

AGREEMENT

BETWEEN

**BLACK HILLS GAS DISTRIBUTION,
LLC**

and

COMMUNICATIONS WORKERS OF
AMERICA, AFL-CIO

October 31, 2019 to October 30, 2023

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AGREEMENT

THIS AGREEMENT, made as of the 31st day of October, 2019, by and between Black Hills Gas Distribution, LLC, hereinafter referred to as the "Company", and COMMUNICATIONS WORKERS OF AMERICA, AFL-CIO, hereinafter referred to as the "Union."

ARTICLE 1 - RECOGNITION

Section 1.1. - Bargaining Unit Defined

The Company recognizes the Union as the sole and exclusive bargaining agent for all employees in the classifications listed in Section 3.8 (including regular part-time and full-time employees) employed by Black Hills Gas Distribution, LLC, at its various facilities located in the State of Nebraska, excluding office clerical employees, managers, temporary employees, employees presently represented by other labor organizations, guards, professional employees and all supervisory employees with authority to hire, promote, discharge, discipline or otherwise affect changes in status of employees or effectively recommend such action within the meaning of the National Labor Relations Act, pursuant to the certification in Case Number 17-RC-5724.

Section 1.2. - Mutual Cooperation

Black Hills Gas Distribution, LLC is a proud team that delivers to our customers quality energy products and valuable services vital to our nation's future. The parties agree to cooperate in furthering our Company's mission which is furnishing essential public services which vitally affect the health, safety, comfort and well-being of a large majority of the population in the territory covered by its operations and its very existence is dependent upon the faithful carrying out of its obligations and responsibilities to the public.

ARTICLE 2 - HOURS OF WORK

Section 2.1. - Workweek and Workday

The workweek begins on Monday at 12:01 a.m. and ends at 11:59 p.m. the following Sunday and the workday begins at 12:01 a.m. and ends at 11:59 p.m. The regular work week will consist of 40 hours in five consecutive eight hour days or four 10 hour days at management's discretion, provided however, that this shall not be deemed as a guarantee that a given number of hours of work shall be available in any workday or workweek.

Section 2.2. - Alternative Work

When employees report for duty and they are unable to perform their regular duties because of inclement weather, ground conditions or for any other similar reason, the Company shall make every effort to find other work, including Supervisor approved training.

Section 2.3. - Work Schedules

Currently the regular work schedule is Monday through Friday, 8:00 a.m. to 5:00 p.m. If a work schedule is changed with less than one week advance notice, during the first 24 hours of the new schedule an employee shall be paid at time and one-half for all hours worked by said employee outside of his/her originally scheduled hours. An employee's starting time may be shifted up to two (2) hours before or after regular start time, through mutual agreement between the supervisor and the employee(s) involved. Premium pay shall not be required when the employee is returned to his/her regular work schedule. When work requirements permit, employees may request changes in scheduled days or hours, and if the Company agrees to the work schedule change, the Company will not be required to pay any premium pay for the new scheduled hours.

When the Company adds a new scheduled shift, employees may select the new shift by seniority within their classification.

Section 2.4. - Rest Periods

Employees will be granted a paid rest period of rest of 15 minutes in the first four hours and in the second four hours of each shift.

ARTICLE 3 - WAGES

Section 3.1. - Wage Schedule

Wages set forth in Appendix "A" shall be the minimum regular hourly pay rates for each classification and level during the term of this Agreement.

Section 3.2. - Recording Time

Time for hours worked must be recorded in minimum of quarter-hour increments.

Section 3.3. - Callout

Employees called out from their residence or departing location at times other than their regularly scheduled working hours shall be paid at the premium callout rate of time and one-half, "portal to portal." Employees who are called out and work at least (4) four hours between the hours of midnight and 6:00AM will be paid the equivalent number of hours of at regular pay to go home and rest. Portal to portal pay includes actual time spent resolving the problem and travel time to and from the employee's residence or departing location. Called out employees will be paid at least two hours for the first callout in a 24 hour period. If an employee is called out more than once in a 24 hour period, the employee shall be paid the callout rate for each additional callout for the actual time worked portal to portal, or one hour, whichever is greater. For the purpose of this section, a 24 hour period shall commence at 12:01 a.m. Every reasonable effort will be made to minimize after hours non-emergency call outs.

Section 3.4. - Standby

When an employee is specifically directed by the Company to be on a standby basis for a period of more than one hour and to be available for callout, the employee shall receive one (1) hour of regular straight-time pay for each such day they are assigned, except when assigned on a regular day off they shall receive two (2) hours regular straight-time pay for such standby. Employees placed on standby on an actual holiday shall be paid four (4) of regular straight-time pay. Employees must be "DOT ready" while on standby.

All possible effort, consistent with customer service requirements, shall be made to schedule standby so employees are not required to be on standby for more than seven (7) continuous days.

Employees required to work more than 10 standby periods in a calendar month, will receive premium standby pay of four (4) hours of pay Sunday through Saturday, and five (5) hours of premium standby pay for an actual holiday beginning with the 11th standby period. Standby periods voluntarily worked or filling in for another employee will not count toward premium standby days. Standby periods worked because another employee is on a Company approved leave, other than PTO, will count toward the premium standby days. Employees will provide the Company with a telephone number where they can normally be reached for call-outs and emergency response situations.

Section 3.5. – Standby Period

A standby period will be defined as a 24-hour period beginning at the start of the scheduled workday to the start of the work schedule the next day. When the next day is not scheduled, the standby period starts with the end of the last day scheduled continuing in 24-hour increments until the next scheduled day.

Section 3.6. - Off-Duty Work

If an employee performs work at the Company's request while off duty and the employee does not need to travel or leave their residence, the employee will be paid for 30 minutes or actual hours worked, if greater, in addition to any amount paid for standby.

Section 3.7. - Upgrade Pay

An employee, who at the direction of the Company, works more than one (1) hour per day in a higher paid classification, using the highest level of the classification, (not a level within a classification) that is outside their regular job classification, shall be paid the higher rate of pay for actual hours worked. Employees with a hazmat endorsement on their CDL will receive an additional \$4.00 per hour for each hour assigned to operate the vehicle, including travel time "leaving and returning to" the employee's reporting location.

Section 3.8. - Job Classifications

The Company has the right to establish and eliminate job classifications based on business needs. The following job classifications are recognized under this Agreement:

Measurement Technician
Level 4 (top)
Level 3
Level 2
Level 1 (entry)

Welder
Level 4 (top)
Level 3
Level 2
Level 1 (entry)

Mechanic
Level 4 (top)
Level 3
Level 2
Level 1 (entry)

Operations Specialist
Level 4 (top)
Level 3
Level 2
Level 1 (entry)

Meter Reader
Level 4 (top)
Level 3
Level 2
Level 1 (entry)

Service Specialist
Level 5 (top)
Level 4
Level 3
Level 2
Level 1 (entry)

Maintenance Specialist
Level 5 (top)
Level 4
Level 3
Level 2
Level 1 (entry)

Section 3.9. - Shift Premium

A premium of \$1.00 per hour shall be paid for all shifts worked by an employee whose shift regularly ends at or after 7:00 p.m. of the workday.

Section 3.10. - Payday

Employees covered by this Agreement shall be paid every two weeks.

ARTICLE 4 – SENIORITY, FORCE REDUCTION & RECALL

Section 4.1. - Seniority Defined

An employee's seniority shall be based on their length of service with the Company and its predecessor companies since their most recent date of hire. If two or more employees have identical seniority dates, the employee with the earliest birth date in the calendar year shall be considered the senior employee.

Section 4.2. – Loss of Seniority

Employees shall lose seniority and their employment relationship will be considered severed, in the following instances:

- a) Voluntarily leaves the service of the Company or is discharged for just cause, including job abandonment.
- b) Failure to return to work or make satisfactory arrangements for return within 10 calendar days after notice of recall from a layoff is mailed by the Company as provided herein. (All

notices of recall shall be by certified mail addressed to the employee's address left on file with the Company).

- c) Accepting severance under Section 4.11.
- d) On a disability leave of absence for more than 12 months. Before an employee's seniority and employment is terminated under this section, the employee may provide the Company with adequate medical documentation if he/she wishes to return to work. Upon submission of the medical documentation, the Company will evaluate the employee's medical restrictions, if any, and determine if the employee can return to work with or without a reasonable accommodation.

Section 4.3. – Seniority Bridging

- a) Employees who are rehired after a break of seniority of 12 months or less shall have seniority bridged immediately.
- b) Employees who have been off the payroll in excess of 12 months shall have their seniority bridged only after 5 continuous years of service from the date of reemployment.
- c) Seniority bridging is for all contract purposes including but not limited to bidding, PTO allocation, PTO selection, layoff and recall. For retirement purposes, the plan document is controlling.

Section 4.4. - Bargaining Unit Openings, Vacancies and Hard to Fill Positions

The Company has the sole right to determine when openings or vacancies exist and/or whether openings or vacancies will be filled. Bargaining Unit openings and vacancies will be posted company-wide by classification for 14 calendar days. The Company will fill such openings with the most qualified senior candidate. If no employee candidate is qualified, the Company may hire from the outside of the **Bargaining Unit** or select an employee who it believes has the best qualifications for the job.

After the Company determines that a position is hard to fill, the Company reserves the right to pay current employees a financial incentive to relocate to certain towns serviced by the Company. The amount and form of the financial incentive is payable at the sole discretion of the Company however the financial incentive will not include a wage rate higher than what is listed in Appendix A. This limitation does not apply to wage changes made under Section 3.1.

Section 4.5. - Employee Qualifications

It is recognized and agreed that the Company's judgment and appraisal of any employee's qualifications shall be controlling, provided the Company has made a good faith effort to properly judge and appraise the employee's qualifications. For purposes of this Article, it is understood that an employee's qualifications to properly perform a job shall be based on any job-related criteria, job requirements, performance appraisals, work history, tests, licenses or certifications, and the employee's knowledge, skills, and ability.

Section 4.6. - Seniority List

A list of employees setting forth their seniority, classification, location and pay rate as of January 1st shall be provided to the Union by February 1st. When bargaining employees are hired or terminated, the Company will notify the Local President and Secretary Treasurer, no more frequently than monthly. The Company will furnish the Local President with the name, home address, phone number and personal email (if provided) address of all new hires within one week of the employee's start date.

Section 4.7. - Notification of Layoff

In the case of permanent layoff, the Company shall notify the employees to be laid off and the Union at least 30 calendar days in advance of such permanent layoff.

Section 4.8. - Reductions in Force

When it becomes necessary to reduce the workforce at a work location, the junior employee in the lowest level in the affected classification shall be laid off first, however to avoid disruption of an involuntary bump, voluntary termination may be offered by seniority in the affected classification at the work location. An employee who accepts voluntary termination will receive severance pay and will not have recall rights. When the Company determines that a reduction in force is necessary, all employees involved in the bumping process will have priority on any bargaining unit openings within the Company consistent with Section 4.5.

Section 4.9. - Bumping Rights

In the event of a reduction in force, a maximum of two bumps will be allowed for each position eliminated as follows:

Step 1. The employee removed from their classification may displace any junior employee in the same classification or in any classification in the same location for which the employee is OQ qualified and had the skills to perform the job immediately.

Step 2. The displaced junior employee may then displace the most junior employee in their classification. The displaced employee who has no bumping rights will have the option of either accepting severance under Section 4.11 or remaining on the recall list for up to 24 months.

An employee electing to exercise bumping rights under this Section must provide the Company with written notice of their intent to bump. Such written notice must be received by the Company within 10 calendar days of the date he/she was notified of permanent layoff. The 10 day period may be extended by mutual agreement between the Company and the Union. In the case of multiple layoffs, bumping placement will occur after all notices are received at which time the job will be awarded by seniority on the eleventh day. Once the bump is accepted, the Company will work with the employee to determine the reporting date.

Section 4.10. - Recall

When the work force is again increased within a classification, laid off qualified employees with seniority rights (see Section 4.1), shall be returned by seniority within the classification. Recalled employees will be reinstated at the level they held at the time of their layoff so long as they are currently qualified for that level.

Section 4.11. - Severance Pay

For the term of the 2019 Bargaining Agreement, the parties have agreed to suspend the provisions of Article 4, Section 4.11 – Severance Pay, and Article 16 – Funeral Leave. In lieu of the provisions outlined in Article 4 - Section 4.11 and Article 16, employees covered by this Bargaining Agreement will participate in the Company's Absence From Work Policy, which includes both Severance Pay and Funeral Leave, throughout the term of this Bargaining Agreement. The Absence From Work Policy is attached hereto as Appendix B.

