

MAINTENANCE LABOR AGREEMENT
FOR
THE LODI ENERGY CENTER PROJECT
LODI, CALIFORNIA

1. INITIAL PROVISIONS

1.1. This Maintenance Labor Agreement ("Agreement") is entered into by the Northern California Power Agency ("Primary Employer"), the State Building and Construction Trades Council of California ("State Council") and the Building and Construction Trades Council of San Joaquin, Calaveras, and Alpine Counties ("Local Council") and the local unions who have executed this Agreement, all of whom are referred to collectively as the "Unions."

1.2. The Lodi Energy Center Project (the "Project") is an approximately 255 MW power plant located in the City of Lodi, San Joaquin County, California. The Project is owned by the Northern California Power Agency ("Owner"). It is understood and agreed by and between the Parties to this Agreement that the final plans for the Project may be subject to modifications and approval by those public agencies possessing lawful approval authority over the Project and that this Agreement applies to the Project as it is finally approved by such entities and agencies.

1.3. The Primary Employer is a California Joint Power Agency. It is an employer in the construction industry. Its employees currently perform construction work and will perform construction work on the Project. It has a collective bargaining relationship with the International Brotherhood of Electrical Workers and Operating Engineers.

1.4. As provided below, all project managers, construction managers, contractors, subcontractors or other persons or entities assigning, awarding or subcontracting Covered Work (as defined in Article 2), or authorizing another party to assign, award or subcontract Covered Work or performing Covered Work will be subject to this Agreement by executing Attachment A, the Employer Agreement to be Bound (all of whom, including the Primary Employer, are individually and collectively referred to as "Employer" or "Employers").

1.5. The Unions are labor organizations whose members are construction industry employees who generally work in close proximity to one another at

construction job sites and whose jobs are closely related and coordinated. Each of the Unions is a party to a multi-employer collective bargaining agreement ("Master Agreement") that covers the geographic area of the Project. Where the term Master Agreement is used, it means the existing Master Agreement currently in effect as to each of the Unions.

1.6. The Project will be a large, complex construction project that will require periodic maintenance by skilled craft workers. A large pool of skilled labor represented by the Unions will be required to execute the work involved in maintaining the Project. Employers wish and it is the purpose of this Agreement to ensure that a sufficient supply of skilled craft workers are available at the Project, that all maintenance work and related work performed by the members of the Unions on this Project shall proceed continuously, without interruption, in a safe and efficient manner, economically with due consideration for the protection of labor standards, wages and working conditions. In furtherance of these purposes and to secure optimum productivity, harmonious relations between the parties and the orderly performance of the work, the parties to this Agreement agree to establish adequate and fair wage levels and working conditions.

1.7. It is a central purpose of the parties in executing this Agreement to protect the Project against the jobsite friction that could arise at a common-situs jobsite if union employees had to work alongside non-union employees in their own craft or in those other crafts with which they generally work in close proximity performing work that is closely related and coordinated. This Agreement accomplishes this purpose by ensuring that all Covered Work will be performed by workers who are union members. In the event that any construction work falls outside the scope of this Agreement, the Primary Employer further protects itself from the natural result of jobsite friction by prohibiting all strikes, picketing or similar activity for any reason whatsoever, and by imposing severe penalties on any Union that violates this prohibition.

1.8. In the interest of the future of the construction industry in the local area, of which the Unions are a vital part, and to maintain the most efficient and competitive posture possible, the Unions pledge to work and cooperate with the management of the Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement.

2. SCOPE OF AGREEMENT

2.1. This Agreement applies to the Project and includes all planned outage maintenance, major overhauls, and other maintenance work performed on the Project that is contracted out to a contractor in the construction industry. All work within the scope of this Agreement is referred to as "Covered Work."

2.2. The following work is excluded from the scope of this Agreement:

2.2.1. Work which is performed by an Original Equipment Manufacturer's ("OEM") labor forces for warranty, repair or maintenance on the vendor's equipment if required by the OEM's warranty agreement between the OEM and the Owner.

2.2.2. Construction or repair work performed by the Primary Employer's general or EPC contractor under a Project Labor Agreement approved by the Councils and the Owner.

2.2.3. Work performed by technical representatives or technicians performing specialized work on equipment where such employees have special or unique skills or experience on that equipment which employees represented by the Unions do not possess.

