PROJECT LABOR AGREEMENT

With the

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

For the

CANYON POWER PLANT

Located in Anaheim, California
1. INITIAL PROVISIONS

1.1. This Project Labor Agreement ("Agreement") is entered into by the Southern California Public Power Authority ("SCPPA" or "Primary Employer"), and the State Building and Construction Trades Council of California ("State Council"), the Los Angeles/Orange Counties Building & Construction Trades Council ("Local Council") and the local unions who have executed this Agreement, all of whom are referred to collectively as the "Unions."

1.2. The Canyon Power Plant (the "Project") is an approximately 200 MW electric generating facility to be located in Anaheim, California. SCPPA is the owner of the Project. It is understood and agreed by 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. SCPPA is a consortium of municipalities and an irrigation district established by a Joint Powers Agreement to develop, construct, and operate electric generation and transmission projects. SCPPA is the proponent and the owner of the Project. The City of Anaheim is the sole participating member city. Primary Employer will construct the Project through its employees, contractors or agents. Primary Employer controls the site at which the Project will be constructed. Primary Employer reserves the right to directly perform construction on the Project with its own employees. Subject to the provisions of a Master Agreement (as defined in Section 1.5), Primary Employer shall retain the right to control and coordinate all project construction work by determining work scheduling, including uniform start times, the necessity for and the times of shift work, by directly enforcing any drug and alcohol abuse policy which is agreed to by any contractor or subcontractor and the Local Council, and otherwise directly removing any employee whether employed directly or by any contractor or subcontractor for breach of reasonable rules promulgated by Primary Employer governing conduct on the job.
Primary Employer shall have the right upon receipt of the written complaint of any employee to order corrective action necessary to maintain reasonable and lawful standards for workplace health and safety. Primary Employer shall act as the coordinator, participate in monthly labor/management meetings, participate in pre-job conferences and mark-up meetings, and, at its option, participate in the resolution of any grievances.

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. 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 then currently in effect as to each of the Unions.

1.6. The Project will be a large, complex construction project that will require construction by skilled craft workers. A large pool of skilled labor represented by the Unions will be required to execute the work involved in constructing the Project. As market participants, the Primary Employer and other Employers wish, and it is the purpose of this Agreement, to ensure that a steady supply of skilled craft workers through non-discriminatory referrals from the Unions are available at the Project, and that all construction work and related work performed by the members of the Unions on this Project shall proceed continuously, without interruption, with a binding means of resolving grievances, in a safe and efficient manner, economically with due consideration for the protection of labor standards, wages 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 along side 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 covers all on-site construction, alteration, painting or repair of buildings, structures and other works and related activities for the Project that is within the craft jurisdiction of one of the Unions and which is part of the Project, including, without limitation, pipelines (including those in linear corridors built to serve the Project), on-site pumps and pump stations, start-up, site preparation, material inspection and testing, all on-site fabrication work provided such work is within the fabrication provision of a local master or national agreement of one of the Unions, demolition of existing structures, and all construction, demolition or improvements required to be performed as a condition of approval by any public agency. On-site fabrication work includes work done for the Project in temporary yards or areas near the Project. All fabrication work over
which SCPPA possesses the right of control, including without limitation, the fabrication of air-handling systems and ducts, and HVAC sheet metal work, but excluding all pre-manufactured units, systems and components, and which is traditionally claimed as on-site fabrication shall be performed on-site; provided however, for the convenience of SCPPA or other Employers, such work may be performed off-site. In that event, such fabrication work shall be performed in accordance with the union standards established by this Agreement for the appropriate craft Union or by a fabrication agreement approved by the craft’s International Union. On site construction shall also include the site of any batch plant constructed solely to supply materials to the Project. All work within the scope of this Agreement is referred to as “Covered Work” in this Agreement.

2.2. The Parties acknowledge that the Project will be operated by employees of the City of Anaheim, and that these employees will be present during construction, startup and commissioning. Covered Work includes all physical work typically performed by craft labor in California that is part of startup and commissioning, including but not limited to system flushes and testing, loop checks, rework and modifications. It is understood that SCPPA, manufacturer’s and vendor’s representatives, and plant operating personnel may supervise and direct this activity, and that craft work is typically performed as part of a joint effort with these representatives and personnel. A manufacturer or its representatives may perform industry standard work to satisfy its guarantee or warranty prior to startup of a piece of equipment. After a system or subsystem becomes operational and after commissioning, Covered Work on that system or subsystem is completed.