ARTICLE 5 - OVERTIME

Section 5.1. - Daily and Weekly Overtime:

The Company will pay employees at the rate of one and one-half times their regular hourly pay rate for all work performed in excess of 40 hours in any workweek and hours worked in excess of their regularly scheduled daily shift.

Section 5.2. - No Pyramiding of Overtime

Overtime pay shall not be paid more than once for the same hours worked.

Section 5.3. - Incidental Overtime

For non-emergencies dispatches after 4:30 p.m. that might result in incidental overtime, the Area Managers, dispatch and the employees in a work group can mutually agree to written guidelines that will be used to determine which employee will be assigned the job, so long as the employee has the skill needed to perform the job and priority is given to the technician who is in close proximity to the job and is available.

Section 5.4. - No Compensatory Time Off

Compensatory time off will not be allowed to avoid overtime liability.

ARTICLE 6 - GRIEVANCE AND ARBITRATION PROCEDURE

Section 6.1. - Grievance Defined

The term "grievance" shall mean any controversy, discipline, complaint, misunderstanding or dispute of an issue or interpretation, application or observance of any provision of this Collective Bargaining Agreement, including any amendments, or supplements to this Agreement jointly agreed to in writing by the parties.

Section 6.2. - Investigation of Grievances

The Company and the Union agree that each has the right to investigate the circumstances surrounding and relating to any grievance, and agree to assist each other in the conduct of such investigations. Upon the Union's request and employee's written authorization, non-privileged investigatory documents used in reaching the Company's decision concerning the affected bargaining unit employee(s) will be provided to the Union. The Union will not disclose any confidential information to anyone unless they have a specific or legal need to know.

Section 6.3. - Informal Resolution

The Company and the Union agree that grievances will first be discussed between the parties on an informal basis for resolution when possible. Grievances will receive fair, just and speedy consideration without prejudice or discrimination.

Section 6.4. - Formal Grievances

Grievances which cannot be resolved informally shall be reduced to writing. The grievance form shall be legible and contain the names of the employee(s) aggrieved; a grievance tracking number; the sections of the Agreement that were allegedly violated; date of the alleged violation; a description of the circumstances out of which the grievance arose; a summary of the Company's and Union's positions during the informal resolution discussion and the Union's proposed remedy or settlement. The grievance shall be marked as "Discipline" or "Other." Discipline grievances will follow the process in Section 6.5. All other grievances (non-disciplinary, such as contract interpretations claims) will follow the process in Section 6.6. The parties may use the Company email to process grievances under this Article.

Section 6.5. - Discipline Grievances

Step 1. Grievances involving any form of discipline, including terminations, shall be submitted to the Area Manager and/or designee within 30 days of the discipline being communicated to the employee. The Area Manager and/or designee and the local union steward or designee will, within 15 days of receipt of the grievance, discuss and attempt to resolve the issue. If not resolved, the Company shall give its answer in writing within 15 days to the Union's Local President. The Union will accept, reject or appeal the Company's answer within 15 days.

Step 2. If the discipline grievance is not resolved in Step 1, the local Human Resources Manager, the Operations Director, or designee and the Union's International Bargaining Agent will discuss the grievance within 30 days of receiving the Company answer. The Company will provide an answer within 15 days of the meeting to the Union's International Bargaining Agent and Local Union President. The Union will accept, reject, or appeal to arbitration within 30 days of the answer.

Section 6.6. - All other Grievances

Step 1. Any grievance involving an interpretation of the Agreement, other than grievances involving discipline or discharge, shall first be submitted to the grievant's immediate supervisor within

30 days from the date the grievant or Union knew or should reasonably have known of the incident or occurrence giving rise to the grievance. The parties will discuss the grievance within 15 days of receipt of the grievance. If not resolved at this step, the immediate supervisor shall send an answer in writing within 15 days to the Union Steward and the Local President. The Union will accept, reject, or appeal to second step within 15 days after receipt of the supervisor's written decision.

Step 2. If the grievance is not resolved in Step 1, the grievance shall be referred to the appropriate Area Manager and/or designee and the Union Area Vice President or Union President who shall discuss the grievance within 15 days of the appeal. If not resolved, the Company shall send a written answer to the local Union President. The Union will accept, reject, or appeal within 15 days of the receipt of the answer.

Step 3. If the grievance is not resolved in Step 2, the grievance shall be referred to the local Human Resources Manager, the Operations Director, and/or designee and the Local Union President and the Union's International Bargaining Agent who will discuss the grievance within 30 days. The Company will send the Union International Bargaining Agent and the Local Union President an answer in writing within 15 days of the meeting. The Union will accept, reject, or appeal to arbitration within 30 days of the Company's final answer.

Section 6.7. - Arbitration

The arbitrator (1) shall be mutually agreed to by a Company Representative and a Union Representative. If the parties cannot agree to an arbitrator, the arbitrator shall be selected from a list of seven arbitrators provided by the Federal Mediation and Conciliation Service (FMCS). The parties shall strike names alternately and the Union shall strike first. Each party shall have the right to strike the entire panel of arbitrators once. The parties shall follow the rules of FMCS. The decision of the arbitrator, after a hearing, shall be final and binding on the parties. The expenses of arbitration shall be borne equally by the parties. In rendering their decision, the arbitrator shall not add to, subtract from, modify, or amend any provisions of this Agreement. The arbitrator shall render a written decision within 30 days after receipt of the parties' briefs or 30 days from the conclusion of the hearing if no briefs are filed by the parties. Past practice may only be used by the arbitrator to interpret a vague or ambiguous provision of this Agreement. The arbitrator's decision is to be based solely on the evidence and arguments presented by the parties at the hearing. In discharge cases, the arbitrator shall have the authority to award back pay and reinstatement if he finds the Company did not have just cause to discharge the employee. In a discharge case, the arbitrator shall not have the authority to order back pay in lieu of reinstatement.

Section 6.8. - Time Limits

If after the submittal of the written grievance either party fails to abide by the timetables specified in each subsequent step of the grievance procedure, then the grievance shall be considered resolved and the remedy shall be in favor of the other party. Either party may withdraw the grievance in writing at any time prior to submitting the grievance to arbitration in a non-precedent setting manner and without conceding their position on future grievances. For the purpose of this Article, the time limits as specified herein are exclusive of Saturdays, Sundays or holidays. The time limits specified in each step of the grievance procedure may be extended by mutual agreement between the Company and the Union.

Section 6.9. - Representatives at Grievance Steps

In order to best utilize this grievance procedure, each party understands they must have a representative present at each step of the grievance procedure that has the authority to resolve the grievance.

ARTICLE 7 - DISCIPLINE

Section 7.1. - Union Representation

The Union shall be considered the representative for grievance presentation purposes of any employee laid off, discharged or otherwise separated from the payroll until the limits of the grievance and arbitration procedures have been exhausted. An employee shall be entitled to request union representation to be physically present at any investigatory interview that the employee reasonably believes may result in disciplinary action. The Union will make a reasonable attempt to have the closest union representative attend. Union representation may attend by phone or video conference for investigatory interviews if the employee and union representative have an opportunity to discuss concerns in private prior to the investigatory meeting.

Section 7.2. - Just Cause

Employees covered by this Agreement shall not be suspended, demoted, discharged or otherwise disciplined except for just cause.

Section 7.3. - Notification to the Union

The Company will notify the employee and the Union of any suspension, demotion or discharge action and giving reasons for the action.

Section 7.4. - Immediate Removal

Nothing in the foregoing shall prevent the Company from immediately removing an employee, for cause, from the premises or assignment pending final disposition of the case.

Section 7.5. - Probationary Employees

The question of whether "just cause" exists for the discipline shall be subject to the grievance and arbitration procedure provided herein, except that the discipline, suspension, demotion, or discharge of any employee during the first six calendar months of their employment may be taken up as a grievance but shall not be subject to arbitration.

ARTICLE 8 - NO STRIKE OR LOCKOUT

It is agreed that neither the Union nor its members nor any employee it represents will instigate, participate in, or engage in any strike, sympathy strike, slowdown, stoppage of work, boycott or other interference with production or operations during the term of this Agreement. The Company agrees that during the term of this Agreement there will be no lockout of employees covered under this Agreement.

ARTICLE 9 - MANAGEMENT

All the inherent rights of management shall be solely and exclusively retained by the Company, which includes but is not limited to the right to hire, layoff, recall, evaluate, promote and demote employees; to discipline and discharge for just cause; to determine the duties to be performed by each classification; to establish or amend the qualifications necessary for each classification or job; to abolish classifications (with 10 calendar days advance notice and negotiation with the union); to establish or modify job descriptions; to establish the wage rate for any classification (the wage rate will be subject to bargaining with the Union); to assign work and duties, and when necessary to maintain efficiency, service the public or maximize utilization of resources, to shift work from one functional or geographic area to another; institute changes in process/procedures; implement new technology and automation and determine utilization of the same; to establish and revise safety standards; to determine where/when and how much training is required; to establish, amend and enforce reasonable rules, policies and regulations; to schedule the hours of work and days of the work week; to subcontract work consistent with Article 11; to determine when overtime will be worked; to set or change the starting and quitting times; to establish or amend the number of hours and shifts to be worked subject to the provisions of this Agreement; to determine the manner, means, methods, and equipment used, the services provided and the location of the operations; and to introduce new or improved methods of service.

In the interest of maintaining efficient operations and ensuring prompt and reliable service for customers throughout the state, the Company may utilize both non-bargaining and bargaining employees to perform work in any area of the Company so long as existing bargaining unit employees are not displaced.

ARTICLE 10 - UNION RIGHTS

Section 10.1. - Representation of Employees

The right to manage the Union in carrying out its functions to represent all employees of the Unit for the purposes of collective bargaining affecting the wages, hours of work and other conditions of employment, including the right to process grievances, shall not be interfered with by the Company or its agents except as these rights are limited by this Agreement.

Section 10.2. - Company Requested Conferences

Elected Union officials shall be paid for straight time when excused from their regular scheduled work hours to attend conferences requested by the Company. The Company shall not pay Union officials to attend meetings requested by the Union without prior Company approval. Elected Union officials include the President, Vice President, Secretary-Treasurer, and two Area Vice Presidents.

Section 10.3. - Unpaid Union Business Time

The Company agrees to grant elected Union officials or their alternate a reasonable number of hours off per year without pay and with no impact on the Short Term Incentive Plan to handle Union

business. Such request requires supervisor approval. Union officials shall be required to give one week notice to the employee's supervisor when requesting time off for Union business. Requests for time off with less than one week notice will be considered by management.

Section 10.4. - Grievance Meetings

Whenever possible, grievance meetings will be held during regular working hours of the union official. The parties will use conference calls for grievance meetings whenever possible and at a time to have minimal impact on the business. The Company and the Union shall be reasonable in the administration of this section. Union representative participating in grievance meetings during regular working hours will be paid their regular wages.

Section 10.5. - Bulletin Boards

The Union shall have the right to place bulletin boards at its own expense at each office or plant location. The location, number and construction of such bulletin boards, however, shall be subject to the approval of the Company. Material to be posted shall relate only to official Union business and shall not contain anything of a controversial, offensive or political nature, anything derogatory to the Company or employees, or anything that will detrimentally affect service.

ARTICLE 11 - CONTRACTING

It shall be the Company's policy and intention to use its employees as much as practicable for the performance of the Company's work. It is recognized, however, that the Company may contract work to other companies when the Company determines that such a course is justified by bona fide business considerations.

Such contracting to other companies shall not directly cause the layoff of bargaining unit employees. Prior to contracting, the Company will consider the need to hire additional employees into the bargaining unit including part-time employees.

ARTICLE 12 - PAYROLL DEDUCTION OF UNION DUES

Section 12.1. - Union Dues

The Company will make collection through payroll deduction of regular Union dues as certified by the Secretary-Treasurer of the Union, upon receipt of the signed authorizations of the individual employees, and shall pay over to the Union monthly the total amount of dues deducted, provided said dues are the same percentage of base pay for all employees. The Company each month will furnish the Secretary-Treasurer of the Union a statement of the total dues deducted, a list of employees for whom dues were deducted, and the names of employees whose deduction authorizations were revoked during the preceding month.

Section 12.2. - COPE

The Company will deduct COPE contributions upon receipt of the signed authorizations of the individual employees, and shall pay over to the Union monthly the total amount of COPE contributions deducted.

