AGREEMENT

Between

NRG Energy, Inc.

And

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
I.B.E.W. LOCAL 465
AFL-CIO

April 1, 2016
through
March 31, 2019
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AGREEMENT
Entered Into Between NRG Energy, Inc.
and the International Brotherhood of Electrical Workers (I.B.E.W.)
Affiliated with the AFL-CIO
Local no. 465
April 1, 2013

PREAMBLE

This Agreement is entered into effect April 1, 2016, by and between NRG Energy, Inc. (the “Company” or the “Employer”), its successors or assigns, and Local Union 465, of San Diego, California, of the International Brotherhood of Electrical Workers, affiliated with the American Federation of Labor and Congress of Industrial Organizations, hereinafter referred to as the “Local Union,” covering all classifications of employees as scheduled in Exhibit A attached hereto.

The Local Union agrees for its members (who are employees of the Company) that they will individually and collectively perform loyal and efficient work and service, that they will use their influence and best efforts to protect the property of the Company, and that they will cooperate in promoting and advancing the welfare of the Company. The Company agrees that it will cooperate with the Local Union in its efforts to promote harmony and efficiency among all of the Company’s employees.

The Company and the Union enter into this Agreement in a good faith effort to establish flexible work rules and related working conditions for the mutual benefit of the Company and its employees and to enhance the ability of
the Company to meet the competitive challenges inherent in operating the facility subject to this Agreement. The Union and the Company will cooperate in administering and interpreting this Agreement in a manner designed to foster and encourage the Company’s ability to operate the facility in a cost-competitive manner. Management and Labor will meet on an as needed basis to communicate and openly discuss current issues. Therefore, for the purpose of carrying out the intentions of the parties, it is mutually agreed as follows:

ARTICLE I

No Discrimination and Equal Employment

1.1 It is the policy of the Company and the Union not to discriminate against any employee on account of race, color, sex, sexual orientation, religion, age, national origin, ancestry, disabled, medical condition, marital status, disabled veterans and veterans of the Vietnam era. The reference to “disabled” or “medical condition” above shall not apply to an employee who, because of his disability or medical condition, is unable to perform the employee’s duties, or cannot perform such duties in a manner, which would not endanger the employee’s health or safety or the health or safety of others. The reference to “marital status” above shall not affect the right of the company to reasonably regulate for reasons of supervision, safety, security, or morale, the working of spouses within the Company.
ARTICLE 2

Recognition

2.1 The Union shall be the sole representative of all bargaining unit employees (regular full-time, part-time and temporary employees) employed in the job classifications listed in the attached Exhibit A.

2.2 The Company and the Union agree to negotiate and deal with each other, for all employees of the company covered in this agreement, on matters relating to hours, wages and other definite conditions of employment, included within the application and interpretation of this Agreement affecting said employees.

2.3 Nothing in this agreement is intended or shall be used to violate any municipal ordinance, state law or safety standard, or any other legal public requirement, nor is it intended to allow danger to continue to the detriment of either the Company or an employee.

2.4 It is understood and agreed that if, during the term of this agreement, mandatory laws applicable to and in conflict with any of the provisions hereto shall become effective and thereafter govern the parties in respect to such conflicting provisions, this agreement shall be subject to modification by mutual agreement of the parties hereto, covering the provisions which conflict.

2.5 It is further agreed that the terms and conditions included in this contract shall be the only contractual terms by which the employees are covered.
ARTICLE 3

Definitions

For the purpose of this Agreement, the following definitions shall apply:

3.1 EMPLOYEE – Employee includes all employees in the bargaining unit, who may also be referred to as technicians. Employees shall, under the direction of NRG Management, operate and maintain all steam, electrical, mechanical, instrumentation, and control equipment in the plant. Employees shall also perform all other duties as assigned. Unless otherwise stated, employees are full-time.

3.2 PROBATIONARY EMPLOYEE – A Probationary Employee is an employee just hired who works under the provisions of this Agreement but is employed on a trial basis, during which time the employee may be discharged at the Company’s sole discretion with or without cause. The probationary period shall be six months that may be extended for an individual employee by agreement of the Company and the Union. Upon completion of the probationary period, the employee shall thereafter be considered a full-time employee with seniority rights accruing from hire date forward. Probationary employees are eligible for health and welfare benefits upon the first day of hire.

3.3 PART-TIME EMPLOYEE – A Part-Time Employee is an employee who works a routine schedule on an ongoing basis from twenty (20) to thirty-two (32) hours per week. Part-Time employees are subject to the probationary period and are eligible for benefits
ARTICLE 4

Union Membership and Representatives

4.1 All employees of the Company coming within the classifications cover by Exhibit A of this agreement shall be required to share in the cost of maintaining and operating the Local Union as their collective bargaining agency in accordance with its rules, and shall be members thereof. It is understood that no employee will be laid off, suspended, or discharged for the reason that the employee has not tendered the periodic dues uniformly required as a condition of acquiring or retaining membership until three days after the employee’s department head, or higher Company official, is cognizant of the fact that the employee has been duly notified that the employee has not tendered such dues and fees. The foregoing provisions shall not be construed as denying the Company the right to hire its employees regardless of whether or not such employees are members of the Local Union, but it is the intent of the parties hereto that newly hired employees covered by Exhibit A of this agreement shall become members in good standing of the Local Union after thirty days from the date of their employment. However, summer student employees and employees hired for temporary employment shall become members in good standing of the Local Union after ninety days from the date of their employment. Part-time employees shall pay reduced fees based on hours worked compared to the normal 40-hour week.
4.2 The Local Union and the Company agree that no solicitation for membership in any labor organization shall be carried on the Company property or on Company time without the mutual consent of the parties hereto.