2.3. Construction of offsite utilities, when performed by Southern California Edison, Southern California Gas Company or another utility or local water purveyor, shall not be considered Covered Work.

2.4. Covered Work as defined in this Article 2 does not include any work performed by supervisors not covered by a collective bargaining agreement, technical or non-manual employees of Primary Employer and each other Employer,
including, but not limited to, executives, office and clerical employees, timekeepers, messengers, guards; or any civil, mechanical or other professional engineers, drafters and inspectors not covered by a collective bargaining agreement of a Union signatory to this Agreement; or staff employees, and operators and personnel of vendors or their agents or subsidiaries performing warranty work; or any other employees above the classification of general foreman or who perform administrative/clerical functions.

2.5. Specialized or technical work requiring specialized training, unique skills, or a level of specific technical experience which employees represented by the Union do not possess is not Covered Work and is excluded from the scope of this Agreement. At least one (1) working day's notice shall be given to the Local Council before any work is performed pursuant to this Section 2.5.

2.6. Covered Work as defined in this Article 2 does not include any work performed by employees reporting, either directly or indirectly, to local, state or federal governmental agencies (e.g., CBO inspectors), or to Primary Employer's employees charged with inspecting and evaluating Project quality control.

3. CONTRACTING AND 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 it will award or subcontract Covered Work to be done on the Project only to a person, firm, or corporation who is or becomes party to this Agreement and who is or agrees to become bound for purposes of performing such 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. Before being authorized to perform any Covered Work, Employers (including Prime Contractor) shall become a party to this Agreement by signing Attachment A, the Employer Agreement to be Bound. Every Employer shall notify the Local Council in writing within three business days after it has assigned, awarded or subcontracted work, or authorized another party to do so, 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. Nothing in this Agreement shall in any manner whatsoever limit the rights of the Primary Employer or any other Employer, to subcontract 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 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 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 subcontractor shall be liable for any failure of that subcontractor, or any subcontractor at a lower tier, to comply with the provisions of this Agreement, including any contributions to any trust funds that the subcontractor, or any subcontractor to that subcontractor, fails to make.
4. WAGES AND BENEFITS

4.1. All craft 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 and contributions made on their behalf to multi-employer trust funds, all in accordance with the then current Master Agreement of the applicable Union. Notwithstanding any other provision in this Agreement, all wages, benefits and other compensation shall be paid at rates that are not less than provided by the applicable California prevailing wage determination.

4.2. Primary Employer and other all Employers hereby adopt and agree to be bound by the written terms of the legally established trust agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such appropriate qualified employee fringe benefit funds established by the appropriate local collective bargaining agreements. The Employers authorize the parties to such trust agreements to appoint Trustees and successor Trustees to administer the trust funds, and hereby ratify and accept all Trustees so appointed.

4.3. 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 craft employees performing Covered Work shall be or shall become and then remain members in good standing of the appropriate Union during the term of this Agreement 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 practices of the respective Union, including hiring of apprentices, and to utilize its registration facilities and referral systems. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, local laws and regulations which require equal employment opportunities and non-discrimination.

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 a working journeyperson 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 shall be allowed a reasonable time to perform his duties. This provision shall not be abused.
6. STRIKES 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 jobsite 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 three hundred and sixty (360) days.

6.3. The Union shall not be liable for acts of employees for which it has no responsibility. The business manager(s) of the respective local union(s) will immediately instruct, order and use the best efforts of his office to cause the local union(s) to cease any violations of this Article. The principal officer or officers of a local union will immediately instruct, order and use the best efforts of his office to cause the employees the local union represents to cease any violations of the Article. A local 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 instances 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.

6.4.1. 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.

6.4.2. There shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, interference with the work, or other disruptive activity, affecting the Project site during the term of this Agreement. 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.

6.5. 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.

6.5.1. 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 labor arbitrator with construction industry experience 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.

6.5.2. 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.

6.5.3. 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.
6.5.4. 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.

6.5.5. 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.

6.5.6. 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.

6.5.7. 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.

6.5.8. If the Arbitrator determines that a violation has occurred in accordance with Section 6 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, $15,000; for the second shift, $20,000; for the third shift, $25,000; for each shift thereafter on which the craft has not returned to work,
$25,000 per shift. The Arbitrator shall retain jurisdiction to determine compliance with this section and this Article.

