

**National Grid – USW Local 12012-04**

**2018 Contract Negotiations – Final Offer**

**1. Ratification Incentive:**

If and only if the Union presents this Final Offer to its membership and the membership votes upon and accepts this Final Offer by not later than 11:59 p.m. on June 25, 2018, the Company shall eliminate the 1% gross wage deduction for benefits for all current employees.

**2. Term of Agreement:**

- 5 Years – June 25, 2018 to June 18, 2023

**3. General Wage Increases:**

- June 25, 2018            2.50%
- June 24, 2019            2.50%
- June 22, 2020            2.75%
- June 21, 2021            3.00%
- June 20, 2022            3.00%

All wage increases will be compounded.

**4. Gainsharing Agreement:**

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The Company agrees to modify the Gainsharing percentages as follows:

- Target                      2.5%
- Maximum                  5.0%

**5. Pension Increases:**

- June 25, 2018            \$77
- June 20, 2021            \$80

**6. 401(k) Plan Company Match “True Up” Contribution:**

Each participating employee shall receive a matching contribution to his or her account only when the employee makes a contribution each payroll period. At year-end, however, the Company will perform a “True Up” calculation to determine whether the employee received all the matching contributions he or she would have earned if the employee’s contributions had been spread over the entire year. If the employee is due additional matching contributions based on this calculation, the Company will make an additional 401(k) Plan Company match “True Up” contribution to his or her account.

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**7. Job Security:**

Union maintains existing no-layoff provisions for full-time regular employees.

**8. Shift Differential:**

Increase shift differential by \$0.05 per hour each year of the agreement.

**9. Off Hour Coverage:**

Increase off hour coverage to \$31/\$56.

**10. Meal Allowance:**

Increase meal allowance from \$10.75 to \$11.00.

**11. Clothing and Footwear Allowances:**

- Effective April 1, 2019, the annual clothing allowance for eligible employees is increased from \$425.00 to \$450.00.
- Effective April 1, 2019, the annual safety footwear allowance for eligible employees is increased from \$200.00 to \$225.00.
- Employees will be permitted to apply any dollars that remain from their footwear allowance to their clothing allowance in the current year.
- Dollar credits not used will be carried over from one year to the next and can carry over any dollars that remain on their clothing allowance for up to three (3) years.
- The Company agrees to meet with the Union once a year to discuss the clothing catalog.

**12. CMS - Attachment A**

- Addition of Meter Service Technician C Classification
- Reduction of Steps in MST B Wages
- Upgrade in pay from MSR to MST C will begin three (3) weeks after classes begin for qualification as an MST C
- Adjustments to job duties in MST B and MST A classifications

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**13. Clerical - Attachment B**

- Updated Clerk job description
- Increased wage at top step

**14. LNG - Attachment C**

- Improved wages of LNG Maintenance Services Burner Technician, Certified Industrial Maintenance Mechanic, and Mechanic Step 4
- Implemented commitment to meet and create entry exam for new hires to LNG Apprentice classification

**15. New Hire Terms and Conditions of Employment - Attachment D**

- Changes to certain benefits for employees hired or rehired on or after June 25, 2018

**16. Health and Welfare:**

- **Medical:**
  - The Company will offer a new PPO health plan option referred to as the PPO 95 and described in Appendix 1. The Company contribution for the PPO 95 is 80%. The new PPO 95 plan includes copays for office visit, urgent care centers, emergency room, and prescription drugs but also introduces deductibles and coinsurance for some services such as inpatient hospital, outpatient surgery, and labs/radiology. Your out-of-pocket maximum (OOP) is the most you can be expected to pay for covered services in a calendar year. A comparison of plan features is provided in Appendix 2.
  - Company will continue to offer a PPO health plan option with no deductible referred to as the PPO 100 and described in Appendix 3. The Company contribution to the PPO 100 is equal to 80% of the cost of the PPO 95 plan as described in Appendix 4.
  - The Company will continue to offer a Consumer Driven Health Plan option referred to as the CDHP and as described in Appendix 5. The Company contribution to the CDHP is 90%. In addition, the Company will contribute a lump sum amount called a “Seed” each January and deposit this into a Health Savings Account (HSA). The “Seed” contribution is equal to \$750 for single and \$1500 for family and may be subject to healthy behavior activities. The “Seed” money can be used to pay for out of pocket medical costs or can be saved for future medical

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costs as needed. The IRS allows any unused money in the HSA to automatically roll over to the next year.

- Projected estimated costs for each Health Plan option is described in Appendix 6.
  - **Health Care Flexible Spending Account (FSA):** Beginning for 2019, the maximum FSA contribution will be tied to the IRS allowed maximum.
  - **Adoption Assistance:** The Company will offer the Adoption Assistance Program to full time regular employees for adoptions or placements that take place on or after July 1, 2018 as described in Appendix 7.
  - **Prescription Drug:** A Dispense as Written (DAW) program is added to the prescription benefits for all health plan options beginning January 1, 2019. The DAW program encourages the use of generic medications. If a member fills a brand name prescription when a generic is available, the member will pay the appropriate copay for the brand name drug plus the difference between the generic and brand name copay according to the tier.
  - **Metlife Voluntary Suite of Benefits:** As of January 1, 2019, the Company will make available the following voluntary plans. Materials and costs will be provided during Open Enrollment in October 2018.
    - Critical Illness, Accident Insurance, and Hospital Indemnity
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- **Dental:**
    - The Company contribution percentage towards dental will remain at 80%
    - Effective 1/1/19, a second dental plan which does not provide orthodontia coverage will be offered.

#### 17. Other Revised Contract Language:

- ARTICLE VI - Section 7. Travel Time (Training) - Local 12012-04 employees reporting to training at a National Grid Facility within Massachusetts or Rhode Island will be reimbursed for two (2) hours of overtime
- ARTICLE X - Section 1. Determination of Seniority - Transfers – Reduce period from nine (9) to three (3) months
- ARTICLE XI - Section 2 - Dispute Procedure
  - Modify Language - 2nd Step Grievances to be heard by a Manager.

