

# AGREEMENT

Between  
Southern California  
Gas Company

&

Utility Workers  
Union of America,  
AFL-CIO

International Chemical  
Workers Union Council,  
UFCW, AFL-CIO

**October 1, 2015  
Agreement to Extend  
the March 1, 2012  
Agreement**

Respecting Rates of Pay and  
Other Conditions of Employment



A  Sempra Energy utility™

**TENTATIVE AGREEMENT  
EXTENSION OF COLLECTIVE BARGAINING AGREEMENT  
DATED MARCH 1, 2012**

**July 10, 2015**

The undersigned parties agree to the following:

**2016, 2017, and 2018 Wages: (See attached proposal: UE-01)**

- Base wages will be increased by 2.75% effective January 1, 2016; 2.75% effective January 1, 2017; and 3.0% effective January 1, 2018 for all full-time and part-time bargaining unit employees, excluding Advanced Meter positions and Customer Assistant Representative positions which are covered under separate agreements.
- 2016, 2017, and 2018 wage increases above will be based on employees' straight-time salary for their regular job as of December 31, 2015, December 31, 2016, and December 31, 2017.
- All premium rates listed in Section 4.3 - Premiums of the CBA will be increased by the same base wage percentages above.

**2016, 2017, and 2018 Benefits:**

**Medical: (See attached proposals: CE-04 & CE-09)**

- Anthem Health Care Plus<sup>+</sup> Medical plan with Health Savings Account (HSA) will be added starting January 1, 2016. The Company will contribute the following amounts annually to the HSA: \$500 for Employee only coverage and \$1,000 for Employee +1 or more coverage as per Company Proposal CE-09.
- As a transition year, instead of the HSA contributions above, in 2016 the Company will contribute the following amounts to the HSA: \$750 for Employee Only coverage and \$1,500 for Employee + 1 or more coverage as per Company Proposal CE-09.

- Allow Part-Time employees to choose the FMO plan of their choice (currently Kaiser and Anthem Blue Cross) as per Company Proposal CE-04.
- The Company will amend and restate Appendix F as per Company Proposal CE-09.
- Anthem Point of Service Plan and Anthem Safety Net Plan will be eliminated starting January 1, 2016 as per Company Proposal CE-09.

**Vision: (See attached proposal: CE-10)**

- Appendix F – Vision Benefits – Safeguard to MetLife as per Company Proposal CE-10.

**Retirement Savings Plan: (See attached proposals: CE-07 & CE-08)**

- Savings Plan Design Enhancements as per Company Proposal CE-08 will be adopted as an amendment to the Southern California Gas Company Retirement Savings Plan effective January 1, 2016.
- Savings Plan Agreement – Disability Withdrawals as per Company Proposal CE-07

**Contract Extension: (See attached proposal: CE-01)**

Other than those changes included in the attached proposals, the existing General Agreement and Appendices D, E, F, G, and H will be extended through September 30, 2018 as per Company Proposal CE-01.

**Union Membership Recommendation:**


The Joint Steering Committee agrees to recommend a "yes" vote to the membership for ratification of this agreement on wages, benefits and contract extension. This agreement is contingent upon ratification by the membership.

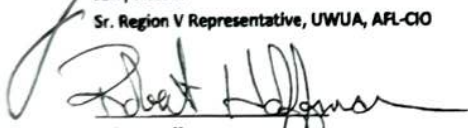
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on July 10, 2015.  
For SOUTHERN CALIFORNIA GAS COMPANY:

  
Gina Orsco-Mejia  
Director, Labor Relations


  
Jim Raposo  
Labor Relations Manager

For UTILITY WORKERS UNION OF AMERICAN, AFL-CIO and  
INTERNATIONAL CHEMICAL WORKERS UNION COUNCIL-UFCW:

