

Pacific Gas and Electric Company

215 Market Street
San Francisco, CA 94106
415/972-7000

October 27, 1989

Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 4790
Walnut Creek, CA 94596

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Effective July 19, 1988, the Nuclear Regulatory Commission approved the SAFSTOR Technical Specifications for Humboldt Bay Power Plant. The new Technical Specifications do not require a Reactor or Senior Reactor Operator's License at HBPP, but do require individuals with a Fuel Handler Certification to be on the plant site.

It is necessary, therefore, to revise the Special Conditions applicable to nuclear power plants which is outlined in Exhibit VI-B of the Job Definitions and Lines of Progression. Paragraph IV-A, 1 thru 6, has been deleted. The proposed revision is attached as Exhibit 1. Further, because of the SAFSTOR status of HBPP, we are proposing a separate listing of Special Conditions, which will be applicable only to HBPP. These proposed conditions are attached as Exhibit 2 and should be added under Exhibit VI-B of the Job Definitions and Lines of Progression.

Also included is a summary of the changes from the initial Company proposal of October 6, 1988 (88-126-PGE). You will note we are proposing to add the word "Operating" to the title of Section II of Exhibit VI-B to differentiate between operating plants and those in SAFSTOR or being decommissioned.

If you are in accord with the foregoing and attachments and agree thereto, please so indicate in the space provided below and return one executed copy of this letter to the Company.

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY

By Richard B. Bradford /CRP
Manager of Industrial Relations

The Union is in accord with the foregoing and attachments and it agrees thereto as of the date hereof.

LOCAL UNION NO. 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIODec 8, 1989By Jack McNally
Business Manager

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**Proposed changes to Exhibit IV-B Titled
"Special Conditions Applicable to Nuclear Power Plants"
as submitted to IBEW on October 6, 1988**

On the section titled "Special Conditions Applicable to Humboldt Bay Power Plant" the following changes were made.

Section I - No change

Section II A. -- Deleted this section. It is now in Section III. A. 3. It was changed to read

Prior to entering the Initial Fuel Handler Certification Program, the employee will be required to pass the special physical examination required for Fuel Handler certification. Failure to pass this examination is reason for disqualification from the Fuel Handler Certification Program.

[Only requires the examination if an individual is going to enter the Fuel Handler Certification Program]

Section III A. 1. Change this to read

Senior Control Operator at Humboldt Bay Power Plant shall satisfactorily complete the Fuel Handler Certification program.

[Changed to state that a SCO must obtain and maintain a Fuel Handler Certification]

Section III A. 3. Added this section. See above.

Section III B. 2. Change this to read

Employee who are awarded a regular SCO position shall be placed into the Initial Fuel Handler Certification Training Program. Employees will have up to one (1) year to complete the training program and pass the Fuel Handler Certification Qualifying exams. This one year period starts the day the employee is formally placed into the Initial Fuel Handler Certification Program.

[Changed to reflect awarding of a permanent SCO position is not dependent on obtaining a Fuel Handler Certification. Changed the date the one year period starts from date the employee is awarded the SCO job position to the date he formally enters the Initial Training Program.]

Section III. B. 5. - eliminated the phrase "and be eligible to be awarded to a permanent SCO position."

Section III. B. 7. Change this to read

Should an employee fail to pass the Fuel Handler Certification Qualifying Examination after three (3) attempts, such employee shall be demoted under Title 206 of the Physical Agreement, and shall not be eligible for further consideration as a SCO at HBPP.

[Changed to indicate removal from the SCO position is by demotion. This reflects the awarding of a SCO job position is not dependent upon obtaining a Fuel Handler Certification.]

Section IV B. 2. Changed the word SHALL to MAY

The Local Investigating Committee, provided for in the Grievance Procedure, MAY conduct an investigation to attempt ...

Sections V, VI, VII, and VIII -- No Change

Minor grammar and spelling changes were made to the proposal.

If possible, we would like to change the reading of section II in the section titled Special Condition Applicable to Nuclear Power Plants. Change Section II to read

Requirement Applicable to Employees in Operating Classifications at Operating Nuclear Power Plants.

[added the word Operating to differentiate between Operational and those in SAFSTOR or being Decommissioned.]