Section 12.3. - Indemnity

The Union shall indemnify and hold harmless the Company against any form of liability arising out of any action taken or not taken by the Company in attempting to comply with any provision of this Article.

ARTICLE 13 - APPROVED TIME OFF AND LEAVE OF ABSENCE

Section 13.1. - Personal Unpaid Leaves

An employee desiring a leave of absence without pay should make a written request to and be approved by their immediate supervisor.

Section 13.2. - Approved Leaves

Leave of absences, with supervisor approval, will be granted and administered during the term of this Agreement in accordance with the Company's Absence from Work Policy which can be found on the Company's intranet.

ARTICLE 14 – GOVERNMENT LAWS AND NON-DISCRIMINATION

Section 14.1. - Non-Discrimination

There shall be no discrimination against any employee because of his/her race, color, religion, sex, national origin, military or veteran status, age, a qualified individual with a disability, sexual orientation, union membership or any other legally protected trait. Harassment based on one of these protected traits against any employee, visitor, supplier or agent of the Company will not be tolerated.

Section 14.2. – Invalidation and Interpretation

If any court or federal or state law should invalidate any part of this Agreement, such decision or law shall not invalidate the entire Agreement. If any part of this Agreement becomes invalid, the parties will meet and confer in an effort to cure the invalid provision. Nothing in this Agreement shall be construed to require either party of this Agreement to act in violation of any State or Federal law.

Section 14.3. - Reasonable Accommodation and Light Duty

In the administration of this Agreement, the Company shall provide reasonable accommodation to qualified individuals with a disability and to employees based upon religious tenets. The Company shall determine the need for and extent of such accommodation in accordance with the requirements and interpretations of the Americans With Disabilities Act and Title VII of the Civil Rights Act of 1964, even if such accommodations may be in conflict with another provision of this Agreement. In order to

return employees to work after an injury or illness as soon as possible, the Company may, at its discretion, require employees to perform available modified duty work when medically released, with or without restrictions.

ARTICLE 15 - COMMUTING DISTANCE

The Company's preference is that its employees live in the communities in which they work and serve. Notwithstanding the foregoing, all employees are required to live in a location that permits timely response to meet the State and Company requirements of responding to emergency situations not to exceed 60 minutes. If an employee's current reporting location is closed, the employee will not be required to move unless the office closure is the result of a force of reduction.

ARTICLE 16 – FUNERAL LEAVE

For the term of the 2019 Bargaining Agreement, the parties have agreed to suspend the provisions of Article 4, Section 4.11 – Severance Pay, and Article 16 – Funeral Leave. In lieu of the provisions outlined in Article 4 - Section 4.11 and Article 16, employees covered by this Bargaining Agreement will participate in the Company's Absence From Work Policy, which includes both Severance Pay and Funeral Leave, throughout the term of this Bargaining Agreement. The Absence From Work Policy is attached hereto as Appendix B.

ARTICLE 17 - HOLIDAYS

Section 17.1. - Holidays

All regular full-time employees will be allowed the holidays as set forth in the Company's Absence from Work Policy, currently:

New Year's Day	Thanksgiving Day
Memorial Day	Thanksgiving Day Friday
Fourth of July	Christmas Day
Labor Day	4 Floating Holidays

Section 17.2. – Floating Holidays

A floating holiday means a holiday selected by the individual employee. The employee shall normally be required to give more than two weeks advance notice of the day that they would like to take as a floating holiday. Scheduling of the floating holidays shall be subject to supervisor approval. The Company will not normally approve such holiday time off if the Company is required to pay additional premium pay to replace the employee. Requests for PTO shall have preference over requests for the floating holidays during the initial selection process.

Section 17.3. - Conditions for Holiday Pay

In order to receive holiday pay, an employee must work their last scheduled shift before and their first scheduled shift following the holiday, unless failure to work is due to the employee's illness or injury or permission has been given from the employee's supervisor for such time off. Employees off duty on a

holiday for the following reasons will not be eligible for holiday pay: (a) injury or illness covered by Worker's Compensation Law after expiration of STD or (b) unpaid leave of absence.

Section 17.4. - Holidays on Scheduled Days Off

When a holiday is observed by the Company on an employee's scheduled day off, the holiday for that employee shall be the scheduled working day of the employee nearest to the day the Company observes the holiday. When a holiday observed by the Company occurs during an employee's scheduled vacation, his vacation shall be extended one day.

Section 17.5. - Holiday Pay

Eight hours base pay will be paid for holidays not worked. All hours paid for a holiday occurring on an employee's regular scheduled workday when the employee does not work that day shall be counted as hours worked in computing overtime.

Section 17.6. - Work on a Holiday

When it is necessary for employees to work on a holiday, the hours, which they work, shall be paid for at the premium rate of two times their base hourly rate in addition to their regular holiday pay.

ARTICLE 18 – PAID TIME OFF (PTO)

Section 18.1. - Scheduling PTO

On or before January 1st of each year, employees are invited to express their preference as to PTO time by seniority in full weeks. After full weeks are selected, employees may select single or partial days by seniority. In assigning PTO, the Company, insofar as feasible, will comply with the request, giving preference to requests of senior employees. PTO selections must be given to the immediate supervisor on or before January 31st. PTO will be approved by February 15th. PTO not scheduled during the initial selection process will be available on a first come first serve basis. Employees may carry over up to 120 hours of PTO from year to year.

Section 18.2. - PTO Weeks

PTO weeks shall normally be scheduled on a calendar week basis, starting at 12:01 a.m, Monday. Employees will not be scheduled or required to work their day or days off immediately prior to the start of their PTO. Employees scheduled for a calendar week PTO will not be scheduled or required to work standby on their regular days off immediately preceding and following their scheduled PTO.

Section 18.3. - Partial and Single Day Vacations

Employees may elect to take PTO, in half days, a day at a time, in other increments of less than a full week, or in increments of less than a full hour, but no less than ¼ hour increments with supervisor approval.

For all PTO covered in Section 18.3 (partial and single day PTO), at least one week advance notice is required except in the case of an emergency. Scheduling of such PTO shall be subject to the approval of the employee's supervisor. Approval shall not be unreasonably denied.

Section 18.4. - Work Days Before and After PTO

The Company shall endeavor to arrange the work schedule of employees who rotate on and off of a Tuesday through Saturday work schedule so that the employee is not scheduled to work Saturday in the week preceding the commencement of their PTO.

Section 18.5. - Earning PTO

Each January, employees will receive an annual allocation of PTO hours based on years of service which they will receive during the year. The allocation of PTO is as set forth in the Company's Absence from Work Policy, currently:

Years of Service	PTO Allocation (Hours)	Years of Service	PTO Allocation (Hours)
Less than 1	Prorated	16	192
1	120	17	200
2	120	18	200
3	128	19	200
4	136	20	224
5	144	21	224
6	144	22	224
7	160	23	224
8	160	24	224
9	160	25	224
10	176	26	232
11	176	27	232
12	184	28	232
13	184	29	232
14	184	30+	240
15	192		

Employees hired mid-year will receive pro-rated PTO according to Company policy. Floating holidays are pro-rated based on the employee's date of hire.

Section 18.6. - PTO Upon Termination

An employee eligible for PTO who is terminated for any reason, laid off, granted an extended leave of absence, dies, retires, or resigns, shall be paid all earned but unused PTO.

Section 18.7. - PTO Applicable to Employees Hired on or before February 25, 2016

For employees hired on or before February 25, 2016, employees' current vacation account balance that was earned and effective January 1, 2016, and remaining at the time of the conversion, was converted to PTO, and 5 days (40 hours) was added to each employee's PTO allotment. In the situation where an employee had more vacation than they would have PTO, then that employee was grandfathered at the greater amount. In the situation where an employee had less vacation than they would have PTO, then that employee received the greater amount.

ARTICLE 19 - SKILL-TESTING

The Company reserves the right to test for job-related skills, knowledge, or ability, or as required by any regulatory agency.

ARTICLE 20 - EMPLOYMENT STATUS

Section 20.1. - Probationary Employees

A new employee will be in a probationary status for the first six months of employment and shall not acquire seniority. But if they are employed beyond six months of employment, their seniority will date from the first day of continuous employment. Probationary employees may be disciplined or discharged at the Company's discretion for any reason and shall not have recourse to the arbitration procedure. Any leave taken by a probationary employee will not count toward completing the 6 month probationary period.

Section 20.2. - Work by Supervisors

A supervisor shall not perform bargaining unit work except in an emergency or scheduled training.

ARTICLE 21 - HEALTH AND WELFARE AND OTHER EMPLOYEE BENEFITS

Section 21.1. - Participation

For the term of this Agreement, all eligible bargaining unit employees shall be eligible to participate in the Company benefit plans, programs and policies listed below, as administered and controlled at the Company's discretion, and as described in the applicable benefit plans, programs and policies, which are incorporated herein by reference. The Company shall have the right to change, modify, amend or terminate existing benefit plans, programs and policies at its discretion and in accordance with plan documents. Benefits are governed by the terms of the respective plan document. Except as noted below in (j), changes made to the plans, programs, procedures and policies identified in (a)-(s) below will apply to both union and non-union employees equally. No matters respecting the provisions of the benefit plans or their application shall be subject to the grievance or arbitration procedures established in this Agreement. Notwithstanding the foregoing, if the Company decreases the benefits under the Absence from Work Policy during the term of this Agreement, the bargaining unit employees covered by this Agreement will receive the PTO, Funeral

Leave, Company Holidays, Floating Holidays and Severance Benefits as identified in the October 31, 2016 – October 30, 2019 Agreement.

- a) Medical and Rx Drug Program
- b) Dental Program
- c) Vision Program
- d) Life Insurance Program
- e) Accidental Death and Dismemberment Insurance
- f) Short Term Disability
- g) Long Term Disability
- h) Flexible Spending Accounts
- i) Pension Plan, if applicable
- j) Company Annual Incentive Plan (plan design differentiates between bargaining and non-bargaining) -Employees will be eligible for this plan beginning January 1, 2017.
- k) Absence from Work Policy (includes PTO (prior military service), PTO Donation, United Way Day, Funeral Leave, Company Holidays, Floating Holidays, Jury Duty and Court Appearances, Annual Physical Appointment, Time off to Vote, Short-term and Long-term Personal Leaves, Military Training, Paternity Leave, Adoption Leave)
- l) Retirement Notice Bonus
- m) Employee Assistance Program
- n) Wellness Initiatives and Programs
- o) Tuition Reimbursement Program
- p) Recognition and Rewards Programs
- q) Black Hills Energy Uniform Programs
- r) Black Hills Energy Safety Procedures
- s) Black Hills Corporation' s Drug and Alcohol Abuse Policy
- t) Severance Policy

Section 21.2 - Retirement Plans

1. Retiree Medical Benefits -Employees hired before January 1, 1988 will be grandfathered in the SourceGas subsidized Retiree Medical Plan, so long as they retire on or before December 31, 2016. Employees hired on or after January 1, 1988 are eligible to participate in the SourceGas non-subsidized Retiree Medical Plan, so long as they retire on or before December 31, 2016. Beginning on January 1, 2017, employees that do not retire on or before December 31, 2016, will be eligible to participate in the Black Hills Corporation Retiree Healthcare Plan (including the RMSA).

2. Pension Benefits - The SourceGas Retirement Plan for employees actively employed by Kinder Morgan as of March 30, 2007 and hired by Kinder Morgan before May 1, 2002 - those employees will be "grandfathered" in their current retirement plan. Grandfathered employees will continue to earn benefits under the SourceGas Retirement Plan (according to the KN Energy career plan formula in effect on May 1, 2002).
3. SourceGas Retirement Savings Plan - Employees will continue to receive their current contribution levels of a 3% safe harbor contribution and either a 2% or 5% discretionary employer contribution depending upon eligibility. Once the SourceGas Retirement Savings Plan is integrated into the Black Hills Corporation Retirement Savings Plan, which is anticipated to be in 2018, the employees will move into the Black Hills Corporation Retirement Savings Plan subject to its terms and conditions.

Section 21.3. - Annual Meeting

Each year of the Agreement, the Company will host a meeting with the Union Business Agent to discuss the Company's health and welfare benefit programs. The Company commits to provide a summary of each program's usage, cost, and modifications effective January of the following year. Any and all expenses to attend the annual meeting shall be the Union's responsibility.