2.2.4. Work performed by non-construction craft employees.

2.2.5. Work performed by Primary Employer's regular workforce.

2.2.6. Work performed by Pacific Gas & Electric or another utility or local water purveyor.

2.2.7. Work performed on the existing 49.9 MW steam injected gas turbine adjacent to the Project site.

2.2.8. Worked that is performed in the existing 230 KV Switchyard.

2.2.9. Work performed on the existing waste water treatment plant adjacent to the Project site.

2.2.10. Work that is immediately necessary to repair a unit or piece of equipment as the result of an emergency, act of God or other sudden unexpected events outside of the control of the Primary Employer.

2.2.11. Work if, at the time the work is to be performed, union signatory contractors are not reasonably available to bid the work.

3. SUBCONTRACTING

3.1. Primary Employer and each other Employer agree that they will contract for the assignment, awarding or subcontracting of Covered Work, or authorize another party to assign, award or subcontract Covered Work, only to a person, firm, corporation or other entity that, at the time the contract is executed, has become a party to this Agreement by executing Attachment A, the Employer Agreement to be Bound.

3.2. Primary Employer and each other Employer agree that they will subcontract Covered Work only to a person, firm, corporation or other entity who is or becomes party to this Agreement and who is or becomes bound for purposes of performing Covered Work to either a local, area or regional Master Agreement with the craft Union having traditional and customary building trades craft jurisdiction over the work or, only in the case of a national contractor, a national agreement with the International Union(s) of the craft Union(s) having traditional and customary jurisdiction over the work. Any Employer (including Primary Employer) performing Covered Work on the Project shall, as a condition to working on the Project, perform all work under the terms of this Agreement and the applicable Master Agreement. Before being authorized to perform any Covered Work, Employers (other than Primary Employer) shall become a party to this Agreement by signing Attachment A, the Employer Agreement to be Bound. Every Employer

shall notify the Local Council and the State Council in writing within five business days after it has subcontracted work, and shall at the same time provide to the Local Council and the State Council a copy of the executed Employer Agreement to be Bound.

3.3. Notwithstanding Section 3.2, any Employer not already bound to a Master Agreement, who signs and becomes bound to a Master Agreement to participate on this Project, shall not be required to apply the terms of that Master Agreement to any other construction project.

3.4. Nothing in this Agreement shall in any manner whatsoever limit the rights of the Primary Employer, or any other Employer, to subcontract Covered Work or to select its contractors or subcontractors; provided, however, that all Employers, at all tiers, assigning, awarding, contracting or performing, or authorizing another to assign, award, contract or perform Covered Work shall be required to comply with the provisions of this Agreement. Primary Employer and every other Employer shall notify each of its contractors and subcontractors of the provisions of this Agreement and require as a condition precedent to the assigning, awarding or subcontracting of any Covered Work or allowing any subcontracted Covered Work to be performed, that all such contractors and subcontractors at all tiers become signatory to this Agreement. Any Employer that fails to provide the Local Council and State Council with the Employer Agreement to be Bound executed by its contractor or subcontractor shall be liable for any failure of that contractor or subcontractor, or any contractor or subcontractor at a lower tier, to comply with the provisions of this Agreement, including any contributions to any trust funds that the contractor or subcontractor, or any subcontractor to that subcontractor, fails to make.

4. WAGES AND BENEFITS

4.1. All employees covered by this Agreement (including foremen and general foremen if they are covered by the Master Agreement) shall be classified

and paid wages, other compensation including but not limited to travel, subsistence, and shift premium pay, and contributions made on their behalf to multi-employer trust funds, all in accordance with the then current multi-employer Master Agreement of the applicable Union.

4.2. Any special interest bargaining which establishes wage rates, classifications, zones, or wage escalations which apply exclusively to the Project will not be recognized. In addition, there shall be no redlining of the Project in any future multi-employer collective bargaining agreements by singling out, either by name or by effect, the Project or the Employers for less favorable wages, benefits or working conditions than are generally accorded other industrial projects in the same general geographic area.

5. UNION RECOGNITION

5.1. The Employers recognize the Unions signatory to this Agreement as the sole and exclusive collective bargaining agents for their respective construction craft employees performing Covered Work for the Project, and further recognize the traditional and customary craft jurisdiction of each Union.