J.D. Crow

SPECIAL CONDITIONS APPLICABLE TO
NUCLEAR POWER PLANTS

I. General Requirements Applicable to All Employees at Nuclear Power Plants

- A. Physical examinations of various types at regular intervals, as prescribed by Company.
- B. File a record of previous occupational and medical radiation exposure. Individuals with a history of high exposure cannot be permitted to work in a nuclear plant.
- C. Within the bounds of Company's radiation safety program, employees in a nuclear plant will be required to perform duties involving working with radioactive materials and working in areas of ionizing radiation.
- D. COMMUTE ALLOWANCE - DCPD ONLY - A commute allowance of \$3.50 per straight-time day worked was established for all PGandE bargaining unit employees headquartered at DCPD. Employees will receive the commute allowance on their regular biweekly paychecks which will be designated as "taxable per diem."
- E. OPERATOR ADJUSTMENTS - DCPD ONLY - The Company agreed to reestablish and maintain the five percent (Auxiliary Operator), seven percent (Assistant Control Operator) and 10 percent (Control Operator and Senior Control Operator) differential above comparable classifications in Group 1 Fossil Fuel Plants for Operators at DCPD. Such differential will be effective the date this Agreement is signed and will apply to Auxiliary Operators, Assistant Control Operators, Control Operators and Senior Control Operators. Such differential is to be recomputed annually.
- F. JOURNEYMAN WAGE RATES DIFFERENTIALS - DCPD ONLY - The following wage differentials for journeyman classifications at DCPD are established:
 - a. 1 yr. step - 5 percent above base rate
2 yr. step - 7 percent above base rate
3 yr. step - 10 percent above base rate
 - b. 2357 Chemical and Radiation Protection Technician (DCPD)
2358 Traveling Chemical Radiation and Protection Technician (DCPD).

The starting rate will be calculated at 100 percent of the rate for other maintenance journeymen in Fossil Fuel Plants. The one-year rate will be calculated at 107 percent of the rate for other journeymen in Fossil Fuel Plants. The two-year rate will be calculated at 110 percent of the rate for other journeymen in Fossil Fuel Plants. The three-year step will be calculated at 100 percent of the two-year step of Control Technician at DCPD.

- G. **DIABLO CANYON POWER PLANT APPRENTICESHIPS** - Employees who have served their apprenticeship at DCPD will begin receiving the one-year wage rate agreed to in Item I.F. above immediately upon becoming a journeyman. A new journeyman or an employee who is a successful bidder to a journeyman job at DCPD will receive such rate after completing 12 continuous months of Company service at DCPD.
- H. **WAGE PROGRESSION OF ELECTRICIANS AND INSTRUMENT REPAIRMEN - DCPD ONLY** - Company agreed to clarify the wage progression of Electricians or Instrument Repairmen when entering the Apprentice Control Technician or Apprentice Electrical Technician Training Programs to provide that these individuals will not suffer any pay loss as an Apprentice Technician. For additional information, see footnote to job description.

II. Requirements Applicable to Employees in Operating Classifications at Nuclear Plants

- A. Employees entering the Operating Line of Progression are required to pass a special physical examination comparable to that required by the NRC for licensed operators. Failure to pass this examination is reason for disqualification since such failure will preclude advancement to the classifications requiring an NRC operating license.
- B. Tests designed to measure the individual's ability to learn new academic subjects will be administered by the Personnel Department to employees who bid on operating vacancies. Until otherwise agreed between Company and Union the Plant Operator Selection System (POSS) for Nuclear Operators developed by the Edison Electric Institute will be used. The minimum passing score on this examination will be 11.

Company will give an employee the first opportunity to take such tests when the employee has a reasonably good chance of becoming the successful bidder on an operating job vacancy. An employee who has passed such tests will not be required to take them a second time. An employee who has failed, on the first attempt, to receive at least the minimum passing score on such tests will be eligible to be retested on the following schedule:

2nd Testing - Twelve (12) months, or thereafter,
following the date of the first testing.

3rd Testing - Twelve (12) months, or thereafter,
following the date of the second testing,
only upon receipt of employee's
application indicating that substantial
improvement may occur in this retest.

Company will not be required to give further consideration to the appointment of an employee to fill a vacancy in an operating classification when the employee has failed for the third time to meet the test requirements.

