

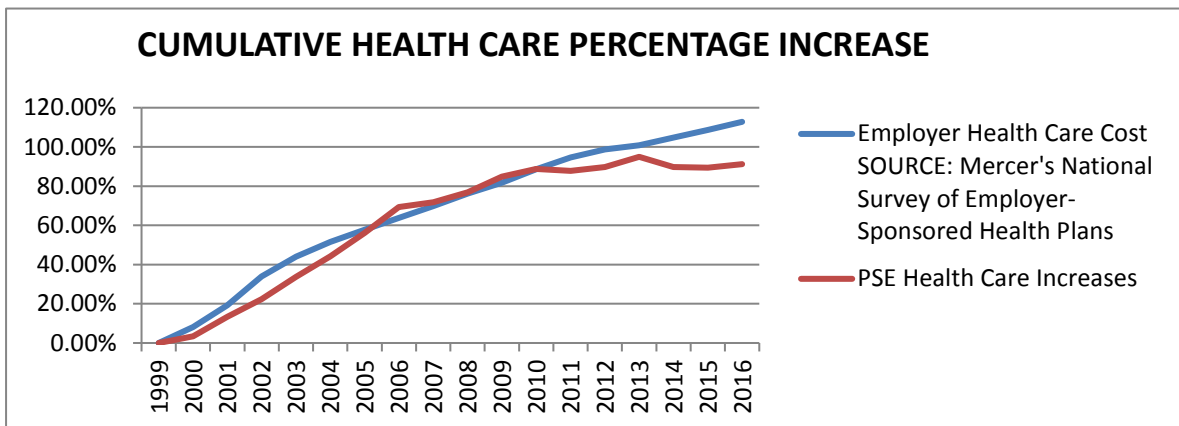
# Bargaining Agreement History

## Health Care

Since 2010 the company has been incrementally decreasing their contributions to the Union's health care programs. With other local area utilities covering an average of 90% of the health care premiums compared to our current 80%, we see no reason why our membership should take on the additional burden of again, reducing the company contribution. The chart trend below is a very telling indication that we are losing ground.

### IT IS TIME TO STOP THE REDUCTIONS AND SAY NO!

1985	EE coverage at 100% of WPS premium, EF coverage at 80% of WPS premium, Dental coverage at 100%
	Average company contribution: EO - \$83 / MO EF - \$164 / MO
1989	Average company contribution: 1989 EO - \$133 / MO EF - \$260
	1992 EO - \$160 / MO EF - \$312
	Conversion to pre-tax menu style benefit plan in Jul 92 including Medical, Dental, Life, and LTD
1993	Average company contribution: Jul 92 \$335 / MO
	Jul 93 \$355 / MO
1994	Average company contribution: Jul 94 \$365 / MO
	Jul 95 \$383 / MO
	Jul 96 \$402 / MO
1997	Average company contribution: Jul 97 \$417 / MO
	Jul 98 \$437 / MO
1999	Average company contribution: Jul 99 \$450 / MO
	Jul 00 \$465 / MO
	Jul 01 \$484 / MO
2002	Average company contribution: Jul 02 \$513 / MO
	Jul 03 \$564 / MO
	Jul 04 \$620 / MO
	Jul 05 \$682 / MO
	Jul 06 \$750 / MO
2007	Average company contribution: Jul 07 \$780 / MO
	Jul 08 \$843 / MO
	Jul 09 \$910 / MO
	Jul 10 \$953 / MO
2010	Company contribution converted to a percentage of core medical + core dental plan premiums EE - 95% EF - 85%
	This resulted in a company contribution reduction of 21% for EE and 1% for EF
	Medical core plan - Group Health Options
	Dental core plan - WDS High Options
2014	Company contribution percentage reduced to: EE - 80% EF - 80%
	This resulted in a calculated company contribution reduction of 15% for EE and 5% for EF
	Medical core plan - Regence Engage
	Dental core plan - WDS High Options



## Retirement

The 1989 calculation modification to include gross wages was in response to the company's desire to introduce 1.5X overtime into our Bargaining Agreement. This was rescinded in the 2010 retirement program reduction when the lesser valued cash balance option was introduced. It became clear in 2014 that the company's push to implement the cash balance program was also a means of putting a mechanism in place that was easily modified. The 2014 cash balance program modification substantially reduced company retirement contributions. It is time to stop the reductions and say NO!