5.2. All employees performing Covered Work shall be or shall become and then remain members in good standing of the appropriate Union as a condition of employment on or before the eighth (8th) day of employment, or the eighth (8th) day following the execution of this Agreement, whichever is later.

5.3. The Unions shall be the source of all craft employees for Covered Work for the Project. Employers agree to be bound by the hiring and layoff practices of the respective Union, including hiring of apprentices, and to utilize its registration facilities and referral systems.

5.4. In the event the referral facilities maintained by the Unions do not refer the employees as requested by the Employer within a forty-eight (48) hour period after such requisition is made by the Employer (Saturdays, Sundays and holidays excepted), the Employer may employ applicants from any source.

5.5. Each Union shall have the right to designate one working journeyperson per shift as a steward. The steward shall be a qualified employee performing the work of that craft and shall not exercise any supervisory functions. Each steward shall be concerned with the employees of the steward's Employer and not with the employees of any other Employer. A steward at the appropriate time of day shall be allowed sufficient time to perform his duties. This provision shall not be abused.

6. WORK STOPPAGES AND LOCKOUTS

6.1. During the term of this Agreement, there shall be no strikes, sympathy strikes, picketing, work stoppages, slow downs, interference with the work or other disruptive activity for any reason by the Union or by any employee, and there shall be no lockout by any Employer. Failure of any Union or employee to cross any picket line established at the Employer's project site is a violation of this Article.

6.2. The Union shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in or encourages any activities which interfere with the normal operation of the Project shall be subject to disciplinary action, including discharge, and, if justifiably discharged for the above reasons, shall not be eligible for rehire on the same project for a period of not less than ninety (90) days.

6.3. The Union shall not be liable for acts of employees for which it has no responsibility. The principal officer or officers of a Union will immediately instruct, order and use the best efforts of his office to cause the employees the Union represents to cease any violations of the Article. A Union complying with this obligation shall not be liable for unauthorized acts of employees it represents. The failure of the Employer to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.

6.4. The Union(s) agrees that if any union or any other persons, whether parties to this Agreement or otherwise, engage in any picketing or work stoppages, the signatory Unions shall consider such work stoppage or picketing to be illegal and refuse to honor such picket line or work stoppage.

6.5. In the event of any work stoppage, strike, sympathy strike, picketing interference with the work or other disruptive activity in violation of this Article, the Employer may suspend all or any portion of the Project work affected by such activity at the Employer's discretion and without penalty.

6.5.1. Any Union which initiates or participates in a work stoppage in violation of this Article, or which recognizes or supports the work stoppage of another Union which is in violation of this Article agrees, as a remedy for said violation, to pay liquidated damages in accordance with Section 6.6.8 of this Article.

6.6. In lieu of, or in addition to, any other action at law or equity, any party may institute the following procedure when a breach of this Article is alleged, after the Union(s) and/or local union(s) has been notified of the fact.

6.6.1. The party invoking this procedure shall notify Norman Brand or Joe Grodin who the parties to this agreement agree shall be the permanent Arbitrators under this procedure. In the event that either of the permanent Arbitrators is unavailable at any time, the American Arbitration Association shall select an alternative arbitrator within twenty-four (24) hours of notice. Notice to the Arbitrator shall be by the most expeditious means available, with notice by fax or electronic means or any other effective written means to the party alleged to be in violation and the involved International Union President and or local union.

6.6.2. Upon receipt of said notice, the Arbitrators named above shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists.

6.6.3. The Arbitrator shall notify the parties by fax or electronic means or any other effective written means of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or

parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.

6.6.4. The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred. The Award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any party desires an opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The Arbitrator may order cessation of the violation of this Article by the Union, and such Award shall be served on all parties by hand or registered mail upon issuance.

6.6.5. Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to hereinabove in the following manner. The fax or electronic notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's Award as issued under Section 6.6.4 of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's Award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

6.6.6. Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance therewith are hereby waived by the parties to whom they accrue.

6.6.7. The fees and expenses of the Arbitrator shall be borne by the party or parties found in violation, or in the event no violation is found, such fees and expenses shall be borne by the moving party.