6.6. 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.

6.7. Notwithstanding the provisions of Section 6.1 above, it is agreed that, with forty-eight (48) 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 withholds their services from such contractor or subcontractor, the 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. No employee shall be required to work for any contractor who fails to make timely payments; however, employees of other contractors shall continue to work without interruption.

6.8. 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. 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. 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 during the standard work day may be established when
considered necessary by the Employer. Starting times shall be as directed by
Employer. The Employer shall provide at least one week notice to the Local Council
and the Unions involved prior to any change in shift time, except in unforeseen
circumstances, in which case notice shall be given as soon as practicable. If a Local
Agreement provides for a different work shift schedule, the Employer may opt for
that schedule for that craft.

7.3. Any employee reporting for work, willing to work, and for whom no
work is provided, except due to inclement weather or other conditions beyond the
control of the Employer, shall receive two (2) hours pay at the regular straight time
hourly rate. Any employee who starts to work and works beyond the two (2) hours
shall receive four (4) hours at the regular straight time hourly rate. Any employee
who starts to work and works beyond the four (4) hours will be paid for eight (8)
hours at the regular straight time hourly rate. Whenever minimum reporting pay
is provided for employees they will be required to remain at the project site
available for work for such time as they receive pay, unless released sooner by the
Employer's principal supervisor or designated representative. The provisions of this
Section 7.3 are not applicable where the employee voluntarily quits, refuses to work, is in a condition where he or she cannot work, or is off by reason of a strike, or as provided in Section 7.10 of this Article 7, in which case he shall be paid for the actual time worked.

7.4. The Employer may, as it deems necessary, schedule one, two or three shifts within a 24-hour period in order that work on any job may continue without interruption consistent with the requirements of the Project.

7.4.1. If only two shifts are to be worked, the Employer may regulate starting times of the two shift operations to permit the maximum utilization of daylight hours.

7.4.2. Shifts shall be established, with one week notice to the Unions, and continued for a minimum of five (5) consecutive work days.

7.5. Primary Employer shall establish a uniform break time for the Project. Employees shall be afforded time to take rest period at the rate of ten (10) minutes net rest time for every four (4) hours worked or a major fraction thereof. Any employee who works less than three and one-half (3 & 1/2) hours in a day will not be provided a rest period. Breaks shall be taken in the employee's immediate work area.

7.6. 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 and Christmas Day. Under no circumstances shall any work be performed on Labor Day except in cases of emergency involving life or property. 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.

7.7. It will not be a violation of this Agreement for the Primary Employer, when it considers it necessary, to shut down certain activities within the Project 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, where the Primary Employer or any other Employer requests employees to wait in a designated area available for work, the employees will be compensated for the waiting time.

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. 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 SCPPA, the State Council and the Local Council and then, if not resolved within 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 Labor Relations representative of the Employer(s) for discussion and resolution. If the Employer is a subcontractor, a copy of the written grievance shall also be mailed/faxed to the Prime Contractor and 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 Prime Contractor for discussion and resolution.

Step 4
If the grievance is not settled in Step 3 within five (5) working days, 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 Prime Contractor. An Arbitrator selected from a permanent panel of Arbitrators consisting of Louis Zigman, Douglas Collins, and Howard Block will hear grievances filed pursuant to this Article. The arbitrator will be selected by rotation from the permanent panel, rotating in the order set forth above. The Primary Employer shall keep a record of the sequence and shall notify the parties to the grievance as to the next arbitrator in the order of rotation. In the event, the Arbitrator is not available in a reasonable time to hear the grievance and the parties have not mutually agreed to extend the time for arbitration, the next arbitrator in order of rotation will be selected. A reasonable time is defined as fifteen (15) days where the grievance concerns employment discharge and thirty (30) days for all other grievances.
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 the Primary Employer. The Arbitrator's decision shall be confined to the issue(s) posed by the grievance and the Arbitrator shall not have the authority to modify, amend, alter, add to or subtract from, any provision of this Agreement. 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. 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.

8.9. In determining whether the time limits of Steps 2-4 of the grievance procedure have been met, a written referral or request shall be considered timely if it is personally delivered, faxed or postmarked 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, faxed or postmarked 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 such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the “Plan”) or any successor Plan.

9.2. All jurisdictional disputes on this Project between or among the Building and Construction Trades Unions and their employers, parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Employers and Unions parties to this Agreement.