4.3 The Company will deduct the prescribed monthly Union dues from the wages of employees who individually and voluntarily authorize such deductions. Any such authorization shall be made in writing, and on a form agreed upon by the Company and the Union. The company will furnish the Union with a monthly record of those for whom deductions have been made, together with the amounts of such deductions. The Union will indemnify and save the Company harmless from any claims, suits, or any other form of liability as the result of making payroll deductions for membership dues.

4.4 The Company hereby agrees to honor contribution deduction authorizations from its employees who are union members in the following form:

I hereby authorize the Company to deduct from my pay the sum of one cent ($0.01) for each straight time hour paid and to forward that amount bi-weekly to the

International Brotherhood of Electrical Workers, AFL-CIO, Committee on Political Education, 900 Seventh Street, NW, Washington, DC 20001. This authorization is signed voluntarily and with the understanding that the IBEW-COPE will use the money to make political contributions and expenditures in connection with federal, state and local elections and that this voluntary authorization is in response to a joint fund raising effort by the IBEW and the
AFL-CIO. The Union will indemnify and save the Company harmless from any claims, suits, or any other form of liability as a result of making payroll deductions described above.

4.5 In case the Company should contract any work which is normally done by employees of the bargaining unit, the Company shall, before awarding such contract, advise the contractor that the work is to be done under similar terms and conditions of this agreement, and/or such other agreements as may be entered into between the contractor and bona fide local unions of international organizations affiliated with the American Federation of Labor and Congress of Industrial Organizations or other bona fide labor organizations. This section applies only to contracts for work, which qualify under the construction job site exception defined in Section 8(e) of the National Labor Relations Act. The Company will not subcontract work consistently performed by the regular forces purely for the purpose of conducting a reduction-in-force, unless federal, state, county or city ordinances require the Company to subcontract work previously performed by the regular forces.

4.6 When only one union contractor submits a bid for work, which is to be subcontracted under the terms of the Amended Agreement, the Company may award the contract to a non-union contractor on a competitive basis.

4.7 The Business Representative of the Union, Local 465, shall be permitted and authorized to enter the premises at reasonable times upon prior notice to and approval by Company management, which approval shall not be
unreasonably withheld, to see that the provisions of this Agreement are being observed. The Business Representative shall wear appropriate personal safety equipment at all times when on the premises. Such visits shall not interfere with the work of the employees or with operations of the Company. This provision does not authorize any employee to leave his or her assigned duties without approval of a supervisor.

4.8 Steward Provisions

4.8.1 Appointments – A written list of the names of the Stewards and any changes in the list made thereafter, shall be given to Human Resources or his or her designated representative at least 24 hours prior to the effective date of the assumption of the duties of such Stewards, if possible, but in any event before such Stewards perform any duties. Such notification shall be made by the Business Manager or his or her designated representative.

4.8.2 No employee shall serve as a Steward while on leave of absence. Steward must be an employee of the location he/she represents, and must hold a Union job classification. A Steward must be a regular employee as in the definition section of the Agreement.

4.8.3 Duties – A Steward may perform the following duties:

(a) Investigate any such grievance so it can properly be presented to the appropriate supervisor or manager for the further processing thereof.
(b) Present to an aggrieved employee’s immediate supervisor or manager at the 2nd Step, grievances which have been submitted by an employee in his jurisdiction for adjustment.

4.8.4 **Reporting** – It is understood and agreed that Stewards are employed to perform full-time productive work for the Company except when performing those duties specified in (a) and (b) above. Accordingly, before performing any grievance work as provided herein, the Steward shall report to his or her regular place of work.

4.8.5 When the presence of a Steward is desired by an aggrieved employee, he or she shall inform his or her immediate supervisor, who will arrange for the release of the Steward.

4.8.6 Grievance handling and processing shall be confined to the beginning and end of the shift, unless the nature of the grievance is such that it can be handled only at some other time of the day in which the Steward will be released as soon as he can be replaced by an employee of sufficient skill on a straight time basis.

4.8.7 **Rules**

(a) Stewards shall not be compensated for any time spent in the processing of grievances.

(b) Stewards shall perform duties in a manner, and at a time, which is not disruptive to the work processes.
ARTICLE 5

Management Rights

5.1 The parties recognize that the compensation and benefits employees receive as a result of their employment depend upon the success of the Company and its ability to manage its operations in a manner the Company deems appropriate to meet the challenges inherent in a competitive marketplace. Accordingly, the parties agree that the Company retains the sole and exclusive right to manage its operations, subject to the provisions of this agreement:

5.1.1 Direct the working forces, hire, promote, demote, suspend, lay off, and discipline or discharge for just cause;

5.1.2 Maintain efficiency consistent with competitive conditions and the right to establish and control standards and quality of production;

5.1.3 Determine the number, location, and types of departments, and transfer work to specific departments for the performance of all or any part of its operation;

5.1.4 Company has all rights regarding capital expenditures and decisions regarding the nature and selection of all machinery, equipment, methods, or processes used; introduce new equipment, machinery, methods, or processes and repair, change, alter, adjust or discontinue existing equipment, machinery, methods, or processes; decide on the sales method and sales price of all products and the purchase price of all equipment or machinery purchases.
5.1.5 Direct and supervise all employees, assign work, and transfer Employees in the same or different job classification, establish and regulate work shifts and hours of work; develop job descriptions’ determine the number of employees, including the number of employees assigned to any particular department, operation or shift;