ATTACHMENT A

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**2018 CONTRACT NEGOTIATIONS**  
**NATIONAL GRID**  
**AND**  
**LOCAL 12012-04, USW, AFL-CIO-CIC**

**Company Proposal 16 a.**

**CUSTOMER METER SERVICES AGREEMENT**

1. The Company will create a new Customer Meter Services career path by combining the existing Customer Transactions and Process Field Requests groups as follows:

<u>Current CMS</u>		<u>New CMS</u> <b>(added March 9, 2009)</b>
<u>Customer Transactions</u>	<u>Process Field Requests</u>	
Leader-Meter Reading Office	Inspector	Working Leader
	Senior Technician	Meter Service Technician A
	Technician Apprentice Technician	Meter Service Technician B
		<u>Meter Service Technician C</u> <b>(added June 25, 2018)</b>
Credit Representative Senior Meter Reader/AMR Meter Reader		Meter Service Representative

1.1 All current National Grid CMS employees within Local 12012-04 on the property as of May 4, 2009 will be mapped into the new CMS career path at their existing wage rates. In the future upon progression through the CMS career path existing employees will promote up and maintain their wage rate unless the promotion would take them to a higher wage rate. If an existing employee bids out of the CMS Department they will go to the new rate of the respective classification that they are bidding in accordance with the contract.

1.2 All CMS employees will be required (unless specifically outlined within this agreement) to become trained and qualified to perform all duties within their new classification.

1.3 Local 12012-04 employees hired prior to May 4, ~~2009~~ 2014 that bid into CMS Department will be hired in at the ~~3rd~~ 2nd step of the Meter Service Technician **BC**.

**1. Customer Meter Services Department – Schedule of Wages:**

<b>Code</b>	<b>Job Title</b>	<b>Step</b>	<b>Current</b>	<b>New Step</b>	<b>New</b>
81248152	Field Safety Representative	-	45.773	-	45.773
<u>81248164</u>	<u>Quality Control Field Trainer</u>	<u>-</u>	<u>45.773</u>	<u>-</u>	<u>45.773</u>
81248025	Working Leader	-	42.843	-	43.840
81248042	Meter Service Technician A			<u>2</u>	<u>41.843</u>
81248042	Meter Service Technician A	-	40.893	<u>1</u>	<u>41.000</u>
81248051	Meter Service Technician B	6	37.291	<u>3</u>	<u>38.000</u>
81248051	Meter Service Technician B	5	36.098	<u>2</u>	<u>35.598</u>
81248051	Meter Service Technician B	4	35.107	<u>1</u>	<u>31.985</u>
	<u>Meter Service Technician C</u>			<u>2</u>	<u>28.128</u>
	<u>Meter Service Technician C</u>			<u>1</u>	<u>26.128</u>
81248102	Meter Service Representative	3	25.305	3	25.305
81248102	Meter Service Representative	2	21.171	2	21.171
81248102	Meter Service Representative	1	17.644	1	17.644
81248051	Meter Service Technician B (Grandfathered)	5			<u>38.000</u>
81248051	Meter Service Technician B (Grandfathered)	4			<u>35.598</u>
81248051	Meter Service Technician B (Grandfathered)	3			31.985
81248051	Meter Service Technician B (Grandfathered)	2			29.833
81248051	Meter Service Technician B (Grandfathered)	1			27.128

- Step progressions will be on an annual basis.
- Current MST B's in Steps 1 to 3 as of June 24, 2018, will remain in the MST B (Grandfathered) progression.
- Current MST A's as of June 24, 2018, will be mapped over to the MST A Step 1 on June 25, 2018, and then will advance to Step 2 on June 25, 2019.
- There is no forced progression from one classification to another, with the exception of the progressions from MST C to MST B, which will be auto-progressed.
- Progressions into higher classifications as determined by the Company.
- Employees will be hired into the Meter Service Representative position at 100% of the wage rate.
- ~~An employee hired directly into the MSTB position will be subject to the 75% wage provision for six (6) months or until an MSR junior to him/her promotes to MSTB, whichever comes first.~~
- Internal candidates posting for entrance into the department will be required to pass qualifications testing as determined by the Company. The Company will discuss the process and engage the L12012-04 Committee in the development of the entrance

testing with the understanding that the final decision on testing requirements will be at the sole discretion of the Company.

- Employees moving from the MSR to MST C classification will not be entitled to an upgrade in pay at the rate of their new classification until three (3) weeks after the employee commences classes for qualification in the higher classification. This is provided that there is no interruption in the qualification process caused by the employee's own actions or personal circumstances (e.g., OUI, lengthy illness).
- No incumbent employee as of March 21 June 25, 2016-2018 will suffer any wage loss as a result of the changes to the CMS Schedule of Wages and will be mapped to the appropriate step.

## 2. The CMS career path is as follows:

### **Meter Service Representative**

- All meter reading (Pedestrian, AMR, soft off & on)
- Physical offs/Remove Meter
- ERT changes
- Leak Survey and Leak Surveillance (including leak classification)
- Field collections
- Wires down standby
- Assist on two-person assignments as needed

### **Meter Service Technician C**

- Emergency Response (for training purposes, in the company of a Quality Control Field Trainer or Working Leader)
- Leak Investigation (for training purposes, in the company of a Quality Control Field Trainer or Working Leader)
- Emergency Markouts
- Turn On & Off
- Set Meter / Change Meter
- Inspect Regulator
- Wires down standby

### **Meter Service Technician B**

- Emergency Response (i.e., Gas leaks, CO, No Gas)
- ~~Emergency Markouts~~
- Clear Visible Gate Boxes
- Leak Investigation
- ~~Turn On & Off~~
- ~~Set Meter / Change Meter~~
- ~~Inspect Regulator~~
- Residential and Commercial Fitting work up to & including meter size 1000 & associated regulator work
- Customer High Bill Investigation
- Clear gas service freeze ups & blockages (when trained)
- ~~Storm restoration~~
- Perform all duties of lower classification