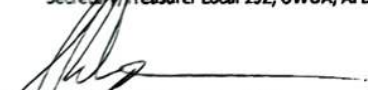
  
Jerry Acosta  
Sr. Region V Representative, UWUA, AFL-CIO

  
Robert Hoffman  
President, Local 132, UWUA, AFL-CIO

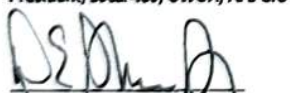
  
Vince Diaz  
Vice President, ICWUC-UFCW

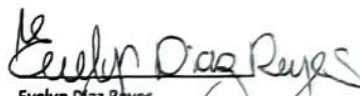
  
Milton Davis  
Secretary/Treasurer Local 132, UWUA, AFL-CIO

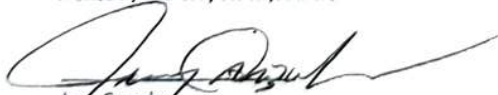
  
Aja Jasmin  
President, Local 350, ICWUC-UFCW

  
Robin Downs  
President, Local 483, UWUA, AFL-CIO

  
Raul Reyes  
President, Local 478, ICWUC-UFCW


  
Dave E. Sherman  
President, Local 522, UWUA, AFL-CIO

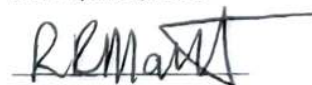
  
Evelyn Diaz Reyes  
President, Local 995, ICWUC-UFCW

  
Jerry Gonzalez  
Local 132, UWUA, AFL-CIO

  
Robert Gonzalez  
Vice President, Local 478, ICWUC-UFCW

  
Michael Barber  
Local 132, UWUA, AFL-CIO

  
Eva Figueroa  
Local 132, UWUA, AFL-CIO

  
Rudy Martinez  
Local 132, UWUA, AFL-CIO

## Principle Changes from 2012 Agreement

- Section 2.4(A)** Term of the Agreement: Provides for a three year extension of the 2012 Agreement, from October 2015 through September 30, 2018.  
*(Page 19)*
- Section 4.1(A)** Base Wages: Base wages will be increased 2.75% effective 1/1/2016; 2.75% effective 1/1/2017; and 3.00% effective 1/1/2018.  
*(Page 41)*
- Section 4.3** Premiums: All premiums listed within this section shall be adjusted 2.75% effective 1/1/2016; 2.75% effective 1/1/2017; and 3.00% effective 1/1/2018.  
*(Page 54)*
- Appendix A** Pay Grades: Section revised to reflect new hourly pay rates, step progressions and current job titles / levels.  
*(Page 156)*
- Appendix C** Letter Agreements
- Part-Time Employees: Revise agreement to clarify eligibility period and reflect new medical options.  
*(Page 188)*
- Meter Reader Base Wages: Base wages increased 2.75% effective 1/1/2016; 2.75% effective 1/1/2017; and 3.00% effective 1/1/2018  
*(Page 196)*
- Appendix E** Retirement Savings Plan: Section amended to include the following plan enhancements:
- The Company will match employee savings plan contributions which exceed 6% at a rate of 0.20% per additional 1% increase, up to an employee contribution of 11%. Employees who

contribute 11% will receive the full 4% Company matching contribution.

Newly hired employees will receive an immediate Company match to their savings plan contributions. The matching funds will become fully vested after one year of continuous service.

Newly hired employees will be enrolled in the savings plan at a rate of 6% of eligible earnings.

The Company will change the auto escalation cap from 6% to 11%.

Employees may change their plan contribution levels, and may opt-out of any or all of the plan features, at any time.

## **Appendix F**

Medical / Dental / Vision plans: Section amended to include the following plan changes:

The Company will provide the Anthem Health Care Plus<sup>+</sup> medical plan, effective January 1, 2016. The plan will include a Health Savings Account (HSA).

In the transition year (2016), the Company will contribute the following amounts to the HSA: \$750 for Employee Only coverage and \$1,500 for Employee +1 or more coverage.

In 2017 and 2018 the Company will contribute the following amounts to the HSA: \$500 for Employee Only coverage and \$1,000 for Employee +1 or more coverage.

Part-Time employees will have the choice of enrolling in either of the current HMO plans offered, effective January 1, 2016.

MetLife Vision Benefits will be available to employees, effective January 1, 2016.

**Grade 1**

6 months per step 2-year progression	Starting	First 6 Months	Second 6 Months	Third 6 Months	Standard 6 Months
Hourly Base Rate Effective 1/1/2016	\$25.14	\$26.37	\$26.88	\$27.41	\$27.93
Hourly Base Rate Effective 1/1/2017	\$25.83	\$27.10	\$27.62	\$28.16	\$28.70
Hourly Base Rate Effective 1/1/2018	\$26.61	\$27.91	\$28.45	\$29.01	\$29.56

Cashier-1  
 Cashier-Bilingual-1  
 Facilities Helper  
 Mail Payment Clerk-1

**Grade 2**

6 months per step 2-year progression	Starting	First 6 Months	Second 6 Months	Third 6 Months	Standard 6 Months
Hourly Base Rate Effective 1/1/2016	\$27.73	\$29.13	\$29.68	\$30.21	\$30.83
Hourly Base Rate Effective 1/1/2017	\$28.49	\$29.93	\$30.49	\$31.04	\$31.67
Hourly Base Rate Effective 1/1/2018	\$29.35	\$30.83	\$31.41	\$31.98	\$32.63

