TWELVE-HOUR SHIFT (<u>ROTATING</u>) WITH LEAVE PROVISION SUPPLEMENTAL AGREEMENT FOR ALTERNATIVE WORK SCHEDULE FOR TRADES AND LABOR EMPLOYEES

The provisions of the General Agreement will be followed except as noted below:

2.

1.	ALTERNATIVE STRAIGHT TIME SCHEDULE:		
	A.	Employees are to be scheduled for 84 hours in a two-week pay period of which employees are to be scheduled three 12-hour shifts one week and four 12-hour shifts the other week of which, time worked over 40 hours and outside the scheduled 12 hour shift are overtime, except as provided elsewhere in this agreement.	
	В.	Shift schedules shall be posted at least days prior to the workweek.	
2.		AFFECTED EMPLOYEES: Approximate Number To Work New Schedule: Organization/Work Group/Location:	
3.	JUST	JUSTIFICATION FOR ALTERNATIVE WORK SCHEDULE:	
4.	PAY PROVISIONS DIFFERENT FROM AGREEMENT PROVISIONS:		
	A.	Pay for work on off days (by day): First and third off days time and one-half; second and fourth off days, double time.	
	B.	Rules for observing holidays falling on rest days:	
		1. If a holiday falls on an employee's normal off day, the employee will receive an additional 12 hours' pay at the straight-time rate	

the General Agreement except as noted below.

Holidays will be observed in accordance with Supplementary Schedule B-V of

3. Rules for observing holidays on an employee's regularly scheduled workday:

Employees required to work on a holiday that falls on his/her regularly scheduled 12-hour workday will be paid 12 hours' straight-time pay for the holiday plus time and one-half for the first 12-hours worked and two times (double-time) for all hours worked in excess of 12 hours. If the holiday falls during a period of scheduled 8-hour days, then 8 hours straight-time pay for the holiday will be paid plus time and one-half for the first 8 hours worked and two times (double-time) for all hours worked in excess of 8 hours. If an employee is not required to work his/her regular 12-hour or 8-hour shift, then he/she receives the additional 12 or 8 hours' pay at the straight-time rate. If this situation occurs on the regularly scheduled overtime day (fourth shift on the four-shift week), then the overtime day will be moved to the previous workday.

- C. Sunday premium rules, including applicable qualifying hours: See General Agreement Supplementary Schedule B-V.
 - 1. A 25-percent premium is paid for all hours worked in which fifty percent or more of the scheduled shift falls on a calendar Sunday.
 - 2. If Sunday is paid as a straight-time day, a premium of 25 percent is paid in addition to the straight-time rate. Additionally, as the Accounting Procedure 14 and the Fair Labor Standards Act (FLSA) provide, an employee in a nonexempt position who works a straight-time shift on Sunday and works overtime in conjunction with this regularly scheduled Sunday shift is paid overtime (time and one-half) plus the Sunday premium (25 percent) for a total of time and seven/eighths.
 - 3. If Sunday is identified in B-V as an overtime day or the employee receives double-time pay required by the agreement, the Sunday premium is not applicable.
- D. Overtime compensation and other applicable rules for overtime on non-workdays and outside scheduled 12- or 8-hour straight time shift: Employees are on the inflexible schedule and earn overtime pay for work outside scheduled straight-time hours in accordance with No.4A above.

Work qualifying for time and one-half: Work on first and third off days (see #1 above) and work outside scheduled straight-time hours except as noted below.

TWELVE-HOUR SHIFT (ROTATING) WITH LEAVE PROVISION

Work qualifying for double time: Work on second and fourth off days, work in excess of 16 hours within any 24 hour period without an 8-hour break, and work in excess of 12 hours on a holiday.

- E. Premium time provisions: See Supplementary Schedule B-V.
- F. Meal period provisions: See Supplementary Schedule B-V.
- G. Call time provisions: See Supplementary Schedule B-V.
- H. Rules for taking leave during scheduled straight time: With the exception of the four (12-hour) shift workweek, an employee taking leave for his/her regularly scheduled shift will be charged the appropriate leave for the straight-time hours of that shift (i.e. 8 hours' leave on scheduled 8-hour days and 12 hours' leave on scheduled 12-hour days). On the four (12-hour) shift workweek, if at least 8 hours of leave are taken on any day during the first three days of that week, that day automatically reverts to an 8-hour workday, and the employee will be charged 8 hours' leave. This will provide the employee with 44 hours of pay for the workweek (40 hours at straight-time and 4 hours at the overtime rate). If leave is taken on the last scheduled shift of the four-day week (overtime day), then the employee will be charged for the straight-time hours only and will not be paid for the overtime hours of that shift.
- I. Shift differential to be paid: Shift differential will be paid for the 12-hour night shift only, using the prevailing midnight shift rate. No evening shift differential will be paid.
- J. Day breaks: The day break is determined by the beginning of the shift or the end of the shift whichever is closest to midnight. For example, if the evening shift ends at 12 a.m., and the night shift begins at 11:30 p.m., the daybreak is 12 a.m. Day breaks do not change for the employee during float weeks.