- Investigate metering conditions (i.e., crossed meters)

#### **Meter Service Technician A**

- Investigate higher level metering conditions (i.e., Irregular or complex metering, Revenue Protection, ~~crossed meters~~, shared metering and theft of service)
- Residential and Commercial Fitting work above meter size 1000 and associated regulator work
- Perform all duties of lower classifications

#### **Working Leader**

- Monitor & prioritize workload and staffing, tools & equipment in coordination with Dispatch & Schedule Department
- Perform general office work
- QA's & safety checks
- Provide feedback and coaching to all employees
- Conduct employee meetings
- Industrial Gas Equipment (initial start-ups)
- Majority of this persons work day is spent in the field performing lower level tasks
- Perform all duties of lower classifications
- Perform field Training of bargaining unit employees on all aspects of CMS job classifications

3.1 Special progressions of incumbents as agreed.

3.2 Once the two (2) existing employees in the Leader-Meter Reading Office position who will be mapped to Working Leader position vacate the Working Leader position, the Leader Meter Reader duties will be merged into the Working Leader classification.

3.3 The Company will create three (3) Working Leader positions within CMS and maintain one in each of the current yards: Amesbury, Lowell and Malden. These positions will be filled through a one-time polling from within the CMS progression starting with the qualified Senior Technician, then Technician classifications by yard. Future vacancies within the Working Leader classification will be filled via polling by Department from the Meter Service Technician A classification. The number of Working Leaders will be as determined by the Company. The Company will add one additional Working Leader to work across all three yards.

3.4 The Company will conduct polling for the CMS two-person assignments and single person assignments by Division on an annual basis for Amesbury, Lowell and Malden. The number of employees required by location, assignment and shift will be determined by the Company.

3.5 Polling for two-person truck assignments will only be for the "primary" position on the truck. After that the two-person truck will be staffed with one Meter Service Technician A and the 2nd person will be **either** a Meter Service Representative or Meter Service Technician C, ~~Meter Services Technician B~~ or A, as determined by the Company.



3.6 Qualified CMS personnel who sign for a posting will be rotated into the assignment as dictated by workload.

**4. Customer Meter Services – One Person Piping Guidelines:**

4.1 On pipe one and one-half inches (1 ½”) and below in diameter, the following work will be performed by one Meter Service Technician B, A or Working Leader.

- a.) Installing insulating unions or insulating kits for corrosion work.
- b.) Upgrading service risers / meter manifolds for added loads up to two (2) meter bars.
- c.) Installing new or replacement (prefabricated and/or non-prefabricated) service risers/meter manifolds or meter stations up to two (2) meter bars.
- d.) Inside reconnects where inverted cock cannot be used.
- e.) Ins to Outs (up to two (2) meter bar sets).
- f.) Residential regulator work.
- g.) Leak repair on meter fits and/or meter stations up to 425 meters and two (2) meter bar sets. The restrictions only applies when pipe greater than one and one-half inches (1 ½”) or more than two (2) meters and associated piping need to be disassembled to complete the repair.
- h.) Periodic Meter Changes up to and including 425 meters.
- i.) The number of CMS employees called in for off-hour work of an emergency nature, when responding personnel cannot complete or make temporary repairs, will be based on the work types as defined.

4.2 Piping work not listed above will be performed by two-person crews.

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4.3 Should a situation arise where an assist is required on one-person work, the employee should call the appropriate Supervisor or Dispatch and Scheduling. A second person of any classification may be assigned to assist.

5. Emergency markout work will primarily be performed by Damage Prevention. At any time when Damage Prevention personnel are unavailable, such work may be performed by trained and qualified employees within CMS.

**6. Leak Survey**

6.1 The following Leak Survey will be exclusive work to be performed by Local 12012-04 personnel within the Malden, Essex and Lowell yards during the life of the contract:

- a.) Mobile Survey.
- b.) Grade 3 Rechecks – On Non-Walking Years. (During Walking year the contractor will perform the Grade 3 rechecks for these respective towns.)
- c.) Buildings of Public Assembly (BPAs).
- d.) Transmission Line Survey.
- e.) All Post Repair rechecks.

6.2 The following Leak Survey work will be performed by outside contractor personnel. (The Company may, at its sole discretion assign Local 12012-04 bargaining unit personnel):

- a.) Winter Patrol Survey.
- b.) Grade 2 Rechecks.
- c.) Contractor personnel will complete the required inside and outside inspections of services for accounts with meter sets located inside and outside of a premise for Walking Survey and Business District Survey. In the event that a contractor performing the walking survey is unable to gain entry to complete the inside inspection, all follow-up will be performed by contractor personnel.

6.3 The Company will utilize three (3) grandfathered meter readers to perform any of the above leak survey work that is dedicated to Local 12012-04. The Company will poll for volunteers and the selected employees will maintain their titles and be utilized to perform meter reading or survey duties as determined by the Company.

6.4 The current practice for performing Pre-Pave Survey will continue.

7. Temporary employees within Local 12012-04 CMS hired to perform collections work may be utilized for a period of up to eight (8) months, the period in excess of eight (8) months shall be mutually agreed on by the Company and the Union. Temporary employees hired a second year into CMS as a temporary collector will be brought in at the 3<sup>rd</sup> step of the MSR classification.