ARTICLE 22 - TOTALITY OF AGREEMENT

This Agreement contains all the provisions agreed to between the Company and the Union concerning wages, hours and other terms and conditions of employment. All prior agreements, understandings, past practices, including those written and signed by the Company and the Union, shall terminate upon the effective date of this Agreement. No understandings, undertakings, practices, amendments or modifications of this Agreement shall be valid unless it is agreed to by the Company and the Union, reduced to writing and properly signed by both parties.

ARTICLE 23 - MEAL ALLOWANCE AND TRAVEL EXPENSES

Section 23.1. - Meal Allowance and Travel Expenses

In the event an employee is required to work three hours or more beyond the normal workday shift, the Company will pay the employee a fixed \$15.00 per meal as a meal allowance. Additional meals shall be paid for after each five hour interval thereafter. The meal allowance will be paid in accordance with the Company's Meal Allowance policy. In the event an employee is assigned 50 miles outside of their reporting location during the noon lunch period, the Company will provide a fixed \$15.00 meal, and the employee will take at least a 30 minute break.

Section 23.2. - Travel Expenses

An employee who must remain overnight away from home for Company business will be reimbursed for actual and reasonable meal and lodging expenses during the assignment. Receipts for expenses incurred will be required.

Section 23.3. - Meals Furnished by the Company

The Company will not pay a meal allowance when a meal is furnished, or paid for, by another business-related individual or the Company.

ARTICLE 24 - NEW CLASSIFICATIONS

When the Company, at its discretion, establishes a new classification it shall develop a new description and wage rate and shall submit the description and wage rate to the Union. The Company will negotiate with the Union concerning the wage rate. In the event an agreement is not reached concerning the wage rate established by the Company for the new classification, the Union may file a grievance starting at the third step of the Grievance Procedure.

ARTICLE 25 - RESPONSIBLE RELATIONSHIP

The Company and the Union recognize that it is in the best interest of both parties, the employees and the public that all dealings between them continue to be characterized by mutual responsibility and respect. To insure that this relationship continues and improves, the Company and the Union and their respective representatives at all levels will apply the terms of this Agreement fairly in accord with its intent and meaning and consistent with the Union's obligations as exclusive bargaining representative of all employees in the unit. Each party shall bring to the attention of all employees in the unit, including new hires, their purpose to conduct themselves in a spirit of responsibility and respect the measures they have agreed upon to insure adherence to this purpose.

ARTICLE 26 - SAFETY

Section 26.1. - Drug and Alcohol Policy

The Company and Union agree to fully cooperate in maintaining a drug and alcohol free workplace and a workplace where employees do not report for work under the influence of drugs or alcohol. To that end, employees will be subject to discipline up to and including termination pursuant to the "Drug and Alcohol Abuse Policy." Employees will be subject to testing in accordance with the above mentioned policy. Employees who suspect that they may have an abuse problem are encouraged to seek assistance. In the event changes occur in federal or state law regarding drug or alcohol testing or the coverage of the law changes affecting employees in the bargaining unit, the parties agree to fully conform to any such changes.

Section 26.2. - Safety Equipment and Tools

The Company shall provide the necessary tools and safety equipment. The Company will provide uniforms to employees and employees must comply with the Company's Uniform Programs. The Company shall reimburse employees for the cost of safety footwear up to \$300 in a two year cycle or as needed with supervisor approval.

Section 26.3. – Joint Safety Committee

The Company and Union are vitally concerned with the safety, health and well-being of all employees. Safe and reliable performance of Company work, are in the interests of our customers and local communities. Bargaining unit employees will partner with the Company on regional safety committees with a minimum of two bargaining unit employees appointed by the Local CWA President.

ARTICLE 27 - TERM OF AGREEMENT

Section 27.1. - Expiration of Agreement

This Agreement shall become effective as of October 31, 2019 and shall remain in full force and effect until midnight, October 30, 2023, and from year to year thereafter until and unless either party notifies the other in writing not less than 60 days prior to the expiration of this Agreement or any extension thereof that such party elects to terminate or modify this Agreement on its expiration date. During the 2019 negotiations, the company and the Union agreed to open the agreement in 2022 to negotiate wages only for 2023.

Section 27.2. - Mid-Term Negotiations

Upon agreement by both parties, any section of this Agreement may be reopened for negotiations during its term. In the event of mid-term negotiations, the provisions of Article 8 (no strike/no lockout) will remain in effect.

Section 27.3. - Notification to the Parties

Written notice as required by this Agreement, shall be sufficiently served by the Union upon the Company when such notice is addressed to, sent by certified mail, return receipt requested and delivered to:

Franki Coulter, Director Labor Relations & HR Compliance Counsel
7001 Mount Rushmore Road
Rapid City, SD 57702
franki.coulter@blackhillscorp.com

Written notice shall be sufficiently served by the Company upon the Union when such notice is addressed to, sent by certified mail, return receipt requested and delivered to:

Garry Jordan, CWA Representative
8085 East Prentice Avenue
Greenwood Village, CO 89237
gjordan@cwa-union.org

Notwithstanding the foregoing, the parties may agree from time to time to send written notice by email. Such email must be sent with read receipt requested to the other party and contain a statement that the parties talked on xx/xx/xx (date) and have agreed that this email constitutes written notice.

IN WITNESS WHEREOF, the parties have executed this Agreement on _____
2020.

BLACK HILLS GAS DISTRIBUTION, LLC

By T. J. Jacobs
Todd Jacobs, VP Natural Gas Utilities

By Kevin J. Ross
Kevin J. Ross, VP Gas Operations, NEG

By Frankl Coulter
Frankl Coulter, Director Labor Relations & HR Compliance Counsel

**COMMUNICATIONS WORKERS
OF AMERICA, AFL-CIO LOCAL 7478**

By Gerry Jordan
Gerry Jordan, CWA Representative

By Korey Brill
Korey Brill, CWA Local 7478 President

By Mike Eason
Mike Eason

By Brian Eason
Brian Eason

By Chris Alexander
Chris Alexander

By Mike McGuire
Mike McGuire

By Josh Hedden
Josh Hedden

DUES DEDUCTION AUTHORIZATION

BLACK HILLS GAS DISTRIBUTION, LLC

Name _____
(Last) (First) (Middle)

Social Security Number _____

Authorization of Payroll Deduction of Union Dues Payable

COMMUNICATIONS WORKERS OF AMERICA

I, the undersigned, do hereby authorize and direct Black Hills Gas Distribution, LLC, hereinafter called the Company, to deduct from my pay, regular monthly Union Dues in the amount certified by the Secretary-Treasurer of the Union. Following the receipt of this authorization, deductions are to be made on a monthly basis from the first payroll period of the month.

I further direct the Company to forward all sums deducted as directed to the Secretary-Treasurer of the Union.

This authorization shall continue in effect until canceled by written notice from the Secretary-Treasurer of the Communications Workers of America, or until canceled by written notice signed by me, and individually sent by certified mail to the Company and CWA Local 7476, postmarked during the fourteen (14) day period prior to each anniversary date of the current or any subsequent Collective Bargaining Agreement, or during the fourteen (14) day period prior to the termination date of the current or any subsequent Collective Bargaining Agreement. This authorization is voluntarily made and is neither conditioned on my present or future membership of the Union, nor is it to be considered as a quid pro quo for membership.

It is understood that the Company assumes no responsibility in connection with this authorization except that of forwarding monies to the Secretary-Treasurer of the Union.

Union membership dues and agency fees are not deductible as charitable contributions for federal income tax purposes.

Dues and agency fees, however, may be deducted in limited circumstances subject to various restrictions imposed by the Internal Revenue Code.

(Signature of employee) (Date)

(Residence address)


(City) (State) (Zip)

APPENDIX A

CWA Wage Schedule

Annual Increase %	Measurement Technician- 2% All other classification 3%	Measurement Technician- 1.5% All other classification 2.75%	Measurement Technician- 1.5% All other classification 2.50%
Wage Effective 10/31/2018	Wage Effective 1/13/2020	Wage Effective 10/31/2020	Wage Effective 10/31/2021
Level 4 (Top)	\$ 38.53	\$ 39.30	\$ 40.49
Level 3	\$ 34.40	\$ 35.09	\$ 36.15
Level 2	\$ 31.52	\$ 32.15	\$ 33.12
Level 1 (Entry)	\$ 28.89	\$ 29.47	\$ 30.36
Welder			
Level 4 (Top)	\$ 35.32	\$ 36.38	\$ 37.38
Level 3	\$ 31.53	\$ 32.48	\$ 33.37
Level 2	\$ 28.90	\$ 29.77	\$ 30.59
Level 1 (Entry)	\$ 26.50	\$ 27.30	\$ 28.05
Mechanic			
Level 4 (Top)	\$ 35.09	\$ 36.14	\$ 37.13
Level 3	\$ 31.32	\$ 32.26	\$ 33.15
Level 2	\$ 28.71	\$ 29.57	\$ 30.38
Level 1 (Entry)	\$ 26.32	\$ 27.11	\$ 27.86
Operations Specialist			
Level 4 (Top)	\$ 33.47	\$ 34.47	\$ 35.42
Level 3	\$ 29.80	\$ 30.69	\$ 31.53
Level 2	\$ 27.33	\$ 28.15	\$ 28.92
Level 1 (Entry)	\$ 25.03	\$ 25.78	\$ 26.49
Service Specialist			
Level 5 (Top)	\$ 33.47	\$ 34.47	\$ 35.42
Level 4	\$ 32.66	\$ 33.64	\$ 34.57
Level 3	\$ 30.80	\$ 31.72	\$ 32.59
Level 2	\$ 26.12	\$ 26.90	\$ 27.64
Level 1 (Entry)	\$ 21.75	\$ 22.40	\$ 23.02
Maintenance Specialist***			
Level 5 (Top)	\$ 33.47	\$ 34.47	\$ 35.42
Level 4	\$ 32.58	\$ 33.64	\$ 34.57
Level 3	\$ 30.73	\$ 31.72	\$ 32.59
Level 2	\$ 26.04	\$ 26.90	\$ 27.64
Level 1 (Entry)	\$ 21.71	\$ 22.40	\$ 23.02
Meter Reader			
Level 4 (Top)	\$ 24.10	\$ 24.82	\$ 25.50
Level 3	\$ 21.63	\$ 22.28	\$ 22.89
Level 2	\$ 18.80	\$ 19.36	\$ 19.89
Level 1 (Entry)	\$ 15.66	\$ 16.13	\$ 16.57

APPENDIX B

	<h1 style="margin: 0;">BLACK HILLS CORPORATION</h1> <h2 style="margin: 0;">COMPANY POLICY</h2>	
Affected Business Unit(s): <p style="text-align: center;">ALL</p>	Originating Department(s): <p style="text-align: center;">Human Resources</p> <hr/> Effective Date: <p style="text-align: center;">01/20/2016</p>	
Policy No. CORP-HR-04	Final Approval Senior Management <p style="text-align: center;">12/19/2017</p>	Reviewed Date <p style="text-align: center;">1/1/2018</p>
Subject: <p style="text-align: center;">ABSENCE FROM WORK POLICY</p>		

PURPOSE

The purpose of this Policy is to assist Employees of Black Hills Corporation (the “Company”) in managing time away from work.

2. SCOPE

This Policy applies to all Full-Time Employees. Part-Time Employees are not eligible to participate in this Policy, unless expressly stated otherwise in the Policy. In any instance where this Policy conflicts with any collective bargaining agreement that covers the Employee, the collective bargaining agreement will govern. However, in the event there is a conflict between this Policy and applicable law, Employees will be afforded all rights required by law.

3. DEFINITIONS

- 3.1 Absence means any time an Employee is not present for assigned work during the work hours set by the Employer.
- 3.2 ADA means the Americans with Disabilities Act, as amended.
- 3.3 Affiliate means, with respect to the Company, any corporation or other entity, directly or indirectly controlling, controlled by, or under common control with the Company. For the purposes of this definition, the terms "controlling, controlled by, or under common control" means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise) of an entity, as determined and designated by the Company.
- 3.4 Company means Black Hills Corporation and any successor in interest thereto.

