

ARTICLE XII

DRIVERS LICENSE & CERTIFICATE OF COMPETENCY

1.
 - (a) Commercial Drivers Licenses (CDL) will be required for any employee whose job would normally include operating a qualifying vehicle in accordance with applicable laws.
 - (b) The Company will pay for any required physical examination, including drug screening, CDL License and renewal fees, and CDL training program. An employee will be allowed necessary physical examinations, one skills test, one written test, and renewals of current CDL's on Company time. In addition the Company will provide Company vehicles for skills testing, as well as practicing on the employee's own time. An employee shall take any training course, testing after the first test, and practicing on the employee's own time.
 - (c) An employee whose position requires a CDL shall either have the CDL prior to being hired, or shall obtain the CDL within six (6) months.
 - (d) If an employee required to have a CDL fails to obtain and/or maintain such license, the layoff provisions of this Agreement will be applied.
2.
 - (a) All new employees, on or after January 1, 1998, shall be required to obtain a Class "D" Certificate of Competency as issued by the Illinois Environmental Protection Agency (IEPA). Such employees shall be allowed up to two (2) opportunities to take the IEPA examination and shall be allowed a period of one year from the date of hire to pass the test or until results of the last examination taken during this period by the applicant is announced, whichever is longer. The Company will pay an employee straight time for the first time the employee takes a Class "D" examination, and the Company will pay the employee's time on a straight time bases only if the test is passed. The Company reserves the right to extend the probationary period during this period if the applicant is unable to secure the certificate. The Company will pay any amount in excess of \$10.00 for renewal of any class Water and or Wastewater licensing.
 - (b) From the date of the execution of this Agreement, a regular Plant Operator (including water and wastewater) must be the holder of the minimum required Certificate of Competency for the plant they operate. An applicant for the position of Plant Operator, otherwise qualified but not yet possessing the required certificate, shall have a period of sixty (60) days from the date of appointment to secure said Certificate of Competency as issued by the IEPA. With respect to positions that require certification, the Company reserves the right to extend this time period on a case by case basis.
 - (c) If the IEPA mandates requirements for the certification of water and wastewater operators (including Head Operator, Operator, Mechanic, Maintenance Worker, Maintenance Operator, and Utility Operator) they shall meet the requirements of certification as set forth or any other requirement of the IEPA.

Failure of an employee to maintain or meet the requirements of this certification will cause such employee to be subject to layoff according to this Agreement.

- (d) Employees as of December 31, 1997, are grandfathered from such requirement as are specifically allowed by the IEPA.
- (e) Employees will be responsible for maintaining their certification and will furnish the Company a copy of their certification and current Certified of Competency to be eligible for the entitled benefits of this program.

ARTICLE XIII

Duration

1. This Agreement shall remain in full force and effect until December 31, 2001.
2. This Agreement shall be considered renewed for a period of a year unless written notice of desire to amend or terminate this Agreement is given at least 60 days prior to the expiration of its stated term or any such renewal period. Such notice shall set forth the desired amendments.
3. The parties shall commence negotiations on any amendments proposed pursuant to Section 2 not less than 40 days prior to the expiration of the Agreement and as long as such negotiations are in progress, the Agreement shall continue in full force and effect.

SIGNATURE OF AGREEMENT

DATED 2-12-98

CONSUMERS ILLINOIS WATER COMPANY

By [Signature]
President

LOCAL UNION 467

By [Signature]
President

By [Signature]
Secretary

UTILITY WORKERS UNION OF AMERICA
AFL-CIO

By [Signature]

EXHIBIT A

	<u>Jan. 1, 1998</u>	<u>Jan. 1, 1999</u>	<u>Jan. 1, 2000</u>	<u>Jan. 1, 2001</u>
<u>Plant Operating Dept.</u>				
Head Operator	\$18.24	\$18.76	\$19.29	\$19.84
Operator	\$17.87	\$18.39	\$18.92	\$19.47
<u>Plant Maintenance Dept.</u>				
Mechanic	\$18.24	\$18.76	\$19.29	\$19.84
Maintenance Worker	\$17.82	\$18.34	\$18.87	\$19.42
Plant Laborer	\$9.63 - \$16.81	\$10.15 - \$17.33	\$10.68 - \$17.96	\$11.23 - \$18.51
<u>Distribution Dept.</u>				
Utility Worker	\$17.49	\$18.01	\$18.54	\$19.09
Laborer	\$9.63 - \$16.81	\$10.15 - \$17.33	\$10.68 - \$17.96	\$11.23 - \$18.51
<u>Meter Dept.</u>				
Service Worker	\$17.49	\$18.01	\$18.54	\$19.09
Meter Reader	\$9.63 - \$16.81	\$10.15 - \$17.33	\$10.68 - \$17.96	\$11.23 - \$18.51
<u>Waste Treatment Dept.</u>				
Maintenance - Operator	\$17.87	\$18.39	\$18.92	\$19.47
Utility Operator	\$9.63 - \$17.65	\$10.15 - \$18.17	\$10.68 - \$18.70	\$11.23 - \$19.25
<u>Other</u>				
Office Bldg. Custodian	\$15.36	\$15.88	\$16.41	\$16.96
Temporary Help	\$6.74 - \$10.25	\$7.26 - \$10.77	\$7.79 - \$11.30	\$8.34 - \$11.85