~~8. The Company will promote the seven (7) existing Meter Service Representatives currently paid within the MSR wage classification rate to the bottom step of the Meter Service Technician "B" classification.~~

~~9. The Company and the Union agree to implement a pilot for voluntary vehicle take home program.~~

## SPECIAL PROGRESSIONS OF CMS INCUMBENTS

~~Gordon Smith has assumed the title of Meter Service Representative. He was grandfathered in at his existing rate of \$28.386 and will perform leak survey and leak surveillance work.~~

~~Three (3) existing Meter Readers assumed the title of Meter Service Representative. Their rate became \$29.887 and they were grandfathered into the Senior Meter Reader/AMR duties.~~

~~Anthony Marree  
Robert Kenney  
Michael O'Hearn~~

~~The remaining fourteen (14) personnel within the Senior Meter Reader/AMR, Meter Reader, and Credit Representative classifications were moved to the title of Meter Service Representative and were grandfathered into the existing duties. They will have the option of advancing to higher classifications within the new career path. Employees that elect to advance would be required to perform the duties of the new classification to which they enter.~~

~~The existing five (5) Apprentice Technicians were mapped to Meter Service Technician "B", Step 1 (\$30.50) and will be required to perform all duties therein.~~

~~Matthew Sullivan  
Bryan Hawkes  
Michael Torname  
David Connelly  
Sergei Skiffington~~

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~~James Crowley was mapped to MST "A", Step 1 (\$33.93) and was required to perform all duties of the MST "A" classification~~

The Company previously mapped the existing two (2) Leader-Meter Reading Office, James Meleshuk and Robert Ortiz, into the new Working Leader classification and they will continue to perform their duties as a Leader Meter Reader. They were grandfathered in at their existing wage rate (\$30.639). Upon vacating the position(s) the Leader Meter Reader duties will be merged into the Working Leader classification.

Memorandum of Understanding

The Parties do not agree about a previous practice regarding the upgrading of an MST B to MST A when a second person is added to perform one-person piping work, and reserve all their rights regarding the issue.

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**2018 CONTRACT NEGOTIATIONS**

**NATIONAL GRID  
 AND  
 LOCAL 12012-04, USW, AFL-CIO-CIC**

**Company Proposal #18**

**CLERICAL**

	5	4	3	2	1
General Clerk	\$27.001	\$22.903	\$21.809	\$20.771	\$19.783

**POSITION: GENERAL CLERK**

**JOB DUTIES:**

- Copy, Scan, Fax, and File various record types
- Create work orders in the work management system (WMS) (Gate boxes, etc.)
- Casbuilt completed work orders in the Work Management System (Maximo, etc.)
- Order office supplies and deliver UPS packets
- Handle internal and external customer calls
- Process Check requests
- Process various invoices (SAP, Shopping Carts, dig safe, etc.)
- Perform other clerical duties as assigned (Remedy Updates, Corporate Bulletins, Job Postings, Data Entry, Patch Inspections, assist in work packet creation, etc.)
- Time entry
- Assist employees of higher grade as required

**QUALIFICATIONS:**

- Demonstrated computer skills and knowledge of the word processing and spreadsheet applications
- Demonstrated ability to work effectively with internal and external customers
- Good oral and written communication skills
- Ability to process larger volumes of data within strict deadlines
- Knowledge of SAP
- Must pass clerical test on record
- Must type a minimum of 30 wpm

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 TA JB 6/21/18 JF

**2018 CONTRACT NEGOTIATIONS**

**NATIONAL GRID  
 AND  
 LOCAL 12012-04, USW, AFL-CIO-CIC**

**Company Proposal #18**

**(For Discussion Purposes)**

**GAS PRODUCTION - LNG & LNG MAINTENANCE SERVICES**

<b>Code</b>	<b>Job Title</b>	<b>Step</b>	<b>3/20/17</b>	<b>New</b>
81248162	LNG Maintenance Services/Burner Technician	-	42.542	<u>43.735</u>
81248161	LNG Maintenance Services/Electrician	3	43.780	43.780
81248161	LNG Maintenance Services/Electrician	2	41.828	41.828
81248161	LNG Maintenance Services/Electrician	1	39.876	39.876
81248018	LNG Maintenance Services/Certified Indust. Maint. Mech.	-	42.542	<u>43.735</u>
81248004	LNG Maintenance Services/Mechanic	4	37.094	<u>38.094</u>
81248004	LNG Maintenance Services/Mechanic	3	36.105	36.105
81248004	LNG Maintenance Services/Mechanic	2	34.857	34.857
81248004	LNG Maintenance Services/Mechanic	1	34.022	34.022
81248149	LNG Operator A	-	43.735	43.735
81248148	LNG Operator B	-	41.183	41.183
81248147	LNG Apprentice	2	40.591	40.591
81248147	LNG Apprentice	1	39.962	39.962

- Beginning on June 25, 2018, the company and the union will form a committee to choose an aptitude test that applicants to the LNG Apprentice classification must first pass prior to being hired into the department. The chosen test must be put into effect as a requirement for all LNG Apprentice postings beginning on or before September 30, 2018.

2018 Contract Negotiations

**Attachment D**

**USW Local 12012-04  
For Employees Hired or Rehired On or After June 25, 2018**

The following terms shall apply to all regular full-time employees hired or rehired on or after June 25, 2018:

**1. Job Bidding:**

Employees shall not be eligible to bid for positions for a minimum of two (2) years from the date of employment.

**2. Sick Leave:**

Employees who have completed 90 days of service and have worked more than 80 hours in the calendar year shall be eligible for paid sick leave in accordance with the following schedule:

Length of Employment (Based on Service Anniversary Date)	Weeks of Sick Pay at 100% of Base Salary	Weeks of Sick Pay at 60% of Base Salary
90 days up to 1 year	Up to forty hours (based on accrual of 1 hour for every 30 hours worked)	Up to forty hours (based on accrual of 1 hour for every 30 hours worked)
1 year	1	12
2 years	2	11
3 years	3	10
4 years	4	9
5 years	5	8
6 years	6	7
7 years	7	6
8 years	8	5
9 years	9	4
10 years	10	3
11 years	11	2
12 years	12	1
13 years	13	0

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**3. Long Term Disability:**

Employees who have completed three (3) months of service shall be eligible for Company-paid Long Term Disability (LTD) coverage. Coverage begins on the first day of the month following three (3) months of service.

