



Bargaining Update

CSU 52 / Capital Power Corporation (CPC) Collective Bargaining

Issued July 18th, 2011

This information is intended for CSU 52 members and for CPC Managers who oversee unionized staff falling within the CSU 52 Bargaining Unit.

This update has been jointly issued by the Company and the Union. The purpose of this communication is to provide an update on the progress of negotiations.

The members of the Union Bargaining Committee are Tamara Chivers, Chief Spokesperson; Kevin Parry, elected CPC Contractual Unit Representative; Janet Letawske, member at large; and Audrey Tosh, Business Agent.

The members of the CPC Management Bargaining Committee are Kathy Beck, Chief Spokesperson; Brent Martens, Sr. Manager Business Applications and Support Services; Lee Morrison, Sr. Manager Commercial Reporting; Susan Manning, Human Resource Consultant and Jeffrey Vaasjo, Human Resource Co-ordinator.

The Parties met in Edmonton on July 14, 2011 and are pleased to confirm that we have reached a Memorandum of Agreement.

The Union and the Company bargaining teams are recommending this Memorandum of Agreement for acceptance.

The Memorandum of Agreement reached by the parties outlines a one year agreement for 2011. The agreement proposes a three percent (3%) general wage increase retroactive to December 19th, 2010. In addition to the wage adjustment, the parties also agreed to update the Collective Agreement to reflect CPC business and operations and to the following changes to the Collective Agreement:

- Revised language at Article 7.02.02 - Retroactive Pay
- Revised language at Article 19. Pensions – revised / updated language to reflect CPC pension plans
- Add Letter of Understanding re: Genesee Site Premium Program
- Agreement to review during the life of the Collective Agreement any Issues Related to Shutdowns at the Genesee Generation Facility
- Agreement to review and update Letters of Understanding 7 (Public & Government Affairs – Flexible Hours of Work) and 16 (Finance Professional Development Program) to ensure they reflect CPC's business / operation
- Revise / Update Letter of Understanding 15 – Engineering/Business Co-op Students.

Both the Union and the Company will post: 1.) the Signed Memorandum of Agreement; 2.) the proposed new wage grids which include the existing rates for 2010 and 3.) the proposed 2011 revisions to the Collective Agreement on their respective web sites by the end of this week.

Managers and Supervisors of CSU 52 employees will be able to view these documents on the CPC Intranet web site at <http://cpcweb/Leadership/ebs/managing-my-team/union-members> by the end of this week.

CSU 52 members / employees will be able to view these documents on the Union web site at www.csu52.org by the end of this week. The Union will send out further information this week.

The UNION RATIFICATION PROCESS and VOTE:

Arrangements are under way for the employee vote:

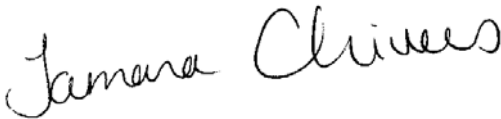
- There will be an information session on **August 11th, 2011** at the Union Bank Inn, 10053 Jasper Ave in the Devonshire Room. The **main polling station** will be located there and available from 4:00 pm to 6:00 pm.
- A second polling station will be at the Genesee Plant available on **August 11th, 2011** from 9:00 am – 9:45 am and 12 noon to 1:00 pm.
- Due to a large number of members potentially taking vacation during the summer, the Union will have **Advance Polls** at the Union Office, 11305 – 95 Street, on **Wednesday July 27th, Wednesday August 3rd and Wednesday August 10th, 2011 from 8:00 am - 4:30 pm.**
- Please remember that you will need your GREEN membership card to vote. New or replacement membership cards will be issued up to but not on August 11, 2011. Cards are obtained from the Union Office (780-448-8900).

The COMPANY INFORMATION PROCESS:

Managers and Supervisors of CSU 52 employees are encouraged to view the documents on the CPC website and if you have any questions or concerns please contact Kathy Beck, Susan Manning, Jeffrey Vaasjo, Brent Martens or Lee Morrison. In addition, Managers and Supervisors are encouraged to allow their CSU 52 employees the appropriate time to cast their vote for this Memorandum of Agreement on one of the three advance poll dates or on August 11th, 2011.

The parties have agreed to exchange ratification results through the Chief Spokespersons by no later than end of the day on Thursday, August 11th, 2011.

The Company and the Union will issue another joint bargaining update to communicate the results of the Union's and the Company's ratification processes.



Tamara Chivers
Union Chief Spokesperson
Union General Counsel
Civic Service Union 52



Kathy Beck
Company Chief Spokesperson
Senior Manager, Human
Resources
Capital Power Corporation