Note A - The entrance positions of Plant Laborer, Laborer, Meter Reader, Utility Operator, and Custodian will have wage ranges. Employees entering these positions will enter at an hourly rate within the specified range. Their hourly rate within that range shall be reviewed at the beginning of each calendar quarter starting April 1, 1998, and raised not less than 25 cents per hour until such time as they reach the top hourly rate for the position. Said raises will be effective for the first full pay period beginning in the quarter. If an employee has not reached the top hourly rate for his position at the end of five years in that position, he shall automatically be raised to the top hourly rate for the position effective the first full pay period of the first quarter following his fifth anniversary. These employees will also receive the general annual increase applicable to their position.

**CONSUMERS WATER COMPANY
COMP-CARE
BENEFIT OVERVIEW**

Service	COMP-CARE
Important Information	When covered services are received from a participating Blue Shield physician: <ul style="list-style-type: none"> • Claims are filed by the physician in most instances. • The member is responsible for the deductible and coinsurance.
Inpatient Admission Review	For all scheduled inpatient admissions (including planned cesareans), the member must call 1-800-392-1016 for a preadmission review. If a member does NOT receive a preadmission review before admission, benefits will be reduced by up to \$300. For emergency and maternity admissions (excluding planned cesareans), the member must call within 48 hours after admission.
Calendar Year Deductible	\$200 per member \$400 per family (Accumulative) Benefits are paid after deductible has been met unless otherwise stated.
Coinsurance	Applies to most covered medical services
Calendar Year Out-of-pocket Limit (Deductible + Coinsurance)	\$500 per member \$1,000 per family (Accumulative)
Lifetime Maximum Benefits General Mental Health (applied to general) Substance Abuse (applied to general)	\$3,000,000 per member \$50,000 per member (non-listed) \$25,000 per member
Hospital Services (Inpatient & Outpatient)	80%
Emergency Room Care	Emergency Medical Care: 80% Emergency Accident Care: Covered services rendered within 90 days of the accident are paid at 100% up to \$500. After this, deductible and coinsurance apply.
Ambulatory Surgery	100% (See certificate for listed services) Not subject to deductible.
Professional Services Inpatient & Outpatient Physician Office Visits: Sick Care Routine/Preventive Care Family Planning Maternity Care: Pre & Postnatal Delivery	80% 80% 100% No deductible (Scheduled Benefits) Not covered (Except sterilizations which are covered at 80%) 80% 80%
Diagnostic Services	80%
Infertility Treatment	Not covered
Ambulance	80%
Occupational Therapy	80%
Physical Therapy	80%
Speech Therapy	80%

Service	COMP-CARE
Home Health Care	80%
Hospitals	80%
Durable Medical Equipment	80%
Temporarily Immobilized Joint (T.M.J.) Syndrome Services	Not covered
Important Information On Receiving Mental Health & Substance Abuse Benefits	<p>To receive benefits for inpatient mental health and substance abuse services, the member must call 1-800-392-1016 for pre-authorization of services.</p> <p><i>*Listed Mental Illness: State of Maine statute requires benefits be provided at the same benefit level provided for medical treatment for the following listed mental illnesses: schizophrenia, bipolar disorder, pervasive developmental disorder (autism), paranoia, panic disorder, obsessive-compulsive disorder, and major depressive disorder.</i></p>
Mental Health - Inpatient	<p>80%</p> <p><i>Nonlisted illnesses: Up to 31 days per member per calendar year. Two days of day treatment equal one day of inpatient services.</i></p>
Mental Health - Outpatient	<p>80% Listed Illnesses*</p> <p>50% Nonlisted</p> <p><i>Up to \$1,500 per member per calendar year for nonlisted illnesses</i></p>
Substance Abuse - Inpatient	<p>90%</p> <p><i>Up to 31 days per member per calendar year - 62 days per lifetime (Two days of day treatment equal one day of inpatient services.)</i></p>
Substance Abuse - Outpatient	<p>80%</p> <p><i>Up to \$1,500 per member per calendar year</i></p>
Prescription Drug Coverage	<p>PCS Drug Card</p> <p>Member pays a \$7 copayment for generic; \$10 copayment for brand drugs. (Contraceptives are NOT covered)</p> <p>Deductible does not apply.</p>