The LTD benefit provides employees with 60% of base pay, after the completion of the elimination period. The elimination period is 90 days measured from the start of an employee's sick leave. The LTD benefit is not taxed when benefits are received because the value of the premium cost paid by the Company is added to taxable wages for purposes of withholding appropriate income tax.

Example:

- Annual base pay on the date you begin your sick leave is \$52,000
- Multiply the annual base pay by 60%
- $\$52,000 \times 60\% = \$31,200$
- You will receive \$31,200/year (\$2,600/month) on a non-taxable basis while you continue to be disabled under the terms of the LTD plan
- This benefit protects you in the event of a qualifying disability even if you are a short term employee who has at least 3 months of service.

Generally, LTD benefits continue throughout your disability up to age 65.

**4. One (1) Percent Benefit Deduction Elimination:**

Employees shall not be required to contribute to the One (1%) Percent of Gross Wages Benefit Deduction.

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**5. 401(k) Company Match**

In addition to the Company Core Contributions outlined below, the Company will amend the 401(k) Plan for employees who are hired or rehired on or after June 25, 2018 as described below and in greater detail in the 401(k) Plan document.

The Company shall make a matching contribution to the 401(k) Plan equal to one-half of up to six percent (6%) of the employee's total annual compensation that the member contributes to the 401(k) Plan, which are invested in accordance with the member's invested election.

Participants will be vested in the company matching contributions after attaining three (3) years of service.



2018 Contract Negotiations

Example of 401(k) Company Match:

401k Company Match for Members Hired on or after 25-Jun-2018		
If your Annual Compensation is*	And you contribute 6%	The Company Match will be 3% (50% up to 6%)
\$50,000	\$3,000	\$1,500
\$60,000	\$3,600	\$1,800
\$70,000	\$4,200	\$2,100
\$80,000	\$4,800	\$2,400
\$90,000	\$5,400	\$2,700
\$100,000	\$6,000	\$3,000
\$110,000	\$6,600	\$3,300

\*Eligible compensation includes base pay, overtime, shift differential and awards under the Annual Performance Plan.

**6. Defined Contribution Plan**

The Company will amend the National Grid USA Companies' Incentive Thrift Plan, II for Local 12012-04 Members (the "401(k) Plan") to add a core contribution component for employees hired or rehired on or after June 25, 2018. Upon the completion of three (3) months of service, the core contribution to the employee's 401(k) Plan account will be made by the Company in accordance with the following schedule:

Employee's Age + Years of Service (Total Points)	Percentage of Eligible Pay *
0 – 34	3%
35 – 44	4%
45 – 54	5%
55 – 64	6%
65 – 74	7%
75 – 84	8%
85+	9%
*Eligible Pay includes base pay, overtime, shift differential and awards under the Annual Performance Plan.	

Participants will be vested in the core contribution after attaining three (3) years of service.

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Employees hired or rehired on or after June 25, 2018 shall not be eligible to participate in the KeySpan Retirement Plan, Addendum M, Boston Gas Company Union Employees Pension Plan. Example of the Core Contribution and the 401(k) company match.

Core Contribution Plan Schedule		401(k) Plan Company Match	Total Company Contribution to the 401(k) Plan
Employee's Age + Years of Service (Total Points)	Percentage of Eligible Pay	Company Match*	Total Core Contribution and Company Match
0 – 34	3%	3%	6%
35 – 44	4%	3%	7%
45 – 54	5%	3%	8%
55 – 64	6%	3%	9%
65 – 74	7%	3%	10%
75 – 84	8%	3%	11%
85+	9%	3%	12%

\*Company match if the employee contributes 6% or more to the 401(k) plan.

**7. Life Insurance:**

Employees shall be eligible for group term life insurance with basic coverage of one (1) times base pay with no employee contributions required. Coverage is effective as of the first day of the month following three (3) months of service.

Employees shall not be eligible for retiree group term life insurance.

**8. Retiree Medical Coverage:**

Employees shall be eligible for post-retirement medical benefits as follows:

- Eligibility - Age 60 with at least ten (10) years of service
- Pre 65 Coverage - The Company shall pay 50% of the premium as of the date of the employee's retirement. Any subsequent increase in premium cost shall be paid exclusively by the retiree.
- Post-65 Coverage – Retired employees will have access to the post-65 medical plans and will be required to pay 100% of the cost.

# PPO 95 (new)

## Appendix 1

BCBS	1/1/2019-12/31/21	1/1/22 - 12/31/23
	<b>In-Network</b>	<b>In-Network</b>
Deductible (individual)	\$250	\$300
Deductible (family)	\$500	\$600
Out Of Pocket Max (individual)	\$1,900	\$2,200
Out Of Pocket Max (family)	\$3,800	\$4,400
Co-insurance*	95%	95%
Office Visit (PCP/ Mental health)	\$30	\$30
Office Visit (SPC)	\$40	\$45
Preventive Care (follows schedule)	100%	100%
Adv Radiology*	95%	95%
Diagnostic Xray/Lab*	95%	95%
Emergency Room*	95%	95%
Urgent Care	\$40	\$45
In Patient Hospital *	95%	95%
Out Patient Surgery*	95%	95%
Pharmacy Programs	All Utilization Programs including DAW	All Utilization Programs including DAW
Pharmacy Retail		
Generic/Preferred Brand/Non-preferred	\$10/\$35/\$60	\$15/\$35/\$60
Pharmacy Mail		
Generic/Preferred Brand/Non-preferred	\$20/\$70/\$120	\$30/\$70/\$120

\*indicates service is subject to deductible

+Out of network deductible and out of pocket maximums are 2 times the in network, coinsurance is 80%



