

Memorandum of Understanding  
between  
Tennessee Valley Authority  
and the  
Engineering Association, Inc.  
regarding

Transition to New Positions in the Information Technology Architecture and Engineering; Enterprise Solutions Delivery; Planning and Performance; and Enterprise Support and Customer Operations Organizations

Tennessee Valley Authority and the Engineering Association, Inc. (EA), agree to the terms specified herein for implementing organizational realignment and new job classifications in Information Technology Architecture and Engineering; Enterprise Solutions Delivery; Planning and Performance; and Enterprise Support and Customer Operations organizations. The parties enter this agreement to avoid, to extent possible, an involuntary reduction-in-force and the posting and filling of vacant positions that would otherwise result from the organizational realignment.

Under this agreement, current employees in the Information Technology Architecture and Engineering; Enterprise Solutions Delivery; Planning and Performance; and Enterprise Support and Customer Operations organizations will be placed in positions that reflect the work they are currently performing with minimal disruption to them and to the work of the Information Technology (IT) organization. Placements have been jointly reviewed by the parties for the purpose of ensuring that the new job descriptions accurately reflect the work performed by each employee, to the extent possible. Such review does not preclude the EA's right to pursue an issue under Supplementary Agreements 2 and 11. Each of these employees whose current market rate is higher than the market rate for the new position will be placed in a temporary job code with non-standard market pay so that their current pay and opportunity for performance-based pay will not be reduced for the term of this memorandum of understanding (MOU), as long as he or she continues to hold such position. Should the employee leave such position on a non-temporary basis, his or her rate-of-pay will no longer be covered by this MOU.

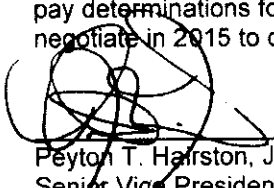
In the event an employee affected by this reclassification does not wish to accept placement, he or she may apply on a vacant position and if selected, such employee's rate-of-pay will be set in accordance with the terms of the collective bargaining agreement (or policy, if moving to a non-represented position.) In addition, should an employee disagree with the new position, he or she may raise the issue under the provisions of Supplementary Agreements 2 and 11.

Otherwise, an employee holding one of the IT positions listed below and affected by this reclassification may volunteer for reduction-in-force. TVA will accept such offers to the extent that business needs can be met. If more employees request voluntary reduction-in-force than can be accepted, acceptances will be based on business needs.

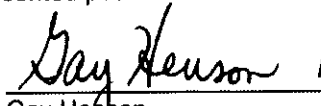
Change Availability Specialist  
IT Data Management Administrator  
IT End User Analyst  
IT Infrastructure Administrator  
IT Infrastructure Engineer  
IT Software Management Administrator  
Program Administrator

This MOU is for the limited purposes contained herein and shall not be used as a precedent in any other circumstances.

This MOU becomes effective upon execution, and shall remain in effect through the 2015 pay year, not to include pay determinations for the 2016 pay year. As provided in Supplementary Agreement 4:A, the parties will negotiate in 2015 to determine market rates for EA-represented positions for 2016.

  
Peyton T. Hairston, Jr.  
Senior Vice President  
Diversity and Labor Relations  
Tennessee Valley Authority

1/28/13  
(Dated)

  
Gay Henson  
Valley-Wide President  
Engineering Association, Inc.

1-22-12  
(Dated)