1985	FAE and 401k calculated on base wages
1989	FAE and 401k calculation modification to include gross wages
2010	Conversion reduction to a choice of: <ol style="list-style-type: none"><li>1. Reduced FAE calculated on base wage with unchanged 401k</li><li>2. Cash balance defined benefit with age dependent 4-8% annual pay credit, minimum 1% quarterly interest credit, 1% base wage annual kicker, and enhanced 401k</li></ol>
2014	Cash balance defined benefit plan substantially reduced to 4% locked annual pay credit, minimum 1% quarterly interest credit and enhanced 401k

## Overtime

The company is definitely in the minority of utilities across the nation with any amount of 1.5X overtime. The 2010 conversion to the first 50 hours annually was an attempt to soften the retirement conversion although it was presented as an easier method of tracking compared to the 144 hour program. This may be true but it also, again, set up a mechanism that would make it easier to incrementally increase to the point where our members would get very little, if any, overtime paid at the 2X rate. We have already had to fend off attempts at increasing this and there will be more attempts in the future. It is time to stop the reductions and say NO!

1985	All overtime paid at the double time rate
1989	Conversion reduction from 100% 2X rate to 144 hours of 1.5X at various times then all 2X
2010	Conversion to the first 50 hours annually at the 1.5X rate then all 2X

## Leave

Our paid leave is precious to us. It provides a means of wage continuation when we cannot be at work and gives us the ability to temporarily separate ourselves from the company and decompress. We have seen parts our PTO program crumble over the years. Our unlimited carryover was reduced to 1200 hours in 1994, reduced again to 600/160 (existing / new employees) in 2007 and the accrual schedule was reduced for new employees in 2007.

### **IT IS TIME TO STOP THE REDUCTIONS AND SAY NO!**

1985	Conversion from sick / annual leave program to PTO with unlimited carryover
1994	Reduction of annual PTO carryover from unlimited to 1200 hours
2007	Conversion reduction to benefit as follows: Employees with 4 years Removal of final 40 day PTO step from schedule (unless grandfathered) Reduction of annual PTO carryover from 1200 hours to 600 hours Employees with less than 4 years and new employees Reduced PTO schedule Reduction of annual PTO carryover from 1200 hours to 160 hours

## Wages

With solid area data at our fingertips, we have been able negotiate general wage and market level increases in line with local utility market. Recently there has been a shift to this. Even when we provide data that shows what most of the local area utilities are settling at, the company considers us to be overpaid and proposes lower wage increases to support their argument.

### **IT IS TIME TO STOP THE REDUCTIONS AND SAY NO!**

1985 General Wage Adjustment  
Apr 85 80% CPI (5.0%), Jan 86 3.0%, Apr 87 4.0%

1989 General Wage Adjustment  
Dec 89 6.0%, Apr 91 3.0%

1993 General Wage Adjustment  
Apr 93 4.5%

1994 General Wage Adjustment  
Apr 94 3.0%, Apr 95 3.0%, Apr 96 3.0%

1997 General Wage Adjustment  
Apr 97 3.0%, Apr 98 3.0%

1999 General Wage Adjustment  
Apr 99 5.0%, Apr 00 3.0%, Apr 01 4.0%

2002 General Wage Adjustment  
Apr 02 2.0%, Apr 03 3.0%, Apr 04 3.0%, Apr 05 3.0%, Apr 06 3.0%

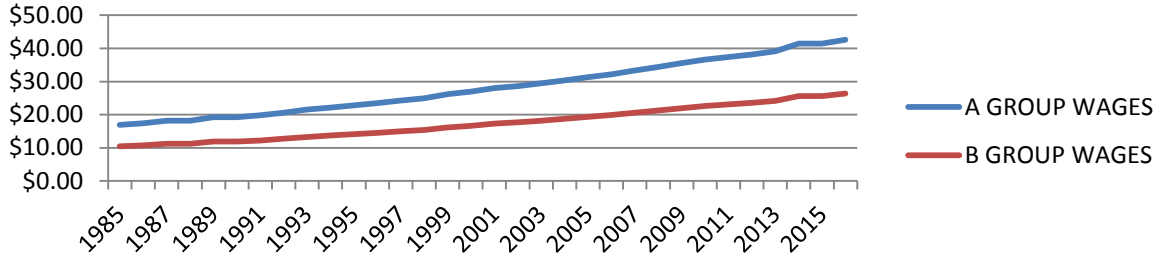
2007 General Wage Adjustment  
Jun 07 3.5%, Apr 08 3.25%, Apr 09 3.25%, Jan 10 3.0%