Administrative Clerk-2  
 CARE Clerk-2  
 Collection Checking Clerk-2  
 Customer Service Representative-2  
 Customer Service Representative-Bilingual-2  
 Fleet Assistant  
 Logistics Associate  
 Mail Equipment Operator-2  
 Meter Repair Technician  
 Office Clerk-2  
 Payment Entry Operator-2  
 PBX Operator-2

**Grade 3**

6 months per step 2-year progression	Starting	First 6 Months	Second 6 Months	Third 6 Months	Standard 6 Months
Hourly Base Rate Effective 1/1/2016	\$29.73	\$31.20	\$31.81	\$32.42	\$33.07
Hourly Base Rate Effective 1/1/2017	\$30.55	\$32.06	\$32.68	\$33.31	\$33.98
Hourly Base Rate Effective 1/1/2018	\$31.47	\$33.02	\$33.66	\$34.31	\$35.00

Administrative Clerk-3 Knowledge of Typing  
 Administrative Clerk-3 Qualified Typist  
 Administrative Clerk-Bilingual-3 Knowledge of Typing  
 Administrative Clerk-Bilingual-3 Qualified Typist  
 Administrative Clerk-Steno-3  
 Base Assistant-3  
 Customer Correspondence Clerk-3  
 Data Distribution Clerk-3  
 Field Service Assistant  
 Instrument Shop Mechanic #2  
 Mapping Aide (Non-Region)  
 Meter Records Processing Clerk-3  
 Office Clerk-3 (CCC Only)  
 Outbound Dialing Representative-3  
 Outbound Dialing Representative-Bilingual-3  
 Payment Entry Clerk-3  
 Receptionist

**Grade 4**

<b>6 months per step 2-year progression</b>	<b>Starting</b>	<b>First 6 Months</b>	<b>Second 6 Months</b>	<b>Third 6 Months</b>	<b>Standard 6 Months</b>
Hourly Base Rate Effective 1/1/2016	\$31.73	\$33.30	\$33.97	\$34.62	\$35.29
Hourly Base Rate Effective 1/1/2017	\$32.60	\$34.22	\$34.91	\$35.57	\$36.27
Hourly Base Rate Effective 1/1/2018	\$33.58	\$35.24	\$35.96	\$36.64	\$37.35

Administrative Clerk-4  
 Blacksmith  
 CARE Processing Clerk-4  
 Communications Storeroom Keeper  
 Construction Technician  
 Customer Contact Representative-4  
 Customer Contact Representative-Bilingual-4  
 Customer Contact Representative-Steno-4  
 Customer Contact Representative-Steno-Bilingual-4  
 Customer Service Representative-4  
 Customer Service Representative-Bilingual-4  
 Customer Service Representative-Steno-4  
 Customer Service Representative-Steno-Bilingual-4  
 Electrician  
 Field Collector  
 Field Technician  
 Headquarters Payment Control Clerk-4  
 Laboratory Assistant  
 Lead Computer Operator-4  
 Lead Mail Equipment Operator-4  
**Leakage Control Clerk-4**  
 Logistics Representative  
 Materials Inspector  
 Measurement Technician #2  
 Meter Reading Clerk-4  
 Meter Reading Technician  
 System Protection Technician  
**Transportation Logistics Representative**

**Grade 5**

6 months per step 2-year progression	Starting	First 6 Months	Second 6 Months	Third 6 Months	Standard 6 Months
Hourly Base Rate Effective 1/1/2016	\$34.09	\$35.80	\$36.51	\$37.20	\$37.95
Hourly Base Rate Effective 1/1/2017	\$35.03	\$36.78	\$37.52	\$38.22	\$38.99
Hourly Base Rate Effective 1/1/2018	\$36.08	\$37.89	\$38.65	\$39.37	\$40.16

