\$ 15.93 to 17.89
Production Clerk	\$ 10.87 to 17.09	Production Clerk/S	\$ 12.67 to 18.88

Effective August 1, 2002

Fossil Classification

Production Specialist – CRO	\$ 20.12 to 22.28	Production Specialist – CRO/S	\$ 21.90 to 24.08
Sr. Production Tech	\$ 20.12 to 22.28	Sr. Production Tech/S	\$ 21.90 to 24.08
Production Tech	\$ 16.32 to 20.00	Production Tech/S	\$ 18.10 to 21.79
Production Asst.	\$ 14.14 to 16.08	Production Asst./S	\$ 15.93 to 17.89
Production Clerk	\$ 10.87 to 17.09	Production Clerk/S	\$ 12.67 to 18.88

Effective March 1, 2004, Production Clerk and Production Clerk/S in both Fossil and Hydro wages will be adjusted by \$0.50 to the top of the scale to be \$17.59 and \$19.38 respectively.

Effective February 1, 2005

Hydro Classification

Production Specialist – RCC	\$ 20.32 to 22.50	Production Specialist – RCC/S	\$ 22.12 to 24.32
Sr. Production Tech	\$ 20.32 to 22.50	Sr. Production Tech/S	\$ 22.12 to 24.32
Production Tech	\$ 16.48 to 20.20	Production Tech/S	\$ 18.28 to 22.01
Production Asst.	\$ 14.28 to 16.24	Production Asst./S	\$ 16.09 to 18.07
Production Clerk	\$ 10.98 to 17.77	Production Clerk/S	\$ 12.80 to 19.57

Effective February 1, 2005

Fossil Classification

Production Specialist – CRO	\$ 20.32 to 22.50	Production Specialist – CRO/S	\$ 22.12 to 24.32
Sr. Production Tech	\$ 20.32 to 22.50	Sr. Production Tech/S	\$ 22.12 to 24.32
Production Tech	\$ 16.48 to 20.20	Production Tech/S	\$ 18.28 to 22.01
Production Asst.	\$ 14.28 to 16.24	Production Asst./S	\$ 16.09 to 18.07
Production Clerk	\$ 10.98 to 17.77	Production Clerk/S	\$ 12.93 to 19.57

Effective August 1, 2005

Hydro Classification

Production Specialist – RCC	\$ 20.52 to 22.73	Production Specialist – RCC/S	\$ 22.34 to 24.56
Sr. Production Tech	\$ 20.52 to 22.73	Sr. Production Tech/S	\$ 22.34 to 24.56
Production Tech	\$ 16.64 to 20.40	Production Tech/S	\$ 18.46 to 22.23
Production Asst.	\$ 14.42 to 16.40	Production Asst./S	\$ 16.25 to 18.25
Production Clerk	\$ 11.09 to 17.95	Production Clerk/S	\$ 12.93 to 19.77

Effective August 1, 2005

Fossil Classification

Production Specialist – CRO	\$ 20.52 to 22.73	Production Specialist – CRO/S	\$ 22.34 to 24.56
Sr. Production Tech	\$ 20.52 to 22.73	Sr. Production Tech/S	\$ 22.34 to 24.56
Production Tech	\$ 16.64 to 20.40	Production Tech/S	\$ 18.46 to 22.23
Production Asst.	\$ 14.42 to 16.40	Production Asst./S	\$ 16.25 to 18.25
Production Clerk	\$ 11.09 to 17.95	Production Clerk/S	\$ 12.93 to 19.77

Effective February 1, 2006

Hydro Classification

Production Specialist – RCC	\$ 20.73 to 22.96	Production Specialist – RCC/S	\$ 22.56 to 24.81
Sr. Production Tech	\$ 20.73 to 22.96	Sr. Production Tech/S	\$ 22.56 to 24.81
Production Tech	\$ 16.81 to 20.60	Production Tech/S	\$ 18.64 to 22.45
Production Asst.	\$ 14.56 to 16.56	Production Asst./S	\$ 16.41 to 18.43
Production Clerk	\$ 11.20 to 18.13	Production Clerk/S	\$ 13.06 to 19.97

Effective February 1, 2006

Fossil Classification

Production Specialist – CRO	\$ 20.73 to 22.96	Production Specialist – CRO/S	\$ 22.56 to 24.81
Sr. Production Tech	\$ 20.73 to 22.96	Sr. Production Tech/S	\$ 22.56 to 24.81
Production Tech	\$ 16.81 to 20.60	Production Tech/S	\$ 18.64 to 22.45
Production Asst.	\$ 14.56 to 16.56	Production Asst./S	\$ 16.41 to 18.43
Production Clerk	\$ 11.20 to 18.13	Production Clerk/S	\$ 13.06 to 19.97

Effective August 1, 2006

Hydro Classification

Production Specialist – RCC	\$ 20.94 to 23.19	Production Specialist – RCC/S	\$ 22.79 to 25.06
Sr. Production Tech	\$ 20.94 to 23.19	Sr. Production Tech/S	\$ 22.79 to 25.06
Production Tech	\$ 16.98 to 20.81	Production Tech/S	\$ 18.83 to 22.67
Production Asst.	\$ 14.71 to 16.73	Production Asst./S	\$ 16.57 to 18.61
Production Clerk	\$ 11.31 to 18.31	Production Clerk/S	\$ 13.19 to 20.17

Effective August 1, 2006

Fossil Classification

Production Specialist – CRO	\$ 20.94 to 23.19	Production Specialist – CRO/S	\$ 22.79 to 25.06
Sr. Production Tech	\$ 20.94 to 23.19	Sr. Production Tech/S	\$ 22.79 to 25.06
Production Tech	\$ 16.98 to 20.81	Production Tech/S	\$ 18.83 to 22.67
Production Asst.	\$ 14.71 to 16.73	Production Asst./S	\$ 16.57 to 18.61
Production Clerk	\$ 11.31 to 18.31	Production Clerk/S	\$ 13.19 to 20.17

Effective February 1, 2007

Hydro Classification

Production Specialist – RCC	\$ 21.15 to 23.42	Production Specialist – RCC/S	\$ 23.02 to 25.31
Sr. Production Tech	\$ 21.15 to 23.42	Sr. Production Tech/S	\$ 23.02 to 25.31
Production Tech	\$ 17.15 to 21.02	Production Tech/S	\$ 19.02 to 22.90
Production Asst.	\$ 14.86 to 16.90	Production Asst./S	\$ 16.74 to 18.80
Production Clerk	\$ 11.42 to 18.49	Production Clerk/S	\$ 13.32 to 20.37

Effective February 1, 2007

Fossil Classification

Production Specialist – CRO	\$ 21.15 to 23.42	Production Specialist – CRO/S	\$ 23.02 to 25.31
Sr. Production Tech	\$ 21.15 to 23.42	Sr. Production Tech/S	\$ 23.02 to 25.31
Production Tech	\$ 17.15 to 21.02	Production Tech/S	\$ 19.02 to 22.90
Production Asst.	\$ 14.86 to 16.90	Production Asst./S	\$ 16.74 to 18.80
Production Clerk	\$ 11.42 to 18.49	Production Clerk/S	\$ 13.32 to 20.37

Effective August 1, 2007

Hydro Classification

Production Specialist – RCC	\$ 21.36 to 23.65	Production Specialist – RCC/S	\$ 23.25 to 25.56
Sr. Production Tech	\$ 21.36 to 23.65	Sr. Production Tech/S	\$ 23.25 to 25.56
Production Tech	\$ 17.32 to 21.23	Production Tech/S	\$ 19.21 to 23.13
Production Asst.	\$ 15.01 to 17.07	Production Asst./S	\$ 16.91 to 18.99
Production Clerk	\$ 11.53 to 18.67	Production Clerk/S	\$ 13.45 to 20.57

Effective August 1, 2007

Fossil Classification

Production Specialist – CRO	\$ 21.36 to 23.65	Production Specialist – CRO/S	\$ 23.25 to 25.56
Sr. Production Tech	\$ 21.36 to 23.65	Sr. Production Tech/S	\$ 23.25 to 25.56
Production Tech	\$ 17.32 to 21.23	Production Tech/S	\$ 19.21 to 23.13
Production Asst.	\$ 15.01 to 17.07	Production Asst./S	\$ 16.91 to 18.99
Production Clerk	\$ 11.53 to 18.67	Production Clerk/S	\$ 13.45 to 20.57