(See also the Operator Training Procedure Described in Pages 15 through 26.)

III. Initial Licensing

A. Requirements

1. An employee must obtain an NRC Reactor Operator's License to operate Units No. 1 and No. 2 at Diablo Canyon Power Plant before the employee will be considered qualified for promotion or transfer to Assistant Control Operator or higher at that plant.
2. The NRC licensing program necessitates a concerted training effort both by the concerned employee and the Company. This program shall be administered as outlined below.

B. NRC Reactor Operator License

1. Employees in a Nuclear Plant who have prebids on file for the Assistant Control Operator classification in that Plant shall receive training for the NRC Reactor Operator License in Service order. The number of employees in training for such a license shall be determined by Company and shall depend upon such things as the number of such licenses required at the Plant and the number of licensed Operators already at the Plant.
2. Company shall supply necessary operating experience and all needed instructional materials, including classroom instruction, and a reasonable amount of time on watch as conditions permit for instruction and study to allow those Operators who enter the program to qualify for an NRC Reactor Operator License within 18 months of assignment to such training program.
3. During the training period, Company will give examinations to determine the employee's rate of progress and shall before the conclusion of the 18-month period, and before requesting any examination by the NRC, give him an examination equivalent to the NRC examination. Should an employee fail an examination, Company shall review the results of such examination with the employee and prior to reexamination shall provide assistance and training in those areas of the employee's weaknesses. Upon completion of the employee's retraining, Company shall again examine the employee. An employee shall have up to three opportunities to pass the Company's examination. If the employee passes such examination, Company shall, as soon as practicable, request the NRC to examine the employee for an NRC Reactor Operator's examination.

4. Should an employee at Diablo Canyon Power Plant fail to pass the third Company examination such employee shall be maintained in the Auxiliary Operator classification until the employee has had an opportunity to transfer to another plant within the employee's own Division as an Auxiliary Operator under the applicable provisions of Subsection 205.7(a) and the Lines of Progression. If the employee does not avail himself of such opportunity, the employee shall be placed in accordance with the provisions of Sections 206.12 and 205.19 of the Physical Agreement. If no agreement can be reached between Company and Union on this placement within 90 days of the first proposal by either Company or Union, the employee shall be subject to layoff for lack of work.
5. An Auxiliary Operator at Diablo Canyon Power Plant who passes the Company examination shall be given the Auxiliary Operator Nuclear premium payable in the biweekly pay period which immediately follows the period in which such Operator qualified. An Auxiliary Operator who passes the NRC examination shall then be eligible to continue to receive such premium for as long as the Operator is assigned to the Plant and obtains and maintains the NRC Reactor Operator License for the Plant. If the Operator fails the NRC examination, such Operator shall not be qualified for the Nuclear premium.
6. An Auxiliary Operator who fails the first NRC examination shall be eligible for up to a total of three retests. The retests shall be administered in accordance with the current federal regulations (presently contained in Title 10, Code of Federal Regulations, Section 55.12). If an employee fails to obtain an NRC license after the third retest, he shall be placed in accordance with the provisions of the third paragraph of this Subsection III-B4.

C. Senior Reactor Operator License

1. Company shall designate those Senior Control Operator positions at Nuclear Power Plants which require an NRC Senior Reactor Operator License. For initial manning and licensing, Company may request Operators below the Senior Control Operator classification to take the NRC Senior Reactor Operator License exam. Subsequent to initial manning, Company shall fill the designated positions in the following manner:
2. Employees in a Nuclear Plant who have prebids on file for the Senior Control Operator classification in the Plant shall receive training for the NRC Senior Reactor Operator License in Service order. The number of employees in training for such a license shall be determined by Company and shall depend upon such things as the number of licenses required at the Plant and the number of licensed Operators already at the Plant. During the training period, Company will give examinations to determine the

employee's rate of progress and before requesting any examination by the NRC, give the employee an examination equivalent to the NRC examination. If the employee passes such examination, Company shall, as soon as practicable, request the NRC to examine the employee for an NRC Senior Reactor Operator License.

