PSEG Services Corporation
Human Resources – Labor Relations
80 Park Plaza, T10, Newark, NJ 07102

PSEG

MEMORANDUM OF AGREEMENT BETWEEN PUBLIC SERVICE ELECTRIC AND GAS COMPANY AND LOCAL 601 of UTILITY WORKERS UNION OF AMERICA, AFL-CIO

Public Service Electric & Gas Company ("Company") and Local 601 of the Utility Workers Union of America, AFL-CIO ("Union") have reached a tentative agreement regarding the current Collective Bargaining Agreement dated May 1, 2021 ("CBA"). The terms of this tentative agreement will become effective May 1, 2023 and will expire on April 30, 2027, subject to ratification by the membership of the Union. If the agreement is not ratified, the terms of the existing CBA will remain in place until April 30, 2023. The parties agree that, upon ratification, all of the terms and conditions of the current CBA will remain in force until April 30, 2027, with the following exceptions:

Wage Increases

The parties have agreed to the following wage increases, provided this tentative agreement is ratified on or before March 24, 2023:

5/1/23:	4%
5/1/24:	3%
5/1/25:	3%
5/1/26:	3%

Active Employee and Pre-Medicare Retiree Medical Plans

Effective January 1, 2024, the Company will discontinue offering the current HMO and Indemnity plans and the HSMP plan shall be the "default" medical plan for new hires and those currently enrolled in the HMO and Indemnity plans. In addition, the PPO and HSMP plan designs (including but not limited to the, co-pays, out-of-network coinsurance, and maximum out-of-pocket limits) will be modified as specified in Exhibit 1.

The active employee medical plan changes in the above paragraph will be applied to the Pre-Medicare Retiree Plan effective 1/1/2024. Employees who retire prior to 1/1/2024 will be permitted to elect the plan option and benefit levels that were in effect at the date of retirement.

The Company will include the Union's participation in future RFPs for medical plan administration. Each Union will be permitted to designate one representative to participate in the

RFP meetings. The final decision on selection will rest with the Employee Benefits Committee, which will include input from the RFP team.

In addition, the parties agree to continue their joint efforts to address health care costs through the Healthcare Cost Containment Committee (HCCC). Items such as vendor selection, cost sharing, and employee premiums will be discussed through the HCCC.

In addition, the Company agrees to make access available to the pre-Medicare federal exchange for future B2000 retirees through an administrator who offers access to the marketplace.

Retirement Benefits

Employees hired on or after January 1, 2025 (including rehires and PSEG Long Island transfers)

Employees will default into an enhanced 401(k) Plan (the "4/4 Plan") in lieu of the Represented Cash Balance Component of the Pension Plan of Public Service Enterprise Group, Inc. II ("Cash Balance Component"). Pursuant to the 4/4 Plan, after 180 days of service, the Company will:

1) Make a 4% core contribution of eligible pay to the 401(k) plan; and
2) Match 100 percent of an employee's contribution up to 4% of the employee's compensation contributed to the 401(k) plan.

These employees shall be permitted to exercise a one-time irrevocable opt-out of the 4/4 Plan at any time during the first 180 days of service. Any employee who opts out of the 4/4 Plan will become a participant in the Cash Balance Component after the 180 day period and be credited for service as of date of hire. Employees who opt out of the 4/4 Plan shall not be entitled to the 4% core contribution or 100 percent match noted above. However, current provisions of the 401(k) plan (e.g. the 50% match up to 7%) shall continue to apply to an employee who has elected the Cash Balance Component.

The parties agree to utilize the HCCC to meet and confer about the communications (i.e. a fact sheet) the Company will provide employees regarding the 4/4 Plan and the Cash Balance Component. The parties understand that this provision does not constitute an agreement or commitment to make any changes, nor establish a mid-term bargaining obligation by the Company with respect to these communications. In addition to these communications, employees may avail themselves of the services available through PSEG's vendors.

Regardless of whether an employee is a participant in the 4/4 Plan or the Cash Balance Component, effective January 1, 2025, the Company will no longer make employer contributions to the VEBA for newly hired employees.

The automatic enrollment 401(k) deduction for newly hired employees shall be 4%.

The Company shall make an annual, non-elective employer contribution to the 401(k) plan in the amount of $100 during an employee's first 5 years of service and $800 during an employee's subsequent years of service, for those employees who are employed by the Company as of December 31st of the respective plan year. Employees must have achieved 180 days of service time in order to receive the initial annual contribution. The 401(k) plan will reflect that this contribution will not be available for loans or in-service withdrawals.