Criteria/Skills

Hydro Classification

1.	Production Specialist	RCC and one (1) maintenance craft
2.	Sr. Production Tech	2 Maintenance crafts
3.	Production Tech	Full craftworker
4.	Production Assistant	--
5.	Production Clerk	--

Fossil Classification

1.	Production Specialist	CRO and one (1) maintenance craft
2.	Sr. Production Tech	2 Maintenance crafts
3.	Production Tech	Full craftworker
4.	Production Assistant	--
5.	Production Clerk	--

ARTICLE 11

SKILL SET

Employees shall progress through the stages of professional development associated with the wage progression levels. Advancement from the entry level shall be based upon an increase or a broadening of skills in the various categories associated with power generation. Employees shall determine their own personal development and therefore career path. From entry or basic levels employees are encouraged to attain skill levels and certification in the areas of electrical, mechanical, instrumentation/controls, operations and chemistry, to indicate a few. Additional skill requirements may be introduced by the Company as required by changes in operational and marketing demands. In all cases of work assignment, the skill level of the employee, the safe operation of the facility and the safety of the employee shall determine job responsibility and performance. Employees who choose to increase or improve their multifunctional value and who are qualified for a more advanced position, but are not able to advance due to positions not becoming vacant (such as Production Specialist or a Senior Technician) shall receive compensation of \$1,250 annually in recognition of additional skills, beginning at such time that certification is achieved and ongoing until such time as the actual promotion to that level does occur. Employees trained, certified and recognized as able to perform various skills shall be expected to perform at those tasks in both a knowledgeable and safe manner as assigned and required by the Company.

In accordance with the 'core' values promoted by this agreement, the Company recognizes the value of an employee contributing across multiple skill areas of expertise. Therefore, employees who become fully qualified in areas identified within this Agreement, as areas of desired value

and regularly perform and function value added by possessing these skills, that employee shall be entitled to \$1250 per year in recognition of an additional skill. Employees who become fully qualified in additional areas, identified within this Agreement, as areas of desired value and regularly perform and function providing value added by possessing these skills, that employee shall be entitled to receive an additional \$500 per year for each skilled attained, added to the original \$1,250 skill recognition reward to a maximum of \$2,250 per year.

ARTICLE 12

SENIORITY

Seniority shall be defined as the length of continuous service with the bargaining unit, by department, from the most recent date of hire. In the event of displacement of an employee as the result of a reduction in total workforce or number of positions or classifications; skills, qualifications, efficiency and capability of employees shall be the determining factors in job retention or entitlement provided, however, that if two or more employees are equally skilled, qualified, efficient and capable, the most senior employee shall prevail for purposes of job retention or preference. In cases where a dispute may arise between two or more employees having the same date of hire with the Company regarding employees of the class described as “returning retirees” hired at the time of the Company’s purchase of the Maine generation assets of Central Maine Power (CMP), the original date of hire with CMP shall be the determining factor.

At such time as there may be a recall of employees who were previously laid off from employment with the Company, the recall shall be initiated with the most senior laid off employee entitled to return to work first, with the exception that it shall be the responsibility of the employee to have maintained their skill level and/or certification on a voluntary basis during the period that employee did not perform work for the Company. Employees who do not maintain such skill levels or certification shall not be entitled to re-hire through this process. Employees failing to respond, by certified letter within ten (10) calendar days of their receiving notice of the Company’s request to return to employment, shall be considered to have resigned.

The Company shall provide to employees on lay off access to the Company's K.D.S computer training system at facilities convenient to the Company. However, employees who represent a security risk shall not be entitled to the benefits of this provision.

The language of Article 12, as it may appear in the successor agreement, is subject to modification by or through the process provided by Addendum 12-A. The outcome or results of the completion of the process of Addendum 12-A shall be incorporated into the Agreement as Addendum 12-B once the process is identified and completed.

Addendum 12-A

In acceptance of the conditions of this settlement package, the parties agree that the issue of developing a fair and accurate evaluation matrix to be used at such time as employees must be compared for purpose of job retention is a priority for the effective growth and development of FPL Energy's Maine workforce; in addition that fairness and accuracy are paramount to employee performance evaluations. An application of the value of seniority over that currently established by the collective bargaining agreement is also necessary for the Union to accept the evaluation of skills in determining employee value.

Therefore, the parties establish that upon the acceptance of this package, a committee shall be empowered to address modifications to the evaluation process, which more accurately address employee productive values. Once fair and accurate employee values are weighed, an overall percentage factor shall be developed, which once attained, effectively identifies seniority as determining job entitlement amongst those acceptable performers within the percentage group.

Upon the establishment of this committee, the Company shall provide its current evaluation process criteria to the Union members of the committee. There shall be two representatives from each party representing each business unit of the Company for a total of eight committee members. The two Union committee members from Hydro and the two Union committee members from Fossil shall submit a response with suggestions to improve the criteria within the evaluation process within two weeks of receiving the Company's process.

At that time, and continuing as necessary, thereafter by mutual agreement, discussions shall be held to reach an acceptable form of evaluation and to determine the appropriate percentage threshold for a seniority value.

If no agreement is reached by November 1, 2002 the committee shall defer to the Director of Labor Relations for the Company and the Business Manager of Local 1837 for resolution.

It is the directive of this agreement to establish a fair and effective evaluation process which, while supporting the values of the agreement, applies seniority a value among employees of relatively equal skill level.

If no agreement is reached as of January 1, 2003, the parties shall jointly submit to interest arbitration the status of agreements reached and issues remaining regarding modifications to the evaluations process to an outside and independent interest arbitration solely on the issue.

The decisions of the interest arbitrator shall reflect the initial intent of this agreement and shall be in effect for the term of the agreement. The decision of the arbitrator shall be provided to the parties no later than February 15, 2003.

ARTICLE 13

DISCIPLINE

The Company recognizes the importance of creating a positive and productive work environment for all its employees. Certain behaviors and/or actions are not acceptable and shall not be tolerated as part of the employment relationship. It is understood between the parties that the employees of this collective bargaining unit are professionals in every sense pertaining to the area of power generation. Employees shall be treated in a professional manner as an integral part of the FPL Energy team. Unacceptable and non-professional behavior shall subject the responsible employee(s) to disciplinary actions in accordance with cause, up to and including discharge. The Company may invoke discharge as necessary based upon the seriousness of an offense or the compilation of other offenses. The Company may choose and administer a level of discipline appropriate to motivate proper behavior, or to uphold its employment standards, however, unacceptable behavior may result in immediate termination. Examples of discipline may include, but are not limited to: suspension, counseling/training, written warning, reprimand, termination/discharge or verbal warning with a written record.

Suspensions and Discharges

Upon written request of the Union made within seven (7) calendar days from the date upon which a regular employee has been suspended or discharged, the Company shall grant a hearing to the regular employee involved and representatives of the Union. Upon receipt of such written request, the Company will inform the Union of the reason for suspension or discharge. The Director of Labor Relations shall hold the suspension or discharge hearing within fifteen (15)

calendar days from the date of the Union's written request for a hearing. The hearing, at the election of the employee or the Union, will be conducted before the Director of Labor Relations, and if it is established that the employee has been dealt with without just cause, the employee shall be reinstated under such conditions and with such compensation for time lost as may be decided upon. However, the Director of Labor relations may also modify penalties imposed by the Company.

1. The Union may appeal the Director's decision to arbitration within fifteen (15) calendar days after the date of the decision. If the decision is not appealed to arbitration within the aforementioned fifteen (15) calendar days, the Director's decision will be final. Time limits in this Article may be extended by mutual consent.

2. Union representatives may represent the employee at the suspension or discharge hearing without loss of basic pay.

ARTICLE 14

NO STRIKES – NO LOCKOUTS

The Union agrees that it shall neither authorize nor approve, any strike, stoppage or slowdown of work, or disruptions of the operation of the Company for any reason. The Company agrees that it will not engage in any lockout. At such time as an individual employee or group of employees acting in a manner inconsistent with the direction of the Union may act against the Company in order to stop, hinder or deny access to the Company's property or worksite, or reduce, lessen, inhibit, deny or damage the Company's ability to operate, that employee or group of employees shall be subject to discipline under the terms of this collective bargaining agreement.

ARTICLE 15

MILITARY SERVICE

The Company shall comply with and recognize the laws of the United States with respect to the employment policies and practices applicable to its employees who are required to serve in an official capacity associated with service for the armed forces of the United States as set forth within the Company's procedure manual.