5.1.6 Determine, establish, and make known reasonable work rules and safety rules for all of the employees.

5.2 The Company shall have the right to supplement its regular work force with part-time, temporary, contract, and seasonal employees. Temporary and/or seasonal employees are defined as employees hired by the Company to supplement its regular work force during absences and periods of peak work, including, but not limited to: summer, holidays, inventory, injuries, illnesses, authorized leaves of absence, maintenance outages, overhauls, and unusual assignments. Temporary and/or seasonal employees hired by the Company shall not accrue any seniority rights; however, they shall be subject to union security obligations under Article 3. The number of temporary, part time and seasonal employees shall be determined by the Company.

5.3 Supervisors may perform incidental work that is otherwise performed by the employees covered by this Agreement in cases of emergency, instruction, training, startup as directed by OMT, testing of new equipment, relief breaks, meal breaks, sick until relief can be called in. The Company will not normally
assign bargaining unit work to supervisors or other non-bargaining unit employees.

5.4 The Company retains the right to determine the best course to follow with regard to expanding or contracting the regular working force. The Company retains the right to contract out in the following situations: fluctuating or seasonal work loads where the employment of additional regular employees could reasonably be expected to result in periodic shortages of work for such regular employees; when contractors have specialized skills or equipment which make it more efficient for the Company to utilize them, and for absences and periods of peak work that cannot be filled by regular employee overtime. No reduction of regular employees shall occur as a result of contracting out under the provisions of this section.

5.5 The Company retains the right to continue all present practices regarding contracting out of work so long as it does not directly result in the layoff of a bargaining unit employee (that is, the contractor is performing full-time work that the laid off employee is qualified to perform and regularly performed during the term of this Agreement). However, no more than six (6) contractors shall be retained to perform duties at Cabrillo I or II as an I & E Technician or Material Handler greater than ninety (90) days unless by mutual agreement between the Union and Company or where a project dictates a need for the temporary work longer than 90 days in a calendar year. Employees who voluntarily leave the
company may be replaced by contractors 1-for-1, up to a total of six (6) contractors.

5.6 It is further recognized that all rights heretofore exercised by or inherent in management, and not expressly contracted away by the terms of this Agreement, are expressly retained solely by management. Any action by the Employer under this Article may not be made the subject of collective bargaining or the grievance procedure unless as otherwise expressly provided in this Agreement. It is understood, however, that nothing in this section shall be construed to limit or restrict the Union’s exclusive right to represent the interests of the employees over all mandatory subjects of bargaining.

ARTICLE 6

No Strike or Lockout

6.1 The Local Union agrees that, with respect to the employees covered by this agreement or any of them, it will not call upon or permit them to cease or abstain from continuous performance of the duties pertaining to the positions held by them under the Company in accordance with the terms of this agreement, and the Company agrees, on its part, to do nothing to provoke interruption of, or prevent such continuity of performance of said employees insofar as such performance is required in the normal and usual operation of the Company’s business.
ARTICLE 7

Grievance and Arbitration

7.1 The Company and the Local Union agree to meet and deal with each other through their duly accredited officers and committees, representing the parties hereto, on matters relating to hours, wages, seniority, and promotions within the classifications scheduled in Exhibit A hereof, demotions, discrimination, discharges, and lay-offs not made in accord with seniority.

7.2 Grievance Defined. A grievance is defined as a dispute regarding an alleged violation of a specific provision of this Agreement. The existence of, or any alleged violation of, any oral understanding shall not be the basis of any arbitration proceeding, unless such understanding is in writing and signed by the Company and the Union.

7.3 All grievances shall be determined as provided in this Article.

7.3.1 Step 1: Any employee, or steward, together with such committee as may be necessary, may present a grievance regarding the interpretation, application of this agreement or disciplinary action taken by the Company directly to the supervisor or through the authorized representative of the Local Union to the manager of the department involved. There is no responsibility on the part of the Company to accept for adjustment or to adjust a grievance, which is presented after fourteen (14) calendar days from the date of the occurrence, which is the basis for the grievance.
7.3.2 Step 2: If no settlement is reached in Step 1, the grievance shall be presented in writing to the Plant Manager by the steward or the authorized representative of the Local Union within fourteen (14) calendar days of the supervisor’s decision.

7.3.3 Step 3: The Plant Manager shall render a decision within a reasonable period. If no settlement is reached in Step 2, the grievance shall be presented in writing to the Regional Manager, Human Resources or designee, within fourteen (14) calendar days after the departmental decision has been rendered.

7.3.4 Step 4: Within fourteen (14) calendar days from receipt of such grievance, the Manager Human Resources shall investigate the grievance and, with such Company representatives as may be deemed necessary, shall meet with the authorized representative of the Local Union, who may be accompanied by a committee of the employees of the Company, to endeavor to settle the grievance.

7.3.5 Step 5: In case of failure to agree, the matter in dispute shall be submitted within the next fourteen (14) calendar days to either a mediator or arbitrator. The mediation process shall be non-binding and jointly agreed to between the parties and the mediator shall be selected from either the Federal Mediation and Conciliation Service or the State of California Conciliation Service. In the event mediation is not agreed to between the parties, the issue may be
submitted to arbitration. If the mediator fails to effect an agreement between the parties, the issue may be referred to arbitration. Any such referral must be made within thirty (30) days of the date of mediation.