9.3. All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Employer’s assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

9.4. Each Employer will conduct a pre-job conference with the Local Council prior to commencing Covered Work. The Primary Employer will be advised in advance of all such conferences and may participate if they wish.

10. **JOINT LABOR/MANAGEMENT MEETINGS**

10.1. During the period of any Covered Work performed under this Agreement, a joint Labor/Management meeting will be held on an approximately monthly basis or as otherwise agreed between SCPPA, the other Employers, 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 periodic meetings will also include discussion of the 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 Prime Contractor.

10.3. The Primary Employer will schedule and attend all Pre-Job Conferences and Mark-Up Meetings.

11. **SUCCESSORSHIP**

11.1. This Agreement is and shall be binding and legally effective upon (i) any successor to SCPPA, and (ii) any person or entity that acquires all or any portion of SCPPA’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 SCPPA shall include an express assumption of the obligations and undertakings of SCPPA under this Agreement, including this successorship provision. Within fifteen (15) days following the close of any sale, acquisition, merger, lease or other transfer covered by this Section 11.1, SCPPA 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 SCPPA 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. **MANAGEMENT RIGHTS**

12.1. Primary Employer, and each other Employer, retain full and exclusive authority for the management of their work forces for all work performed under this Agreement. This authority includes, but is not limited to, the right to:

12.1.1. Plan, direct and control the operation of all the work.
12.1.2. Decide the number and types of employees required for the work in accordance with the Master Agreement.

12.1.3. Hire, promote and layoff employees as deemed appropriate to meet work requirements and/or skills required, and to select and hire directly all supervisory personnel above the classification of general foreman it considers necessary and desirable, without such persons being referred by the Union(s).

12.1.4. Primary Employer, and each other Employer, have the right to implement reasonable Project rules, security, and environmental and safety regulations consistent with the provisions of this Agreement, to implement Conditions of Certification imposed by the California Energy Commission, and to require all employees to observe said Project rules/regulations and Conditions of Certification. These rules/regulations and Conditions of Certification shall be supplied to the Unions, to all employees, and posted on the job site. A violation of the Project rules/regulations or Conditions of Certification is just cause for disciplinary action up to and including termination, subject to the applicable grievance procedure of this Agreement.

12.1.5. Determine the work methods and procedures.

12.1.6. Determine the competency of all employees.

12.1.7. Discharge, suspend or discipline employees for just cause. If an employee is discharged for chronic absenteeism, then said employee shall not be eligible for rehire on the same project for a period of not less than ninety (90) days.

12.1.8. Assign and schedule work and work shifts at its sole discretion, and determine when overtime will be worked. There shall be no refusal by a craft to perform work or work shifts assigned, including overtime work.

12.1.9. Utilize any work methods, procedures or techniques and select and use any type or kind of materials, apparatus or equipment regardless of source, manufacturer or designer (subject to Article 2), and to assign, subcontract (subject to Article 3) and schedule work at its discretion.
12.1.10. The Unions understand the extreme importance of maintaining construction quality and maintaining the construction schedule. The Unions also understand that construction errors or delays in construction result in the loss of production, which creates a great loss to Primary Employer. Therefore, the Unions will encourage and advise the employees to exhaust every effort, ways and means to perform work of good quality and quantity. The parties recognize the necessity for eliminating restrictions and promoting efficiency and agree that no rules, customs or practices, other than those provided in the Master Agreement, shall be permitted that limit production or increase the time required to do the work, and no limitation shall be placed upon the amount of work which an employee shall perform, nor shall there be any restrictions against the use of any kinds of machinery, tools or labor-saving devices. No rule or regulation shall be adopted that compromises employee safety. Nothing in this Agreement shall require any employee to engage in an unsafe work practice. Each Employer may utilize the most efficient methods or techniques of construction, tools or other labor saving devices to accomplish the work.

12.2. Primary Employer shall have the right to implement a drug and alcohol testing program approved by the Local Council, which approval shall not be unreasonably withheld. The testing program shall include pre-employment, reasonable suspicion and post-accident testing, and shall provide for discipline up to and including discharge for any violation of the program.

12.3. Primary Employer shall have the right to delineate the boundaries of the Project job site, including the designated location(s) of ingress and egress, parking lots and lay down areas. Primary Employer shall also have the right to implement a card swipe system (or other form of accountability) for all employees working on the Project site.