Military Leave

Employees who are members of the US Military Reserves will be paid regular pay for required training duty of two weeks or less (up to eighty (80) hours). Pay will not be offset by pay earned from military service.

ARTICLE 16
DISPUTE RESOLUTION

A grievance shall be defined as any dispute, controversy, disagreement or violation which may arise as to the meaning, application, operation or interpretation of any specific provision of this Agreement. Any grievance arising between the parties as to the meaning, interpretation or application of the collective bargaining agreement or any working conditions may be settled in the following manner.

Step 1

The Union shall present the grievance to the employee's supervisor or at the lowest point of resolution within ten (10) working days of the events giving rise to the grievance. The employee, his/her shop steward or chief steward, the employee's supervisor and the department head, shall meet within five days to discuss the grievance. Within five days of the meeting, the department head or his/her designee shall issue a written response to be provided to the employee, steward and to the Assistant Business Manager of the Union. Time limits contained herein may be extended by mutual consent.

Step 2

If the Union is not satisfied with the decision, the Union may appeal the grievance in writing containing the reasons for the appeal and the basis for the grievance provided to the Company's Director Labor Relations Representative. The appeal shall be timely if postmarked to, or

received by, the Company's Labor Relations representative within fifteen (15) working days of the date of receipt of the Step 2 decision by the Assistant Business Manager. The Company's Labor Relations Representative and the Assistant Business Manager of the Union, along with any representative or witnesses the parties shall determine, shall meet within (10) working days to discuss the grievance. Within ten (10) working days of such meeting the Company Labor Relations Representative shall issue a written decision on the grievance which contains the reasons for any denial, and shall provide that decision to the Union Assistant Business Manager. If the Union is not satisfied with the decision, the Union may submit the grievance to arbitration. Time limits contained herein may be extended by mutual consent.

Nothing herein shall prevent an employee(s) from presenting a grievance to the Company and such grievances may be adjusted without the intervention of the Union provided that the adjustment is consistent with the terms of the collective bargaining agreement and the Union has been given reasonable opportunity to be present during the process of the adjustment.

Union stewards may process grievances throughout the grievance adjustment steps during normal business hours without loss of pay. The schedule of such grievance meetings will be mutually agreeable to Union and Company representatives involved.

Step 3a: Formal Arbitration

Within twenty (20) working days of the receipt of the Step 2 decision by the Union, the Business Agent of the Union may submit a demand for arbitration to the Company Labor Relations

Representative. Demands not postmarked or received by the Labor Relations Representative within such time period shall be deemed waived.

Arbitration shall be conducted under the auspices of and in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association. Notwithstanding the foregoing, the parties may agree upon a single arbitrator, and the hearing shall otherwise be conducted in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association.

The decision of the arbitrator shall be final and binding, and the arbitrator shall have no authority to add to, subtract from, or modify any provision of this Agreement.

The compensation and expenses of the arbitrator and the hearing facilities shall be shared equally by the parties, and each party shall be responsible for the cost and expense of its own witness and representatives.

Step 3b: Expedited Arbitration

The procedures stated in the Step 3B shall apply to suspensions and lesser degrees of disciplinary action administered by the Company to any individual employee.

In lieu of the arbitration procedures set forth in Article 16 of this Agreement, any grievance involving the discipline of an individual employee short of discharge, shall be submitted to arbitration under this expedited procedure hereafter provided, within fifteen (15) calendar days after the filing of a request for arbitration. In all other grievances subject to arbitration under this

Agreement, the parties may, within fifteen (15) calendar days after the filing of a request for arbitration, jointly agree to use the expedited arbitration procedure hereafter provided. Such joint agreement shall be in writing and, when signed by the authorized representatives of the parties, shall be irrevocable. If no joint agreement is reached within the foregoing period, the arbitration procedures set forth in Article 16 shall be followed.

1. As soon as possible after this Agreement becomes final and binding, a panel of five arbitrators shall be jointly selected by the parties. The arbitrators selected shall be notified by a joint letter from the parties. Each arbitrator shall serve until the termination of the Agreement unless his or her services are terminated earlier by written notice from either party to the other. Notification of termination of an arbitrator shall be by joint letter from the parties. A terminated arbitrator shall conclude his/her services by deciding any grievance previously presented. A successor arbitrator shall be selected by the parties. Arbitrators shall be assigned cases in rotating working order designated by the parties. If an arbitrator is not available for a hearing within ten (10) working days after receiving an assignment, the case will be passed to the next arbitrator. If no one of the arbitrators can hear a case within (10) working days, the case will be assigned to the arbitrator who can hear the case on the earliest date.
2. The procedure for expedited arbitration shall be as follows:
 - (a) The parties shall notify the arbitrator in writing on the date of agreement to use these procedures, or on the date of the demand for arbitration in the case of suspensions and lesser degrees of discipline to resolve a grievance by expedited arbitration. The arbitrator shall notify the parties of the hearing date. These notices may be by other means of communication upon the agreement of the parties.

- (b) The parties may submit to the arbitrator prior to the hearing, a written stipulation of facts not in dispute, or separate statements of position.
- (c) The hearing shall be informal, without formal rules of evidence and without a transcript. Either party may present any part of its direct case in affidavit form, provided that the affidavit is present and may be cross-examined at the discretion of the other party. However the arbitrator shall be satisfied that the evidence submitted is of a type on which he/she can rely. That the hearing is in all respects a fair one, and that all facts necessary to a fair settlement and reasonably obtainable are brought before the arbitrator.
- (d) Closing arguments shall be delivered orally at the close of the hearing, unless the parties mutually agree, or unless the arbitrator directs the parties, to submit brief written summaries of the issues raised at the hearing and arguments supporting their positions. In such event, briefs shall be submitted by mail postmarked within (5) working days after the hearing. The arbitrator shall issue his/her on her written decision and supporting reasons within (5) days after receiving the briefs.
- (e) The arbitrator's decision shall be final and binding only to the instant grievance, and shall not constitute a precedent for the other cases or grievances and may not be cited or used as a precedent in any other proceeding except in an action to enforce its provisions.
- (f) The time limits in (a) or (d) of this section may be extended by agreement of the parties or at the request of the arbitrator, in either case only in emergency situations. Such extensions shall not circumvent the purpose of this procedure.
- (g) The arbitrator shall have no authority to add to, subtract from, or modify any provision of this Agreement.

- (h) The decision of the arbitrator shall settle the grievance and the Company and the Union agree to abide by such decision. Each party shall bear the expense of its representatives and witnesses.
- (i) The time limit within arbitration that may be requested under this provision shall be the same as in existing procedures.

GRIEVANCE REPORT

1. Contract Provisions Allegedly Violated:

2. Date:

3. Aggrieved Party(s):

4. Location:

5. Circumstances of Dispute:

6. Remedy Requested:

7. Signature

Date

Step 1 met with

Date

Result

Step 2 met with

Date

Result

Arbitration Request

Date

Result

ARTICLE 17
BEREAVEMENT

Bargaining Unit employees whom have successfully completed their probationary period shall be entitled to three (3) days of leave to be taken consecutively for the purpose of meeting the responsibilities associated with the death of a parent, a family member of the immediate household, a father-in-law, mother-in-law, son, daughter, step-son, step-daughter, brother, sister, grandparent or grandchild, grandparents of spouse, sister/brother-in-law, uncle or aunt. Regularly scheduled days off shall count toward the calculation of three (3) days for the purpose of meeting the benefit of this provision. Consecutive days as stated herein are determined as days necessary to attend usual bereavement functions. It is understood that unique circumstances may require that one (1) day of the three (3) be taken at a later date as weather or ground conditions may delay burial. Employees shall be compensated at normal rates of pay for up to the three (3) days. Bereavement leave shall neither duplicate nor extend beyond other scheduled time off nor compound or create additional wages.

The Company shall make reasonable accommodations to provide time off for an employee to have the opportunity to attend or be a pallbearer at the funeral of an employee or retiree. Employees so choosing to attend shall be afforded an opportunity to “make up” lost earnings in accordance with the governing provisions for make up time set forth in this Agreement.

ARTICLE 18

TRANSFER OPPORTUNITIES

The Company shall determine, if in fact a vacancy does exist. Upon such determination the Company shall post as notice, a form with the specific job conditions of the position to be filled and provide a copy to the Union. The form shall be completed in triplicate allowing for employees to record their desires for transfer to other vacant positions. Each employee participating in the posting process shall be provided a copy of the original posting notice once complete. The Company and the Union shall maintain copies produced by the original posted form. The location of the vacancy to be filled shall maintain the original. The successful bidder shall be determined as the most senior qualified bargaining unit applicant. The Union shall be provided its copy of the results of the posting process within fourteen (14) calendar days of completion.