Employees hired between January 1, 1997 and January 1, 2025 (B2000 employees)

Employees will be provided a window, determined by the Company, in either the fourth quarter of 2024 or fourth quarter of 2025, to terminate their participation in the Cash Balance Component and opt into the 4/4 Plan. The opt-in will be prospective and employees will only be eligible for core contributions from the point that they opt in forward. The decision to opt in (or not) will be irrevocable and, if the employee has elected to opt in, the Company will make no further contributions to the employee's cash balance account under the applicable Pension Plan. For those employees who opt in to the 4/4 Plan, their cash balance account will continue to receive interest credits based on the terms of the Cash Balance Component. Employees eligible for this opt-in may avail themselves of the services available through PSEG's vendors.

Additionally, effective January 1, 2025, no new employer contributions to the VEBA will be made for Benefits 2000 employees. After 180 days of service, the Company shall make an annual, non-elective employer contribution to the 401(k) plan in the amount of $100 during an employee's first 5 years of service and $800 during an employee's subsequent years of service, for those employees who were employed by the Company as of December 31st of the plan year. The 401(k) plan will reflect that this contribution will not be available for loans or in-service withdrawals.

Employees hired before January 1, 1997 (Choices employees)

Effective May 1, 2023, the Public Service Enterprise Group Incorporated Medical Benefits Plan for Retired Employees ("Plan") shall be amended to provide that retired employees who were Choices employees shall be eligible for subsidized coverage under the Plan if they are otherwise eligible for an unreduced benefit under the Pension Plan.

Paid Time Off

Vacation

Effective July 1, 2024

Vacation days will no longer be accrued. The Company will place any vacation days that are accrued and unused as of December 31, 2024 into a separate Vacation Bank. Employees may request and use time in this separate Vacation Bank during the period between January 1, 2025 and December 31, 2026. Any time remaining in the Vacation Bank, effective January 1, 2027, will be lost.

Effective January 1, 2025

All full-time permanent and temporary employees will be eligible for a vacation allotment based on their years of service as follows:

Years of Service achieved during the Calendar Year	**Number of Vacation Days available for the Calendar Year**
Hired during the year	8 days (64 hours) if hired before April 1 6 days (48 hours) if hired on or after April 1 but before July 1 4 days (32 hours) if hired on or after July 1 but before October 1 2 days (16 hours) if hired on or after October 1
Less than 6 years	10 days (80 hours)
6 years or more, but less than 15 years	15 days (120 hours)
15 years or more, but less than 21 years	20 days (160 hours)
21 years or more, but less than 30 years	25 days (200 hours)
30 years or more	30 days (240 hours)

All part-time temporary employees will be eligible for a vacation allotment of 16 hours.

Employees shall be permitted to carry over up to five (5) vacation days (i.e., 40 hours) from one calendar year to the next. In addition:

(a) In the event that an employee has to cancel vacation days during the year due to illness, and the Company is unable to accommodate the employee's request to use those cancelled days within the calendar year of the illness, the employee may carry over the cancelled days into the following year. These days may not be carried over into any subsequent years; and

(b) In the event that the Company cancels an employee's vacation days and the Company is unable to accommodate the employee's request to use those cancelled days within the remaining calendar year, the employee may carry over the cancelled days into the following year. These days may not be carried over into any subsequent years.

Vacation days carried over under this provision can be requested and used throughout the following year, subject to existing vacation selection rules.

There shall be no carryover of any other vacation days from one calendar year to the next.

Payout of Vacation Days upon Separation

Effective January 1, 2025, the Company will pay out, on separation for any reason, unused vacation days up to the amount that the employee is allotted for that year plus any unused days in the Vacation Bank.

Effective January 1, 2027, the Company will no longer pay out unused vacation days, including any unused days in the Vacation Bank. Employees will lose any unused vacation on separation of employment for any reason, including retirement.

Sick and Short-Term Disability Benefits

The parties agree to form a committee that will meet to review, among other things, modernizing and amending the parties' paid time off, absence, and leave programs. The parties understand that this provision does not constitute an agreement or commitment to make any changes, nor establish a mid-term bargaining obligation by the Company or by the Union.

Workers' Compensation Benefits

Effective January 1, 2025, full-time permanent employees who are B2000 employees will be eligible for a maximum of 26 weeks of full pay for each work-related illness or injury covered and accepted under PSEG's workers' compensation plan. Full pay is contingent upon employees remaining in compliance with workers' compensation requirements.

