

PROJECT LABOR AGREEMENT
between
POTELCO, INC.
and
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
LOCAL UNION 483

Entered into this 1st day of October 2006, by and between Potelco, Inc., herein referred to as the "Employer" and Local Union 483 of the International Brotherhood of Electrical Workers, herein referred to as the "Union."

ARTICLE I
Term of Agreement

- 1.1. This Agreement shall become effective October 14, 2006, and remain in effect until terminated in writing with a 30-day notice by either party.
- 1.2. This is a non-precedent, one-time only Agreement.

ARTICLE II
Purpose and Scope of this Agreement

- 2.1. The intent of this Agreement is to establish uniform conditions of employment for workers as outlined below:
- 2.2. The Employer will provide meter-reading service to Peninsula Light Company, in addition to reconnection service and disconnect service.
- 2.3. The Union recognizes that this Agreement shall be limited to the scope of work described in this article. The Agreement shall not be binding on any other scope of work in the Union's jurisdictional area.

ARTICLE III
Union Security

- 3.1. The Union shall be the exclusive bargaining agent between the Employer and the employees covered under this Agreement.
- 3.2. It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing. It shall also be a condition of employment that all employees covered by this Agreement shall, no later than the eighth (8th) day following the beginning of such employment, become and remain members in good standing in the Union or, in lieu thereof, pay to the Union a monthly service charge equivalent to regular union dues as a contribution toward the administration of this

Agreement; provided, objections to joining the Union which are based on bona fide religious tenets or teachings of a church or religious body of which such employee is a member will be observed. Any such employee shall pay an amount of money equivalent to regular union dues and initiation fees to a non-religious charity or to another charitable organization mutually agreed upon by the employee affected and the bargaining representative to which such employee would otherwise pay the dues and initiation fees. The employee shall furnish written proof to the Union that such payment has been made. If the employee and the bargaining representative do not reach agreement on such matter, the Public Employment Relations Commission shall designate the charitable organization.

- 3.3. The Union agrees that membership in the Union will not be denied or terminated for any reason other than the failure of an employee covered by this Agreement to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union.
- 3.4. The Employer agrees to deduct from the paycheck of each employee, who has so authorized it, the regular monthly dues uniformly required of members of the Union or, in lieu thereof, the monthly service charge. An employee may, on written request, also have deducted from the employee's pay such other items as may be mutually agreed between the Union and the Employer. The amounts deducted shall be transmitted monthly to the Union on behalf of the employees involved. Authorization by the employee shall be on a form approved by the parties hereto and may be revoked by the employee upon request and notification to the Union.
- 3.5. The Union agrees that the Employer shall not terminate the employment of an employee under the security clause provisions of this Agreement until written notification is received from the Union that the employee has failed to pay the required dues or service charge or provide proof of an alternative payment based on religious tenets as provided herein above.

ARTICLE IV Grievances

- 4.1. Grievances on any violation of this Agreement or any alleged action of the Employer that the employee feels unjustly affects his/her job or any benefits arising from that job may be presented to the supervisor.
- 4.2. All grievances not settled directly on the job will be referred to the Employer and the Union in writing. If the grievance cannot be settled between the Employer and the Union, it will be referred to Labor/Management Committee (Section 1.5, Page 6 Grievance/Dispute – NECA – IBEW Local 483 Agreement)
- 4.3. A grievance not filed within ten (10) days of the occurrence of the event shall be considered forever waived.

ARTICLE V
Hours and Wages and Benefits

- 5.1. All employees shall recognize employment under this Agreement does not guarantee that a minimum number of hours will be worked in any given workweek.
- 5.2. Remittance shall reach the designated LINECO office on or before the fifteenth (15th) day of each month for all hours worked in weekly pay periods ending during the preceding month, together with a monthly payroll report on a multicopy form that will be furnished for that purpose by the Trustees of the fund. "Hours worked" shall be as defined in the Health & Welfare Trust Agreement.
- 5.3. It is understood and intended by the parties to this Agreement that the purpose of this clause is to establish an Employer financed Health & Welfare Trust and that contributions thereto shall not be deemed to be wages to which any employee shall have any right other than the right to have such contributions paid over to the Trust Fund in accordance therewith.
- 5.4. The Employer shall also provide a 401(k) retirement account and will match the employee's contribution up to five percent (3%).