12.4. The foregoing enumeration of management rights shall not be deemed to exclude other functions not specifically set forth herein. Primary Employer, and each other Employer, shall at all times retain all management rights which may
exist at law or by custom and which are not specifically limited or prohibited by the terms of this Agreement.

13. **LABOR MANAGEMENT COOPERATION TRUST**

13.1. Within ten (10) days of the first hour of Covered Work being performed on the Project, SCPPA shall contribute the sum of $65,000 to the California Construction Industry Labor-Management Cooperation Trust or its designee. After such payment is made, there shall be no further obligation by SCPPA or any other Employer(s) to make any contribution to the Trust.

14. **GENERAL PROVISIONS**

14.1. If any article or provision of this Agreement shall be declared invalid, inoperative, or unenforceable by any competent authority of the executive legislative, judicial or administrative branch of the federal or state government, the Employers, the State Council, Local Council and the Unions shall suspend the operation of such article or provisions during the period of its invalidity and shall substitute by mutual consent, in its place and stead, an article or provision which will satisfy the objections to its validity and which, to the greatest extent possible, will be in accord with the intent and purpose of the article or provision in question.

14.2. 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.

14.3. It is mutually agreed that any liability under this Agreement by Primary Employer, any other Employer, the State Council, or any Union 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.
14.4. Except as enumerated in this Agreement, all other terms and conditions of employment described in the Master Agreement of the craft Union having traditional and customary building trades jurisdiction over the work shall apply.

14.5. The provisions of this Agreement shall take precedence over conflicting provisions of any Master Agreement or any other national, area or local collective bargaining agreement except for all work performed under the NTL Articles of Agreement, the National Stack/Chimney Agreement and the National Cooling Tower Agreement; all instrument calibration work and loop checking Covered Work shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians and work within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreements of the International Union of Elevator Constructors; provided that Articles 6, 8 and 9 of this Agreement shall apply to all Covered Work.

14.6. 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.

14.7. This Agreement may be executed in counterparts.

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

To SCPPA:  
Bill D. Carnahan  
Executive Director  
SCPPA  
225 South Lake Avenue  
Suite 1410  
Pasadena, CA 91101

To the State Council:
Robert L. Balgenorth, President  
State Building and Construction Trades Council of California  
1225-8th Street, Suite 375  
Sacramento, CA 95814  
Telephone: 916-443-3302
To City of Anaheim:

Steve Sciortino
General Manager
Anaheim Public Utilities Department
201 S. Anaheim Blvd., 11th Floor
Anaheim, CA 92805
Telephone: 714-765-5177

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:

Richard N. Slawson
Los Angeles/Orange Counties Building & Construction Trades Council
1626 Beverly Blvd
Los Angeles CA 90026
Telephone: 213-483-4222

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.

15.  **HELMETS TO HARDHATS**

15.1. The Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (the “Center”) and the Center’s “Helmets to Hardhats” program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and metering, support network, employment opportunities and other needs as mutually identified by the parties.
15.2. The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.

16. **WAIVER**

16.1. 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 SCPPA, each other Employer, and the Unions hereby expressly waives their right to contest, challenge, repudiate or void (hereinafter collective “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 any party to this Agreement. This Agreement shall be a complete defense to any such challenge.

16.2. 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.

16.3. This Article shall be enforced pursuant to Article 8 of this Agreement and any grievance shall commence at Step 3 of Article 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.
17. **TERM OF AGREEMENT**

17.1. The term of this Agreement shall commence on the date indicated below as the date of execution, and shall continue in effect until final completion of all Covered Work on the Project.

17.2. 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.

17.3. 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 South Coast Air Quality Management 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 June 2, 2009.

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
Primary Employer and Owner:

By: Bill D. Carnahan, Executive Director

STATE BUILDING & CONSTRUCTION TRADES COUNCIL OF CALIFORNIA

By: Robert L. Balgenorth, President
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ATTACHMENT A
AGREEMENT TO BE BOUND

PROJECT LABOR AGREEMENT
CANYON POWER PLANT

The undersigned hereby certifies and agrees that:

1) It is an Employer as that term is defined in Section 1. of the Canyon Power Plant Project 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 Contractor

___________________________________________________________
(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.

The employer Subscriber shall pay to the Trust the amount specified 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: ___________________________ Date: ___________________________
   Employer/Subscriber

By: ___________________________ Date: 6/2/2009
   State Building & Construction Trades Council

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