- a. If an employee fails to satisfactorily complete the course, such employee will be removed from that license training class, and placed back on shift, until another license training is scheduled.
 - b. If an employee fails to satisfactorily complete the entire Senior License Training Program after three (3) successive attempts, such employee will be ineligible for any senior license training programs.
3. Should an employee fail an examination, Company shall review the results of such examination with the employee.
- a. The employee may have up to 4 months to retake this examination following the initial attempt, the Company shall provide assistance and training to the employee in areas of weakness during this period.
 - b. If the employee fails to pass the exam on the second attempt, such employee shall have up to 2 additional months to prepare for a third exam.
 - c. A fourth attempt to pass the exam may be provided to the employee, along with a reasonable amount of preparation time at the discretion of the Company.

Should an employee pass the Company examination, such employee shall be given the Senior Reactor Operator premium payable in the biweekly pay period which immediately follows the period in which such Operator qualified. An Operator who passes the NRC examination shall be eligible to continue to receive such premium for as long as such Operator is assigned at a Nuclear Plant in a position requiring an NRC Reactor Operator License and maintains the NRC Senior Reactor Operator License. If the Operator fails the NRC examination, such Operator shall not be qualified for the Senior Reactor Operator's premium.

IV. Special Licensing Provision

A. Diablo Canyon Power Plant

1. When it is necessary to hire new employees into the Auxiliary Operator classification at Diablo Canyon Power Plant, placement into the wage progression will be based on an employee's current nuclear operating knowledge and experience. Since such a placement will alter the negotiated length of the training period for Auxiliary Operators, Company and Union agreement is required. However, employees are still required to successfully complete the operator training program to a step above their starting level prior to receiving a progressive wage increase. The existing requirements for being considered a qualified bidder to a higher classification will remain unchanged.
2. Effective June 26, 1980 Company will reestablish the equivalent examination procedure, and once employees pass the examination, they will then be paid at the appropriate premium as provided for in Section VII hereof. Employees will continue to be eligible for the premiums as long as they are assigned to Diablo Canyon Power Plant and continue to requalify pursuant to the established testing procedures.
3. An employee who is an Auxiliary Operator will have his pay rate advanced from one progressive wage step to the next upon the completion of the requirements for such step as provided in the Non-licensed Operator Training Program without the necessity of completing six months of service in each progressive wage step. An Operator who reaches the top step in the Auxiliary Operator wage progression and who meets the requirements for entry into the Assistant Control Operator classification will be qualified to prebid a vacancy in an Assistant Control Operator classification, Diablo Canyon.
4. During initial manning at Diablo Canyon Power Plant, all employees awarded positions at the Plant shall be required to obtain the necessary NRC License in accordance with procedures outlined in the letter agreement dated April 23, 1976, which established the procedures for Nuclear Licensing. Any attempt at the Company examination for NRC Licensing, taken prior to initial Plant operation (cold NRC Licensing), shall not be counted as one of the three retests an operator normally has to qualify for an NRC License. Should such an employee fail to obtain the required License, the employee shall be removed from such employee's present position and placed in accordance with Sections 205.19 and 206.13 of the Physical Agreement. If an employee who has an NRC Reactor Operator License for Diablo Canyon Power Plant is required to obtain a Senior Reactor Operator License for the Plant, and fails to obtain such License, such employee may, as an alternative to the above, be placed into a Control Operator classification at Diablo Canyon Power Plant.

Note: Employees transferring into the Auxiliary Operator classification, Diablo Canyon Power Plant, will receive the same wage placement consideration of placement into the wage progression as a new hire as set forth in Items 1 and 3.

V. Requalification

The NRC requirement for renewal of the NRC Reactor Operator and NRC Senior Reactor Operator Licenses necessitates an ongoing training program including an annual written and operating (oral and simulator) examination. Company shall supply necessary operating experience and all needed instruction materials, including classroom instruction as per requalification procedure. An employee who passes the annual requalification examination or a retest as provided in A below will maintain the nuclear premium entitlement until the next annual requalification exam.