ARTICLE VI
Working Rules

- 6.1. The duties of Meter Reader and Field Investigator will comply with all WAC-45 Safety Rules or the Safety Rules of Peninsula Light Company, whichever is more stringent.
- 6.2. The Employer will be responsible for all safety compliance and furnish all safety equipment.
- 6.3. The Employer's substance abuse policy will be in effect for the term of the Agreement.
- 6.4. Meter Readers shall be responsible for reading meters only. All Meter Readers will be compensated at the rate of \$1.50 per meter and disconnects, reconnects at \$7.50 each. LINECO premiums will be incurred by the individual employees and forwarded to LINECO through the Employer.
- 6.5. Field Investigators shall be responsible for AMR installations. All Field Investigators will be paid at the rate of \$25.00 per hour. Commencing October 1, 2006 the Employer employing workers under this Agreement shall pay to the designated LINECO office one hundred percent (100%) of the required hourly rate designated by the LINECO Trustees for all hours worked by all such employees.
- 6.6. Hours of work shall consist of five (5) consecutive days of eight (8) hours between the hours of 7:00 a.m. and 5:00 p.m.
- 6.7. Employees shall be entitled to two (2) 15-minute breaks and one (1) 30-minute lunch.
- 6.8. Employees shall be supplied with company vehicles.


ARTICLE VII
Severability

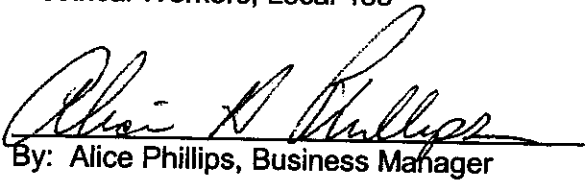
7.1. Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof; provided, however, upon such invalidation the parties agree immediately to meet and negotiate such parts or provisions affected. The remaining parts or provisions shall remain in full force and effect.

Dated this 30 day of Oct., 2006.

Potelco, Inc.

International Brotherhood of
Electrical Workers, Local 483


By: Gary Tucci, Owner


By: Alice Phillips, Business Manager

Letters Signed After
Execution of Current
Contract

**Letter of Understanding
between
Potelco, Inc.
and
Local #483
International Brotherhood of Electrical Workers**

Subject: Hiring of Retired Tacoma Power Journey Level Workers
Date: May 6, 2008

In an effort to assist Tacoma Power in the current manpower shortage of qualified journey level Workers, Local 483 IBEW agrees to the following:

Tacoma Power may hire through Potelco, retired Tacoma Power Journey Level Workers for a limited time period.

Retired Tacoma Power Journey Level Workers hired through Potelco shall be paid benefits according to the Northwest Line Constructors Chapter of the National Electrical Contractors Association (NECA) Collective Bargaining Agreement (CBA). These benefits are:

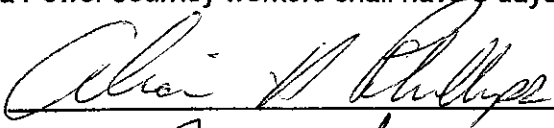
- 3% of the gross wage as per Section 6.1 National Electrical Benefit Fund (NEBF)
- \$5.60 per hour as per Section 6.7 for Journeymen Lineman, National Electrical Annuity Plan (NEAP)
- 100% (\$4.75) per hour as per Section 6.2 Lineco.

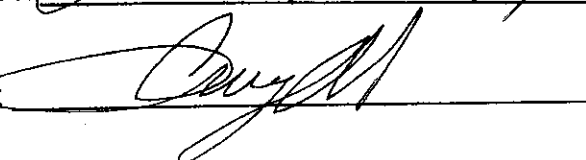
The above listed benefits are in addition to the hourly rate as outlined below for each classification. The overtime hourly rate for retired Tacoma Power Journey Level workers shall be 2 times the hourly as listed below

Name	Classification	2008 wage
Bill Barcus	System Dispatcher	51.83
David LaCaille	System Dispatcher	51.83
Ron Koecke	System Dispatcher	51.83
Ken Christopherson	Substation Operator	45.16
Marcy Naubert	Substation Operator	45.16
	Wire Electrician	39.27
	Meter Tech	45.95
	Communication Tech.	44.38

All other sections of the Tacoma Power/IBEW 483 CBA that apply (other than hourly wage rates Appendix A and benefits Article 11) shall remain in full effect.

Retired Tacoma Power Journey workers shall have 8 days to join the union.

For IBEW 483:  Date: 5/13/08

For Potelco:  Date: 5/7/08