- 3.5** Disability or Disabled means that an Employee is absent from work because of the presence of an impairment (for which there is material objective medical evidence) that prevents the Employee from performing the essential functions of his/her job. An Employee will not be considered Disabled if the cause of the Employee's Disability is cosmetic surgery, unless the cosmetic surgery is a covered benefit under the Employer's group healthcare plan.
- 3.6** Employee means a person employed by the Employer on a Full-time regular or a Part time basis, as designated on the Employer's payroll records. An individual will be considered an Employee under this Policy only if such individual has been so classified by the Employer for purposes of this Policy. Examples of individuals who are not Employees of the Employer include: (1) consultants; (2) leased employees or workers; (3) individuals providing services to the Company pursuant to a contract with a third party; (4) temporary employees or workers; (5) independent contractors; (6) employees of independent contractors; (7) paid or unpaid interns; and (8) co-op employees.
- 3.7** Employer means the Company or any Affiliate that employs an Employee.
- 3.8** Exempt Employees means Employees who are classified as "exempt" under the FLSA, which generally means Employees are paid on a salary basis and are exempt from the payment of overtime.
- 3.9** FLSA means the Fair Labor Standards Act, as amended.
- 3.10** FMLA means the Family and Medical Leave Act, as amended.
- 3.11** Full-time Employee means an Employee who is regularly scheduled to work 40 or more hours per week for an Employer.
- 3.12** Funeral means a religious, social, fraternal, civic or military organization service for a deceased person (e.g. a church service, a memorial service, etc.).
- 3.13** Hardship means an unforeseen and significant medical or family emergency of an Employee.
- 3.14** Immediate Family means the Employee's spouse, parent, mother-in-law, father-in-law, child, daughter-in-law, son-in-law, brother, brother-in-law, sister, sister-in-law, or grandchild, and grandparent of either the Employee or his/her spouse. Immediate family includes step and half-brother/sister relationships.
- 3.15** Leave means a pre-arranged and approved Absence from assigned work for a prescribed period of time, for a foreseeable need, even if on an immediate basis. A Leave is always an Absence, but an Absence is not necessarily a Leave.
- 3.16** Long-term Personal Leave means a period of Absence from employment for an Employee which is more than four (4) weeks not to exceed six (6) months for a reason other than the Employee's Disability.
- 3.17** Non-exempt Employee means an Employee who is in a position covered by the overtime and/or minimum wage provisions of the FLSA or an applicable state law.
- 3.18** Part-time Employee means an Employee who is regularly scheduled to work at least 20 hours per week but fewer than 40 hours per week. A Part-time Employee is not eligible for time off benefits under this Policy, unless expressly stated otherwise in this Policy.
- 3.19** Policy means this Absence from Work Policy, as it may be amended from time to time by the Company in its discretion.
- 3.20** PTO (Paid Time Off) Hours means the paid time allocated and available to Employees to be used for Absences under the terms and conditions of this Policy.
- 3.21** Relative means the aunts, uncles, nieces, nephews, and first cousins of an Employee or his/her spouse.

- 3.22 Short-term Personal Leave means a period of Absence from Employment for an Employee which is four (4) weeks or less in duration for a reason other than the Employee's Disability.
- 3.23 Unpaid Absence means any period of Absence for which an Employee will receive no payment from the Employer under this Policy. An Employee does not have the discretion to elect an Unpaid Absence if the Employee has any PTO hours available except in certain situations involving an FMLA-approved leave or a military service leave.
- 3.24 Unscheduled Absence means an Absence for which the Employee did not obtain verbal or written approval from his/her Supervisor no later than the close of business on the Employee's regular scheduled workday prior to the start of the Absence, unless otherwise established by the Employee's business unit.
- 3.25 Years of Service means, for purposes of this Policy, a continuous year of employment service by the Employee that is measured from the Employee's most recent date of hire or rehire. Any approved Short-Term Disability and Personal Leaves of Absence are considered uninterrupted service.
- 3.26 Paternity Leave means approved paid-time off for a father for the birth of a child.
- 3.27 Father means, for the purposes of the Paternity Leave Policy, the parent of a biological newborn, husbands, civil partners, and partners of either sex who live with the mother in an enduring family relationship. To qualify for leave, you must expect to have the main responsibility (apart from mother) for bringing up the child.
- 3.28 Adoption Leave means approved paid time off for a parent for the adoption of a child.
- 3.29 Parent means, for the purposes of the Adoption Leave Policy, someone who has primary responsibility for bringing up the child.

4. POLICY

4.1 Overview

- 4.1.1 Regular attendance is an essential function of the job. Supervisors have the discretion to deny Absence requests or require Employees to schedule Absences to limit disruption to the Employer's operations. Employees are expected to seek approval for Absences in advance. The Employer may establish procedures or make determinations that indicate the number of Employees who can be absent for any and all reasons at one time, including processes for prioritizing multiple requests for time off by Employees (e.g., first come/first served, seniority based, etc.).
- 4.1.2 The supervisor of the Employee is responsible for approving any request for Absence, and reserves the unilateral right and discretion to deny any such request. Excess Unscheduled Absences or violation of this Policy by an Employee may lead to disciplinary action, up to and including termination of employment. At any time, the Employer may require verification of an Absence, including periodic reports during an approved Leave regarding the Employee's status and intent to return to work. Unscheduled Absences by the Employee will be charged to the appropriate paid time off bank (e.g. PTO, float, United Way Day, or other available bank), unless specifically restricted from doing so under applicable law, and may lead to disciplinary action by the Employer, up to and including termination of employment.
- 4.1.3 Unless directed otherwise by the Employer, an Employee must report unexpected or Unscheduled Absences (e.g. absence due to illness) to his/her immediate supervisor or his/her designee up to 60 minutes or more, if possible, before the start of his/her scheduled shift, on the first day of Absence. If the Absence is expected to extend beyond an agreed-upon-date, the Employee must contact his/her supervisor in advance to obtain approval for any additional Absence. If an unexpected situation arises which will extend the Absence, the Employee must contact his/her supervisor immediately.

- 4.1.3.1 Unscheduled Absences will be monitored. Unscheduled or excessive Absences or tardiness may result in disciplinary action by the Employer, up to and including termination of employment.
 - 4.1.4 A supervisor may require an Employee to obtain a healthcare provider's statement for any length of illness or injury that results in Absence. The Employer reserves the right to determine if the documentation provided by the Employee's healthcare provider is acceptable and reasonable. The Employer also reserves the right to direct any Employee to a healthcare provider, who has been selected by the Employer, for an independent medical exam or any testing necessary and useful in determining whether the Employee's Absence should be approved.
 - 4.1.5 Any Employee who misrepresents or withholds relevant facts, manipulates or attempts to manipulate the provisions of this Policy, or otherwise engages in behavior to obtain time off benefits to which the Employee would not otherwise be eligible to receive, will be subject to appropriate disciplinary action by the Employer, up to and including termination of employment.
- 4.3 Paid Time Off (PTO)**
- 4.3.1 Allotment for Full-time Employees**
 - 4.3.1.1 Each Full-time Employee is eligible for PTO upon hire or rehire. A Full-time Employee is awarded PTO Hours based on Years of Service and his/her most recent date of hire or rehire. For Full-time Employees with prior military experience, the Employee's prior years of service in the military will be counted toward years of service used to determine PTO. No adjustments will be made after hire.
 - 4.3.1.2 Each newly hired Full-time Employee in his/her first year of employment will receive a pro-rated amount, based on most recent date of hire or rehire.
 - 4.3.1.3 The full allocation is awarded, but not yet earned, at the beginning of each calendar year and is available for immediate use. Each Full-time Employee earns a pro-rated portion of the annual PTO allocation for each month he/she works during the year. Therefore, time off taken during the year is borrowed until it is earned during the year based on the provisions below. A partial month worked counts as a full month of earned PTO, i.e., on the first of the month, Full-time Employees earn 1/12 of their allotment for the entire year. Notwithstanding the foregoing, a Full-time Employee that terminates employment within 30 days of hire is not eligible for pay-out of any PTO.
 - 4.3.1.4 Employees are responsible for managing his/her PTO allowances.
 - 4.3.2 Allotment for Part-time Employees**
 - 4.3.2.1 A Part-time Employee is not eligible for PTO.
 - 4.3.3 General Provisions of PTO**
 - 4.3.3.1 Each Full-time Employee may carry over unused PTO hours at the end of each year up to a maximum of 120 hours of PTO. Any PTO in excess of 120 hours must be used no later than each December 31st. Except as described in Section 5, hours cannot be transferred between time off banks (i.e. from floating holidays to PTO or vice versa).

- 4.3.3.2** Each Full-time Employee may not take more time off than what is his/her PTO balance by the time the scheduled time off begins. (For example, an Employee cannot “borrow” time off from a future year allocation to use in the current year.)
- 4.3.3.3** Each Non-exempt Full-time Employee must charge PTO in increments based upon the operating rules of the Employee’s business unit. Should a business unit not establish the minimum PTO increment that can be taken, the minimum increment will be one quarter (.25) hour.
- 4.3.3.4** Each Exempt Full-Time Employee is not paid on an hourly basis and is expected to work the time necessary to accomplish his/her job duties. Although each Exempt Employee is required to record his/her time for the Employer’s administrative or project tracking purposes, such record is not used for payroll purposes. With the exception of certain FMLA-qualifying Absences, an Exempt Employee should not charge PTO in less than full-day increments on a day in which he/she performed work (full day increments of 8, 10 or 12 hours depending on schedule). For any regularly scheduled day in which work is not performed by an Exempt Employee, PTO Hours should be recorded for the Absence.
- 4.3.3.5** Each Full-time Employee is required to exhaust his/her PTO and other paid time off balances before any Unpaid Absence can be requested. Any Unpaid Absences must be approved by the Employee’s supervisor.
- 4.3.3.6** When a Full-time Employee terminates employment, the Employee will be paid, at his/her current base rate of pay for the pro-rated portion of *earned, unused hours* from his/her PTO Hours and unused hours carried over from the prior year. This payment is subject to all applicable taxes and withholdings, including any amounts owed to the Employer, if any. Additionally, if an Employee has used more PTO Hours than he/she has earned at the time of termination of employment, the excess hours calculated at the Employee’s current base rate of pay will be deducted from the Employee’s final paycheck. If an Employee still has an outstanding balance after the Company has taken all available funds from final paychecks, the Employee will have 30 days to make payment of remaining balance to the Company. If the Employee fails to do so, the outstanding balance may be turned over to a collection agency.
- 4.3.3.7** When an Employee becomes ineligible to participate in the PTO program, he/she is credited with the earned and unused hours that are then credited to his/her time off bank. If an Employee becomes ineligible for PTO but remains employed by the Employer, and the Employee has used more PTO hours than he/she has earned, the excess hours will be deducted from any future PTO Hours earned under an Employer’s policy, if any, or from the Employee’s paycheck.
- 4.3.3.8** If an Employee transfers from full-time to part-time status, the Employee will no longer be eligible for PTO. The Employee will stop earning PTO as of the time of the transfer, and the Employee will have until the end of the year to use earned hours. If the Employee used more PTO hours than earned at the time of transfer from full-time to part-time status, the Employee will not have to pay back the hours.
- 4.3.3.10** If an Employee transfers from part-time to full-time status, the Employee’s PTO allocation in his/her bank is earned as of that date.

The Employee will receive a pro-rata allocation of PTO Hours for the remainder of the current year following the change to full-time status.

4.3.3.12 If an Employee receives an excess allocation of PTO Hours, the Employer will correct the hours available to the Employee.

4.3.3.13 If an Employee terminates employment with the Company and is then re-employed at a later date, PTO Hours will be awarded without any consideration of the Employee's prior service. For any Employee subsequently rehired, the PTO Hours allocation will be based solely on the Employee's most recent date of hire or rehire. Any PTO Hours lost as a result of the initial termination of employment will not be reinstated upon rehire. Management retains the discretion to establish years of service recognized for PTO allocations based on prior employment with the Company or with other employers.

4.3.4 Donation of PTO

4.3.4.1 The Employer allows eligible Full-time Employees to request PTO donations under certain conditions. Floating holiday time, United Way Day hours and other types of time off are not eligible for donation. Such requests must be based on Hardship, which will be considered on a case-by-case basis by the Employer in its discretion.

4.3.4.2 Requests for donations of PTO Hours are kept confidential. A Full-time Employee who wants to request a donation should contact his/her local Human Resources Business Partner.

4.3.5 Weather Related Absences

4.3.5.1 Due to the nature of the Employer's business, the Employer will not announce on radio or television that it has "officially closed" any offices due to inclement weather. Generally, Employees are expected to report to work and remain at work. If, in the Employee's opinion, travel to work would jeopardize the Employee's personal safety or if road closures occur, the Employee must take PTO (or other available time off, or if there is no available time off, the weather related absence will be entered as unpaid time off).

4.3.5.2 In limited cases, an Employee may be able to perform work from home and be available by phone, and will therefore not be required to take PTO (or other available time off or be on unpaid time off). All telecommuting and working from home must be approved in advance by the Employee's supervisor.