A. Failure to Pass Requalification Examination

An Operator who fails to pass the annual requalification examination on the first attempt will be eligible to be retested on the basis outlined below:

1. When it becomes apparent that a licensed Operator has failed an annual requalification examination, Company shall notify Union's Business Representative as well as the Operator involved. The Local Investigating Committee, provided for in the Grievance Procedure, shall immediately conduct an investigation to attempt to determine the reasons for the Operator's failure, but shall take no other action at this time.
2. Immediately after notification of such failure, the Operator shall be maintained for a 30-day period at the Operator's present classification and basic wage rate. Such Operator shall not be qualified for the appropriate nuclear premium until such Operator requalifies. During the 30-day period, the Operator shall be removed from all licensed related duties, and may also be removed from the watch schedule if it is deemed necessary by the Company, to participate in an accelerated training program leading to the requalification retest examination.

During the 30-day period, such an operator may request retesting at any time the Operator and the Company mutually agree. At the end of the 30-day period, such an Operator must be retested.

3. The time limits outlined above may be extended by mutual agreement between the parties due to extenuating circumstances involving either plant operations or the concerned employees.
4. If the Operator fails again, the Operator shall be taken off the watch schedule and allowed another 30-day period in which to pass the requalification examination. During such second 30-day period, the Operator will be assigned no other duties than that of a training nature. At the end of the second 30-day period, the Operator must again be retested. During such second 30-day period, the Local Investigating Committee shall make recommendations to the Plant Superintendent which may

include an additional extension of 30 days before the Operator must again be retested or that the Operator be demoted to Auxiliary Operator without retesting, or that Company and Union attempt to reach agreement on the removal of the Operator from the plant. If the Operator is successful, the Operator shall immediately be returned to such Operator's assigned classification with the appropriate nuclear premium. Failure on the second retest will require the employee to be maintained in the appropriate classification until the employee has had an opportunity to transfer to another plant within such employee's own Division at that classification or be demoted to Auxiliary Operator. Such demotion will be made in accordance with the terms of Section 206.15 of the agreement. If no vacancy occurs for which such demoted employee qualifies, the employee shall be placed in accordance with the provisions of Section 206.12 and 205.19 of the Physical Agreement. If no agreement can be reached between Company and Union on such employee's placement within 90 days of the first proposal by either Company or Union, the employee shall be subject to layoff for lack of work.

5. An Operator who has failed the initial examination for requalification and who subsequently requalifies shall be entitled to receive the appropriate premium in the biweekly pay period which immediately follows the period in which such Operator requalifies.

VI. Disqualification for Health Reasons

An Operator at a Nuclear Plant who becomes physically disqualified to be an Operator at a Nuclear Plant shall be considered for placement under the provisions of Sections 205.19 and 206.13 of the Physical Contract. (Placement of Operators under Sections 205.19 and 206.13 require agreement between the Manager of Industrial Relations and the Business Manager of Local Union No. 1245.)

VII. Assignment to a Special Training Schedule

- A. In order to provide special training for an Operator for non-licensed duties and initial NRC Licensing, an Operator who is on a training assignment pursuant to II-F of the Clarification of Title 202 - Hours may be temporarily transferred from the Operator's training schedule of hours and days to a regularly established schedule as an additional Operator on the watch under the immediate direction of an employee of Company in order to receive training, provided that such transfer will provide more opportunity for training than the employee's training schedule. The foregoing shall not be used to provide additional help on a watch to meet operating needs. In the application of this Section, Company will make every reasonable effort to provide consecutive days off.

- B. In order to accomplish the above transfer with no overtime penalty pursuant to Title 208 and its clarification, notice of such transfer must be provided as early as possible, but at least prior to 1630 hours of the workday preceding the assignment.

VIII. Definitions

- A. The term "a reasonable amount of time," as used above, means that amount of time which would be sufficient for the average employee to qualify provided that employee takes advantage of the time.
- B. The term "on watch as conditions permit" means there may be times such as outages, refueling, or during the day shift when time is not available for study.

IX. Nuclear License Premiums

Pursuant to Sections B and C of the notes applicable to the Lines of Progression at Humboldt Bay and Diablo Canyon Power Plants, employees obtaining and maintaining applicable licenses will receive, effective January 1, 1981, the following nuclear premiums:

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|---|------------------------------------|
| 1. Nuclear Auxiliary Operator Premium | 1.1 X the 3rd Shift Hourly Premium |
| 2. Reactor Operator License Premium | 1.6 X the 3rd Shift Hourly Premium |
| 3. Senior Reactor Operator License Premium | 2.0 X the 3rd Shift Hourly Premium |
| 4. Senior Reactor Operator License Premium for Senior Control Operators (DCPP only) | 2.6 x the 3rd Shift Hourly Premium |

Employees receiving nuclear premiums on December 31, 1980, will receive an adjusted premium as set forth above. An employee in a classification below Senior Control Operator who obtains a Senior Reactor Operator license will receive the Senior Reactor Operator premium. The Senior Reactor Operator license premium subsequent to January 1, 1981 will be paid to employees, effective upon notification from the NRC, that a license has been issued.