If a posted transfer opportunity remains unsigned and therefore of no interest to bargaining unit employees for a period of ten (10) calendar days, it shall be removed from display and the Company shall then determine the manner by which it shall fill the vacancy. If by this process no qualified candidate is determined, the Company may hire from any available source.

Priority in filling vacancies shall be granted in accordance with the following:

1. For Hydro Operations Positions
 - (a) Within the Hydro Generation Department
 - (b) Within the Fossil Generation Department
 - (c) From within any other represented department

2. For Fossil Operations Position

- (a) Within the Fossil Generation Department
- (b) Within the Hydro Generation Department
- (c) From within any other represented department

Career Development Appointment Opportunity

For the purpose of filling vacancies in accordance with the terms of this provision, the company shall consider employees who have selected a career path within the qualification criteria established for the vacant position. However, for such consideration the employee must demonstrate a skill level within sixty 60% percent of the average level of those employees working in the same classification. In addition, the employee shall submit a skillset completion schedule which shall attain certification no later than six months after the start of working within the new classification.

An employee filling a vacancy under this career development appointment provision shall remain at the rate of pay applicable for the position from which they originate until completion of the six month development period. Employees who do not demonstrate reasonable effort to attain certification may be removed upon seven days notice to both the employee and the Union. At that time the Company shall consider the vacancy as having no qualified candidate.

ARTICLE 19

MEALS

At such time as management requires an employee to perform work outside of the hours constituting the employee's regularly scheduled hours, employees shall be entitled to a break from actual work responsibilities which shall be reasonable to allow for eating a meal. The meal break shall not exceed twenty (20) minutes unless unusual circumstances exist and management agrees. The first meal break shall occur after two (2) hours from the reporting time and prior to three (3) hours from the reporting time for an early report. An employee held over shall be entitled to a break in accordance with this provision beyond the second hour of extra work and prior to the third hour of extra work.

Meal breaks shall be scheduled in a manner that does not interfere with employee productivity as that productivity relates to a crew operation. If at all possible, employees working as part of a crew shall rotate or alternate meal periods. Thereafter, employees shall be entitled for a one-half ($\frac{1}{2}$) hour meal break after five (5) hours continuous work.

ARTICLE 20
LEAVES OF ABSENCE

Employees may request an unpaid leave of absence from the Company for justifiable purposes such as, but not limited to:

1. Family and medical leave in accordance with federal statutes;
2. Personal reasons other than employment or self-employment;
3. Other legitimate reasons acceptable to the Company

The time frame surrounding each leave, when approved, shall be established regarding duration and date of return. An employee failing to return on the specified date of return shall be deemed to have resigned from employment with the Company. There shall be no extensions or accrual of benefits requiring salary-based contributions by the Company on behalf of an employee during a period of unpaid leave.

Union Leaves

An employee of the Company required to perform in some capacity as a full-time representative of IBEW Local 1837 or the international organization affiliated with the same, shall be granted unpaid leave for the period so required. Such employee shall enjoy a continuation of his/her seniority privilege from his/her last date of hire, and the ability to return to employment with the Company based upon skill set ability or the ability to establish the skills required within six (6) months. If the employee is able to perform at the required level, that employee shall be reinstated to the position held prior to taking leave.

ARTICLE 21

WORK-RELATED DISABILITY RETENTION

Employees who are determined able to return to regular employment, from an illness or injury which was ultimately determined as work-related and therefore non-controvertible and compensable under the provisions of the Maine Workers Compensation Act, shall be entitled to do so without a reduction of wage and with regular benefit levels as those levels are determined by contributions for time worked. However, such employee shall be required to re-certify, within a reasonable period of time, in the skills required to justify the wage rate.

Positions filled in accordance with this provision shall not be subject to the posting provision of this agreement. The Company shall determine reasonable conditions pertaining to the position affected by this process. The Union maintains its authority to review or challenge the Company's determination.

ARTICLE 22

BENEFITS

1. Pension

The proposed pension plan to include a cash balance feature effective January 1, 2000.

(a) Plan Design

- Conversion to Basis Valuation - General Agreement on Tariffs and Trade (GATT)
- Basic Credit - 4.5% / 6.0% / 4.5%
- Interest Credit - Tied to the yield on One Year Treasury constant maturities
- Transition Credit - 3% for 20 Years

(b) Basis Valuation

The basis valuation is the present value of the employees' accrued age 65 monthly benefit as of 4/7/99 as determined by CMP's actuaries. The accrued benefit determined as of 4/7/99 is CMP's payment obligation. The incremental portion of benefit accruals will be paid through the FPL Group Employee Pension Plan.

The basis valuation will be utilized as a starting point for future interest credit calculations in each employee's account.

(c) Pension Basic Credit

The basic credit is a credit provided to active FPL Energy Maine Operating Services, LLC employees annually. The basic credit is calculated using the percentages below based on years of service. The percentages are applied to each employee's pensionable earnings.

- Less than 5 Years of Service 4.5%
- 5 to 30 Years of Service 6.0%
- 30 Years of Service and Over 4.5%

(d) Pension Transition Credit

The transition credit is a credit provided to eligible active FPL Energy Maine Operating Services, LLC employees. The transition credit formula is 3% of pensionable earnings for the lesser of 20 years or the date employment ceases with FPL Energy Maine Operating Services, LLC.

(e) Pension Transition Credit Eligibility

Any active employee who transitioned from CMP to FPL Energy Maine Operating Services, LLC on the date of the sale close date is eligible for the program. Employees must have been actively employed as of the transition and remained employed through the proposed pension plan implementation date (1/1/2000).

(f) Pension Interest Credit

An interest credit is a credit provided quarterly to FPL Energy Maine Operating Services, LLC employees. The interest credits will be applied to your account at the end of the year as long as you have a pension balance in the Plan. The interest credit is equal to a percentage of your opening account balance as of the preceding January 1. The rate of interest credit

percentage is tied to the yield on one-year Treasury constant maturities. The rate could vary from year to year, but it will be the same for each participant and will be announced at the beginning of each year. Interest credits are made to your account as long as your account remains with FPL Energy Maine Operating Services, LLC, regardless of whether or not you remain an employee. A partial year's interest credit will be made in the year your account is distributed. Interest credits will stop when your account is distributed or when you commence receiving a monthly pension benefit.

(g) Annuity from date of retirement until age 65

Upon the effective date of the agreement, the obligation to provide an annual retirement annuity, as contained in the "Agreement between FPL Energy Maine Operating Services, LLC and Local 1837 International Brotherhood of Electrical Workers August 1, 1999 to February 28, 2003", for employees hired after August 1, 1999 (who retire between the ages of 55 and 65 with twenty or more years of service) is replaced with the following:

All employees who meet the following age and service requirements will receive an annual annuity of \$2,700 from the date of retirement until age 65:

Age at Retirement	Years of Service*
55	30
56	28
57	26
58	24
59	22
60 or older	20

* Years of service are based on hire date or adjusted service date (if applicable). For the purposes of this benefit, employees who transferred from CMP to FPL Energy Maine Operating Services LLC at the time of the sale of assets from CMP to FPL, "Years of Service" shall include years worked at CMP. Years of service will be adjusted based on break in service.

(h) Enhanced Retirement Package

To avoid involuntary layoffs, the Company will provide a one-time pension enhancement to employees who elect to retire on a voluntary basis under the provisions of the enhanced retirement package. The one-time lump sum credit will be made to the employee's cash balance account.

The enhancement will be paid to a maximum of 16 retirees, as detailed below:

- Nine (9) Production Tech Classification at WF Wyman
- One (1) Shift Production Specialist Classification at WF Wyman
- One (1) Production Clerk Classification at WF Wyman
- Five (5) Hydro
 - Two (2) Production Techs
 - Two (2) Senior Techs
- One (1) Production Specialist

Eligibility will be determined on a seniority basis, with the amount of the one-time credit determined by years of service as follows:

- Employees with 25 years of service or greater will receive a one-time lump sum credit of \$20,000 to the employee's cash balance account.
- Employees with less than 25 years but greater than 20 years of service will receive a one-time lump sum credit of \$15,000 to the employee's cash balance account.
- Vested employees with less than 20 years of service will receive a one-time lump sum credit of \$10,000 to the employee's cash balance account.