Collections Control Clerk-5  
 Collections Control Clerk-5-Bilingual  
 Customer Billing Analyst-5  
 Dispatch Specialist  
 District Operations Clerk-5  
 Energy Technician Distribution  
 Energy Technician Residential  
 Fabrication Shop Mechanic #1  
 Fleet Technician  
 Gas Measurement Analyst-5  
 Instrument Shop Mechanic #1  
 Lead Accounts Control Clerk-5  
 Lead Customer Correspondence Clerk-5  
 Lead Field Collector  
 Lead Meter Mechanic  
 Lead Meter Records Clerk-5  
 Lead Outbound Dialing Representative-5  
 Lead Payment Control Clerk-5  
 Mapping Assistant (Non-Region)  
**Meter & Regulator Clerk-5**  
 Meter & Regulator Technician #2  
 Pipeline Planning Assistant  
 Pipeline Technician  
 Reconciliation Clerk-5  
 Revenue Protection Clerk-5  
 Senior Administrative Clerk-5  
 Senior Administrative Clerk-Steno-5  
 Senior Data Control Clerk-5  
 Senior Field Collector  
 Senior Logistics Representative  
 Station Technician

**Grade 6**

<b>6 months per step 2-year progression</b>	<b>Starting</b>	<b>First 6 Months</b>	<b>Second 6 Months</b>	<b>Third 6 Months</b>	<b>Standard 6 Months</b>
Hourly Base Rate Effective 1/1/2016	\$36.83	\$38.66	\$39.41	\$40.19	\$40.98
Hourly Base Rate Effective 1/1/2017	\$37.85	\$39.72	\$40.49	\$41.30	\$42.11
Hourly Base Rate Effective 1/1/2018	\$38.98	\$40.91	\$41.71	\$42.54	\$43.37

Assistant Telecommunication Technician  
 Cathodic Protection Technician  
 Commercial Services Technician  
 Electronic Energy Measurement Technician  
 Facilities Mechanic  
 Investigation Representative-6  
 Journey Facilities Mechanic  
 Laboratory Technician  
 Lead Branch Office Representative-6  
 Lead Branch Office Representative-Bilingual-6  
 Lead CARE Control Clerk-6  
 Lead Collection Representative-6  
 Lead Customer Billing Analyst-6  
 Lead Customer Service Representative-6  
 Lead Customer Service Representative-Bilingual-6  
 Lead Fleet Technician  
 Lead Instrument Shop Mechanic  
 Lead Materials Inspector  
 Lead Planning Clerk-6  
 Measurement Electronic Technician  
 Repair Shop Mechanic #1  
 Senior Electronics Equipment Technician  
 Senior Work Order Analysis Clerk  
 Shop Welder  
 Special Accounts Representative-6  
 Station Operations Specialist  
 Storage Engineering Specialist  
 System Protection Specialist

## Grade 7

6 months per step 2-year progression	Starting	First 6 Months	Second 6 Months	Third 6 Months	Standard 6 Months
Hourly Base Rate Effective 1/1/2016	\$39.49	\$41.44	\$42.25	\$43.08	\$43.91
Hourly Base Rate Effective 1/1/2017	\$40.58	\$42.58	\$43.41	\$44.26	\$45.12
Hourly Base Rate Effective 1/1/2018	\$41.79	\$43.86	\$44.71	\$45.59	\$46.47

Cathodic Protection Specialist  
 Journey Blacksmith  
 Journey Electrician  
 Journey Machinist  
 Journey Sheet Metal Mechanic  
 Journey Welder  
 Lead Construction Technician  
 Lead Dispatch Specialist  
 Lead Electronics Equipment Technician  
 Lead Facilities Mechanic  
 Lead Machinist  
 Lead Repair Shop Mechanic  
 Mapping Associate  
 Measurement and Quality Technician  
 Measurement Specialist  
 Measurement Technician #1  
**Meter & Regulator Technician #1**  
 NGV Station Technician  
 Office Equipment Technician  
 Planning Associate  
 System Gas Dispatcher  
 System Protection Planner  
 Transmission Welding Specialist

**Grade 8**

<b>6 months per step 2-year progression</b>	<b>Starting</b>	<b>First 6 Months</b>	<b>Second 6 Months</b>	<b>Third 6 Months</b>	<b>Standard 6 Months</b>
Hourly Base Rate Effective 1/1/2016	\$42.37	\$44.48	\$45.34	\$46.25	\$47.14
Hourly Base Rate Effective 1/1/2017	\$43.54	\$45.70	\$46.58	\$47.52	\$48.43
Hourly Base Rate Effective 1/1/2018	\$44.85	\$47.08	\$47.98	\$48.94	\$49.89