6.6.8. If the Arbitrator determines that a violation has occurred in accordance with Section 6.6.4 above, the party or parties found to be in violation shall pay as liquidated damages the following amounts: for the first shift in which the violation occurred, \$20,000; for the second shift, \$25,000; for the third shift,

\$30,000; for each shift thereafter on which the craft has not returned to work, \$30,000 per shift. The Arbitrator shall retain jurisdiction to determine compliance with this section and this Article.

6.7. The procedures contained in Section 6.6 shall be applicable to alleged violations of this Article. Disputes alleging violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of this Article, shall be resolved under the grievance procedures of Article 8.

6.8. Notwithstanding the provisions of Section 6.1 above, it is agreed that with twenty-four (24) hour prior notice to the Primary Employer, a Union retains the right to withhold the services of its members from a particular contractor or subcontractor who fails to make timely payments to the Union's benefit plans or fails to timely pay its weekly payroll in accordance with its agreements with the Union; provided, however, that in the event the Union or any of its members withhold their services from such contractor or subcontractor, Primary Employer shall have the right to replace such contractor or subcontractor with any other contractor or subcontractor who executes the Agreement to be Bound.

6.9. It will not be a violation of this Agreement when the Employer considers it necessary to shut down to avoid the possible loss of human life because of an emergency situation that could endanger the life and safety of an employee. In such cases, employees will be compensated only for the actual time worked. In the case of a situation described above whereby the Employer requests employees to wait in a designated area available for work, the employees will be compensated for the waiting time.

6.10. In the event that any applicable labor agreement expires and the parties to that agreement fail to reach agreement on a new contract by the date of expiration, a Union shall continue to provide employees to the Employers working on the Project under all the terms of the expired agreement until a new agreement is negotiated, at which time all terms and conditions of that new agreement shall be

applied to Covered Work at the Project, except to the extent they conflict with any provision of this Agreement. In addition, if the new labor agreement provides for wage or benefit increases, then any Employer shall pay to its employees who performed Covered Work at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such wage and benefit increases established by the new labor agreement for such work performed.

7. HOURS OF WORK AND HOLIDAYS

7.1. The standard work day shall consist of eight (8) hours of work between 6:00 a.m. and 5:30 p.m. with one-half hour designated as an unpaid period for lunch. Common start times may be established by the Employer during this window period. Proposed modifications to the standard work day may be submitted by an Employer to the Local Council for approval. This approval shall not be unreasonably withheld. The standard work week shall be five (5) consecutive days of work commencing on Monday. Proposed modifications to the standard work week may be submitted by an Employer to the Local Council for approval. The Local Council shall respond within five (5) working days and bargain in good faith over any such proposed modification. Nothing herein shall be construed as guaranteeing any employee eight (8) hours of work per day or forty (40) hours of work per week.

7.2. Common shifts may be established when considered necessary by the Employer. The Employer shall provide at least one week notice to the Local Council prior to any change in shift time. Any shifts established shall continue for the established work week.

7.3. Recognized holidays shall be as follows: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day. No other holidays or black-out dates will be recognized. In the event a holiday falls on Saturday, the previous day, Friday, shall be observed as such holiday. In the event a holiday falls on Sunday, the following day, Monday, shall be observed as such

holiday. There shall be no paid holidays. If employees are required to work on a holiday, they shall receive the appropriate rate; but in no case shall such overtime rate be more than double the straight time rate.

8. GRIEVANCE PROCEDURE

8.1. It is mutually agreed that any question arising out of and during the term of this Agreement involving its interpretation and application (other than jurisdictional disputes or successorship) shall be considered a grievance. Questions between or among parties signatory to a Master Agreement arising out of or involving the interpretation of a Master Agreement shall be resolved under the grievance procedure provided in that Master Agreement.

8.2. The Primary Employer and other Employers, as well as the Unions, may bring forth grievances under this Article.

8.3. A grievance shall be considered null and void if not brought to the attention of the Employer(s) within five (5) working days after the incident that initiated the alleged grievance occurred or was discovered, whichever is later. The term "working days" as used in this Article shall exclude Saturdays, Sundays or holidays regardless of whether any work is actually performed on such days.

8.4. Grievances shall be settled according to the following procedure, except that grievances that do not involve an individual grievant shall be discussed by the Primary Employer, State Council and Local Council and then, if not resolved within five (5) working days of written notice unless extended by mutual consent, commence at Step 4:

Step 1

The Steward and the grievant shall attempt to resolve the grievance with the craft supervisor within five (5) working days after the Grievance has been brought to the attention of the Employer.