In addition, if at any time during the term of this Agreement the company initiates forced layoffs, the company agrees to offer a similar program, under substantially similar terms to the number of employees affected.

(i) Supplemental Basic Credits

Effective January 1, 2003, all active employees will receive the following supplemental credits to their cash balance accounts:

- 2003 - 2.5% of Pensionable Earnings*
- 2004 - 1% % of Pensionable Earnings*
- 2005 - 1% % of Pensionable Earnings*
- 2006 - 1% % of Pensionable Earnings*
- 2007 - 1% % of Pensionable Earnings*

The pension enhancement will be calculated as a percent of annual pensionable earnings posted February 1.

*Pensionable earnings include:

- regular base pay
- holiday pay
- vacation pay
- lump sums
- temporary relieving pay

2. THRIFT 401(k)

Contributions:

Company Match:

First 3% of base pay

100%

From greater than 3% up to 6% of base pay

50%

For greater than 6% up to maximum of 7% of base pay

25%

(a) Thrift Plan 401(k) Fees

Thrift plan participants will pay for record-keeping fees. The current rate is \$1.25 per quarter. Subsequent fee changes (increase or decrease) will be negotiated prior to being passed on.

Thrift plan participants will pay for loan fees. The current rate is \$3.75 per quarter per outstanding loan. Subsequent fee changes (increase or decrease) will be negotiated prior to being passed on.

Implementation date for the fee payments – first quarter 2000.

(b) Thrift Plan 401(k) Funds

Employees will be eligible to participate in the fund window - offering additional funds for investment. There is no charge to access the fund window. The employee will pay management fees and expenses and any short-term trading fees.

Implementation date for the fund window – 1/1/2000.

(c) Thrift Plan 401(k) Loan Coupon Service

Employees will be eligible to continue loan repayment following retirement or termination through a loan coupon arrangement.

Implementation date for the loan coupon – 1/1/2000.

(d) Thrift Plan 401(k) Features – Effective 8/1/99

Two loans maximum per participant effective 8/1/99. Existing loans in excess of two do not have to be immediately repaid.

The vesting is 100% after six (6) months of service.

Thrift plan participants upon date of ratification of the agreement will be eligible to contribute up to 20% of base pay on a before-tax basis (subject to IRS limits).

Thrift plan participants have the opportunity to contribute monies to the thrift plan on an after-tax basis, subject to regulatory limitations. Limits apply per employee handbook.

Eligibility for participation in the 401(k) plan will be the first day of the month following a full month of employment.

The Thrift plan shall be modified to provide:

- Dividend pay-out option applicable to stock the employee purchases, not applicable to the FPL LESOP Company match.
- Catch-up contributions to the Thrift plan
- Portfolio Planner and Employee Investment Services
- Decrease in hardship withdrawal suspension from twelve (12) months to six (6) months.

3. Voluntary Benefits

(a) Adoption Assistance – Effective 8/1/99

- \$2,500 reimbursement on eligible expenses
- Child must be under 18 and not biologically related to either parent
- Not taxable if household gross income is under \$150,000.

(b) Group Legal – Effective 1/1/2000

- Legal counseling provided through 800 number
- Monthly premium - \$17.00*
- Employee paid - including future increases

Company selected vendor – ARAG

*FPL Energy Maine Operating Services, LLC’s 2002 rate, subject to change

(c) Health Care Spending Account

(d) Dependent Care Spending Account

4. Paid Time Off

(a) Vacation

1. Vacation Schedule:

6 months	5 days (40 hours - per section 2 below)
1-4 years	10 days (80 hours)
5-11 years	15 days (120 hours)
12-19 years	20 days (160 hours)
20+ years	25 days (200 hours)

Vacation time may be taken in four (4) hour increments.

2. Employees completing six (6) months continuous service with the Company not later than October 1 in any calendar year will be allowed in said year, a continuous vacation with straight—time pay of one (1) normal work week (40 hours) in that year. Thereafter, employees will be allowed vacation on the same terms according to the above schedule.

Vacations shall be without duplication and shall be taken at times appointed by the Company after consideration of requirements of the Company's business, employees' preferences and preferential privileges of employees with longest length of service. It is understood that in scheduling so many vacations among so many employees, greater regard must be given to requirements of the Company's business in appointing all vacations and in particular one of the three, two of the four, and three of the five weeks may be scheduled by the Company for taking at any time during the calendar year, and shall be scheduled at those times and on those operating occasions when in the Company's judgment they can most economically and conveniently be scheduled. Also, in scheduling the third, fourth and fifth weeks, length of service shall be a factor for consideration only (1) in and among the group of employees entitled to the third week in scheduling that week, (2) in and among the group entitled to the fourth week in scheduling that week, and (3) in and among the group entitled to the fifth week in scheduling that week.

3. Subject to the foregoing provisions, the second, third, fourth, or fifth week of non-shift workers entitled to such length of vacation may be split and taken in separate calendar weeks when in the opinion of the Company such split vacations would not interfere with the

operating conditions of the Company. In addition, fractional parts of a week (including unused holiday entitlement) may be carried forward to the following year. Fractional vacation and holiday combinations shall not exceed a total of thirty-two (32) hours, or four (4) days. Shift workers will be allowed to split two (2) weeks vacation. Preference will be given to full weeks over split weeks.

4. Vacation preferences for the first four (4) months of the following year must be indicated on the calendar no later than December 1 of the preceding year. The first two (2) weeks of vacation entitlement must be indicated no later than May 1 of any year. This schedule will then be removed and re-posted on May 15 to indicate any remaining vacation entitlement including carry-over.

5. When requests for vacations are posted, the employee is to designate the order of preference by marking weeks 1, 2, 3, 4 or 5. Also, if a holiday occurs during a vacation period, the employee can request, at the time of posting, an additional day of vacation and the Company may either grant the Friday before or another day in the 15-month vacation scheduling calendar, or in lieu thereof, the Company may grant holiday pay.

6. Up to two (2) weeks of employees' vacation benefit may be carried over into the following year provided that employees use the allotted time in full week increments and indicate their choice on a 15-month vacation scheduling calendar with first consideration given to employees with the longest length of continuous service. An employee may, in addition to the previously mentioned two (2) weeks, as indicated above, carry-over up to four (4) split vacation days. Any carry-over from one year to the next must be used within the first

quarter of the following year, and it is further understood that the total absence from work because of vacation will not exceed four (4) consecutive weeks.

An employee may indicate on the vacation scheduling calendar that his or her first and/or second week(s) of vacation entitlement are to be used during the carry-over period, and in so doing, waives his or her right to protect those two (2) weeks in the calendar year in which the entitlement was earned.

7. Employees who are discharged for cause shall not be entitled to vacation benefits.

Employees whose employment is otherwise terminated, voluntarily or involuntarily, (a) on or after July 1 of any calendar year shall be entitled to a vacation benefit which would be due had they worked the entire calendar year, and (b) prior to July 1 of any calendar year shall be entitled to a pro-rata part of such vacation benefit upon the basis of one-sixth (1/6) of the vacation pay for each month worked after January 1 of that calendar year. Fractions of a month shall be counted as a whole month in the pro-rating if the employee concerned has worked one (1) normal work week in that month. Employees who are retired under the Company's Retirement Income Plan on the first of the month immediately following their birthday will be entitled to vacations in full for the year in which they are retired provided they perform work for the Company in that year.

8. Any employee who elects to retire on a date other than the first of the month immediately following their birthday, must work three (3) months into any calendar year (retirement date of May 1, or after) in order to qualify for his or her full vacation entitlement. Up to one (1) week of vacation entitlement may be taken at any time during the 1st quarter in order for the

employee to get his or her full vacation entitlement. All other vacation benefits will be pro-rated on the basis of one-sixth (1/6) vacation entitlement for each month worked.

9. In a case where an employee's vacation time has been appointed and the employee is subsequently, at the Company's request, required to postpone it or interrupt it in order to work, he or she will receive his or her vacation pay (pro-rated if less than his or her entire vacation time is worked) and, in addition, will receive pay at time and one-half (1½) for the work performed, all provided no substitute vacation time is offered. If, when an employee's appointed vacation time has been changed by the Company, he or she is obliged to forfeit a deposit on a cottage rented for the period, the Company will reimburse the employee for one-half (½) of the forfeited amount.