7.3.6 Step 6: In the event no settlement is reached by the procedure outlined in Steps 1 through 5 above, the Union may, upon written notice to the Employer, appeal the grievance to arbitration within fourteen (14) days after the answer in Step 4 above. If the parties cannot agree upon a mutually acceptable arbitrator, the Arbitrator shall be selected from a list of seven submitted to the parties from the American Arbitration Association, which arbitrators must be members of the National Academy of Arbitrators. The arbitrator shall render a decision, which shall be final and binding upon the Employer, the Union, and the employee(s) involved.

7.4 Each party shall bear the expense of preparing and presenting its own case. The expense of the arbitrator and incidental expenses mutually agreed to in advance shall be borne equally by the parties hereto.

7.5 Time Limits. The time limits of this grievance and arbitration procedure shall be strictly adhered to. The Employer or the Union shall have the right to refuse to process or arbitrate a grievance, which is not raised in a timely fashion. However, the time limits of this grievance and arbitration procedure may be extended by mutual agreement between the parties. Whenever possible and
upon written mutual agreement between the parties, steps in the grievance process may be skipped so that the grievance may be processed in an expedited manner.

7.6 **Probationary Employees.** A probationary employee disciplined or terminated during the probationary period shall not be entitled to invoke the grievance and arbitration procedure to contest such discipline or termination. During this probationary period, such employees may be disciplined or terminated at the discretion of the Company, without liability or obligation to the employee or Union, and there shall be no remedy or cause of action, under this Agreement or otherwise, against the Company for any such termination or disciplinary action.

7.7 **Termination of Arbitration Obligations.** The Company shall have no obligation to arbitrate any grievance or dispute filed on or after the termination of this Agreement.

**ARTICLE 8**

**Hours of Work and Overtime**

8.1 **Rotating Shift Employees.** The plant is required to operate on a continuous basis. Therefore, shift schedules are designed to provide 24-hour coverage. Shift schedules are subject to change, both on a temporary and/or regular basis, depending upon the scheduling needs of the Facility. Shift changes shall be for a minimum of one (1) shift schedule (in the current week).
Any shift change for less than one (1) shift schedule, shall be paid at overtime rates. Rotating shift employees are required to respond to plant conditions during their meal period and therefore are provided a compensated meal period. The paid meal period is taken as operating conditions allow.

8.2 Non-Rotating Shift Employees. All non-rotating shift employees’ schedules vary according to the needs of the Facility and are subject to change on a temporary and/or regular basis. Hours of Work. The regular work schedule will consist of 40 hours, eight hours per day, five days per week.

8.3 Overtime. Employees may be required to work overtime outside of regularly scheduled hours, on weekends or holidays, and additional hours during the regular workday. Overtime must be approved by a Supervisor before being worked. Employees will not be required to take equivalent time off to compensate for time worked. Shift changes or regular working schedules shall not be changed for the sole purpose of avoiding overtime payments. Consistent with current practice, there shall be no pyramiding of overtime or premium pay.

8.3.1 Non-Rotating Shift Employees will be paid for approved overtime hours worked as follows:

(a) All hours worked over forty (40) hours per workweek will be paid at one and one-half times the employee’s hourly rate.

(b) Any hours worked in excess of eight (8) hours in one workday will be paid at one and one-half times the employee’s hourly
rate; and in excess of twelve (12) hours in one workday will be paid at two times the employee’s hourly rate.

(c) Any hours worked in excess of eight (8) hours on the second scheduled day off in a work week will be paid at two times the employee’s hourly rate.

(d) Any non-rotating employee who is scheduled off on an observed holiday, as defined in Article 13.1, and is called in to work will be paid at two times the employee’s hourly rate.

(e) Any non-rotating employee who is on prearranged approved personal time off and is called to report to work will be paid at two times the employee’s hourly rate.

(f) Any non-rotating employee who is contacted at home for technical assistance will be paid a minimum of two (2) hours at the employee’s hourly rate. The contact shall be logged in the Shift Supervisor Shift Log to verify technical assistance payment.

8.3.2 The regular workweek for calculating overtime begins at the start of the first shift on Monday (dayshift) and ends at the completion of the last scheduled shift the following Sunday (nightshift).

8.3.3 Rotating Shift Employees will be paid for approved overtime hours worked as follows:
(a) All hours worked in excess of forty (40) hours in one (1) workweek will be paid at one and one-half times the employee’s hourly rate.

(b) Employees shall be paid at the double time rate of pay for all time worked in excess of twelve (12) consecutive hours or in excess of eight (8) consecutive hours on scheduled days off. Employees who, under the provisions of this clause, would be entitled to pay at the double time rate will not have such right nullified by an interruption of continuous work time of six (6) hours or less. (Any break in continuous work time of more than six (6) hours will be considered to be an interruption of continuous work time.)

(c) Any rotating employee who is on prearranged approved personal time off and is called to report to work will be paid at two times the employee’s hourly rate.

(d) Any rotating employee who is contacted at home for technical assistance will be paid at one and one-half the employee’s hourly rate. The contact shall be logged in the Shift Supervisor Shift Log to verify technical assistance payment.

(e) Any rotating shift employee shall be paid one half hour straight time if the supervisor requires they stay past their regularly scheduled shift.
8.3.4 The regular workweek for calculating overtime begins at the start of the first shift on Monday (dayshift) and ends at the completion of the last scheduled shift the following Sunday (nightshift).