4.3.5.3 If the Employer officially closes an office early, the time remaining in the regular workday will be deducted from PTO (or other available time off) for all Non-Exempt Full-time Employees. Non-Exempt Full-time Employees who arrive late or leave early due to weather conditions and who do not commute or work from home will charge PTO (or other available time off).

4.4 Exclusions from PTO

4.4.1 Funeral Leave

4.4.1.1 Funeral Leave is provided for Full-time Employees in order to attend the Funeral of an Immediate Family Member or Relative. An Employee who does not attend the Funeral is not eligible for Funeral Leave. At the Employee's request, the Employee may take additional time away from

work for bereavement after exhausting his/her Funeral Leave and must use his/her available PTO Hours (or other available time off).

- 4.4.1.2** Each Full-time Employee may be granted up to three days of Funeral Leave for the death of an Immediate Family Member based on the Employee's assigned work schedule. Part-time Employees are not eligible for Funeral Leave.
- 4.4.1.3** Travel Days – In instances where the Employee must travel more than 250 miles to attend the funeral, additional paid time off may be granted up to a maximum of two additional days. At the Employee's supervisor's discretion, one day on either side of the three consecutive days off with pay if they are also consecutive work days. Days off with pay are paid based on the Employee's assigned work schedule (i.e. if an employee is scheduled for 10 hour days then he/she would receive 10 hours of pay for each full day of leave taken). Supervisors should consult with their assigned Human Resources Business Partner as needed in such cases.
- 4.4.1.4** Each Full-time Employee may be granted one day (based on the Employee's assigned work schedule) of Funeral Leave for the death of another Relative.
- 4.4.1.5** A Full-time Employee is paid for Funeral Leave at his/her base rate of pay in effect at the time of the Absence.
- 4.4.1.6** A Full-time Employee seeking to take time off for the Funeral of a non-relative may do so only with his/her supervisor's approval, using PTO (or other available paid time off).
- 4.4.1.7** If an Immediate Family Member or Relative's death occurs while an Employee is on scheduled PTO, Funeral Leave may be granted in lieu of PTO. Funeral Leave granted will replace scheduled PTO for those days, thus reducing the number of days charged to PTO.
- 4.4.1.8** A Full-time Employee who is on a Short-term Personal Leave or a Long-term Personal Leave, or is absent due to Short-Term Disability or Long-Term Disability at the time of the Funeral, is not eligible for Funeral Leave pay.
- 4.4.1.9** In unusual circumstances, an Employee's Supervisor may, after consultation with the assigned Human Resources Business Partner grant additional time off to allow for travel out of state, unusual Funeral arrangements, or other extenuating circumstances. These circumstances will be evaluated on a case-by-case basis and such determinations will be made in the discretion of the Employer. In these situations, any additional time that is granted off will be charged to PTO (or other available time off).

4.4.2 Company Holidays

- 4.4.2.1** The Company provides seven (7) paid fixed holidays to eligible Employees, which are paid at the Employee's base rate of pay at the time the holiday occurs. The current list of holidays is:
- New Year's Day;
 - Memorial Day;
 - Independence Day;
 - Labor Day;
 - Thanksgiving Day;
 - Day After Thanksgiving (WRDC's holiday schedule includes Christmas Eve in lieu of the day after Thanksgiving); and
 - Christmas Day

- 4.4.2.2 If a fixed holiday falls on a Saturday, the holiday will be observed on the preceding Friday. If a fixed holiday falls on a Sunday, the holiday will be observed on the following Monday.
- 4.4.2.3 Each Full-time Employee is paid for eight (8) hours for each fixed holiday at the Employee's base rate of pay. Holidays must be taken as full days. If a holiday occurs during an Employee's scheduled PTO, the Employee will receive holiday pay for that day and no hours will be deducted from the Employee's PTO Hours for that day.
- 4.4.2.4 When a non-exempt Full-time Employee is required to work on a holiday, eight (8) hours of pay will be added to the Employee's paycheck in addition to the hours worked and recorded by the Employee for the day.
 - 4.4.2.4.1 If the demands of the specific business unit require work on a holiday, exempt Employees may elect to take an alternate day off as a holiday within the same pay period.
- 4.4.2.5 A Part-time Employee is paid for Company holidays on a pro-rated basis for each Company holiday, based upon the percentage of scheduled hours in relation to a Full-time Employee's 80-hour schedule as coded in the Company's HRIS system. For example, if the Part-time Employee is coded as a ".75 FTE" (meaning the Employee is normally scheduled to work 30 hours per week), the Part-time Employee would receive 6 hours paid time for a Company holiday (.75 times 8 hours for a Full-time Employee day equals 6 hours).
- 4.4.3 Floating Holidays**
 - 4.4.3.1 The Employer also provides four (4) floating holidays to each eligible Full-time Employee, paid at the Employee's base rate of pay. Part-time Employees are not eligible for floating holidays. An Employee shall become eligible for floating holidays upon hire or rehire. An Employee that terminates employment within 30 days of hire is not eligible for pay-out of any floating holidays. The annual floating holiday allocation (32 hours) is made each January 1st and is earned immediately and available to use throughout the year. All floating holiday hours must be used by each December 31st. Floating holiday hours cannot be carried over or transferred to the PTO Hours if not used by December 31st. Any remaining floating holiday hours at each December 31st are forfeited. Except as described in Section 5, hours cannot be transferred between time off banks (i.e. from floating holiday to PTO or vice versa).
 - 4.4.3.2 Each Full-time Employee who is hired during the year will receive a pro-rated allocation of floating holiday hours based on his/her date of hire. If the hire date is on or before June 30th, the Full-time Employee receives 4 floating holidays (32 hours). If the Full-time Employee is hired on or after July 1st then the Full-time Employee receives 2 floating holidays (16 hours).
 - 4.4.3.4 If a Full-time Employee is on Short-Term Disability or Long-Term Disability, or on a Short-term Leave or Long-term Leave on January 1st, the Employee will not receive his/her allocation of floating holiday hours until the Employee returns to active work. If the Employee does not return to work, then no allocation of floating holiday hours will be made.
- 4.4.4 Rotating Shifts and Alternate Work Schedules**

- 4.4.4.1 For each non-exempt Employee who works rotating shifts or alternate work schedules, when a holiday falls on an Employee's normal day off and the Employee does not work that day, eight (8) hours of pay will be added to the Employee's paycheck. Exempt employees may elect to take an alternate day off as a holiday within the same pay period.
- 4.4.4.2 Where administratively practical, an Employee who works alternate work schedules should arrange in advance with his/her supervisor to change to a regular 5-day, 40-hour schedule for the week in which the holiday occurs. If the Employee works a "fixed" alternate schedule (such as 4 x 10 plant operations) and does not have the discretion to adjust this/her schedule, eight (8) hours of pay will be added to the Employee's paycheck.
- 4.4.4.3 If an Employee's regular workday is more than 8 hours and the Employee is scheduled to work on a holiday, the Employee may take the day off from work and choose one of the following options:
 - Receive 8 hours holiday pay and charge PTO for the remaining 2 or 4 hours; or
 - Receive 8 hours holiday pay and work the remaining 2 or 4 hours; or
 - Arrange in advance with supervisor to change to a regular 5 day, 40-hour schedule for the week in which the holiday occurs.

4.4.5 United Way Day

- 4.4.5.1 The Company will grant one additional paid floating holiday to each eligible Full-time Employee that contributes the "fair share" to the United Way. Part-time Employees are not eligible for United Way Day.
- 4.4.5.2 The "fair share" is defined as the equivalent of one hour of pay for each month of the year, or 12 hours of pay. For Employees on a 10-hour schedule the "fair share" contribution is 15 hours of pay. For Employees who work a 12-hour schedule, the "fair share" contribution is 18 hours of pay.
- 4.4.5.3 A Full-time Employee will receive 8 hours of paid floating holiday if the Full-time Employee contributes the fair share amount to the United Way.
 - 4.4.5.3.1 A Full-time Employee with an alternative work schedule (i.e. 10-hour or 12-hour schedule), can elect to contribute the fair share (depending on the Employee's regular 10-hour or 12-hour schedule) to receive a paid floating holiday of 10 or 12 hours, depending on the alternative schedule, and subject to approval by the Employer's Human Resources Department.
- 4.4.5.4 The annual United Way Day allocation (i.e. 8 hours, unless an alternative schedule and fair share level contribution, as set forth above, is applicable) is made each January 1st and is available for use throughout the year.
- 4.4.5.5 All United Way Day hours must be used by each December 31st. United Way Day hours cannot be carried over, donated, or transferred to PTO Hours if not used by December 31st. Any remaining United Way hours at each December 31 are forfeited.
- 4.4.5.6 If an Employee has taken the United Way Day and the Employee elects to stop the deduction or the Employee's employment with the Employer is terminated prior to fulfillment of the contribution amount required, the Employer will deduct the remaining fair share contribution owed by the Employee. If the Employee terminates employment, has not yet taken the United Way Day, but has contributed the "fair share" full amount, the

Employee will be paid for the United Way floating holiday hours. If neither the full amount has been paid nor the United Way Day taken at the time of termination, the Employee will not be reimbursed for the contributions made through the date of termination.

4.4.6 Jury Duty and Court Appearances

- 4.4.6.1** The Employer supports local, state and federal courts by providing paid Absences for Employees assigned to jury duty.
- 4.4.6.2** When an Employee receives notification of jury duty, the Employee must present the official court documents to his/her immediate supervisor as soon as practicable after receiving a summons to serve on a jury panel.
- 4.4.6.3** While on jury duty, the Employer expects the Employee to work as much of his/her regular work hours as their jury duty schedule allows. The combined time on jury duty and at work should not exceed the Employee's normal work hours.
- 4.4.6.4** If an Employee is not required to report for jury duty on a day within the Employee's designated jury service period, then the Employee is expected to report for work at the normal time for that particular day. Employees are expected to be at work on any full day or half-day that the Employee is not required to serve on jury duty.
- 4.4.6.5** Any compensation received by Employees serving on jury duty need not be surrendered to the Company, unless specified differently under a collective bargaining agreement that covers the Employee.
- 4.4.6.6** A Part-time Employee is not eligible for jury duty pay, unless otherwise required by law.
- 4.4.6.7** An employee on Short-term Leave, Long-term Leave, or an absence due to Disability, is not eligible for jury duty pay.
- 4.4.6.8** Time off at the request of the Employer for any other court services, such as a subpoena or summons to appear, will be paid as time worked for both the hours the Employee is in court and the associated necessary travel time. Time off for other court services that is **not** at the request of the Employer must be approved in advance by the Employee's supervisor and will be charged to PTO.

4.4.7 Annual Physical Appointment

- 4.4.7.1** The Employer encourages Employees to care for their health and well-being, including use of paid preventative benefits under the Employer-provided health plans.
- 4.4.7.2** A Full-Time Employee may schedule up to two (2) hours of paid Absence for his/her annual physical appointment once per each calendar year. Annual physical appointments include those preventative services described under the American Medical Association guidelines (such as an annual physical, mammogram, colonoscopy, etc.). Part-time Employees are not eligible for this benefit.
- 4.4.7.3** Employees **must** obtain prior approval from his/her supervisor and attempt to schedule each appointment so as not to disrupt the Employer's operations. When an appointment is scheduled during an Employee's working hours, the Employer will allow up to two (2) hours charged to the Paid Absence Medical earnings code for the Employee's own physical appointment once per each calendar year.

