

ENGINEERING ASSOCIATION INCORPORATED 34 Market Square Mall Knoxville, TN 37902 (865) 637-7901 (865) 632-2489 FAX (865) 637-3781

October 8, 2010

Peyton T. Hairston Acting Vice President Labor Relations 400 West Summit Hill Drive Knoxville, Tennessee 37902

Dear Mr. Hairston:

The Engineering Association (EA), IFPTE Local 1937, has been notified by your office (after our inquiry) that TVA is unilaterally changing the TVA-EA medical benefits plan with regard to prescription drugs. TVA and the EA had dialogue over the change to prescription drugs during our 2009 medical plan design negotiations and the change has already been negotiated to a different end.

Based on your decision to unilaterally move forward with this change that is within the agreedon scope of bargaining, please accept this letter as a formal request to negotiate again on this matter in accordance with Article II of our Agreement. Furthermore, I would like to remind you that Article II states that TVA will not implement those changes until the negotiation process has been completed.

Please inform Medco to discontinue this change immediately and contact me as soon as possible with a date for these negotiations.

Sincerely.

Gay Henson

Valley-Wide President

Engineering Association, Inc.

IFPTE Local 1937