Company considers these premiums as a wage payment under provisions of the Fair Labor Standards Act. Accordingly, the premiums must be reflected in the overtime rate of pay for employees receiving the premium. Additionally, during a period when an Operator is otherwise qualified for a premium, such Operator shall retain the premium during periods when the Operator is off work with pay.

SPECIAL CONDITIONS APPLICABLE TO HUMBOLDT BAY POWER PLANT

- I. General Requirements to all employees at Humboldt Bay Power Plant
 - A. Physical examinations of various types at regular intervals, as prescribed by Company.
 - B. File a record of previous occupational and medical radiation exposure. Individuals with a history of high exposure may not be permitted to work at Humboldt Bay Power Plant.
 - C. Within the bounds of Company's radiation safety program, employees at Humboldt Bay Power Plant will be required to perform duties involving working with radioactive materials and working in areas of ionizing radiation.

- II. Requirements Applicable to Employees in Operating Classifications at Humboldt Bay Power Plant
 - A. Test designed to measure the individual's ability to learn new academic subjects will be administered by the Personnel Department to employees who bid on operating vacancies. The minimum passing score of this examination, until otherwise agreed between Company and Union, will be a score of 9 or greater on the POSS test. Company will give an employee his/her first opportunity to take such tests when he/she has a reasonable chance of becoming the successful bidder of an operating vacancy. An employee who has passed such tests will not be required to take the test a second time.

Company will not be required to give further consideration to the appointment of an employee to fill a vacancy in an operating classification when he/she has received a score less than the required score.

- III. Initial Fuel Handler Certification
 - A. Requirements
 1. Senior Control Operator at Humboldt Bay Power Plant shall satisfactorily complete the Fuel Handler Certification program.
 2. The Fuel Handler Certification program necessitates a concerted training effort both by the concerned employee and the Company. This program shall be administered as outlined below.

3. Prior to entering the Initial Fuel Handler Certification Program, the employee will be required to pass the special physical examination required for Fuel Handler Certification. Failure to pass this examination is reason for disqualification from the Fuel Handler Certification Program.

B. Fuel Handler Certification

1. Employees at Humboldt Bay Power Plant who are successful bidders to Senior Control Operator (SCO) or Relief SCO shall receive training to become a Certified Fuel Handler. This does not apply to employees who fill a temporary SCO vacancy (as defined in Section 205.1 c of the Physical Agreement).
2. Employees who are awarded a regular SCO position shall be placed into the Initial Fuel Handler Certification Training Program. Employees will have up to one (1) year to complete the training program and pass the Fuel Handler Certification Qualifying exams. This one year period starts the day the employee is formally placed into the Initial Fuel Handler Certification Program.
3. Company shall supply all needed instructional materials, including classroom instruction, and a reasonable amount of time on watch as conditions permit for instruction and study.
4. During the training period, Company will give examinations to determine the employee's rate of progress. Company shall review the results of such examination with the employee and shall provide assistance and training in those areas of weakness.
5. The employee will have up to three (3) opportunities to pass the Fuel Handler Certification Qualifying exam(s). If the employee passes such examination(s) he/she will be certified as a HBPP Fuel Handler.
6. If an employee should fail the qualifying examination(s), Company shall review the results of such examination(s) with the employee and prior to re-examination shall provide assistance and training in those areas of the employee's weaknesses. Upon completion of the employee's, Company shall again examine the employee.

7. Should an employee fail to pass the Fuel Handler Certification Qualifying Examination after three (3) attempts, such employee shall be demoted under Title 206 of the Physical Agreement, and shall not be eligible for further consideration as a SCO at HBPP.
8. An employee who passes the Fuel Handler Certification Qualifying exams shall receive the Fuel Handler Certification premium; payable in the biweekly pay period which immediately follows the pay period during which the employee passes the Qualifying Exam(s).