2010 General Wage Adjustment  
Sep 10 0%, pr 11 2.0%, Apr 12 2.25%, Jan 13 2.5%

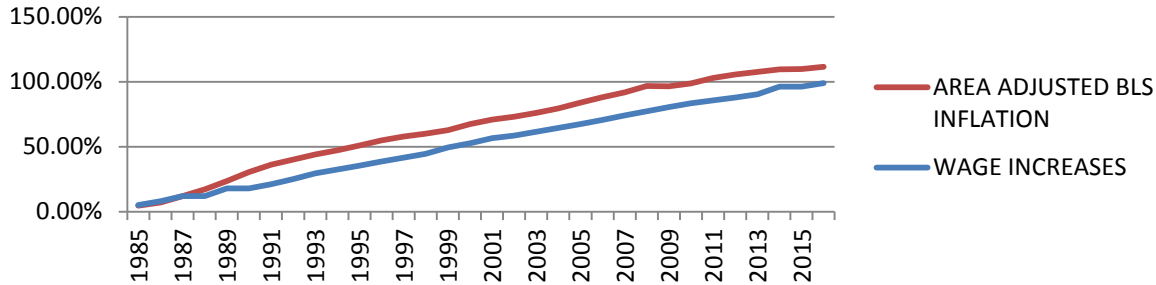
2014 General Wage Adjustment  
Dec 14 6.0%, Jan 16 2.75%

NAME OF EMPLOYER	2017 INCREASE	2018 INCREASE	2019 INCREASE
AVISTA CORP.	3.00%	3.00%	
BENTON COUNTY PUD	3.00%		
BENTON REA	3.25%	3.00%	3.00%
BIG BEND REA	3.00%		
CLALLUM COUNTY PUD	3.00%	3.00%	3.50%
COLUMBIA REA	3.00%		
COWLITZ COUNTY PUD	3.00%		
DOUGLAS COUNTY PUD	3.00%		
FERRY COUNTY PUD	3.00%	3.00%	3.00%
FRANKLIN COUNTY PUD	3.00%		
GRANT COUNTY PUD	3.00%	3.00%	3.00%
GRAYS HARBOR PUD	3.00%		
GRAYS HARBOR PUD - CS ENGINEERS	3.00%		
IDAHO CO. POWER & LIGHT	3.00%	3.00%	
JEFFERSON COUNTY PUD	3.00%	3.50%	3.00%
LEWIS COUNTY PUD	4.00%		
MASON COUNTY PUD NO. 1	3.00%		
MASON COUNTY PUD NO. 3	3.00%		
MODERN ELECTRIC	3.00%	3.00%	
NECA	3.00%		
NORTHERN LIGHTS B GROUP	3.00%	3.00%	3.00%
NORTHERN LIGHTS A GROUP	3.00%	3.00%	3.00%
OKANOGAN COUNTY PUD	3.00%	3.00%	3.00%
PACIFIC COUNTY PUD NO. 2	3.00%		
PEND OREILLE PUD	3.00%		
POTELCO ADMIN.	2.50%		
SNOHOMISH COUNTY PUD NO.1	3.00%	3.00%	3.00%
VERA	3.10%	3.00%	3.00%
WAHIAKUM COUNTY PUD	3.00%	3.10%	3.10%
<b>AVERAGE% INCREASE</b>	<b>3.03%</b>	<b>3.05%</b>	<b>3.06%</b>

## HISTORIC AVERAGE WAGES



## ACCUMULATED PERCENTAGE COMPARISON



## LIVING COST ABOVE NATIONAL AVERAGE