- 4.4.7.4 If additional time off is needed to allow for travel to the physical appointment (e.g., to see a physician in another city), the Employee will be required to charge the additional time off to PTO or other available time off.
 - 4.4.7.5 If an Employee is absent the entire workday for any reason and attends his/her own physical appointment during that day, the Employee may charge up to two hours to the Paid Absence Medical earnings code and the remaining hours to PTO or other available time off.
 - 4.4.7.6 If an Employee is absent during the workday to accompany a family member to an annual physical or medical appointment that time must be charged to PTO or other available time off and not to Paid Absence Medical.
 - 4.4.7.7 The maximum allowed paid time off for an Employee's annual physical appointment is two (2) hours per year. If an Employee does not charge time off in any calendar year to the Paid Absence Medical (PAM) earnings code, the time off allowed does not roll over or accumulate for each year it is not used and is not paid out at time of termination.
- 4.4.8 Time Off to Vote**
- 4.4.8.1 Time off to vote is granted to Employees if requested, subject to certain conditions. Supervisors may require Employees to provide written requests for time off to vote. Time off to vote may be paid or unpaid by the Employer, depending on the Employee's schedule and the requirements for the applicable state.
 - 4.4.8.1.1 Time off to vote is paid by the Employer based solely on the requirements of each state. If an Employee's schedule meets the requirements of the applicable state, then the Employee is not paid by the Employer for voting time (because under state law, the Employee has sufficient time outside the scheduled work day for voting).
 - 4.4.8.1.2 If the Employee's schedule allows for sufficient time to vote outside the scheduled workday, but the Employee wants to take time away from work to vote at a different time, then the Employee is not eligible for paid time off to vote and must charge the hours away from work to PTO (or other available time off).
 - 4.4.8.2 Employees located in the following states are eligible for time-off to vote according to state-specific laws:
 - 4.4.8.3 Colorado: In accordance with the Colorado state election code, Employees may have paid time of two hours to vote. If the regular work schedule does not allow employees two hours outside of regular working hours to vote, supervisors may adjust work schedules in a manner in which best meets business needs and allows Employees two hours to vote. Employees whose work day begins more than three hours after the opening of the polls or ends more than three hours before the closing of the polls are not eligible for paid time off to vote.
 - 4.4.8.4 Idaho: The Idaho state election code does not mandate time off for voting. Idaho employees must request, in writing, for an adjustment to their regular work schedule to allow for time to vote. The request is subject to approval by the Employee's supervisor and the supervisor may adjust schedules in a manner that best meets business needs.

- 4.4.8.5** Iowa: In accordance with the Iowa state election code, Employees may have paid time of three hours to vote. Supervisors may adjust an Employee's normal work hours to begin at least three hours after the opening of the polls to allow paid time to vote. If the supervisor does not adjust an Employee's work hours, eligible Employees may take up to three hours off to vote, which must be scheduled to minimize the amount of disruption to the department's operation. Under Iowa law, voting time may not include lunch periods. Employees whose work day begins more than three consecutive hours after the opening of the polls are not eligible for time off to vote. If an Employee's work schedule for the day ends and there are three or more hours for which the polls remain open, the Employee is not entitled to paid time off to vote.
- 4.4.8.6** Kansas: In accordance with the Kansas state election code, Employees may have up to two paid hours to vote.
- 4.4.8.7** Missouri: An Employee may, with prior notice to his/her supervisor, take three hours off to vote if there are not three consecutive hours when the polls are open during which the Employee is not required to be at work. If an Employee's work schedule for the day ends and there are three or more hours for which the polls remain open, the Employee is not entitled to paid time off to vote.
- 4.4.8.8** Nebraska: In accordance with the Nebraska state election code, The Employee must request the time off to vote prior to Election Day, and the Employer can specify when during the working day the Employee may take the time off. Employees may have up to two paid hours to vote if the Employee does not have two consecutive non-work hours to vote while the polls are open. If an Employee's work schedule for the day ends and there are two or more hours for which the polls remain open, the Employee is not entitled to paid time off to vote.
- 4.4.8.9** New Mexico: In accordance with the New Mexico state election code, Employees whose work day begins more than two hours after the opening of the polls or ends more than three hours before the closing of the polls are **not** eligible for paid time off to vote. Supervisors may adjust an Employee's normal work hours to release the Employee at least three hours before the polls close to allow time to vote. If the supervisor does not adjust an Employee's work hours, eligible Employees may take up to two paid hours off to vote, which must be scheduled to minimize the amount of disruption to the department's operation. Voting time may not include lunch periods. If an Employee's work schedule for the day ends and there are three or more hours for which the polls remain open, the Employee is not entitled to paid time off to vote.
- 4.4.8.10** Ohio: Employers cannot fire or threaten to fire an Employee for taking a reasonable amount of time to vote. Paid time off is only for salaried Employees.
- 4.4.8.11** Oregon: No specific law requiring time off to vote.
- 4.4.8.12** South Dakota: In accordance with the South Dakota state election code, Employees may have up to two paid hours to vote on Election Day between the time the polls are open and when they close if the Employee does not have a period of two consecutive hours during the time the polls

are open in which the Employee is not required to be at work. If an Employee's work schedule for the day ends and there are two or more hours for which the polls remain open, the Employee is not entitled to paid time off to vote.

- 4.4.8.13 Wyoming: In accordance with the Wyoming state election code, Employees may have one paid hour to vote on Election Day, unless the Employee has three or more consecutive non-working hours available to vote during the time the polls are open. The hour allowed for voting shall not be a meal hour and may be selected at the convenience of the Employer. Employees must use the hour to vote as intended by the law. If an Employee's work schedule for the days ends and there are three or more hours for which the polls remain open, the Employee is not entitled to paid time off to vote.
- 4.4.8.14 Arkansas: In accordance with the Arkansas state election code, Employers are required to schedule time so each Employee has sufficient time to vote on the day of the election. The law does not require the Employer to pay the Employee for any time off granted to an Employee to vote.
- 4.4.8.15 Florida: No state specific law requiring time off to vote. Company will comply with local ordinance as may be required.
- 4.4.8.16 Montana: No specific law requiring time off to vote.
- 4.4.8.17 Indiana: No specific law requiring time off to vote.
- 4.4.8.18 North Dakota: No specific law requiring time off to vote.
- 4.4.8.19 Texas: Time off is required, but no specific limit is listed as long as the time available is sufficient time to vote and the Employee does not have two consecutive non-working hours during the time the polls are open.
- 4.4.8.20 Washington: No specific law requiring time off to vote.

4.4.9 Short-term and Long-term Personal Leaves

- 4.4.9.1 Short-term Personal Leaves and Long-term Personal Leaves may be granted to Full-time Employees under certain, pre-approved circumstances. Part-time Employees are not eligible for Short-term or Long-term Personal Leaves. Please refer to the FMLA Policy for leaves of absence covered under that policy.
- 4.4.9.2 An Employee must request a Short-term Personal Leave or Long-term Personal Leave in writing, using a Leave of Absence request form. The senior manager of the Employee's department and the Senior VP, Human Resources must both approve the request.
- 4.4.9.3 A Short-term Personal Leave may be granted for up to 4 weeks. If this initial period of Absence proves insufficient, consideration will be given to a written request for a single extension of no more than 4 additional weeks, unless otherwise required by any federal, state, or local law, as determined by the Employer on an individualized case-by-case basis.
- 4.4.9.4 Requests for a Short-term Personal Leave or Long-term Personal Leave will be evaluated by the Employer based on a number of factors, including anticipated workload requirements and staffing considerations during the proposed period of Absence.
- 4.4.9.5 When a Short-term Personal Leave or Long-term Personal Leave ends, reasonable efforts will be made to return the Employee to the same position, if it is available, or to a similar position for which the Employee is qualified. An Employee who takes a personal Leave that is not a

FMLA Leave, is not guaranteed his/her same position upon return from such Leave.

4.4.9.6 An Employee is expected to return to work no later than the next regularly scheduled workday after the expiration of the approved Short-term Personal Leave or Long-term Personal Leave. The Employer will assume the Employee has resigned if he/she fails to return to work as scheduled or to get an approved extension of the Leave, unless otherwise required by any federal, state, or local law, as determined on an individualized case-by-case basis by the Employer.

4.4.9.7 An Employee must obtain written authorization from the Employer prior to accepting other employment or engaging in self-employment while on an approved Short-term Personal Leave or Long-term Personal Leave. If an Employee accepts other employment or engages in self-employment without prior written approval from the Employer the Employee may be subject to disciplinary action by the Employer up to and including termination.

4.4.9.8 Since a Short-term Personal Leave or a Long-term Personal Leave is unpaid, the Employee should contact the Employer's Benefits Department prior to taking such a Leave to determine which benefits remain in effect while the Employee is on Leave.

4.4.10 Military Training

4.4.10.1 When an Employee who is an active member of the National Guard or military reserves is absent from work as part of his/her required training service, the Employee does not charge PTO (or other available time off) for the Absence. Refer to the Company's Military Leave Policy for more information.

4.4.11 Family & Medical Leave (FMLA)

4.4.11.1 Refer to the Company's FMLA Policy for information regarding Absences for reasons covered by the FMLA.

4.4.12 Service Member Family & Medical Leave

4.4.12.1 Refer to the Company's FMLA Policy for information regarding Absences for reasons covered by the FMLA for Service Member Family and Medical Leave.

4.4.13 Short-Term Disability (STD)

4.4.13.1 Refer to the Company's Incidental Illness/Injury and Short-Term Disability Policy for information regarding the coverage that is available under that policy.

4.4.14 Paternity Leave

4.4.14.1 All Full-time Employees that are fathers may be granted up to a total of 5 days of paid time off for the birth of a child. Such time off must be requested as separate from any other type of leave, must be supported by proof that childbirth has occurred and must be approved by the Employee's supervisor. This paid benefit may only be used once by an Employee in each calendar year. Hours used under this section will be applied toward the amount of time allotted under the Company's FMLA policy. Paternity Leave days should be taken within the first 90 days following the birth of the child. If the 5 days are not taken consecutively, Paternity Leave days

will be subject to operational needs and supervisor discretion throughout the 90-day period. Part-time Employees are not eligible for this benefit.

4.4.15 Adoption Leave

4.4.15.1 All Full-time Employees who will be the parent of a newly adopted child may be granted up to 5 days of paid time off. Such time off must be requested as separate from any other type of leave, must be supported by proof that an adoption is going to occur and must be approved by the Employee's supervisor. This paid benefit may only be used once by an Employee in each calendar year. Hours used under this section will be applied toward the amount of time allotted under the Company's FMLA policy. Adoption Leave days should be taken within the first 90 days following the adoption of the child. If the 5 days are not taken consecutively, Adoption Leave days will be subject to operational needs and supervisor discretion throughout the 90-day period. An individual who adopts a spouse or partner's child(ren) is not eligible for this benefit. Part-time Employees are not eligible for this benefit.

4.5 Communication

4.5.1 Changes to this Policy will be communicated to the workforce electronically by the Employer.

5. RESPONSIBILITIES

5.1 Employees

5.1.1 Each Employee is responsible for obtaining approval from his/her supervisor for Absences and Leaves and correctly recording his/her time. Each Employee is responsible for scheduling PTO time and other paid time off (including any donated hours) in advance with his/her immediate supervisor.

5.1.2 Each Employee is responsible for properly coding time off in the Employer's timekeeping system. Any errors in recording time off from work may be correctable by the Employer's Payroll Department if the Payroll Department is notified no later than the end of the subsequent pay period.

5.1.3 If the Employee does not properly code time away from work and does not notify the Payroll Department as required above, the hours will not be transferred between the time off banks and all rules for each time off bank will apply. For example, if an Employee neglected to charge days away from work to the Employee's floating holiday bank during the year, the Employer will not transfer those hours out of the floating holiday bank to the PTO bank at the end of the year (since floating holiday hours cannot be carried over but up to 120 PTO Hours can be carried over).

5.2 Supervisors and Managers

5.2.1 Supervisors and managers are responsible for determining whether to grant any Absence or Leave to an Employee and, if approved, whether to approve payment for the Leave of Absence, with each determination being made in accordance with this Policy.

5.3 Human Resources

5.3.1 The Employer's Senior VP, Human Resources (or his/her designee) is responsible for reviewing and approving Hardship requests made by Employees.

6. RELATED DOCUMENTS

PTO/Vacation Donation Procedures
PTO Allotment Chart
Holiday Allocation Chart
Short-Term Illness/Injury and Short-Term Disability Policy
Family and Medical Leave (FMLA) Policy
Military Leave Policy

7. SUPERSEDED POLICIES

This Policy supersedes all policies in effect prior to the effective date above that conflict with the foregoing, including:

Attendance and Punctuality
Bereavement Leave Holidays
Incidental Sick Leave
Inclement Weather
Leaves of Absence
PTO for Part-time Employees
Personal Floating Holidays
Personal Leave Benefit
Unpaid Leave of Absence

8. REVISION HISTORY

Rev.	Revision Date	Description	Revised By
1	2/12/2013	Clarify language and to add additional detail based on employee and business management feedback. Update the sections for part-time employees to reflect changes in the allocation of time off that became effective 1-1-10.	Laura Patterson
2	7/1/2013	Clarify language and defined terms.	Laura Patterson
3	1/1/2016	Include 30-day employment requirement for PTO and floating holiday eligibility.	Monica Lopez

4	1/1/2018	Changes to PT benefits; remove references to vacation; add PTO allotment for military service; revise section on PTO allotment while on STD/LTD or personal leaves on January 1 to reflect actual administration; clarify no payout of floating holidays or PTO if not employed for 30 days; add collection language; clarify no reimbursement for United Way Day contributions if employee terminates prior to taking the day or fulfilling the contribution; update the voting leave laws; and update carry	Franki Coulter
(List every instance of the document being changed and reissued).			