8.4 Shift Trades. Employees may trade shifts within a pay period. The shift trade must be by mutual agreement of the employees involved, recorded in writing, and approved by the Shift Supervisor and cannot cause the Company to pay overtime that the Company would not otherwise be obligated to pay. Employees who enter into an agreement to trade shifts are obligated to work the agreed shifts.

8.5 Overtime Distribution. Overtime will be offered based on accumulated hours worked. The low person in overtime who is qualified and available for the work, when practicable, will be the first person offered available overtime. It is recognized that some employees may have specialized training or abilities, and plant conditions may require that such an employee work overtime without consideration of balancing overtime. However, the intent is to ensure that overtime offers be distributed as equal as reasonably practical over the calendar year. An overtime assignment is mandatory for the employee with low credited hours. An arbitrator does not have the authority to award any employee compensation because of a claim that overtime has not been distributed equally under this section.

8.6 Standby Pay. In the course of their normal duties and employment, Employees, rotating and non-rotating, may be required to wear mobile phones
during off hours. The general intent of the use of mobile phones is to enable Employees to maintain contact with appropriate parties including the Employer. Unless otherwise specifically stated by the Employer, the wearing of mobile phones during off hours is not intended to limit the Employee’s activities during off hours. In the event an Employer requires an Employee to be physically available to their work premises while off site during off hours, that intent shall be specifically communicated by the Employer to the Employee, and in such cases, the Employee shall receive “standby” pay at the rate of $125.00 (one hundred twenty-five dollars) for each day (24 hour period) that the employee’s off hours are limited. The Employee shall submit his or her claim for standby pay with his or her time reports for the pay period involved.

8.7 Direct Deposit. The employer shall make available a direct deposit option, whereby the employee’s pay will be deposited in a bank account of the employee’s choice where available.

8.8 Mileage. If an employee uses their personal vehicle for company business, they will be reimbursed for mileage in accordance with the NRG Travel and Expense Reimbursement Policy.

8.9 Travel. When travelling on Company business, bargaining unit employees will be compensated in accordance with the NRG Travel and Expense Reimbursement Policy.

8.10 All work done by employees outside of regular hours or scheduled shifts shall be paid for at the rate of time and one-half except as otherwise
provided for in this agreement. In the event an employee is called in to work during their scheduled time off, hours worked on the second consecutive day shall be paid at two times the employee’s hourly rate. Any additional consecutive days worked unscheduled shall be paid at two times the employee’s hourly rate as well. Once the employee returns to their normal shift schedule, employees will return to their regular hourly rate.

Bargaining Unit employees who are called-out and report to work, shall receive a minimum of two (2) hours pay at prevailing rates.

Any cancellation of prescheduled overtime with less than six (6) hours notice will be entitled to pay for two (2) hours at overtime rates.

All employees who report to work for an overtime shift shall have the right to stay for the entire duration of the shift and not be sent home prior to the end of such shift. Only by mutual agreement between company and the employee shall the employee be sent home prior to the end of the overtime shift.

8.11 Employees will not be required to take equivalent time off to compensate for time worked. Shift changes or regular working schedules shall not be changed for the sole purpose of avoiding overtime payments.

8.12 Rest Periods. Employees are authorized and permitted to take ten (10) minute off-duty rest periods for each four (4) hours of work or major fraction thereof. Employees shall take those off-duty rest periods in the middle of each four (4) hour work period, insofar as that is practicable. For instance, employees scheduled to work eight (8) or nine (9) hour days are authorized and permitted to
take two (2) ten (10) minute paid rest periods during which they are to perform no duties. Employees who work more than ten (10) hours in a day are authorized and permitted to take three (3) ten (10) minute paid rest periods during which they are to perform no duties. If emergency circumstances or operational needs prevent an employee from taking one or more of his or her rest periods, and the rest period cannot be taken later or earlier in the day, the employee must notify his or her supervisor within the duration of the shift that the rest period was missed, including the reasons why it was missed and could not be taken at a different time. In such circumstances, the employee should record an additional one (1) hour of missed rest break compensation, which will be paid at straight time. In no event will an employee be entitled to more than one hour of missed rest break compensation in any one day.

8.13 Meal Periods. The Company and Local Union, on behalf of the employees, agree that because of the different nature of their work, rotating shift employees will continue to be provided paid, on-duty meal periods. All other employees will be provided unpaid, off-duty meal period of at least 30 minutes in duration. The Company and Local Union, on behalf of the employees, desire that when any employee works a shift of more than 10 hours, but not more than 12 hours, such time will be paid and therefore agree to waive any second, unpaid meal period. Any alleged violation of this paragraph is subject to the Dispute and Grievance Resolution and Arbitration procedures of Article 7.
8.14 **Control Room.** Control Room #3 and #4 will be staffed by “Certified Control Operators” (COO) only. Uncertified personnel will not be scheduled to staff the control room. If no available COO’s are on a scheduled shift, overtime callouts will be mandatory.

**ARTICLE 9**

**Shift Changes**

9.1 All employees shall receive 24 hours’ notice before changing their shift schedule. If not notified of a change in shift schedule at least 24 hours ahead, the employee shall be paid at the rate of time and one-half (1-1/2) for the hours worked by the employee on his first shift after the shift schedule change.