Step 2

In the event the matter remains unresolved in Step 1 above after five (5) working days, within five (5) working

days thereafter, the alleged grievance may be referred in writing to the Business Manager(s) of the Union(s) affected and the site construction manager or Labor Relations representative of the Employer(s) for discussion and resolution. A copy of the written grievance shall also be mailed, faxed, or emailed to the Primary Employer.

Step 3

In the event the matter remains unresolved in Step 2 above within five (5) working days, within five (5) working days thereafter, the grievance may be referred in writing to the Business Manager(s) of the affected Union(s) involved and the Manager of Labor Relations of the Employer(s) or the Manager's designated representative and the Primary Employer for discussion and resolution.

Step 4

If the grievance is not settled in Step 3 within five (5) working days, within five (5) days thereafter, either party may request the dispute be submitted to arbitration or the time may be extended by mutual consent of both parties. The request for arbitration and/or the request for an extension of time must be in writing with a copy to the Primary Employer. Should the parties be unable to mutually agree on the selection of an Arbitrator, selection for that given arbitration shall be made by seeking a list of seven (7) labor arbitrators with construction experience from the Federal Mediation and Conciliation Service and alternately striking names from the list of names on the list until the parties agree on an Arbitrator or until one name remains. The first party to strike a name from the list shall alternate between the party bringing forth the grievance and the party defending the grievance. Primary Employer shall keep a record of the sequence and shall notify the parties to the grievance as to which party has the right to strike a name first.

8.5. The Arbitrator shall conduct a hearing at which the parties to the grievance shall be entitled to present testimonial and documentary evidence. Hearings will be transcribed by a certified court reporter. The parties shall be entitled to file written briefs after the close of the hearing and receipt of the transcript.

8.6. Upon expiration of the time for the parties to file briefs, the Arbitrator shall issue a written decision that will be served on all parties and on the Primary Employer. The Arbitrator shall have the authority to utilize any equitable or legal remedy to prevent and/or cure any breach or threatened breach of this Agreement. The Arbitrator's decision shall be final and binding as to all parties signatory to this Agreement.

8.7. The cost of the Arbitrator and the court reporter, and any cost to pay for facilities for the hearing, shall be borne equally by the parties to the grievance. All other costs and expenses in connection with the grievance hearing shall be borne by the party who incurs them.

8.8. The Arbitrator's decision shall be confined to the issue(s) posed by the grievance and, except as provided in Section 13.1.1, the Arbitrator shall not have the authority to modify, amend, alter, add to or subtract from any provision of this Agreement.

8.9. Any party to a grievance may invite the Primary Employer to participate in resolution of a grievance. The Primary Employer may, at its own initiative, participate in Steps 1 through 3 of the grievance procedure.

8.10. In determining whether the time limits of Steps 2 through 4 of the grievance procedure have been met, a written referral or request shall be considered timely if it is personally delivered, sent by overnight mail or faxed within the five (5) working day period. Any of the time periods set forth in this Article may be extended in writing by mutual consent of the parties to the grievance, and any written referral or request shall be considered timely if it is personally delivered, sent by overnight mail or faxed during the extended time period.

9. JURISDICTIONAL DISPUTES

9.1. The assignment of work will be solely the responsibility of the Employer performing the work involved, and shall be made in accordance with traditional and customary building trades craft jurisdiction. All jurisdictional

disputes between or among the Unions and their employees, parties to this Agreement, shall be settled and adjusted according to the plan described in this Article 9. Decisions rendered shall be final, binding and conclusive on the Employers involved and the Unions that are parties to this Agreement. Provisions of Section 6.1 apply to any issues associated with jurisdictional disputes.

9.2. A party challenging an assignment shall notify all affected Unions, the Employer and the Local Council, by facsimile, within two (2) days of the time that a dispute occurs. All disputes involving craft work assignments shall be referred to the Local Council which shall convene a meeting with the affected Unions and Employer within two (2) days. Should the Local Council, the affected Unions and the Employer fail to resolve the dispute within five (5) working days from the date they were notified of the dispute, then the matter shall be immediately referred to the affected International Unions with which the local unions are affiliated and they and the Employer shall have the opportunity to resolve the dispute.

