In full Settlement of the grievances filed by the Engineering Association, Inc. (EA), concerning TVA not announcing temporary positions in the Energy Research & Technology Applications organization, TVA and the Engineering Association, Inc. agree to the following:

- 1. TVA and the EA agree, in accordance with S-7:B-5(i), that temporary positions, up to two years in duration, performing cost-recovery work in the Energy Research & Technology Applications organization within the River System Operations & Environmental Strategic Business Unit, are not required to be announced under S-7:B. The parties agree that these temporary appointments may be extended at TVA's option for periods up to two years. There is no limit on the number of extensions.
- 2. TVA and the EA agree that employees in the positions described in paragraph 1 above will be eligible for severance pay under S-10:N if:
 - The employee meets the eligibility requirements outlined in S-10:N-1,b.,
 - The employee has not received from TVA an offer of a temporary or non-temporary annual position comparable to the position currently held by the employee (i.e., full-time or part time) at the same or higher basic annual salary rate or trades and labor wage rate, at, or prior to, the end date of the specified temporary appointment, and
 - The employee is terminated on the end date of a specified temporary appointment because of lack of work or lack of funds. (Note: See S-10:F for termination on a day other than the end date of the specified temporary appointment.)
- 3. TVA and the EA agree that employees in the positions described in paragraph 1 above are on individual employment contracts, and their retention or termination will be based solely on the needs of the business and the availability of work and funds. However, in the event that a group of employees are performing identical work at the same location, and all have the same temporary appointment end date, and work is available to extend some but not all temporary appointments, insofar as the needs of the service can be met, retention will be based on total TVA service. (Note: See S-10:D for special provisions regarding Designated Union Representatives.)
- 4. The EA agrees to withdraw these grievances, and does so by signing this Resolution Agreement.

5. This Resolution Agreement is non-presidential.

APPROVALS

Peyton 7. Hairston, Jr. Sr. Vice President Employee

Tennessee Valley Authority

Relations & Diversity

Calvin Underwood President Engineering Association, Inc.

Date

Inderwood 5-6.04