10. In a case where the Company does not interfere with the taking of a scheduled vacation, but interference results from the employee falling ill or having an accident just before the end of his or her work prior to his/her vacation period, the Company will, if requested, give the employee a second chance to take a vacation in that calendar year, if (a) the other employees concerned cooperate to that end, and (b) it can be done without additional cost to the Company.

An employee will be entitled to vacation pay if he or she is unable to receive his or her vacation entitlement because of illness or accident and does not return to work before the end of the year, less any actual vacation time which the employee may have received prior to this sickness or accident and provided he or she has performed work for the Company during the year.

The time paid as vacation will be considered a break in the employee's sick leave and he or she will become entitled to an additional amount of sick leave for an illness or accident, if necessary, proportionate to the amount of vacation time paid during the month of December.

The amount of vacation entitlement will be based upon the full amount to which the employee has become entitled if the sickness or accident condition occurred on or after July 1. If the sickness or accident condition occurred before July 1, the employee will be entitled to a pro-rata part of such vacation benefit upon the basis of one-sixth (1/6) for each month worked after January 1 of a calendar year. Fractions of a month shall be counted as a whole month if the employee concerned has worked one (1) full week in the month.

Notwithstanding any provision of the foregoing, if an employee falls ill in October, November or December with a continuing illness which prevents him or her from taking the balance of his or her regular vacation which has been scheduled during these months, and provided the employee returns to work before the end of the year, at the Company's option the employee may take the vacation time during the first quarter in the following year, or be paid for said vacation time.

(b) Sick Leave – Effective 1/1/2003

Effective January 1, 2003, the balance in the employee's sick leave bank will be adjusted to ten (10) days. New employees will be credited with five (5) days in the sick leave bank. Employees will accrue five (5) sick days each subsequent year, up to a maximum balance in the bank of ten (10) days. Illnesses of less than ten (10) days will be deducted from an employee's sick leave

bank. Illnesses in excess of the employee's sick bank will be considered leave without pay.

Employees and the Company recognize the value and benefit of available sick leave and support prudent and responsible use of this benefit. In addition, employees will be entitled to the Weekly Accident and Sickness Benefits under the New England Electrical Workers Benefits Fund.

(c) Short Term Disability (STD)

Non-occupational injuries or illnesses in excess of five (5) days will be covered through a short-term disability program. The employee is responsible to contact the administrator's case management office by the third (3rd) day of illness to notify the case manager of a pending short-term illness. The Company has the right to request a second (2nd) medical opinion at the Company's expense. Covered short-term disability incidences require the approval of the administrator's case manager based on industry practice guidelines, the individual's medical condition, and the individual's physician's medical evaluation. Short-term disability insurance continues while the employee is out of work based on medical necessity. Short-term disability runs concurrent with the Family Medical Leave Act. Short-term disability insurance continues through the employee's illness, while medically necessary, up to twenty (20) weeks. Following twenty (20) weeks, the employee may be eligible for long-term disability coverage. Long-term disability coverage is a separate medical evaluation from the short-term disability. Throughout the injury/illness the case manager will work with the employee to assist in the most efficient recovery, as well as with the employee and the company towards returning the employee to work as soon as possible. Short-term disability applies to non-occupation illnesses and injuries only and, therefore, does not cover occupational injuries or illnesses that are covered under workers' compensation or other insurance programs

Sick Leave / STD

Benefits under the STD are based on length of service as shown in the table below:

	Accrual	Elimination 100%	100% pay for up to	80% pay for up to	60% pay for up to
New Hire	5 days	5 days	N/A	3 weeks	16 weeks
0-14 years	5 days	5 days	3 weeks	3 weeks	13 weeks
15+ years	5 days	5 days	6 weeks	6 weeks	7 weeks

It is recognized that FPL contributes toward the STD benefits sponsored by the New England Electrical Workers Benefits Fund and therefore STD Benefits will be reduced by the amount of the Weekly Accident and Sickness Benefit the employee is entitled to under the New England Electrical Workers Benefits Fund, currently \$400 per week.

(d) Long Term Disability (LTD)

- 60% / 60% +COLA
- Company provides full cost of coverage at 60% of pay option and individuals have the option to purchase +COLA at their expense.
- Individual should apply prior to twentieth (20th) week for uninterrupted payments
- Individual must apply for social security disability insurance

An employee's monthly income during a disability can come from several sources:

- Social security disability benefits
- Workers' compensation benefits (if eligible)
- Your option under this plan
- Other employer sponsored group disability income (LTD) plans
- Social security retirement income (when eligible, and not approved for social security disability benefits)
- **Any benefits payable under the New England Electrical Workers Benefits Fund**

The LTD plan will make up the difference between the amount received from other sources and the percentage of pay provided under the option selected - 60%, or 60% plus COLA. No matter how much income is received from other sources, this long-term disability plan will pay employees at least \$100 a month. If lump sum payments are received from these other sources, a portion of the payment will offset the monthly LTD plan benefit.

(e) Jury Duty

All employees called for Jury Duty shall be scheduled on five (5), eight (8) (Monday-Friday) shifts. Receive full regular pay for time lost up to eight (8) hours per day. Employee may keep any special pay or fees.

5. Workers' Compensation

In the event of injury(ies) or occupational illness received by employees while performing the duties of their employment (except injury due to the employees' being under the influence of

drugs and/or alcohol), the Company shall pay such employees in any one (1) year (dating from anniversary of date of employment) the difference between the compensation payable to them under the Workers' Compensation Laws of the State of Maine and their normal straight-time weekly wage as follows:

- (a) 80 hours after one (1) year's continuous service
- (b) 120 hours after three (3) year's continuous service
- (c) 160 hours after four (4) year's continuous service
- (d) 240 hours after five (5) year's continuous service
- (e) 320 hours after ten (10) year's continuous service

Such payments shall not be cumulative. The return of an injured employee to their former position shall be subject to said employee's physical condition and fitness to carry on the duties of that position. The Company may require a certificate from a physician acceptable to the Company that the injured employee was unable to return to work during the period of absence. Claiming accident compensation without just cause, failure to furnish the required physician's certificate or acceptance of employment elsewhere during period of absence shall forfeit all rights under this accident compensation pay plan and subject the employee to termination.

If an employee is found by a physician to be capable of performing some work during the period of recuperation, the seniority provision of this Agreement shall be disregarded and the employee shall perform such work as may be available at the sole discretion of the Company. An employee may be assigned to work in a lower classification in order to do work that the employee is able to perform.

If, after the period of recuperation, the employee is physically unable to perform the duties of the employee's classification:

- The employee can displace an employee in a job that the employee is physically able and qualified to fill and to which the employee is entitled through accumulated seniority.
- The employee may be placed in a job in an equal or lower classification than the employee is qualified to fill, within the sixty-five (65) mile show up limit.

Workers' Compensation can be used as an offset against LTD benefits.

6. Health & Welfare

As of January 1, 2003, employees will be covered under The New England Electrical Workers Benefits Fund. These benefits are subject to the current and future eligibility requirements and all plan provisions determined by The New England Electrical Workers Benefits Fund. The cost Level of benefits, delivery and payment for services rendered to participants in the fund, management of fund services, extensions of benefits, financial solvency, investments, selection of providers, remedy of benefits, financial disapproval of claims, selection of fund employees and determination of office locations shall be the sole responsibility and authority of The New England Electrical Workers Benefits Fund by or through its fiduciaries, Trustees and/or Boards. In addition, methods of delivery of services, selection of Fund Managers, Advisors, Consultants

and any and all personnel shall be the sole responsibility and authority of the Fund by or through its fiduciaries, Trustees and/or Boards.

The Company/Employer shall not either directly or indirectly be held liable, through this or any agreement, trust, indenture, written or implied, for any reasons or purpose for any aspect of the fund, its determinations or liabilities either known or unknown, existing or created prior, to or following the date of execution of this agreement. It shall be the singular, sole and thereby limited responsibility of the employer to contribute the specified amounts provided in this agreement. The conditions and methods by which those amounts are provided shall be as follows.

Effective January 1, 2003, to be in effect as determined by the transition requirements of the Fund, the employer shall contribute in accordance with the terms of this provision the sum total equal to the contribution of \$3.70 per hour per employee for each full week of employment to the Fund, until December 31, 2005. For subsequent calendar years through the duration of the contract, contribution increases will be shared 50/50% by the company and the employee.