9.2 There must be at least an eight-hour break between the end of the employee’s last shift on his or her changed schedule and the beginning of his or her first shift when the employee reverts back to his or her original schedule. In the absence of such eight-hour break, the employee must be paid time and one-half for the first shift worked when the employee reverts back to his or her original schedule.

9.3 This section does not apply to part-time employees who agree to work additional shifts or who work intermittently as needed.
ARTICLE 10

Seniority

10.1 Seniority. No seniority shall be considered for an employee until the employee has been with the Company for six months, but after serving this period, seniority shall be computed from the date hired. The Union will not accept, nor process a grievance involving the termination of an employee as an unsatisfactory probationer during the first six months of employment.

10.2 Leave of Absence. Any employee selected for office in the Local Union, which requires part or all of the employee’s time, shall not lose seniority with the Company. It is understood that not more than one employee at one time will be granted leave of absence to accept such positions with the Union. Such leave shall be generally granted for one year at a time.

10.3 Seniority. A bargaining unit employee who accepts a position out of the bargaining unit shall not accumulate seniority while occupying such position; such employee, if qualified, may be returned to a bargaining unit classification, at the option of the company, if a vacancy exists. An employee returning to a bargaining unit classification will retain only the seniority previously accumulated while a member of the bargaining unit.

10.4 Layoff and Recall. Should layoff become necessary, the Company and Union will meet. Qualification, seniority, and plant needs are the principles to be used for determining layoff and recall rights of full-time employees subject to this Agreement.
10.5 Employees discharges under the above conditions shall keep Human Resources advised of their address. The Company shall notify former employees of offers of reemployment in writing by certified or registered mail to the last address on record. Offers will be withdrawn if not answered within five working days and/or if the person does not report for work within ten working days of notification. Persons who reject an offer, or who fail to answer within five days, or who fail to report within ten days of notification will no longer be eligible for rehire with reinstatement of seniority. Persons who are unable to accept an offer because of a bona fide illness or injury may be retained on the list for reconsideration; however, no such injury or illness will be considered bona fide unless so diagnosed.

10.6 Bargaining unit employees will be given first opportunity to bid for a union classified position that he/she is qualified for prior to hiring outside when these positions become available. Positions will be posted internally for a period of five (5) days prior to posting externally. The rate of pay for the bidder will be consistent with the rate of pay listed in Exhibit A of this agreement for the position. When applicants’ experience and qualifications are sufficient, Union Seniority will act as the deciding factor.
ARTICLE 11

Paid Time Off

11.1 A PTO plan is established which combines sick leave and vacation into one account of paid time off. PTO may be used for vacations, illness, family, emergencies, religious observances, preventive health or dental care, personal business or other excused elective absences except funeral leave and jury duty which are covered under separate articles. PTO must be scheduled with the employee’s immediate supervisor in advance, except in the case of illness or family emergency. PTO can be taken in increments of one (1) hour.

11.2 Employee accrues a single bank of hours, based on years of service. PTO shall be accrued pursuant to corporate policy table as follows:

<table>
<thead>
<tr>
<th>Number of Completed Years</th>
<th>Hours Granted Per Month</th>
<th>Days Granted Per Year</th>
<th>Total Hours per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>11.33</td>
<td>17</td>
<td>136.00</td>
</tr>
<tr>
<td>4 years</td>
<td>14.67</td>
<td>22</td>
<td>176.00</td>
</tr>
<tr>
<td>9 years</td>
<td>15.33</td>
<td>23</td>
<td>184.00</td>
</tr>
<tr>
<td>10 years</td>
<td>16.00</td>
<td>24</td>
<td>192.00</td>
</tr>
<tr>
<td>11 years</td>
<td>16.67</td>
<td>25</td>
<td>200.00</td>
</tr>
<tr>
<td>12 years</td>
<td>17.33</td>
<td>26</td>
<td>208.00</td>
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<tr>
<td>13 years</td>
<td>18.00</td>
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</tr>
<tr>
<td>14 years</td>
<td>18.67</td>
<td>28</td>
<td>224.00</td>
</tr>
<tr>
<td>15 years</td>
<td>19.33</td>
<td>29</td>
<td>232.00</td>
</tr>
<tr>
<td>16 years</td>
<td>20.00</td>
<td>30</td>
<td>240.00</td>
</tr>
<tr>
<td>17 years</td>
<td>20.67</td>
<td>31</td>
<td>248.00</td>
</tr>
<tr>
<td>18 years</td>
<td>21.33</td>
<td>32</td>
<td>256.00</td>
</tr>
</tbody>
</table>
*No retroactive adjustments upon agreement to this CBA. Any PTO accrual adjustments will occur in the month following agreement to the CBA.

11.3 Part-time employees accrue Paid Time Off (PTO) hours based on actual hours worked. An employee’s Paid Time bank may not exceed two (2) time his or her annual PTO accrual. Once the maximum accrual is reached, all further accruals to the employee’s Paid Time Off bank will cease.

11.4 PTO is intended to be used within the payroll year it is accrued. However, employees can rollover a maximum of two (2) year’s accrual of unused PTO from one year to the next.

11.5 The time of taking PTO shall be arranged by the Company after consulting with the employee as to his or her preferences. The number of employees who will be permitted to take PTO simultaneously will be determined by the Company.