## Comparison of Plan Features

Features	CDHP (current)	PPO 95 (new)	PPO 100 (current)
<b>Contributions</b>	Employee pays 10% Company pays 90%	Employee pays 20% Company pays 80%	Company caps contribution at 80% of the cost of PPO 95. Employee pays the difference.
<b>Copay</b>	No copays.	Copays for office visits (both primary and specialist), urgent care and prescription drugs.	Copays for office visits (both primary and specialist), emergency room care, urgent care and prescriptions.
<b>In-Network Deductible</b>	\$1,550 for single coverage \$3,100 for family coverage  <b>Common medications on the Preventive Drug List bypass the deductible and subject only to 10%</b>  The paycheck savings associated with this plan added to the employer-provided seed money, is greater than the deductible(s).	Each family member is responsible for up to the first \$250 for covered services (\$500 family max) per year. After an individual \$250 is met, the plan pays 95% of the cost of that individual's covered services. After the deductible for all family members hits \$500 in aggregate, the plan pays 95% of cost of any family member's covered services. The deductible applies to some services (such as inpatient hospital, outpatient surgery, lab and x-ray).	There is no deductible associated with this plan.
<b>Co-insurance</b>	Once deductibles are met, the plan pays 90% of the cost of covered services. Employees are responsible for the remaining 10%, not to exceed the Out-of-Pocket maximum.	Once the individual or family deductible is met, the plan pays 95% of the cost of covered services. Employees are responsible for the remaining 5%, not to exceed the Out-of-Pocket maximum.	After the copay, the plan pays 100%.
<b>Out-of-Pocket Maximum (OOP)</b>	Single \$2,700 Family \$5,400  Costs for covered services in excess of the OOP are paid by the plan for the remainder of the calendar year.	Single \$1,900 Family \$3,800  Copays, deductibles and coinsurance make up the OOP. For each person that reaches the OOP of \$1,900, the plan pays 100% of covered costs including drug copays, for the remainder of the calendar year. If the family hits the \$3,800 limit, the entire family is covered at 100%, including drug copays for the rest of the year.	Single \$6,350 Family \$12,700  Cost for covered services in excess of the OOP are covered by the plan for the remainder of the calendar year.
<b>Out of Network</b>	For a non-network provider, a separate deductible must be met. Once that threshold is met, the employee will be responsible for 30% the cost of services and the plan covers the remaining 70%.	For a non-network provider, a separate deductible must be met. Once that threshold is met, the employee is responsible for 25% of cost of services and the plan covers the remaining 75%.	For a non-network provider, a separate deductible must be met. Once that threshold is met, the employee will be responsible for 20% of cost of services and the plan covers the remaining 80%.
<b>Health Savings Account (HSA)</b>	Each January, the Company contributes "seed" money to an employee's HSA: \$750 for individual and \$1,500 for family coverage. Employees can contribute up to the IRS allowable maximum (2019 Limits: \$3,500 individual; \$7,000 family). This money can be used for out of pocket medical expenses. Unused funds carryover automatically into the next year.	This plan is not eligible for the HSA.	This plan is not eligible for the HSA.



# PPO 100 (current)

BCBS	Current 2018		1/1/19-12/31/21		1/1/22-12/31/23	
	In-Network		In-Network		In-Network	
Deductible (individual)	\$0		\$0		\$0	
Deductible (family)	\$0		\$0		\$0	
Out Of Pocket Max (individual)	\$6,350		\$6,350		\$6,350	
Out Of Pocket Max (family)	\$12,700		\$12,700		\$12,700	
Co-insurance	100%		100%		100%	
Office Visit (PCP/ Mental health)	\$25		\$30		\$30	
Office Visit (SPC)	\$30		\$40		\$45	
Preventive Care (follows schedule)	100%		100%		100%	
Adv Radiology	100%		100%		100%	
Diagnostic Xray/Lab	100%		100%		100%	
Emergency Room	\$100 copay (waived if admitted)		\$100 copay (waived if admitted)		\$100 copay (waived if admitted)	
Urgent Care	\$30		\$40		\$45	
In Patient Hospital	100%		100%		100%	
Out Patient Surgery	100%		100%		100%	
Pharmacy Programs	All Utilization Programs		All Utilization Programs including Dispende as written (DAW)		All Utilization Programs including Dispende as written (DAW)	
Pharmacy Retail						
Generic/Preferred Brand/Non-preferred	\$10/\$30/\$50		\$10/\$35/\$60		\$15/\$35/\$60	
Pharmacy Mail						
Generic/Preferred Brand/Non-preferred	\$20/\$60/\$100		\$20/\$70/\$120		\$30/\$70/\$120	

\*indicates service is subject to deductible  
 +Out of Network deductible and out of pocket max are 2 times the in network cost. Co-insurance is 80%

# Equal Dollar Contribution Example

Projected 2019 costs		Weekly Cost breakdown		
		Total Premium	Company	Employee
PPO 95 (new)	Employee	\$216.25	\$173.00	\$43.25
	Family	\$576.93	\$461.54	\$115.39
PPO 100 (current)	Employee	\$231.46	\$173.00	\$58.46
	Family	\$617.49	\$461.54	\$155.95

The company contribution to the PPO 100 is equal to the dollar amount the company is contributing towards the PPO 95 Plan.



CDHP

BCBS	Current 2018	1/1/19-12/31/21	1/1/22-12/31/23
H.S.A. seed money deposited into your account in January	\$750 single \$1,500 family	\$750 single \$1,500 family	\$750 single \$1,500 family
Deductible (individual)	\$1,550	\$1,550	\$1,600
Deductible (family)	\$3,100	\$3,100	\$3,200
Out Of Pocket Max (individual)	\$2,700	\$2,700	\$3,200
Out Of Pocket Max (family)	\$5,400	\$5,400	\$6,400
Co-insurance*	90%*	90%*	90%*
Office Visit (PCP/ Mental health)*	90%*	90%*	90%*
Office Visit (SPC)*	90%*	90%*	90%*
Preventive Care (follow schedule)	100%	100%	100%
Adv Radiology*	90%*	90%*	90%*
Diagnostic Xray/Lab*	90%*	90%*	90%*
Emergency Room*	90%*	90%*	90%*
Urgent Care*	90%*	90%*	90%*
In Patient Hospital *	90%*	90%*	90%*
Out Patient Surgery*	90%*	90%*	90%*
Pharmacy Programs	Utilization Programs Preventive Drug List	Utilization Programs Preventive Drug List, DAW	Utilization Programs Preventive Drug List, DAW
Pharmacy Retail and Mail Order			
Generic/Preferred Brand/Non-preferred	90%	90%	90%