Contributions shall be calculated at no less than and no more than 40 times the hourly contribution rate of \$3.70 for each full week of employment. Such contributions shall be made on behalf of all active, permanent, full-time bargaining unit employees. Payments will be made no later than thirty (30) days following the close of the monthly pay period, which will therefore be forwarded to the fund by the employer on a timely basis.

Employees will be covered under The New England Electrical Workers Benefits Fund for the following benefits and will therefore not be covered by the corresponding FPL's plans: medical

(including post-retirement medical), prescription drugs, vision care, dental and basic life/accidental death & dismemberment insurance (including post-retirement life).

Additional Life/Accidental Death & Dismemberment

Employees will receive the Life/Accidental Death & Dismemberment insurance coverage provided by The New England Electrical Workers Benefits Fund. In addition, employees will be able to purchase additional life insurance/AD&D coverage up to a total of four (4) times pay based on the following rates:

Age Band	Annual Rate per \$1,000 of coverage
< 30	0.72
30 – 34	0.96
35 – 39	1.20
40 – 44	1.68
45 – 49	2.64
50 - 54	4.56
55 - 59	7.20
60 - 64	11.04
65 - 69	19.92
70 & Over	27.84

Beneficiary counseling in the event of the employee's death is included as a feature of the life insurance plan.

Dependent Life Insurance (Spouse)

Employees will receive the Dependent Life Insurance (Spouse) coverage provided by The New England Electrical Workers Benefits Fund. In addition, employees may elect coverage for their spouse from \$10,000 up to \$50,000 in \$10,000 increments. The cost of spousal life insurance will be based on the spouse's age. The rate will be the same as those listed in the previous employee rate chart per \$1,000 of coverage.

Dependent Life Insurance (Child)

Employees will receive the Dependent Life Insurance (Child) coverage provided by The New England Electrical Workers Benefits Fund. In addition, employees may cover a child(ren) meeting the dependent eligibility guidelines as outlined in the employee handbook. The coverage amount will not change (\$10,000 unless under six (6) months old). The cost for this coverage will be \$16.08 annually.

Post-retirement Medical/Life Benefits

Employees can purchase the post-retirement medical benefits subject to the provisions of The New England Electrical Workers Benefits Fund. Employees are covered by The New England Electrical Workers Benefits Fund for post-retirement benefits.

Notwithstanding any prior agreement or communication to the contrary, effective January 1, 2003, FPL will be relieved of any and all obligations to provide post-retirement medical benefits to employees covered by this agreement.

7. Educational Assistance Program

(a) Eligibility

Active full-time employees of FPL Energy Maine Operating Services, LLC are immediately eligible for participation in the Education Assistance Program.

(b) Maximum Benefit

The annual maximum amount of tuition assistance is based on the type of degree/non-degree courses approved as outlined below.

Annual Maximum Benefit for Tuition Reimbursement

Degree/Non-Degree	Full-time Employees
Associate	\$2,400
Bachelor	\$2,400
Master	\$4,200
Associate and Bachelor*	\$2,400
Bachelor and Master*	\$4,200
Non-Degree Courses	\$2,400

*Note: Seeking both degrees simultaneously (dual degrees).

(c) Undergraduate Degrees

Degree programs at the Associate and Bachelor's levels require the authorization of the employee's immediate supervisor/manager. The degree should meet the business unit's needs and should be in one (1) of the following basic business disciplines:

- Business Administration
- Computer Science/Information Management
- Engineering (all disciplines)
- Engineering Technology
- Finance/Accounting
- Human Resources
- Marketing

(d) Graduate Degrees

Graduate (Master's) degree programs must be in one (1) of the basic business disciplines outlined in the Undergraduate Degrees section of this Article. The program must also meet the following criteria:

- Be directly related to the accountabilities of the employee's job or next logical position in the employee's current career path, **and**
- Meets the needs of the business unit for advanced expertise in the discipline or area of specialization.

ARTICLE 23

SAFETY

1. The safety of all Company employees is a matter of paramount importance and shall receive first consideration. No employee shall be permitted or required to take any undue risk in the performance of the employee's duties which the employee, the supervisor, or foreperson consider unsafe to the employee or the employee's fellow workers. Supervisors, forepersons and employees will be held strictly responsible for the enforcement of safe work practices.

1. The Company agrees to establish employee safety teams comprised of bargaining and non-bargaining employees. The employee safety teams will be responsible for recommending and implementing an effective safety program for all employees.

2. It is neither the intention of the Company nor the Union to use the safety program for the purpose of creating work rules governing hours of work and conditions of employment or to relieve the Company of its exclusive responsibility under the Occupational Safety and Health Act to ensure the health and safety of its employees.

3. Safety programs involving bargaining employees will be discussed with the Union leadership prior to development and implementation.

ARTICLE 24

UPGRADES

1. Supervisory

The Company's policy with respect to temporary fill-ins for four (4) or more continuous hours for other than training purposes, when the supervisor directly in charge of a crew in the field is absent from the crew for that length of time and no other supervision is provided, will be as follows:

(a) For four (4) or more hours, a rated employee in the Union maintenance department will be assigned to fill in and be paid the appropriate upgrade rate of an additional 10% for all hours so worked provided the employee supervises at least two (2) employees.

(b) When a person fills a supervisor position because the supervisor is not available, they will receive a 10% upgrade for such time served

2. Bargaining Unit

At such time as the company requires an employee to temporarily perform work normally performed by an employee of a higher classification, the employee so required shall receive an additional 5% added to their regular rate of pay for all hours worked at the higher classification.

ARTICLE 25

MISCELLANEOUS PROVISIONS

1. Representatives of the Union, who are full-time employees of the Company, shall perform Union business while continuing on the payroll of the Company only as approved by the Company. However, employees subject to the conditions of this provision may request vacation or other approved leave or be compensated by the Union.

2. Bargaining Committee representatives of the Union who enter into discussions with the Company shall be as determined by the Union except that the number of employees present during the negotiating process shall be limited to a number of persons equaling no more than five percent (5%) of the total number of employees constituting the bargaining unit. However, the Company agrees to provide no loss in regular earnings while attending such meetings to:
 - (a) The President of the Local Union when, and only when, said President is an employee of
FPL Energy Maine Operating Services, LLC
 - (b) Chief Steward of Hydro Operations
 - (c) Chief Steward of Fossil Operations

3. Stewards' Authority. Persons presented to the Company as representatives of the bargaining unit members, namely Stewards, Chief Stewards, etc., shall do so with authority to settle disputes incorporated with the ability to represent.

4. Employees who have lost normal working time for hours not compensated, however approved by the Company, shall be allowed to “make up” such lost time by working hours other than those constituting their normal hours of work at their straight-time or regular rate of pay providing:

(a) The Company agrees;

(b) There is a productive demand for such work;

(c) Hours in question would fall within the employee’s same pay period; and

(d) Other articles of this Agreement which would disallow or conflict with this provision are waived by the Union.

5. Bulletin Boards:

The Company will permit the use of bulletin boards, both physical and electronic (if available) for posting officially signed Union bulletins, regarding membership benefits and related issues.

6. Employees will not engage in any activities outside of their working hours for the Company which adversely affect the Company’s business or the efficient performance of their duties with the Company. The Company, in turn, will not restrict those activities of employees outside of their working hours for the Company which do not adversely affect the Company’s business or the efficient performance of their duties with the Company.

7. The Company shall meet with the Union from time to time at the request of either party at which time it shall provide the Union with copies of all D-2 reports it has filed and other relevant information which the Union shall reasonably request.

8. It is the intent of the Company to inform the Union of projects or work that may be assigned to an outside contractor. It is further intended that contractors shall conform to the Company's safety and working rules. The Company shall not use outside contractors to perform work normally performed by its regular employees if so doing would result in any regular employee being displaced from his/her job, discharged, or terminated.
9. The Company shall continue the current practice of providing safety glasses and protective clothing.
10. Neither the Company nor the Union, through their officers, members, representatives, agents or committees, shall engage in any subterfuge for the purpose of defeating, evading or expanding the terms or intent of this Agreement.
11. Fees for acquiring or renewing licenses and/or certificates as required by job function will be paid by the Company.
12. The Company shall maintain a smoke free workplace. There shall be reasonable accommodations for employees who smoke to do so in an outdoor area. Areas designated as smoke free shall include the passenger compartment of all Company vehicles.
13. The Company may utilize summer temporary employees, however, such employees may only perform functions which are not related to skilled trades or perform as a member of a regular crew. Summer temporary employees may perform duties such as but not limited to light maintenance, lawn mowing, painting, etc.