9.3. Should the International Unions and the Employer fail to resolve the dispute within five (5) work days from the date they were notified of the dispute, then the matter shall be referred by facsimile by any International Union or Employer directly involved in the dispute for arbitration to the arbitrator chosen by the International Unions from among Gerald McKay, Thomas Angelo, William Riker and Emily Maloney, to resolve jurisdictional disputes under this procedure. If none of these arbitrators is available, an arbitrator shall be selected as provided in Section 8.4, Step 4.

9.4. The arbitrator will set and hold a hearing within seven (7) days of the referral to him or her. The arbitrator shall notify the Employer and the appropriate International Unions by facsimile of the place and time chosen for the hearing. A failure of any party or parties to attend said hearing without good cause, as determined by the arbitrator, shall not delay the hearing of evidence or issuance of a decision by the arbitrator. The time period set forth herein can be extended by mutual agreement of the parties in writing.

9.5. The arbitrator shall issue a decision within three (3) days after the case has been closed. The decision of the arbitrator shall be final and binding on all parties to the dispute. This action of the arbitrator shall be predicated upon the particular facts and evidence presented regarding this dispute and shall be effective only on this particular job.

9.6. In rendering the decision, the arbitrator shall determine first whether a previous decision or agreement of record between the parties to the dispute governs. If the arbitrator finds that the dispute is not covered by an appropriate or applicable decision or agreement of record, the arbitrator shall then consider whether there is an applicable agreement between the crafts governing the case. If no such agreement is in effect, the arbitrator shall then consider the established trade practice and prevailing practice in the locality.

9.7. The arbitrator is not authorized to award back pay or any damages for a mis-assignment of work, except for a willful violation of a well established jurisdiction. Nor may any party to this procedure bring an independent action for back pay or any other damages based upon a decision of the arbitrator.

9.8. Each party to the arbitration shall bear its own expense for the arbitration. The fees and expenses of the arbitrator will be shared equally by the affected International Unions and the Employer.

9.9. The Employer shall not be subject to disputes regarding work assignments made by its subcontractors. However, the Employer must ensure that its subcontractors performing work under the terms and conditions of this Agreement follow the procedures of this Article.

10. JOINT LABOR/MANAGEMENT MEETINGS

10.1. During the period of any Covered Work performed under this Agreement, an initial joint Labor/Management meeting will be held before the particular work commences, and thereafter joint meetings will be held as needed between the Primary Employer, the other Employers, the Local Council and the

signatory Unions. The purpose of these meetings is to promote harmonious labor/management relations, ensure adequate communications and advance the proficiency and efficiency of the craft workers and contractors performing work at the Project. These meetings will also include discussion of safety, craft resource requirements, scheduling and productivity of work performed at the Project.

10.2. A Pre-Job Conference will be held prior to the commencement of work to establish the scope of work in each Employer's contract. When a contract has been let to an Employer(s) covered by this Agreement, a Pre-Job Conference and/or Mark-Up Meeting shall be required upon request of any Union, Employer or the Primary Employer.

11. SUCCESSORSHIP AND SURVIVABILITY

11.1. This Agreement is and shall be binding and legally effective upon (i) any successor to Primary Employer, whether by merger, consolidation, acquisition or otherwise, and (ii) any person or entity that acquires all or any portion of Primary Employer's right, title or interest in the Project whether by sale, lease, or other transfer, or contribution to partnership, joint venture or other entity. Any agreement for a sale, lease, contribution or other transfer of the Project by the Primary Employer, or an agreement for a merger or acquisition including ownership or control of Primary Employer, shall include an express assumption of the obligations and undertakings of Primary Employer under this Agreement, including this successorship provision. Within ten (10) days following the close of any sale, acquisition, merger, lease or other transfer covered by this Section 11.1, Primary Employer shall provide the State Council and the Local Council with written notice thereof and an original, executed assumption of this Agreement. Any sham transfer is a breach of this clause and shall not release Primary Employer from any of its obligations or undertakings under this Agreement.

11.2. This Article 11 shall be enforceable in any court of competent jurisdiction, and shall not be subject to the grievance procedure of Article 8.