\*indicates service is subject to deductible

+Out of network deductible and out of pocket max are 2 times the in network, coinsurance is 70%

+HSA seed contribution subject to future health behaviors

# Projected Employee Contributions 2019

For illustration, 2019 projected cost for the existing PPO is \$45.42 and \$121.20 with no plan design or contribution changes

Medical Plan	Tier	Projected 2019 Weekly Payroll Deduction	Projected Weekly Savings/Cost	Projected Yearly Savings/Cost	Health Savings Account Employer Seed Contribution
Option 1 PPO 100 (current)	Single	\$58.46	\$13.04	\$678.08	N/A
	Family	\$155.95	\$34.75	\$1,807.00	N/A
Option 2 CDHP (current)	Single	\$21.12	(\$24.30)	(\$1,263.60)	*\$750
	Family	\$56.34	(\$64.86)	(\$3,372.72)	*\$1,500
Option 3 PPO 95 (new)	Single	\$43.25	(\$2.17)	(\$112.84)	N/A
	Family	\$115.39	(\$5.81)	(\$302.12)	N/A

Total combined savings from HSA employer seed and employee payroll contribution savings,  
 Single - \$2,013.60 Family - \$4,872.72



**NATIONAL GRID PLC  
Human Resources Policy Guidelines - US  
ADOPTION ASSISTANCE PROGRAM –  
Steelworkers Locals 12003 and 12012-04**

**Objective**

The Company recognizes the diversity of family compositions and the different means by which this may be accomplished.

Adoption assistance supports employees' families establishment as needed

**Scope**

If both parents are eligible National Grid employees, only one adoption benefit will be payable for each finalized adoption. To qualify for reimbursement, the adopted child(ren) must be under the age of 18 when the adoption is finalized.

**Policy Implementation/Framework**

An eligible employee can receive a single payment up to \$4,000 per finalized adoption (regardless of the number of children adopted simultaneously) for reimbursement of expenses associated with the adoption, such as:

- Adoption Fees
- Court costs
- Attorneys' fees
- Traveling expenses (including amounts expended for meals and lodging) while away from home

Expenses incurred from qualifying adoption expenses are not subject to income tax withholding. However, these amounts are subject to Social Security and Medicare taxes

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**Expenses Not Included**

- Any expense incurred in violation of federal or state law.
- Any expense incurred in carrying out any surrogate parenting arrangement.
- Any expense incurred in connection with adoption of a child or grandchild of the Participant or Participant's spouse.
- Any expense reimbursed from any other source other than the Adoption Plan.
- Expenses incurred in establishing a foster child relationship or guardianship of a child even if the child is later adopted.
- Any adoption expenses that were incurred prior to July, 2018

**Reimbursement Procedures**

An **Adoption Assistance Program Application for Reimbursement Form** may be completed when the child is permanently placed in your home. A child is considered permanently placed in your home on the day you have a legal obligation for the expenses of the child.

Application forms for filing a claim for reimbursement may be obtained by contacting the TDC at: 1-888-4TDC-123/1-888-483-2123. This form is also available on the Infonet by clicking: [http://usinfonet/sites/USHuman\\_Resources/Pages/Benefits.aspx](http://usinfonet/sites/USHuman_Resources/Pages/Benefits.aspx). In addition to completing the **Reimbursement Form**, the following documentation is required when filing a claim:

- U.S. Court issued Adoption Decree or other legal recognition by the U.S. or state of the U.S.
- Dated receipts indicating when payments were made for eligible expenses being claimed.

**Address for Mailing Completed Form**

National Grid USA Service Company, Inc.  
TDC - Employee Services C-1  
300 Erie Blvd. West  
Syracuse, New York 13202

**Key Contacts**

**Owner:** Vice President of US Compensation, Benefits & Pensions

**Lead/expert:** Compensation & Benefits Center of Expertise US

**First point of contact:** TDC Response Team US (1-888-483-2123)

## 2018 CONTRACT NEGOTIATIONS

### NATIONAL GRID AND USW LOCAL 12012-04

#### ARTICLE VI – GENERAL WAGE PROVISION – HOURS AND WAGES

##### Section 7. Travel Time (Training)

Local 12012-04 employees who are reporting to training at a National Grid Facility within Massachusetts or Rhode Island will be reimbursed with two (2) hours of overtime for the day.

Employees will be expected to utilize their personal vehicle and report to their respective training location on time and ready for duty. The compensation is intended to cover any and all expenses related to travel to and from the training location. Employees in the vehicle take home program who take their company vehicle to training will not be eligible for the hour of overtime.

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**2018 CONTRACT NEGOTIATIONS**

**NATIONAL GIRD**  
**AND**  
**LOCAL 12012-04, USW, AFL-CIO-CIC**

**ARTICLE X – SENIORITY, TRANSFERS, PROMOTIONS, JOB POSTINGS,**  
**FORCE REDUCTION AND LAYOFF**

**Section 1. Determination of Seniority**

(A) Definitions:

Company Seniority is defined as the length of continuous service with the Company.

Department Seniority is defined as the length of continuous service in the department to which the employee is then assigned.

Classification Seniority is defined as the length of continuous service within the classification to which the employee is then assigned.

Starting Job is the lowest filled classification within the progression.