14. The Company agrees to notify the union during the term of this Agreement with respect to the creation of any new bargaining unit positions and any significant changes in existing classifications within the bargaining unit. Upon request by the union, the company will negotiate a wage rate for this classification or any changed classification.

15. If a regular full-time employee below retirement age has his/her job eliminated it is the policy of the Company to pay severance pay. Severance pay will be equal to one (1) week's pay for each year of continuous service with the Company from 4-8-99 forward with no less than a minimum of eight (8) weeks total. An entitlement to an additional benefit over and above regular wage or pension benefits offsets the requirement of this provision.

It is understood that if an employee receives severance pay for the period of time for which she or he may be entitled, such time will not be considered additional length of service with the Company. An employee terminated for cause will not be eligible for severance pay.

16. Use of personal vehicles by employees for Company business shall be reimbursed at the IRS standard rate in effect for all business-related, documented mileage. Requests by the Company to utilize a personal vehicle shall be kept reasonable.

An offsite report is a report to any location other than the employee's regular work location. In some cases, an employee may regularly report to more than one location. This is not meant to address regular reporting locations. In the case of an offsite report, an employee shall be entitled to receive payment for the number of miles traveled daily to and from the

offsite location and that employee's listed residence, reduced by the total of daily driven miles to and from the regular report site. If the amount or total of miles driven to an offsite location is less than the total of miles driven daily to the regular reporting site, there shall be no adjustments. The amount of compensation provided to the employee qualifying for benefits in accordance with this provision shall be that established by the IRS for mileage reimbursement.

In a case where an employee is called to work on a day which is an extra report, beyond those constituting a normal work week, the mileage driven shall be reimbursed at the amount of actual miles driven. This shall not apply to cases where an employee reports to their regular report site.

17. It is not the Company's intent to allow supervisors not covered by the Agreement to perform work that employees subject to the Agreement are normally required to perform. This is not intended to apply to incidental assignments or emergencies or to chance past practice where supervisors have normally performed more than incidental or casual assignments.

ARTICLE 26

PAYROLL

The pay period for employees, covered by this agreement, shall be fourteen (14) days.

Employees shall be paid bi-weekly. The pay date shall be the Thursday first following the close of the pay period.

Employee earnings shall be electronically deposited in the account(s) of their choosing.

Employees shall be provided with a check stub/document establishing the allocation of their earnings for their records.

The Company shall act in a reasonable and appropriate manner to provide proper relief at such time as a pay discrepancy may be determined. Legitimate circumstances shall be considered, whether a case of under- or overpayment, as to the effect upon the employee and the Company to reach settlement and properly adjust payment or recover monies owed.

ARTICLE 27

UNION SECURITY

1. The following provisions will apply to the employees in classifications covered by this Agreement:

- (a) Employees who are regular employees and members of the Union or who may later become members, shall remain members in good standing as a condition of their employment while working in such classifications and while this Agreement remains in effect.

- (b) Employees who are temporary shall apply for membership in the Union within fifteen (15) days after they are made regular and remain members in good standing as a condition of their employment while working in such classifications and while this Agreement remains in effect. Provided that they shall have the right of withdrawal one (1) year after they become regular by notifying the Union by registered mail, return receipt requested, and postmarked within the seven (7) day period immediately preceding the date when they have served one (1) year as regular employees. Before such withdrawal becomes effective, it is understood that on request the Business Manager of the Union and the Director of Labor Relations of the Company will review the reason for the withdrawal, but this shall not prevent the withdrawal from becoming effective if the employee so desires. As soon as such temporary employees reach regular employee status, the Company will forthwith notify the Union giving it the date

of such change of status. Any Union retiree who returns to work shall be considered a Union member on the first day of their employment and will be required to join the Union.

- (c) Any employee attaining regular employee status who is transferred or demoted on other than a temporary basis to such a classification (covered by this Agreement), shall apply for membership in the Union within fifteen (15) days after the effective date of such transfer or demotion (unless she or he had previously been in the bargaining unit and had exercised his/her right of withdrawal specified above) and remain a member in good standing as a condition of employment while working in such a classification and while this Agreement remains in effect. Provided that he or she shall have the right of withdrawal specified above to be exercised within the seven (7) day period immediately preceding the date when he or she shall have served one (1) year in such classification.

Any employee who has been subject to the above Union membership requirement who is subsequently transferred or promoted, on other than a temporary assignment basis, out of the bargaining unit shall have the right of withdrawing from Union membership in accordance with the constitutional requirement that such withdrawal shall not prevent such employee from renewing Union membership when required herein as a condition of employment. If the Union refuses to accept as a member or refuses to continue the membership of any employee for any reason other than for failure to pay or tender payment of uniformly required initiation fees and periodic dues, the employee shall be exempt from the Union membership provisions of this Article.

(d) The term “member in good standing” means a member whose periodic dues, uniformly required of other members in the unit, are paid or tendered. The term “regular employee” means an employee hired to fill a regular job who has been employed by the Company continuously for a period of six (6) months. The term “temporary employee” means an employee hired to fill a regular job who has not been employed by the Company continuously for a period of six (6) months.

The Company agrees to check off and remit monthly to the Financial Secretary of the Union from the pay of each employee who is a member of the Union and who has so authorized the Company, in writing, by the first day of the month, the regular bi-weekly (effective January 1, 2000) union dues or such amount as may from time to time be certified to the Company as being the current dues voted by the members of Local Union No. 1837, not including initiation fees, fines or special assessments. Such written authorization may be revoked by the employee at any time by written notice to the Company to be effective on the first day of the following month. If an employee, by a change of work assignment, is permanently transferred to an operation outside the bargaining unit, such authorization shall be considered revoked effective the first day of the month following such transfer.

2. In the event of a transfer of a Union member from one division to another, the Company may continue the authorized dues deduction as established and transfer the employee from one division listing to another. Necessary cancellations or authorizations for different amounts of deduction will be the responsibility of the individual and Local 1837.

3. The Union shall indemnify the Company and shall hold it harmless against any loss or claims for damages resulting from the payment to the Union of any sums deducted, and in the event any action or claim is commenced against the Company to recover from it any sums thus deducted, the Union shall intervene and defend such action or claim.

4. It is understood that the provisions of this Article shall not apply to: Any supervisor or to anyone exempted from the provisions of this Agreement, including students on vacation work and engineering assistants who may be temporarily assigned to various departments of the Company.

ARTICLE 28

DURATION

This Agreement, as contained herein, shall stand as the entire agreement between the parties. It shall stand in full force and effect beginning on the first day of March, two thousand and three (2003) through to its expiration on the last day of February, two thousand and eight (2008). It shall thereafter automatically renew for an additional year upon the anniversary of its expiration unless either party serves notice to the other party indicating its desire to terminate this Agreement; said notice to be served no sooner than ninety (90), nor later than sixty (60) calendar days prior to the expiration or anniversary thereof. Upon receipt of such notice, the parties shall enter into negotiations for the purpose of reaching mutual agreement to establish a successor to its terms.

This Agreement contains the entire agreement of the parties on all matters relative to wages, hours, benefits, working conditions, and all other items which have been, or could have been, negotiated between the parties prior to the execution of this Agreement. All local agreements, memoranda of understanding, side letters, or other documents which pre-date the execution of this Agreement and deal with wages, hours, benefits, working conditions, or any other negotiable item shall be null and void and of no force or effect unless incorporated into this Agreement by specific language. It is the intention of the parties that this Agreement be the only document defining the terms and conditions of employment of the employees in the bargaining unit. Neither party shall be permitted to reopen or renegotiate this Agreement, or any part of this Agreement, until its expiration unless agreed to by both parties.

In witness whereof, FPL Energy Maine Operating Services, LLC has caused these presents to be signed in its name and on its behalf by its INSERT TITLE and Sr. Labor Advisor; and Local Union No. 1837 of the International Brotherhood of Electrical Workers has caused these presents to be, signed in its name and on its behalf by its duly authorized officers, on this day of.

LOCAL UNION No. 1837 IBEW

FPL ENERGY MAINE OPERATING SERVICES, LLC

By _____
Raymond A. Colello
President

By _____
Lawrence J. Kelleher
Sr. Vice President, Human Resources and
Corporate Services

By _____
David A. Bofinger
Business Manager

By _____
Robert H. Escoto
Vice President Human Resources, FPLE

By _____
Robert J. Dodge
Assistant Business Manager