12. GENERAL PROVISIONS

12.1. If any article or provision of this Agreement shall become invalid, inoperative and/or unenforceable by operation of law or by declaration of any competent authority of the executive, legislative, judicial or administrative branches of the federal or state government, the Employers and the State Council shall suspend the operation of such article or provision during the period of its invalidity, and the Primary Employer and the State Council shall negotiate in its place and stead an article or provision that will satisfy the objections to its validity and that, to the greatest extent possible, will be in accord with the intent and purpose of the article or provision in question. The new article or provision negotiated by the Primary Employer and the State Council shall be binding on all parties signatory to this Agreement.

12.1.1. If the Primary Employer and the State Council are unable within thirty (30) calendar days to negotiate a substitute article or provision, either of them may at any time thereafter submit the matter directly to interest arbitration pursuant to the procedures set forth in Section 8.4, Step 4, and Sections 8.5 through 8.7. The Arbitrator shall have the authority to modify, amend and alter the Agreement by providing a substitute article or provision to replace the one(s) that have become invalid, inoperative or unenforceable. The Arbitrator's decision, and the new article or provision, shall be final and binding on all parties signatory to the Agreement.

12.2. If any article or provision of this Agreement shall be held invalid, inoperative or unenforceable by operation of law, or by any of the above mentioned tribunals of competent jurisdiction, the remainder of the Agreement or application of such article or provision to persons or circumstances other than to which it has been held invalid, inoperative or unenforceable shall not be affected thereby.

12.3. Except as enumerated in this Agreement, all other terms and conditions of employment described in the Master Agreement of the Union having traditional and customary jurisdiction over the Covered Work shall apply.

12.4. The provisions of this Agreement shall take precedence over conflicting provisions of any Master Agreement or any other collective bargaining agreement.

12.5. Each person executing this Agreement represents and warrants that he or she is authorized to execute this Agreement on behalf of the party or parties indicated.

12.6. This Agreement may be executed in any number of counterparts, and each counterpart shall be deemed to be an original document. All executed counterparts together shall constitute one and the same document, and any signature pages may be assembled to form a single original document.

12.7. To the fullest extent consistent with the applicable Master Agreement and trust agreement, it is agreed that any liability under this Agreement by Primary Employer, the State Council, the Local Council, a Union, or any other Employer shall be several and not joint. Any alleged breach of this Agreement by a party shall not affect the rights, liabilities, obligations, and duties among the other parties or between that party and any other party.

12.8. Any notices required under this Agreement shall be given as follows:

To Primary Employer:

Ed Warner, Project Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678
Telephone: (209) 333-6370 ext. 100

To the State Council:

Robert L. Balgenorth, President
State Building and Construction Trades
Council of California
~~1225 S Street, Suite 375~~ 1231 I Street, Suite 302
Sacramento, CA 95814
Telephone: 916-443-3302
New address effective 12/2016

With a copy to:

Scott W. Blek
Galati Blek LLP
100 N. Brand Blvd., Suite 618
Glendale, CA 91203
Telephone: (818) 476-0063

To the Local Council:

Building and Construction Trades
Council of San Joaquin, Calaveras, and
Alpine Counties
~~XXXXXX3306~~ 1531 El Pinal Drive Eff. 12/2016
Stockton, CA 95205
Telephone: (209) 467-1849
With a copy to:

Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
Telephone: 650-589-1660

Either party may notify the other in writing if its person designated to receive notice is changed.

13. ANTI-DISCRIMINATION

13.1. During the performance of this Agreement, the Employers and the Unions shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. The Employers and the Unions shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

14. WAIVER

14.1. The parties hereby acknowledge that this Agreement is a lawful pre-hire agreement within the meaning of Section 8(f) of the National Labor Relations Act; and the Primary Employer and each other Employer hereby expressly waives

its right to contest, challenge, repudiate or void (hereinafter collectively "challenge") this Agreement, directly or indirectly, on any basis, in any proceeding before any federal, state or local court, agency or other tribunal, including the National Labor Relations Board, or before any arbitrator or hearing officer, including any challenge to the validity of this Agreement that is raised as a defense to any action or claim brought by the Unions. This Agreement shall be a complete defense to any such challenge.

14.2. Primary Employer and each Employer further agrees that it shall not solicit, finance or participate in any challenge to this Agreement by any other person or entity. Payment of regular annual dues to an organization or association does not constitute "solicitation," "financing" or "participation in" a challenge as those terms are used in this Agreement.