APPENDIX C

	<h1 style="margin: 0;">BLACK HILLS CORPORATION</h1> <h2 style="margin: 0;">COMPANY POLICY</h2>		
Affected Business Unit(s):	Originating Department(s): Human Resources		
ALL	Effective Date: Date Goes Here		
Policy No.	Final Approval Senior Management	Revision Date	
	Date Goes Here	Date Goes Here	
Subject:			
LIFE CYCLE LEAVE POLICY			

1. PURPOSE

The purpose of this policy is to provide additional paid time-off to Employees of Black Hills Corporation (the “Company”) who encounter a substantial life event that may require additional time-off beyond the leaves provided by the Absence From Work Policy. All paid time-off for Life Cycle Leave requires management approval as well as proof of life event to receive approved paid time-off. All Life Cycle Leaves will run concurrently with other leaves as noted and/or applicable, e.g., FML.

2. SCOPE

This policy applies to all Full-time Employees. Part-time Employees are not eligible to participate in this policy, unless expressly stated otherwise in the policy. Employees covered by a collective bargaining

agreement should refer to their collective bargaining agreement to determine whether they are eligible for the benefits provided under this policy. In the event there is a conflict between this policy and applicable law, Employees will be afforded all rights required by law.

3. DEFINITIONS

- 3.1 Absence means any time an Employee is not present for the assigned work during scheduled work hours.
- 3.2 Adoption Leave means approved paid time-off for Employees that will be the parent of a newly adopted child as provided by the Absence From Work Policy.
- 3.3 Adoptive Parent means an Employee who will be the parent of a newly adopted child and who serves as the child's caregiver.
- 3.4 Company refers to Black Hills Corporation and all of its subsidiaries and affiliates.
- 3.5 Employer means the Company or any Affiliate that employs an Employee.
- 3.6 Eligible Family Member:
 - 3.6.1 Extended Funeral Leave includes: Parent, Spouse, or Child (including adopted, step and legal guardian).
 - 3.6.2 Family Caregiving (Critical Illness) includes: Spouse, Child (including step-children and adopted children), Parent (including step-parent) or other relationship in which the Employee is the legal guardian.
 - 3.6.3 Family Caregiving (Birth or Adoption of a Child) includes: Primary or Secondary Employee parents and Adoptive Parent.
- 3.7 FML means Family Medical Leave as prescribed by the Family Medical Leave Act, as amended.
- 3.8 Full-time Employees are Employees who are regularly scheduled to work 40 or more hours per week and Employee means a person employed by the Employer on a Full-time regular basis as designated on the Employer's payroll records.
- 3.9 Funeral encompasses a religious, social, fraternal, civic or military organization service (i.e. a church service, a memorial service, etc.).
- 3.10 Leave means a pre-arranged and approved Absence from the assigned work for a prescribed period of time, for a foreseeable need, even if on an immediate basis. A leave is always an Absence, but an Absence is not necessarily a Leave.
- 3.11 Paternity Leave means approved paid-time-off for Employees that are fathers and granted paid time-off for the birth of a child as provided by the Absence From Work Policy.
- 3.12 Primary Employee means the Employee giving birth to a child and serves as the newborn's caregiver.
- 3.13 PTO Donation Critical or catastrophic illness or injury of an Immediate Family Member that poses a threat to life and/or requires extended inpatient or hospice health care as provided by the Absence From Work Policy.
- 3.14 Secondary Employee means the Employee who is the non-birth Employee parent and who serves as the newborn's caregiver.

4. POLICY

4.1 Extended Funeral Leave

4.1.1 Eligibility

4.1.1.1 Full-time Employees are eligible for Extended Funeral Leave upon employment.

4.1.1.2 Extended Funeral Leave may be taken for the death of a Parent, Spouse, or Child (including adopted, step and legal guardian), i.e., Eligible Family Member.

4.1.2 General Provisions of Extended Funeral Leave

- 4.1.2.1 In addition to regular Funeral Leave, an Employee may request up to four (4) weeks of paid Extended Funeral Leave following the death of an Eligible Family Member.
- 4.1.2.2 Extended Funeral Leave may be taken consecutively or intermittently within the first (6) months from the time of the Eligible Family Member's death.
- 4.1.2.3 Pay replacement will be 100% of an Employee's base pay, i.e., up to 40 hours per week and does not count toward the calculation of overtime.
- 4.1.2.4 PTO may be requested after Extended Funeral Leave is exhausted.
- 4.1.2.5 Additional Extended Funeral Leave may be requested when multiple Eligible Family Members pass at the same time.

4.2 Family Caregiving (Critical Illness)

4.2.1 Eligibility

- 4.2.1.1 Full-time Employees are eligible upon employment.
- 4.2.1.2 Family Caregiving for Critical Illness applies to the critical and/or terminal illness of a Spouse, Child (including step-children and adopted children), Parent (including step-parent) or other relationship in which the Employee is the legal guardian, i.e., Eligible Family Member.
- 4.2.1.3 Time-off may be requested to care for an Eligible Family Member during the time in which he/she is critically ill. A qualified illness is one that poses a threat to life and/or requires extended inpatient or hospice healthcare.

4.2.2 General Provisions of Family Caregiving (Critical Illness)

- 4.2.2.1 An Employee may request up to four (4) weeks of paid time-off to care for an Eligible Family Member. Time may be taken intermittently and must be approved by the Employee's manager in advance of time-off. Pay replacement will be 100% of an Employee's base pay, i.e., up to 40 hours per week and does not count toward the calculation of overtime.
- 4.2.2.2 An Employee must exhaust four weeks of Family Caregiving (Critical Illness) leave prior to requesting a PTO Donation.

4.3 Family Caregiving (Birth or Adoption of a Child)

4.3.1 Eligibility

- 4.3.1.1 Full-time Employees are eligible upon employment.
- 4.3.1.2 Primary or Secondary Employees and Adoptive Parent Employees are eligible.
 - 4.3.1.2.1 Primary Employee is the Employee giving birth and Secondary Employee is the non-birth parent to the newborn child. If both Primary and Secondary Employee are employed by the Company they are both eligible for Family Caregiving (Birth or Adoption of a Child) leave.
 - 4.3.1.2.2 The Adoptive Parent Employee is an Employee who has provided proof that an adoption is going to occur. An individual who adopts a spouse or partner's child(ren) is not eligible for this benefit.

4.3.2 General Provisions of Family Caregiving (Birth or Adoption of a Child)

- 4.3.2.1 **Primary Employee.** Upon exhaustion of short term disability leave (STD leave), the Primary Employee is eligible for up to four (4) weeks of paid time-off at 100% of the Employee's base pay, i.e., up to 40 hours per week and does not count toward the

calculation of overtime. The leave must be taken immediately after STD leave is exhausted, then may be followed by the Primary Employee's return to work on a reduced work schedule of no less than 50% (e.g., 20 hours per week) of regularly scheduled work hours for up to two (2) weeks. The two (2) weeks of reduced work schedule is paid at 100% of the Employee's base pay.

4.3.2.2 **Secondary Employee.** In addition to the Paternity Leave described in the Absence from Work Policy, the Secondary Employee is eligible for up to four (4) weeks of paid time-off at 100% of the Employee's base pay, i.e., up to 40 hours per week and does not count toward the calculation of overtime, and is in addition to Paternity Leave as provided by the Absence From Work Policy. The Secondary Employee must take the Family Caregiving (Birth or Adoption of a Child) leave within six (6) months from the date of birth of the child. The Secondary Employee may take Family Caregiving (Birth or Adoption of a Child) leave consecutively or intermittently. This paid benefit may only be used once by a Secondary Employee in each calendar year.

4.3.2.3 **Adoptive Parent.** In addition to the Adoption Leave as provided by the Absence from Work Policy, the Adoptive Parent is eligible for up to four (4) weeks of paid time-off at 100% of the Employee's base pay, i.e., up to 40 hours per week and does not count toward the calculation of overtime. The leave may be taken consecutively or intermittently within six (6) months from the date the Adoptive Parent takes physical custody of the child. If both the Adoptive Parents are employed by the Company they are both eligible for Family Caregiving (Birth or Adoption of a Child) leave. This paid benefit may only be used once by an Adoptive Parent Employee in each calendar year.

5. Responsibilities

5.1 Employees

- 5.1.1 Each Employee is responsible for obtaining approval from his/her supervisor for Life Cycle Leave prior to taking time-off.
- 5.1.2 Each Employee is responsible for completing the Life Cycle Leave Request Form and submitting it to the HR Solutions Center for final approval.
- 5.1.3 Each Employee is responsible for submitting proof of the life event.
- 5.1.4 Each Employee is responsible for properly coding time-off in the Employer's timekeeping system. Any errors in recording time-off from work may be correctable by the Employer's Payroll Department if the Payroll Department is notified no later than the end of the subsequent pay period.
- 5.1.5 If the Employee does not properly code time away from work and does not notify the Payroll Department as required above, the hours will not be charged to the appropriate Life Cycle Leave. For example, if the Employee charged time-off to PTO, the Employer will not transfer those hours out of PTO to the Life Cycle Leave.

5.2 Management

- 5.2.1 Supervisors and managers are responsible for determining whether to grant any Life Cycle Leave to an eligible Employee with each determination being made in accordance with this policy.
- 5.2.2 Supervisors and managers are responsible for ensuring the approved leave is taken within the time specified and in accordance with this policy and timesheets are coded properly.

6. Related Documents

Absence From Work Policy
Family and Medical Leave (FMLA) Policy
Short-Term Illness/Injury and Short-Term Disability Policy

7. Superseded Policies

This policy is not superseded by any other policy.

**APPENDIX A
CWA Wage Schedule**

	Wage Effective 10/31/2021	Increase %	Wage Effective 10/31/2022
Measurement Tech			
Level 4 (Top)	\$40.49	5.50%	\$42.72
Level 3	\$36.15	5.00%	\$37.96
Level 2	\$33.12	3.00%	\$34.11
Level 1 (Entry)	\$30.36	2.50%	\$31.12
Welder			
Level 4 (Top)	\$38.31	7.25%	\$41.09
Level 3	\$34.20	5.00%	\$35.91
Level 2	\$31.35	3.00%	\$32.29
Level 1 (Entry)	\$28.75	2.50%	\$29.47
Mechanic			
Level 4 (Top)	\$38.06	4.00%	\$39.58
Level 3	\$33.98	3.00%	\$35.00
Level 2	\$31.14	2.50%	\$31.92
Level 1 (Entry)	\$28.56	2.50%	\$29.27
Operations Specialist			
Level 4 (Top)	\$36.31	4.50%	\$37.94
Level 3	\$32.32	3.50%	\$33.45
Level 2	\$29.64	2.75%	\$30.46
Level 1 (Entry)	\$27.15	2.75%	\$27.90
Service Specialist			
Level 5 (Top)	\$36.31	4.50%	\$37.94
Level 4	\$35.43	3.50%	\$36.67
Level 3	\$33.40	3.00%	\$34.40
Level 2	\$28.33	2.75%	\$29.11
Level 1 (Entry)	\$23.60	2.75%	\$24.25
Maintenance Specialist			
Level 5 (Top)	\$36.31	4.50%	\$37.94
Level 4	\$35.43	3.50%	\$36.67
Level 3	\$33.40	3.00%	\$34.40
Level 2	\$28.33	2.75%	\$29.11
Level 1 (Entry)	\$23.60	2.75%	\$24.25
Meter Reader			
Level 4 (Top)	\$26.14	4.00%	\$27.19
Level 3	\$23.46	3.00%	\$24.16
Level 2	\$20.39	3.00%	\$21.00
Level 1 (Entry)	\$16.98	5.00%	\$17.83

Overall percentage increase to budget: 4.16%

Overall dollar increase to budget: \$641,652

**Not factoring in benefits loadings or OT*

**Not factoring in benefits loadings or OT*

**** CWA 7476 requested revision to original Company proposal #4, Company agreed**

**** Company requests awareness that differentiated higher percentage increases negotiated at wage opener may impact discussion at full contract negotiations**

****Company offers 4.16% reserving the right to continue modifying exact position/level percentages as part of collaborative negotiations process.**