11.6 PTO requests and scheduling shall be based on Company seniority. All yearly PTO requests shall be submitted to the Company by February 15th. The Company will post a master approved PTO list for the year by March 15th. PTO granted after the master PTO list has been posted will be on a first come, first serve basis, as Company operating needs allow. If due to the operating needs of the company, cancellation of PTO is necessitated 30 days notice must be given by the Company.
11.7 Bargaining unit employees will be allowed to buy PTO in the same amounts as other non-bargaining unit employees at the Encina Power Station. Employees can buy PTO during NRG’s Benefits Open Enrollment for the coming year. All hours bought will be deducted at the current hourly rate of pay during NRG’s Benefit Open Enrollment and will be spread evenly over each paycheck in the coming year.

Article 12

Health and Welfare Benefits

12.1 Bargaining unit employees will be eligible to participate in NRG’s corporate health and welfare plans, including health, dental, vision, life, short and long-term disability and flexible spending accounts, in accordance with the terms of the plans and at the same cost sharing rate as other non-bargaining employees. Premiums will be collected via bi-weekly payroll deductions from active bargaining unit employees’ paychecks. For the term of this contract, bargaining unit employees’ premiums will not exceed 20% of the total premium with the Company contributing the remaining 80%.

ARTICLE 13

Holidays

13.1 Regular Holidays. The Company recognizes eight paid holidays each year. Full-time employees receive eight (8) hours holiday pay. All regular
full-time employees will be paid eight (8) hours of straight time pay for each of the holidays listed below when the employee is not required to work that day:

**Holidays are as follows:**

<table>
<thead>
<tr>
<th>New Year's Day</th>
<th>Thanksgiving Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memorial Day</td>
<td>Day After Thanksgiving</td>
</tr>
<tr>
<td>Independence Day</td>
<td>Christmas Day</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Christmas Eve Day</td>
</tr>
</tbody>
</table>

13.2 Part-time employees are eligible for holiday pay prorated based on hours worked.

13.3 For Non-Rotating Shift employees, when one of the above designated holidays falls on Sunday it will be observed on the following Monday. When one of the designated holidays falls on Saturday, it will be observed on the preceding Friday.

13.4 Holiday pay for employees assigned to rotating shifts shall be treated as “Floating Holidays” and may be taken at any time throughout the year. The sixty-four (64) hours of floating holiday time are paid at straight time rate and will be prorated based on starting date.

13.5 Employees shall receive three (3) paid Floating Holidays eight (8) hours per day each year. These Floating Holidays are awarded on January 1st and must be scheduled and taken prior to the end of the year. Employees shall
observe these days by scheduling (with their immediate supervisor’s approval) at least eight (8) days in advance. Management may, at its discretion, waive the advance notice when situations arise where the employee is unable to provide advance notice. Management may limit the number of employees taking a Floating Holiday on a given date.

**ARTICLE 14**

**Retirement Programs**

14.1 Bargaining unit employees shall be eligible to participate in the NRG Affiliates Employee Savings Plan (401 (k) Plan) pursuant to the terms of the plan and to the same extent as non-represented employees covered by this plan. Bargaining unit employees hired prior to February 29, 2008 will continue to be eligible to participate in the NRG Pension Plan for Bargained Employees. Bargaining unit employees hired on or after March 1, 2008, will not be eligible to participate in the NRG Pension Plan for Bargained Employees. Bargaining unit employees hired on or after March 1, 2008, are eligible to participate in the discretionary contribution to the 401(k) to the same extent as non-represented employees covered by this plan. Bargaining unit employees hired prior to February 29, 2008 will not be eligible to participate in the discretionary contribution.
ARTICLE 15

Funeral & Parental Care Leave

15.1 When a death occurs in the immediate family of an employee, he or she shall be entitled to a leave of absence of three days with pay. An additional two days may be approved by the supervisor. Those additional days will be unpaid unless covered by PTO. Immediate family is defined as the employee’s spouse, sister, brother, daughter, son, stepchild, mother, father, mother-in-law, father-in-law, grandfather and grandmother.

15.2 Active full-time employees shall be permitted to participate in the Company’s parental leave policy.

ARTICLE 16

Jury Duty Pay

16.1 An employee called for jury duty will receive the difference between jury pay and normal straight-time earnings for a period not to exceed 80 hours. As a condition to receiving full pay from the Company for jury duty, the employee must notify the Company promptly upon receiving the subpoena or other notice to appear for jury duty and turn over to the Company the jury pay received from the court. An employee released early from jury duty on any day shall promptly notify the Company to determine whether the employee should report to work for the remainder of that day. If an employee is summoned to jury duty during hours other than the employee’s regular and customary shift, management will
temporarily reassign the employee to a work shift that more closely coincides with the hours the employee is required to serve on jury duty, including any necessary travel time. This temporary reassignment may be made without regard to any restrictions on shift changes contained elsewhere in this agreement and without overtime obligations up to the scheduled hours for the reassigned temporary shift. Extensions of Jury Duty Pay may be granted by the Company.

ARTICLE 17

Safety Devices

17.1 The Company shall furnish all safety devices, wearing apparel, and other equipment reasonably necessary for the protection and safety of employees, including but not limited to: gloves, shoes, boots, prescription and non-prescription goggles and glasses, face shields, respirators, eye washers, and machine guards, with the understanding that the Company’s safety shoe allowance is limited to an amount determined by Company Policy.

ARTICLE 18

Physical Examinations

18.1 If the Company requires physical examinations other than a pre-employment physical, they shall be made during the employee’s regular shift unless other mutually satisfactory arrangements are agreed upon.
ARTICLE 19

Military Leave

19.1 An employee on an approved military leave shall be entitled, upon his or her advance request, to use accrued PTO and Floating Holidays for regularly scheduled days missed from work because of such a leave.

