

MEMORANDUM OF UNDERSTANDING

COMPRESSED WORK SCHEDULE FOR TESTING AND ENERGIZATION ENGINEERS AND TECHNICIANS IN THE TRANSMISSION BUSINESS LINE

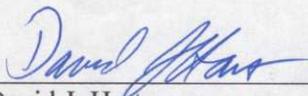
This Memorandum of Understanding between BPA the American Federation of Government Employees, Local 928 (AFGE) establishes a compressed work schedule for the Test and Energization Engineers and Technicians in the Transmission Business Line, as described in Personnel Letter No. 610-14. The purposes of the work schedule are to meet BPA's business needs in a cost-effective manner (i.e., have the flexibility to match the work schedules worked by BPA or contractor construction personnel), while also providing working conditions that meet the collective needs of affected employees.

Schedule Changes. It is understood that management retains the right to make individual schedule changes due to unanticipated employee absences, turnover, changes in unit staffing levels, operational needs, or the needs of the employees. However, such changes will not deviate from the concept of using the 8-hour and/or 10-hour shifts described in the Personnel Letter to schedule each employee for 80 hours of work each pay period, consistent with the definition of the administrative workweek.

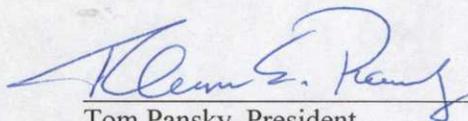
Modification/Termination. Each party (management and labor) retains the right to request modifications or termination of the compressed work schedule and its provisions at any time. The obligation to bargain is permissive on the part of both parties except as noted in the next paragraph.

The work schedule will be terminated if management unilaterally eliminates the work performed by employees covered by the work schedule. Each party retains the right to compel good faith bargaining on any proposed modification or termination in the following circumstances: (a) if any law or regulation applicable to BPA conflicts with any provision of the Personnel Letter; (b) as part of negotiating the applicable collective bargaining agreement (BPA-AFGE/BPA-PDL) upon expiration of such agreement; or (c) upon presenting proposed changes in writing to the other party between 30 days and 60 days prior to the anniversary date of this MOU. Additionally, this MOU will automatically renew each year unless either party requests re-negotiation within the time frame specified above.

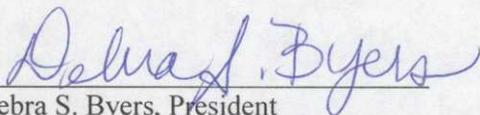
Agreed to this 4th day of December 2003



David J. Hart
Labor Relations Officer
Bonneville Power Administration



Tom Pansky, President
Professional Division
Laborers Union Local 335



Debra S. Byers, President
American Federation of Government Employees
Local 928