K. Other provisions:

- 1. Management and local union, jointly, may approve five eight-hour days on an individual case-by-case basis to accommodate an employee's special situation or training.
- 2. Leave and retirement provisions will be handled in accordance with Attachment A.
- 3. Appropriate leave will be charged for all straight-time hours taken off during a workweek, not to exceed 40 hours' leave per week.

TWELVE-HOUR SHIFT (ROTATING) WITH LEAVE PROVISION

- 4. Employees on military leave or court leave are entitled to the same pay and allowances the employee would have received had the employee been at work during the time the employee was on active duty/court leave.
- 5. Personnel on military leave should revert back to a five-day eight-hour shift for time reporting purposes. The employee is to be paid for any overtime or shift differential to which he/she would be entitled on the alternative work schedule. This will avoid the employee being charged as excess amount of military leave.
- 6. Training will normally be five consecutive eight hour days, or four consecutive ten hour days. Management and local council representatives will jointly agree on a training schedule and apply the terms of the General Agreement for eight hour days or the appropriate alternate work schedule for ten hour days.

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ATTACHMENT A

Effect of 12-hour Work Schedules on Leave and Retirement Benefits

This is the information on any potential leave accrual or retirement program effects of an alternate work schedule consisting of seven 12-hour workdays in a biweekly pay period (three days in one workweek, four workdays in the other). As described in greater detail below, working such a schedule will have no adverse impact on an employee's leave accrual or on potential retirement benefits from the TVA Retirement System (TVARS).

Under the 12-hour schedule, employees are scheduled to work a total of 84 hours in each biweekly pay period—36-hours (all straight time) during week one, and 48 hours (40 at straight time and 8 at time and one-half) during the other workweek. Pursuant to section 6303(a) of Title 5, United States Code, employees are entitled to four hours' sick leave and from four to eight hours annual leave (depending on their creditable service) for "each full biweekly pay period" they work. Section 6302 (b) provides that:

an employee is deemed employed for a full biweekly pay period if he/she is employed during the days within that period, exclusive of holidays and non-workdays established by Federal statue, Executive order, or administrative order, which fall within his/her basic administrative workweek.

In TVA, as with other federal agencies, a regularly scheduled tour of duty of 80 hours in a biweekly pay period is the typical "full biweekly pay period" Under this typical eight-hours-per-day, five-days-per-week schedule, an employee is entitled to a full complement of annual and sick leave if he or she works the entire "basic administrative workweek" of 80 hours, less holidays and similar non-workdays. An employee who works the entire scheduled tour of duty under the 12-hour day, 84-hour pay period schedule outlined above fully meets this criteria and will receive the full complement of leave for each such pay period, since that full-time employee has worked the full complement of workdays falling within that basic administrative workweek. Thus, it is not relevant for purposes of leave accrual that the employee is scheduled for only 36 hours in one of the workweeks and that only 76 of the 84 regularly scheduled hours in the pay period are paid at straight time.

Regarding retirement benefits, under TVARS Rules, Section 6A. TVARS members receive pensions based on their "average compensation" for each year of "creditable service." "Average compensation" is defined as the "average earnable compensation of a member during any three successive years of creditable service designated by the member," and "average earnable compensation" means "the rate of regular salary or wages paid the member" (Rules, Section 1(10),(11)). Thus, a unit operator whose stated salary is \$37,890 for 1992 would have an average compensation of \$37,890 for that year, even though he/she might have worked only 76 hours straight time per pay period during the year. The fact that TVA might have recorded four hours' leave without pay (LWOP) during the 36-hour week would have no impact on average compensation or on creditable service because TVA continues its TVARS contribution during such short periods of LWOP.

Regarding the member's own TVARS annuity contributions, the member may elect to have the contributions based on straight-time pay (76 hours per pay period) or a total pay (which would include all hours paid at the overtime rate). The current practice permits employees to change that election at any time.