Payroll

Effective May 1, 2023, Article V, Sec. 5 is revised as follows:

Payday shall be the second Wednesday following the close of the basic payroll week. If a holiday is observed on a Wednesday, employees will be paid on Tuesday. Payment shall include all compensation earned during the basic payroll week.

Employees may elect to receive their pay by electronic funds transfer or have their pay mailed. The pay for employees selecting the electronic funds transfer option will be transferred to their accounts on the Tuesday preceding the holiday that falls on Wednesday.

~~If due to Company error, employees do not receive full regular pay (including overtime and other premiums), the Company will reimburse the employee no later than the second following workday after the employee discloses the error. This does not apply to amounts under $50.00 which will be reimbursed in the paycheck for the pay period in which the error was reported.~~

In the event that a payroll error occurs, the employee should immediately report the matter to the Payroll department. The Company will correct the error per the schedule outlined below, unless otherwise required by law.

Employee Provides Notification	**Payment Made**
Monday	Thursday of the same week

Tuesday	Friday of the same week
Wednesday	Next scheduled pay date
Thursday	Thursday following next scheduled pay date
Friday	Thursday following next scheduled pay date

Notwithstanding the above, the Company will correct errors for overtime and/or other premiums resulting from incorrect or missing time entry/approval on the next scheduled pay date, unless otherwise required by law.

Operational Items

Adjunct Instructors
Upon ratification of this tentative agreement, the parties agree to add two 345 General Assistants (one in the North and one in the South) and two 306 Field Service Reps (one in the North and one in the South) to the Adjunct List.

Work from Home
Upon ratification of this tentative agreement, the parties agree to amend the Work from Home Agreement dated May 18, 2021 to include the 345 General Assistant (with the exception of Harmon Cove practice) and 348 Payroll Clerk nomenclatures and add language providing:

If an employee is determined to be covered by the New York Paid Sick Leave Law ("NY Law"), Sick Time and a sufficient amount of vacation to equal 56 hours are considered comparable benefits under the under the NY Law. Such covered employees can use this time for the approved leave entitlements under the NY Law. The Union acknowledges that the benefits and protections of the NY Law under Section 196-b of the New York Labor Law in negotiating this agreement, and has waived rights or benefits not expressly stated herein.

Annual Shift Selection
Upon ratification of this tentative agreement, the parties agree that, during the shift selection process, the Company will declare additional surplus positons within desired shifts, in the event they are needed to be filled throughout the year. This change does not modify the current bumping process.

Inquiry/Inbound/CSC Workforce Committee
Upon ratification of this tentative agreement, the parties agree to form a committee that will meet quarterly to review, amongst other things, changes in technology and customer demand, staffing levels, workforce plans, and reduction of contractor usage. The committee shall of the Union Executive Board, or their appointees, Labor Relations, and the Line of Business. The parties understand that this provision does not constitute an agreement or commitment to make any changes, nor establish a mid-term bargaining obligation by the Company.

Creation of the 308i Bilingual Service Representative

Upon ratification of this tentative agreement, the Company and the Union agree to the creation of a 308i Bilingual Service Representative to reflect changing customer demographics. Establishment of this new nomenclature will enable the parties to better serve customers.

The Company agrees not to exceed a staffing level of 25 within the existing Service Representative minimum permanent staffing level.

Employees bidding into this position, who have not performed language interpreting assignments, will be required to demonstrate proficiency.

All current and future bilingual positions will reflect the upgraded rate as of May 1, 2023.

Permanent Employee Staffing Levels

Upon ratification of this tentative agreement, the parties agree to amend the Permanent Employee Staffing Levels letter dated May 1, 2017 to increase the minimum permanent employee staffing levels for the following nomenclatures for the duration of the parties' collective bargaining agreement, subject to the limitation set forth in the Revert Back provision:

- Service Representative (308, ~~and~~ 308T, 308i) – ~~230~~ 240 permanent employees combined
- Field Collection Representative (368) – ~~70~~ 88 permanent employees

AMI Workforce Planning Agreement

This letter confirms our agreement regarding Workforce Planning initiatives associated with the deployment of the Advanced Metering Infrastructure (AMI) project throughout the Company's service territory. Upon ratification of this tentative agreement, Letter Agreement No. 55, Meter Reading Staffing and Workday, dated May 1, 2011, which includes minimum meter reading staffing levels, will be eliminated and replaced with Attachment A. All other terms and conditions outlined within the parties' collective bargaining agreement, and letters of agreements not referenced by this agreement, shall remain in effect.

