

**Settlement Agreement**  
**Lungren, 07-02-0360**  
**Qualifying for a Day Off In Lieu of Holiday Pay**

This Settlement Agreement ("Agreement") is made between Progress Energy - Florida ("Company") and the IBEW System Council U-8 ("Union") in order to resolve the above referenced grievance.

The grievance alleges violation of the Memorandum of Agreement (MOA) when management denied the grievant a holiday in lieu of holiday pay when he was called to work on the July 4<sup>th</sup> holiday. The grievant worked a total of ten (10) hours on the day. It is the Union's position that the language in Article IV, Section 3 does not require that the employee must work his same actual scheduled hours in order to earn another day in lieu of the holiday.

The Company's position has been that the day off in lieu of the holiday can only be earned if the employee works the regularly scheduled hours the employee would have worked had there not been a holiday.

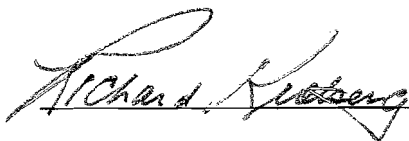
However, in the interest of harmonious relations and recognizing the impact that working on a holiday may have on the employee's personal life, the parties have reached this Settlement Agreement. Article VI, Section 3 shall be interpreted as follows:

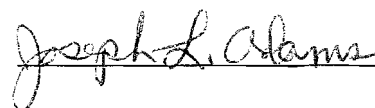
To earn another day off in lieu of holiday pay, an employee will be required to work the equivalent number of hours he or she would have normally been scheduled to work, if there had not been a holiday. The hours do not need to be consecutive and may accumulate anytime during the 24-hour period on the holiday. For example, if an employee is normally scheduled for ten regular hours on the day in question, and the employee works a total of ten hours anytime between midnight and midnight on that day, he or she shall either be paid the holiday pay or, at the employee's option, may receive another day off in lieu of the holiday pay. In order to qualify, the employee must actually work the required number of hours. This means that an employee who is called out and only works one hour but receives the minimum two and one-half hours of pay, will only receive one hour towards the total hours worked.

The parties agree that this Settlement Agreement shall set precedent for the interpretation of this language in the MOA. It is the intent of the parties to include this language in the next negotiated changes to the MOA.

For the Company:

For the Union:

  
Date 2/20/05

  
Date 2/20/05