14.3. This Article shall be enforced pursuant to Article 8 of this Agreement and any grievance shall commence at Step 3 of Section 8.4. The parties agree that the economic damages to the Unions from a breach of this Article include the reasonable fees and costs of defense.

15. TERM OF AGREEMENT

15.1. This Agreement shall be effective upon commencement of commercial operation of the Project, and shall continue for thirty (30) years thereafter (the "Term"). This Agreement will be reviewed and revised if necessary by the State Council, Local Council and Primary Employer every then (10) years during the Term. Any revisions, deletions or additions at that time will be agreed to by all three parties.


15.2. In the event that the Application for Certification submitted to the California Energy Commission for the Project is withdrawn and the Application proceeding is terminated pursuant to 20 CCR § 1709.8, or the Application is denied by the California Energy Commission and the time periods for reconsideration under Public Resources Code § 25530 and appeal of the denial under Public

Resources Code § 25531 have expired with no reconsideration granted or appeal sought, Primary Employer may notify the State Building Trades Council and the Local Building Trades Council and terminate this Agreement.

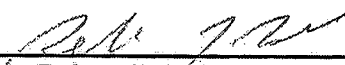
15.3. In the event construction of the Project is not commenced prior to the final deadline, without right of extension, for the commencement of construction established by the California Energy Commission, and prior to final expiration, without right to renew, of the authority to construct permit from the San Joaquin Valley Air Pollution Control District, Primary Employer may notify the State Building Trades Council and the Local Building Trades Council and terminate this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and effective as of November 20, 2009.

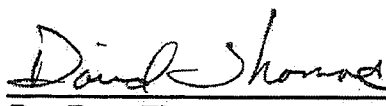
NORTHERN CALIFORNIA POWER
AGENCY, Primary Employer:

 11/12/09
By: Jim Pope, General Manager

STATE BUILDING & CONSTRUCTION
TRADES COUNCIL OF CALIFORNIA


By: Robert L. Balgenorth, President

BUILDING & CONSTRUCTION
TRADES COUNCIL OF SAN JOAQUIN,
CALAVERAS, AND ALPINE COUNTIES


By: Dave Thomas

UNIONS

John L. Linn

VICTOR UNO BUS. MGR IBEW 585

~~James D. B. for~~ VICE CHAIRMAN

BRICKLAYERS + ALLIED CRAFTWORKERS LOCAL #3 OF CALIFORNIA

Chris Murray Insulation + allied workers 16 4/6/10

SMWIA #162.

Upton, L. H.

CM 400

Richard Davis IRON WORKERS 118

William J. Taylor

Plumbers + Pipefitters Local 442

Dale R. Bilbey

Boiler Makers Local 549

ATTACHMENT A
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

- 1.) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement") because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Sections 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2.) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and conditions of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3.) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4.) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5.) It will secure a duly executed Agreement to be Bound, in form identical to this document, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)

ATTACHMENT B
SUBSCRIBER AGREEMENT

The undersigned hereby adopt the Trust Agreement known as the California Construction Industry Labor-Management Cooperation Trust Agreement, hereinafter referred to as "Trust," and agree to be bound by the terms thereof. The undersigned employer Subscriber and Union hereby grant Powers of Attorney to the Board of Trustees now holding office, or to the successors, to administer the Trust as representatives of the employer and Union respectively, with full power and authority to act for the employer and Union in all matters of administration of the Trust. In no event shall the Union or employer be responsible for any act or omission of the Trustees nor shall the Union or employer have any liability for any debt or liability of the Trust or its Trustees.

Commencing on the first day of work under the attached Agreement, and payable not later than the 15th day of each month thereafter, the employer Subscriber shall pay to the Trust the amount specified by the Agreement for all hours worked under the Agreement by the employees of the employer Subscriber for which contributions to the Trust are required by the Agreement. The undersigned employer Subscriber acknowledges that the failure by the employer to timely remit required contributions will result in liquidated damages being payable under the Trust Agreement to which the employer Subscriber is hereby bound.

The undersigned represent and warrant that they are authorized to execute this Agreement on behalf of their respective organizations and that by their respective execution of this Subscriber Agreement their respective organizations are fully bound hereto and the provisions of the Trust Agreement.

By: _____
Employer/Subscriber Date

By: _____
State Building & Construction Date
Trades Council