In addition:

- Permanent headcount levels for the 368M, 370, and 372 Nomenclatures will be as outlined below. Vacancies necessary to staff up to the below numbers on the dates outlined will be filled within the 368M Nomenclature.
    - 195 as of March 31, 2023
    - 160 as of December 31, 2023
    - 130 as of December 31, 2024
    - 100 as of December 31, 2025

- Eighteen additional 368 Collection Representatives will be added to the current field collection headcount floor. Effective 30 days after the execution of this Agreement, the permanent staffing level for Collection Representatives shall be 88, which is a revision to

Letter 115, Permanent Employee Staffing Levels and Contracting of Work, dated May 1, 2017.

- The Company and the Union agree to meet regularly to discuss any future work or opportunities that arise out of AMI. In addition, in the event that the Company designates any employees as surplus as a result of the AMI project, the parties agree to meet to discuss, in accordance with parties collective bargaining agreement.

- The Company will not subcontract out manual and drive-by meter reading. In addition, the Company agrees to not subcontract out field collection through the expiration of the parties' current collective bargaining agreement.

- Temporary employees in the 370 Meter Reader classification who are released from duty will be offered an opportunity to return to a temporary vacant position in the same classification from which they were released prior to any external hires. Attachment B outlines the process to be followed.

Attachment A

Meter Reading Workday

The daily hours of work for meter readers shall be from 7:30 am to 3:30 pm inclusive of two paid 15 minute breaks. The meter reading workday shall be subject to a maximum variation of one hour before and after 7:30 am.

Breaks may be combined and shall not be taken within 1 hour of the scheduled start or end of the scheduled workday. Meter readers are required to log all breaks into the handheld device.

Daily work assignments include productive time, variable office time, variable travel time and interval time that is needed to complete an assignment. Most important among these components are the health, safety, and wellbeing of employees. In the event of extreme weather, the parties shall refer to Article VI, Section 10 of the Collective Bargaining Agreement.

Meter Readers will notify their supervisor and senior meter reader of any delays to their start time and/or any interruption in reading their assignment. The senior meter reader will then document said cause in the daily assignment log. If a meter reader anticipates not being able to complete his assignment on time, he must notify his/her supervisor for further instructions, which may include the need to work overtime or the need to return to the office. A meter reader will not begin work on an overtime assignment until after the end of his/her straight time shift. (Example 7:30 am to 3:30 pm shift would begin overtime at 3:31 pm.)

Job Site Reporting

G369/370 Meter Readers hired on or after August 31, 1987 will report directly to their assignments and will be provided 30 minutes travel at the start of the workday. If directed to report to the District Office, travel time will be provided to the route.

Examples of Direct Reporting to Assignment

Start Time	First Entry
6:30 a.m.	on or about 7:00 a.m.
7:00 a.m.	on or about 7:30 a.m.

Meter Readers hired prior to August 31, 1987 can volunteer to report directly to their assignments unless otherwise directed; or report to the District Office, at their scheduled start time. These employees may also elect to job site report but not arrive at their first stop earlier than whatever time it would have taken to get from their local office to that stop.

Evaluation of Meter Reading Assignments

In order to insure daily work assignments can be consistently completed within the eight hour meter reading workday, meter readers may request an assignment evaluation in accordance with the terms and conditions listed below.

A Meter Reader may request that an evaluation be made of one of his/her assignments if all of the following conditions are met:

a. it is the Meter Reader's regular assignment

b. it has been read by the Meter Reader at least three times

c. it has been designated by the Meter Reader as requiring adjustment. The Meter Reader shall provide the reason(s) for such adjustment, and provide suggestions or recommendations for the adjustment.

d. the request is no later than three business days after the assignment has been read, to allow for the printing of necessary reports on the Meter Reading system.

e. the request shall be submitted on an "Assignment Evaluation Request" form. Copies will be made available to union chair and the district manager.

Procedure

1. Appropriate reports shall be reviewed with the Meter Reader. This review can include past history of the route and any extenuating circumstances particular to the assignment.

2. After this review, a determination will be made if the assignment will be:

    a. Adjusted

    b. Not adjusted

    c. More information is needed.

If more information is needed, a field evaluation shall be conducted.