IV. Requalification

- A. The HBPP Technical Specification requirement for renewal of the Fuel Handler Certification necessitates an ongoing training program including an annual written examination. Company shall supply necessary operating experience and needed instructional materials, including classroom instruction, and a reasonable amount of time on watch as conditions permit for instruction and study for the requalification procedure. An employee who passes the annual requalification examinations or a re-test as provide in B below will maintain his/her Fuel Handler premium.
- B. An Operator who fails to pass the annual requalification examinations on the first attempt will be eligible to be re-tested on the basis outlined below.
 1. Immediately after such failure, the Operator shall be maintained for a 30-day period at the Operator's present classification and basic wage rate. Such Operator shall not be qualified for the Fuel Handler premium until such Operator requalifies.

During the 30-day period, the Operator shall participate in an accelerated training program leading to the requalification examination. The Company shall provide training material, including adequate time on watch to complete the training or to attend training classes.

During the 30-day period, such an Operator may request testing at any time the Operator and Company mutually agree. At the end of the 30-day period, such an Operator must be re-tested.

2. When it becomes apparent that a Certified Fuel Handler Operator has failed an annual requalification examination, Company shall notify Union's Business Representative as well as the Operator involved. The Local Investigating Committee, provided for in the Grievance procedure, may conduct an investigation to attempt to determine the reasons for the Operator's failure, but shall take no other action at this time.
3. The time limit outlined above may be extended by mutual agreement between the parties due to extenuating circumstances involving either plant operators or the concerned employee(s).
4. If the Operator fails again, the Operator shall be allowed an additional 60-day period in which to pass the requalification examination. The Company will supply the required study material, but is not required to provide additional training. At the end of the 60-day period the Operator must be re-tested.

During such 60-day period the Local Investigating Committee shall make recommendations to the Plant Manager which may include an additional extension of 30 days before the Operator must again be re-tested, or that the Operator be demoted without re-testing.

Failure of the second re-test will result in his/her demotion. Such demotion will be made in accordance with the terms of Title 206 of the Physical Agreement. If no vacancy occurs for which such demoted employee qualifies, he/she shall be placed in accordance with the provision of Title 205 and 206 of the Physical Agreement. If no agreement can be reached between Company and Union, on his/her placement within 90 days of the first proposal by either Company and Union, the employee shall be subject to layoff for lack of work.

5. An Operator who has failed the initial examination for requalification and who subsequently requalifies shall be entitled to receive the appropriate premium in the bi-weekly pay period which immediately follows the period in which such Operator requalifies.

V. Disqualification for Health Reasons

- A. An Operator who becomes physically disqualified to be a Certified Fuel Handler shall be considered for placement under provisions of Title 205 and 206 of the Physical Agreement.

VI. Assignment to a Special Training Schedule

- A. To provide special training for an Operator for initial Fuel Handler Certification, his/her hours may be temporarily changed. The Company may change an Operator's regular work hours to attend Fuel Handler training classes. Provisions of 201.12 of the Agreement shall apply. The employee shall be notified of this change of working hours at least 24 hours in advance. The Company shall not be required to pay any overtime compensation by reason of this change provided the employee will not work more than 40 hours in a workweek or 8 hours on a workday.

VII. Definitions

- A. The term "a reasonable amount of time", as used above, means that the amount of time which would be sufficient for the average employee to qualify provided that employee takes advantage of the time.
- B. The term "on watch as conditions permit" means there may be times such as outages, or during the day shift when time is not available for study.

VIII. Fuel Handler Certification Premium

- A. Employees obtaining and maintaining a HBPP Fuel Handler Certification will receive the following Fuel Handler Premium.

Fuel Handler Certification	0.8 X the 3rd Shift Hourly Premium (50% of the Reactor Operator License Premium)
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- B. Company considers these premiums as a wage payment under provisions of the Fair Labor Standards Act. Accordingly, the premiums must be reflected in the overtime rate of pay for employees receiving the premium. Additionally, during a period when an Operator is otherwise qualified for a premium, such Operator shall retain the premium during periods when the Operator is off work with pay.