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(B) Effect of Absence:

In determining length of service for the purpose of seniority, absence from the Company's service for not more than six (6) months shall be disregarded; absence for more than six (6) months but not more than one year shall be deducted from length of service; and absence of more than one year shall forfeit all seniority previously established. An absence due to an employee's resignation from the Company's service shall forfeit all seniority previously established. Notwithstanding the preceding provisions, Permanent Employees who are laid off for lack of work after the effective date of this agreement, through no fault of their own, and have returned to the employ through no fault of their own, and have returned to the employ of the Company as Permanent Employees within two (2) years of the date of their layoff shall have adjusted seniority which will include all time worked as Permanent Employees prior to their layoff, not including any time not spent in the employ of the Company. In addition, if an employee is absent for any of the following reasons, his/her seniority shall be calculated as though he/she had been continuously employed by the Company.

- (1) Absence due to a leave of absence granted in writing by an officer of the Company.
- (2) Absence due to illness attested to by a physician's certificate.
- (3) Absence due to service in the Armed Forces in accordance with the Universal Military Training and Service Act.
- (4) Absence due to service as a Union official in accordance with Article IX of this agreement.

**Transfers:**

In the case of employees transferring from one department to another, their classification and department seniority in the department from which they have transferred will be continued for a period of ~~nine (9)~~ three (3) months from the day of transfer, during which time they may elect to return to, or the Company, on the basis of qualifications, may elect to return them to, their former classification and department and former shift assignment. After nine (9) months, their former classification and department seniority will be discontinued and their classification and department seniority in the department to which they have transferred will begin retroactive to the first day of such transfer. Similar rules will be applied in the case of employees transferring from one classification to another within the same department.

Employees will not have an opportunity to exercise their seniority and move to another location until there is a vacancy. When vacancies occur, employees will have the option of making lateral moves between Divisions prior to any promotions taking place. When voluntary relocation to another Division is due to a lateral move, employees will enter the Schedule of Wages applicable to that Division.

# 2018 CONTRACT NEGOTIATIONS

## NATIONAL GRID AND USW, LOCAL 12012-04

### ARTICLE XI – JOINT COMMITTEE AND GRIEVANCE PROCEDURE

Amend Article XII, Section 1. of the parties current Collective Bargaining Agreement (“CBA”) in the following manner:

#### **Section 1. Joint Committee**

The Union shall designate a Standing Committee of five (5) employees and this committee shall meet with the representatives of the Company bi-monthly or at the request of either party for the purpose of discussing matters coming within the scope of this agreement. Such meetings shall be held at the convenience of both parties if possible and the meetings shall be scheduled on the third (3rd) Friday of the even months of a calendar year. The Local Union President, or his/her designee, and the Employee & Labor Relations Department Head, or his/her designee, shall review on the Friday prior to each Joint Committee meeting issues which are to be discussed at the Joint Committee meeting. This shall not preclude the discussion of other issues. It is agreed that representatives of the United Steelworkers may attend these Joint Committee meetings.

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#### **Section 2. Dispute Procedure**

Any grievance which may arise based on a dispute as to the meaning and application of this agreement shall be finally settled in the following manner. Employee termination grievances will begin at Step 3 of the procedure.

- Step 1. The grievance shall be discussed by the aggrieved employee, his/her shop steward or his/her acting shop steward, and his/her first-line supervisor not covered by this agreement. If not settled in this step, the grievance shall be referred to Step 2.
- Step 2. The grievance shall be discussed by the shop steward and a member of the Standing Committee, on the one hand, and the ~~above-described supervisor and the supervisor manager~~ of the department, or their designees on the other. If not settled in this step, the grievance shall be referred to Step 3.

- Step 3. The grievance shall be reduced to writing, signed by the aggrieved employee and forwarded by the Recording Secretary of the Local Union to the Employee & Labor Relations Department with a request that the matter be discussed at the next meeting of the Joint Committee. In the event no such meeting is to be held within one week of the receipt of such request, the Employee & Labor Relations Department will arrange for the convening of such meeting. If not settled in this step, the grievance shall be referred directly to Step 5 unless the Standing Committee or the Company elect to refer it to Step 4.
- Step 4. The grievance shall be referred to a conference between the President of the Company or a designee of the President who shall be an Executive Department Head of the Company and who is not a member of the Company Committee and such Company representatives as he/she may select, on the one hand, and the Standing Committee and United Steelworkers representatives on the other. If not settled in this step, the grievance shall be referred to Step 5.
- Step 5. The grievance may be referred to arbitration upon written request by either the Company or the Union, delivered by the requesting party to the other within a reasonable time following (i) the Joint Committee meeting in Step 3, if the matter has not been referred to Step 4, or (ii) the conference with the President or Executive Department Head of the Company in Step 4, if the matter has been referred to Step 4.

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The arbitration shall be conducted by a three (3) member Board of Arbitration consisting of one representative of the Company and one representative of the Union and a third (3rd) person, who shall serve as Chairman, selected by such representatives. The Joint Committee shall, prior to the scheduling of any arbitration, agree upon a stipulation of the issue or issues to be arbitrated. If the Joint Committee is unable to agree upon stipulation in the permitted time, the grievance (as reduced to writing at Step 3) shall be the stipulation. For the purpose of this section, permitted time means the time between the delivery of the written request (Step 5) to submit the dispute to arbitration and the second regular Joint Committee meeting next following. The Board's decision shall be restricted to deciding such issue or issues upon the basis of the applicable provisions of this agreement. All decisions of the Board, if approved by at least two (2) of its members, shall be final and binding on all concerned.

If the Company and Union representatives on the Board do not agree on the selection of the chairman within ten (10) days after both have been appointed, the third (3rd) representative shall be appointed in accordance with the Voluntary Labor Arbitration Rules of the

American Arbitration Association. The Company and the Union shall each bear the expense of its representative on the Board and shall share equally the compensation and expenses of the Chairman and other expenses, if any, relating to the arbitration (apart from the expense of either in presenting its case). Unless otherwise agreed, each grievance shall be separately processed in any arbitration proceedings under this section. There shall be no right to arbitration to obtain, and no Board of Arbitration shall have the authority to make, any award granting any change in, modification or alteration of, addition to or subtraction from, any of the terms of this agreement.