3. The following shall be used as a guide in performing field evaluations:

    a. Every effort will be made to perform the field evaluation the following month, or as soon thereafter as possible.

    b. An evaluator will be assigned to conduct the field evaluation with the meter reader. The evaluator could be the supervisor, manager or manager-appointed designee.

    c. The Meter Reader (and evaluator) shall pick up the assignment and obtain the items necessary to the completion of it (keys, seals, etc.).

    d. The Meter Reader and evaluator will drive to the first stop, taking the most direct route from the meter reading location.

    e. A safe, direct route between meters shall be taken including the crossing of lawns, unless prohibited by the customer.

f. The break period(s) shall be taken.

g. After the last stop is completed, the Meter Reader and Evaluator will drive to the meter reading office location, taking the most direct route.

h. Accompanied by the evaluator, the Meter Reader shall turn in the assignment and equipment and perform all other required work.

Analysis
If total elapsed time is greater than the scheduled workday, the assignment shall be adjusted accordingly, as soon as practicable.

Results
The results of the evaluation will be communicated to the Meter Reader and provided to the Local Chairperson, on the "Assignment Evaluation Request" form.

Note: Replaced LOA "Job Site Reporting" dated 5/1/2002, Modified LOA "Meter Reader Workday" dated 5/1/2005, Replaced LOA "Meter Reading Staffing and Workday" dated 5/1/2011

Attachment B

When additional temporary employees in the 370 Meter Reader classifications are needed, those temporary employees who were released from duty within a two-year period will be offered an opportunity to return to a temporary vacant position in the same classification from which they were released, prior to any external hires. The Company shall not be required to offer opportunities to any employee who has been released for a continuous period of more than two years.

Opportunities will be offered in order of combined office seniority, provided that the employee possesses the minimum qualifications for the position, including being able to medically qualify for the position, demonstrating authorization to work in the U.S., and passing a background and driver's abstract check. Upon failure of a released temporary employee to reply to an offer after 10 days, the employee shall forfeit their right to such offer of reemployment in the future.

Any employee accepting the option of reemployment will not accrue seniority or other benefits during the period of time they were not employed by the Company; they will be treated as a new hire for seniority and benefit purposes. However, their prior service time will be credited for determining the employee's vacation entitlement.. A "vacation effective service date" will be established in SAP. Thereafter, the provisions of the Collective Bargaining Agreement under Article IX – Vacations will determine future vacation eligibility. Employees accepting the option of reemployment will remain temporary employees for the duration of their assignment or until they successfully bid into a permanent position, unless otherwise mutually agreed to by the Company and the Union.

Any employee declining the option of reemployment shall forfeit their right to such offers in the future if the position offered was located at the employee's former location or a neighboring geographic region. To that end, neighboring geographic regions are defined as follows:

- Harmon Cove, Newark, Roseland, Hackensack
- Cranford, Newark, Roseland, New Brunswick, Trenton
- New Brunswick, Trenton, Burlington, Audubon

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President, UWUA Local 601

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Noel Cabrera
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Exhibit 1

	Proposed Plan Design	
	PPO	HSMP with HSA [3]
Medical		
Deductible—2X for Family	$600 (IN) / $1,200 (OON)	$2,000 (IN) / $2,000 (OON)
Out-of-Pocket Maximum—2X for Family [1]	$6,850 (IN) / $6,850 (OON)	$5,100 (IN) / $5,100 (OON)
Coinsurance	None (IN) / 30% (OON)	20% (IN) / 30% (OON)
Office Visit (PCP/Specialist)	$25/$50 (IN) / 30% (OON)	20% (IN) / 40% (OON)
CareOnline Telehealth Visit	$0 Copay	$0 Copay
Inpatient Hospital	0% (IN) / 30% (OON)	20% (IN) / 40% (OON)
Emergency Room	$250 (IN) / $250 (OON)	20% (IN) / 20% (OON)
Urgent Care	$35 (IN) / 30% (OON)	20% (IN) / 40% (OON)
Retail Rx [2]		
Deductible	Not Combined	Combined with Medical
Generic	$7.50	$7.50
Preferred Brand Name	$20	$20
Non-Preferred Brand Name	$40	$40
Specialty	Included in Non-Preferred Brand Formulary	Included in Non-Preferred Brand Formulary
Mail Order Rx [2]		
Generic	$15	$15
Preferred Brand Name	$40	$40
Non-Preferred Brand Name	$80	$80
Specialty	Included in Non-Preferred Brand Formulary	Included in Non-Preferred Brand Formulary
Employer HSA Contribution (S / Fam)	N/A	$500 / $1,000

[1] *The Out-of-Pocket Maximum would be 2X for Family in both the PPO and HSMP*

[2] *Members cost sharing for out-of-network Rx benefit are on a coinsurance basis.*

[3] *For the HSMP, CareOnline Telehealth is $0 copay after meeting the deductible*