

Memorandum of Understanding

CCO Alternative Qualification Opportunity

This Memorandum of Understanding (MOU) is agreed to between Duke Energy Florida, LLC ("Company") and the IBEW System Council U-8 ("Union"). The purpose of this MOU is to offer the Combined Cycle Operator Trainees (CCOTs) at Citrus Combined Cycle Station (CCCS) an extension to the timeline in which they must qualify as Combined Cycle Operators (CCOs), and to offer an alternative means to obtain qualification. This MOU applies only to those CCOTs who are part of the initial staffing group at CCCS and whose training and development progress has been impacted due to construction delays. Unless specifically addressed below, all other terms and conditions of the CCCS Memorandum of Agreement (MOA) shall remain in full force and effect.

- 1. As stated in Exhibit "B" of the CCCS MOA, the timeframe anticipated for CCOTs to complete the Maintenance Progression (MP) and qualify as CCOs is approximately 1.5 years. However, due to construction delays and ongoing resource sharing of the CCOTs between Citrus Plant Management and the Construction Startup Team, opportunities for the current CCOTs to obtain task sign-offs for their Maintenance Progression has been limited. Consequently, most CCOTs have obtained only 1/3 of the required sign-offs for the 98 tasks (11 Mechanical, 34 Electrical and 53 I&C) needed for the Maintenance Progression.**
- 2. Because the failure to obtain the Maintenance Progression task sign-offs at the expected rate (1.5 years) was outside of the CCOTs' control, the parties agree that an extension of time to obtain the remaining sign-offs is necessary. In addition, due to the unique circumstances arising from the construction delays and commissioning of the plant, the parties agree to offer an alternative method for the CCOTs in the initial staffing group to become qualified CCOs.**

3. The CCOTs will be granted a one-year extension in order to obtain their remaining task sign-offs and qualify as a CCO. The one-year extension window will begin on July 1, 2019 and end on July 1, 2020.
4. Throughout the extended qualification period, beginning on the pay period starting July 1, 2019, the CCOTs will be paid at a wage rate equivalent to the current CCO wage rate, subject to any general wage increases. A CCOT will not be reclassified as a CCO until qualification is achieved. If a CCOT fails to qualify as a CCO within the extended qualification period, his/her pay rate will revert to the applicable CCOT rate of pay for as long as he/she remains in the CCOT classification.
5. As an alternative means to qualify as a CCO, CCOTs who have completed their Operations familiarization at CCCS will be given the opportunity to take a Maintenance Progression assessment (MP assessment), in lieu of obtaining the remaining task sign-offs needed for the Maintenance Progression.
6. The MP assessment will consist of the original written/practical exams administered to the employees upon entering the CCO Development Program, to which the Union and the Company have previously agreed. The written/practical exams will be administered by the Training Department.
7. A CCOT who elects to take the MP assessment and receives a passing score is thereby attesting that he/she possesses the knowledge and ability to perform the Maintenance Progression tasks, and will be deemed as a fully qualified CCO. No further training or task sign-offs for the Maintenance Progression will be offered or required.
8. Regardless of whether a CCO achieves qualification by passing the MP assessment or through obtaining the Maintenance Progression task sign-offs through the time extension provided by this MOU, CCCS Management intends to provide initial oversight and witness any activity that is being performed as a first evolution for a CCO.
9. The MP assessments will be offered to CCOTs on or after June 1, 2019, following the spring outages of PB 1-2. CCOTs who successfully pass the

MP assessment will be reclassified in place to a CCO, effective on the start of the next pay period following notification of the testing results.

10. CCOTs will be given only one opportunity to take and pass the MP assessment. In the event a CCOT fails the MP assessment, he/she will be required to obtain the remaining Maintenance Progression task sign-offs to achieve CCO qualification, in accordance with the MOA. In such case, the one-year extension discussed in Item 3 above will apply, and the CCOT will have from July 1, 2019 to July 1, 2020 to qualify as a CCO.

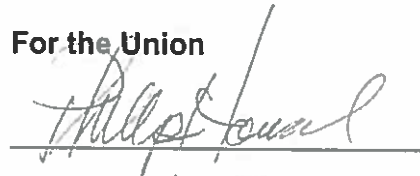
11. The terms of this MOU are being offered on a one-time, non-precedent setting basis and are only applicable to those CCOTs who are part of the initial staffing group at CCCS. The MOU will expire on July 1, 2020.

For the Company



Date: 3/28/19

For the Union



Date: 3/27/2019