Field Planning Associate  
 Gas Storage Specialist  
 Industrial Services Technician  
 Instrument Specialist  
 Lead Electrician  
 Lead Laboratory Technician  
 Lead Measurement Technician  
 Lead Meter & Regulator Technician  
 Lead Planning Associate  
 Lead Systems Protection Specialist  
 Metal Crafts Leader  
 Senior Cathodic Protection Specialist  
 Station Maintenance Specialist  
 Telecommunication Technician  
 Transmission Pipeline Specialist

**Grade 9**

<b>6 months per step 2-year progression</b>	<b>Starting</b>	<b>First 6 Months</b>	<b>Second 6 Months</b>	<b>Third 6 Months</b>	<b>Standard 6 Months</b>
Hourly Base Rate Effective 1/1/2016	\$45.42	\$47.68	\$48.62	\$49.59	\$50.53
Hourly Base Rate Effective 1/1/2017	\$46.67	\$49.00	\$49.96	\$50.95	\$51.92
Hourly Base Rate Effective 1/1/2018	\$48.07	\$50.47	\$51.46	\$52.48	\$53.48

Senior Instrument Specialist  
 Senior Telecommunications Technician

**LETTER AGREEMENT  
PART-TIME EMPLOYEES**

The Company and Union agree,

Part Time employees with 6 months of service will be afforded all rights under Article VI for any discipline received from Section 6.3A or Section 6.3B.

Part Time Employees who work 1,000 hours or more per year shall receive 16 hours of Personal Business time the following year. If an employee works more than 700 hours but less than 1,000 hours in any following year after reaching the initial 1,000-hour threshold, that employee will receive 8 hours of Personal Business time the following year.

Effective **October 1, 2015**, part-time employees who have completed **60-days** of continuous service will be eligible to receive medical, dental, and vision benefits, **effective on the first of the month following the 60-day qualification period**. The following benefit options will be offered:

1. Medical coverage **under the HMO Plan of the employee's choosing (currently Kaiser or Anthem-Blue Cross)**, Employee Only option, will be offered under the same cost sharing provisions in place for full-time employees. **Employee contributions will be tied-to the low-cost HMO plan.**
2. Dental coverage under the **MetLife** dental plan, with the Company paying the full cost of the Employee Only option.
3. Vision coverage under the **MetLife** vision plan, with the Company paying the full cost of the Employee Only option.

Effective January 1, 2010 part-time employees who were hired on or before February 25, 2009, who subsequently move to a full time position will be eligible for the catastrophic sickness allowance after completion of three years or more of regular employment. Part-time employees hired

after February 25, 2009, who subsequently move to a full-time position, will not be eligible for the catastrophic sickness allowance.

Part-time employees who waive all three benefits (i.e., medical, dental, and vision) will receive a stipend of \$100/month.

Part-time employees called to military service or who voluntarily enlist in the armed forces of the United States, will be granted a leave of absence and are entitled to reinstatement upon return, provided they comply with the following eligibility conditions:

1. Submit a Leave of Absence form to the employee's supervisor, at least 3 working days in advance of departure. A copy of the employee's official orders, signed by the commanding officer, must accompany the Leave of Absence form.
2. Present to the Company a certificate of satisfactory completion of military service upon his/her return.
3. Apply for reinstatement within 90 days after release of military service.
4. Perform full-time active military service for the term of enlistment or any period of time required by federal or state law.
5. Be mentally and physically and able to perform the duties of his/her former job.

Note: Reinstatement may not be possible if the Company's circumstances have changed, to make the return to work impossible or unreasonable, or if the position has been eliminated.

**Jim Rapose**  
For the Company  
10/1/2015

**Robert Hoffman**  
For the Union  
10/1/2015

## LETTER AGREEMENT

Re: Meter Reader Base Wage Increases – Base wages will be increased by **2.75%** effective January 1, **2016**; **2.75%** effective January 1, **2017**; and **3.00%** effective January 1, **2018**.

January 1, **2016**

Part-time Stage 1	<b>\$14.10</b> / hour
Part-time Stage 3	<b>\$20.54</b> / hour
Meter Reader - R	<b>\$24.02</b> / hour

January 1, **2017**

Part-time Stage 1	<b>\$14.48</b> / hour
Part-time Stage 3	<b>\$21.10</b> / hour
Meter Reader - R	<b>\$24.68</b> / hour

January 1, **2018**

Part-time Stage 1	<b>\$14.92</b> / hour
Part-time Stage 3	<b>\$21.73</b> / hour
Meter Reader - R	<b>\$25.43</b> / hour

**Jim Rapose**  
For the Company  
10/1/2015

**Robert Hoffman**  
For the Union  
10/1/2015