

Memorandum of Understanding

Staffing and Operation of Virginia City Hybrid Energy Center

This document between IBEW Local 50 (Local 50) and the Company confirms the understanding regarding the initial staffing and operation of the Virginia City Hybrid Energy Center.

1. The Virginia City Hybrid Energy Center (VCHEC) will be included in the collective bargaining agreement (CBA) as a separate contractual department in the Fossil & Hydro Production Division.

2. The new classifications of Maintenance Operator and Lead Maintenance Operator will be on the operating shift rotation and will perform operating and maintenance duties as required.

3. Posting and awarding of jobs in these classifications will be in accordance with the provisions of the CBA. However, when posting these positions, the Company will determine the specific background desired (i.e., a candidate with mechanical, electrical, operating, or a CRO background) and include it as part of the posting. As part of the initial start-up, positions may be awarded in advance of the actual report dates. The actual report dates will be based on the needs of the station.

4. Electricians, Mechanics, CRO's or Operators will be considered for the Maintenance Operator classification. Maintenance Operators and CRO's will be considered for the Lead Maintenance Operator classification.

5. Rates of Pay for the new classifications are defined in Attachment A.

6. Successful trainee candidates will be evaluated and advanced placed, if appropriate, into the Maintenance Operator development program and will progress through the established steps of the training program.

7. Upon the completion of the required training, employees in these new classifications will be considered qualified in the craft or operator positions for which they have been trained.

8. Schedules

a. Pre-Operational

The operations department and the maintenance department at VCHEC will be scheduled Monday through Friday from 0700 – 1530.

b. Operational

The operations department will work 4 twelve hour rotating shifts. The need for a relief shift will be determined by the Company. Transition from the Pre-Operational schedule to the Operational schedule will be at the Company's discretion.

The maintenance department will work one of the approved Fossil and Hydro Maintenance schedules.


9. In addition to the provisions in Article 11 of the CBA, employees who bid on and are awarded positions at VCHEC prior to December 31st 2010 will have 180 days from their report date in which they can elect to return back to their former position at their previous location. Also during this period of time, if it is decided by the Company that the employee is not qualified to perform the work of the new job classification, the employee will be returned back to their former position at their previous location.

10. The method for overtime apportionment will be Red Time/Green Time. The method may be changed by mutual agreement.

11. Vacation will be awarded in service order within each particular classification (the most serviced employee will receive all their picks prior to the next employee selecting). This method may be changed by mutual agreement.


12. See appropriate development program for tool lists.

For the Company

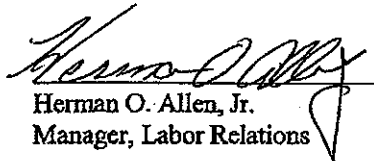

C.D. Holley
Vice President
Fossil & Hydro

02/18/2010
Date

For the Union


Jack Wells
President / Business Manager
IBEW Local 50

2-18-10
Date


Herman O. Allen, Jr.
Manager, Labor Relations

2/22/2010
Date

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Attachment A

MAINTENANCE OPERATOR

What wage rates are associated with the Maintenance Operator position?

- The wage rates for an individual entering the Maintenance Operator position are as follows:

*** Maintenance Operator Trainee (b) (r)**

Start as Trainee	\$15.89
After 5.5 months	\$16.99

*** Maintenance Operator (b) (r)**

After 11 months	\$18.25
After 17 months	\$19.50
After 23 months	\$20.83
After 29 months	\$22.35
After 35 months	\$23.90
After 41 months	\$26.72
After 47 months	\$28.44
After 56 months	\$32.79

What happens if a topped-out Operator is awarded a Maintenance Operator position?

- The successful candidate will be evaluated and advanced placed, if appropriate, into the Maintenance Operator development program and will progress through the established steps of the training program. For an Operator entering the Maintenance Operator training program, the wage rates will be as follows:

*** Maintenance Operator Trainee (b) (r)**

Start as Trainee	\$30.43
After 5.5 months	\$30.82

*** Maintenance Operator (b) (r)**

After 11 months	\$31.00
After 17 months	\$31.25
After 23 months	\$31.50
After 29 months	\$31.75
After 35 months	\$32.00
After 41 months	\$32.25
After 47 months	\$32.50
After 56 months	\$32.79

What happens if a topped-out Electrician or Mechanic is awarded a Maintenance Operator position?

- The successful candidate will be evaluated and advanced placed, if appropriate, into the Maintenance Operator development program (39 months) and will progress through the established steps of the training program. The successful candidate will be paid at \$.50 above their previous craft rate while learning the Operator component. Upon completion of the Operator training, the rate of pay will increase to match the Maintenance Operator top rate.

What happens if a CRO is awarded a Maintenance Operator position?

- The successful CRO candidate will be evaluated and advanced placed, if appropriate, into the Maintenance Operator development program and will progress through the established steps of the training program. The successful candidate will be paid at the same rates that apply to a topped-out Operator entering the Maintenance Operator development program.

LEAD MAINTENANCE OPERATOR

What wage rate is associated with the Lead Maintenance Operator position?

- The wage rate for an individual entering the Lead Maintenance Operator position is as follows:

*** Lead Maintenance Operator (b) (r)**

First 3 Months	Next 9 Months	Next 12 Months	Thereafter
			\$33.49

Who is eligible for Lead Maintenance Operator?

- Maintenance Operators from the line of promotion. CRO's will be considered for a Lead Maintenance Operator position if posting is required.

What happens if a Maintenance Operator is awarded a Lead Maintenance Operator position?

- When a Lead Maintenance Operator position is available the most senior qualified Maintenance Operator at the station will be promoted.

What happens if a CRO is awarded a Lead Maintenance Operator position?

- The successful CRO candidate will be evaluated and advanced placed, if appropriate, into the Maintenance Operator development program and will progress through the established steps of the training program. The successful candidate will be paid at \$.50 above their previous CRO rate while progressing through the development program and will receive the Lead Maintenance Operator top rate only after completing the program.