ARTICLE 20

Wages

20.1 The classifications and pay rates for employees in the bargaining unit are listed in Exhibit A.

20.2 Nothing in this Agreement or any other agreement shall prohibit, prevent or preclude the Company from establishing new or discontinuing present job classifications and descriptions. The Company shall furnish the Union with information on changes of such job classifications and descriptions. If the rates for new classifications established are not satisfactory to the Union, it may present its case to the Company solely under the grievance procedures set forth in Article 6.

20.3 Lead Pay. An employee designated by the Company to substitute for a supervisor for any portion of a shift or more shall be considered a lead person and shall be paid the next higher classification level pay rate listed in Exhibit A for the full duration of the assignment. Lead employees remain in the bargaining unit and do not have the authority to hire, discharge, conduct and/or
witness employee investigations, or discipline employees or to adjust their grievances. In addition, the highest lead pay available is the OMT-5 classification pay rate. Lead pay may also be applicable, at the sole discretion of the Company, to special project work as defined by the Company.

20.4 Annual Incentive Plan. Bargaining unit employees will participate in NRG’s AIP pursuant to the terms of the Plan. Goals for the AIP and rules for participation in the plan will be determined solely by NRG. The AIP is based on a calendar year with a target payout of four percent (4%) and a maximum payout of six percent (6%) of eligible wages for the Plan year. For the term of this agreement, bargaining unit employees will participate in Plan years 2016, 2017 & 2018. In the event an employee is severed from the company, AIP payments will be determined by the AIP Plan.

ARTICLE 21

Drug & Alcohol Testing

21.1 It is NRG’s desire to provide a safe, drug-free and alcohol-free workplace. All bargaining unit employees covered by this agreement will be required to comply with NRG’s Drug & Alcohol Free Workplace Policy (including Random Drug Testing and a Rehabilitation Program) as described in the Memorandum of Understanding dated March 26, 2013. Random drug testing will commence quarterly starting January 2014.
ARTICLE 22

Tuition Reimbursement

22.1 Bargaining unit employees shall be eligible to participate in the NRG Tuition Reimbursement Policy in accordance with the terms of the plan and to the same extent as other eligible employees.

ARTICLE 23

Duration and Closure

23.1 For the duration of this Agreement, all subjects which are covered by this Agreement or which were or might have been raised in collective bargaining are closed to further bargaining except by mutual consent.

23.2 Successorship. This Agreement shall be binding upon the successors, assigns, purchasers, transferees, lessees (hereinafter, “successors) of the Employer, and no provisions, terms or obligations contained herein shall be affected, modified, altered or changed in any respect whatsoever by the sale, conveyance, transfer, lease, assignment, consolidation or merger of the Employer’s operations covered by this Agreement or affected, modified, altered or changed in any respect whatsoever by any change of any kind in the legal status, ownership or management of the Employer’s operations, or any portion thereof, covered by this Agreement, or by change, geographical or otherwise, in the location or place of business of the Employer, or any portion thereof. In consideration of the Union’s execution of this Agreement, the Employer promises
that its operations covered by this Agreement shall not be sold, conveyed, transferred, leased or assigned to or consolidated or merged with, any successor without first securing an enforceable agreement of the successor to assume the Employer's obligations under this Agreement.

ARTICLE 24

Term of Agreement

24.1 This agreement shall take effect on the 1st day of April, 2016, for the period from the 1st day of April, 2016, to the last day of March, 2019, inclusive, and shall continue in full force and effect from year to year thereafter unless written notice is given by either party hereto to the other at least 60 days prior to the annual anniversary date requesting that the agreement be canceled.

24.2 If not canceled, as above provided, then this agreement shall continue in effect from year to year; however, it is further provided that if either party desires to amend the agreement as of any anniversary date, then it shall so notify the other party in writing at least 60 days prior to that anniversary date. If a notice of amendment has been filed with either party by the other, then this agreement shall remain in full force and effect until an amended agreement is concluded.
Acknowledged

NRG Energy, Inc.

Jerry Carter, Plant Manager

Richard North, Director Labor Relations

Lisa Battles, Sr. HR Manager

IBEW Local 465

David Flores, Union Committee

George Liebl, Union Committee

Mike Pottorff, Union Steward

Nate Fairman, Business Manager

Mike O’Malley, Asst. Business Manager

Joseph Pounds, President
### Exhibit A

**CLASSIFICATION & WAGES**

<table>
<thead>
<tr>
<th>Position</th>
<th>4/1/2016</th>
<th>3/31/2017</th>
<th>3/30/2018</th>
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</thead>
<tbody>
<tr>
<td>Operator Maintenance Tech (OMT)</td>
<td>2.95%</td>
<td>2.95%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Operator Maintenance Tech. (OIT)</td>
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</tr>
<tr>
<td>Operations Maintenance Tech. (OMT-1) Material Handler</td>
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<tr>
<td>Operations Maintenance Tech. (OMT-6)</td>
<td>$52.39</td>
<td>$53.94</td>
<td>$55.56</td>
</tr>
</tbody>
</table>

The parties agree to a wage re-opener in the fourth year of the contract.

The Union has informed the Company that it will submit the new CBA to its members for a vote. If the union membership ratifies the terms as outlined on the first vote, each employee will receive a $500 bonus payment.