Notes:

The following health promotion programs and materials are available to COMP-CARE members: Baby Benefits, our prenatal education program; *Health Manager*, our quarterly health education newsletter; and Health & Fitness Discounts at select fitness clubs and health organizations.

When services are received from a non-participating Blue Shield physician, benefits will be reduced by 20%. The member may be responsible for filing claims and paying balance bills in addition to the deductible and coinsurance (Does not apply to out-of-state providers).

Benefits are based on our maximum allowance for covered services. Maximum allowance is the maximum amount we will pay for a particular service. Blue Cross and Blue Shield of Maine health care providers and professionals have agreed to accept our maximum allowance as payment in full and cannot balance bill for excess charges.

If there are questions regarding benefits, call a customer service representative at 1-800-482-0966 or 822-7272.

THIS IS NOT A CONTRACT.

It is only a benefit overview. If there are discrepancies between this benefit overview and the Certificate of Coverage, the Certificate will govern.

**CONSUMERS WATER COMPANY
COMP-CARE
ENHANCED PREVENTIVE CARE SERVICES**

PHYSICIAN EXAMS

Newborn	1
Birth to Age 2	7
Ages 2 to 17	9
Ages 18 - 49	1 every 36 months
Ages 50+	1 every 12 months

OF SERVICES

IMMUNIZATIONS

Up to Age 8	
Hemophilus Influenza B	3-4
Mumps/measles/rubella	2
Oral Polio vaccine	4
Diphtheria/pertussis/tetanus	5
Tetramine	4
Hepatitis B	3
After Age 8	
Rubella (Age 11+)	1
Tetanus/Diphtheria (Age 14+)	1 every 10 years
Hepatitis B (Age 14+)	As appropriate
Ages 65+	
Pneumococcal vaccine	1 every 60 months
Influenza vaccine	1 every 12 months

OF SERVICES

SCREENING TESTS

Ages 0 - 6	
Blood lead screening	4
Well Woman Exam	
Gynecological Exam & Pap Test	1 every year
Ages 18+	
Total serum cholesterol	1 every 36 months
Ages 40 - 49	
Mammogram	1 every 24 months
Ages 50+	
Mammogram	1 every 12 months
Additional Tests/Screening	
Birth to age 2	\$35./every 12 months
Ages 2 - 17	\$35./every 24 months
Ages 18 - 49	\$35./every 36 months
Ages 50 -64	\$35./every 12 months
Ages 65+	\$35./every 12 months

OF SERVICES

This is only a summary of benefits. If there are any discrepancies between this comparison and the certificate, the certificate will govern.

CONSUMERS WATER COMPANY
BAMICO DENTAL BENEFIT PLAN OVERVIEW

SERVICES	LEVEL OF BENEFITS
Deductible	None
Calendar Year Maximum	\$1,000 Preventive Care, Primary Care, and Prosthodontic Care combined
Preventive Care (Type I) ■ Oral exams (twice a year) ■ Cleaning (twice a year) ■ X-rays ■ Fluoride treatments (under 18 years of age, twice a year) ■ Space maintainers (for premature loss of baby teeth)	100% 100% 100% 100% 100%
Primary Care (Type II) ■ Restoratives (fillings) ■ Endodontics (root canal treatment) ■ Periodontics (treatment of diseased gum tissue or bone) ■ Repair of dentures or bridges ■ Oral surgery ■ General anesthesia	80% 80% 80% 80% 80% 80% 80%
Prosthodontic Care (Type III) ■ Dentures and bridges ■ Crowns, inlays, and onlays	(Lifetime max. \$1,000) 80% 50% 50%
Orthodontic Care ■ Services available for individuals under age 19 ■ Initial orthodontic exam ■ Services and supplies for orthodontic appliances	\$1,000 (Lifetime maximum)

Special Features:

- Method of Payment is based on Reasonable and Customary.
- Sealants to age 14
- Common Accident Provision

This is not a contract. It is only a benefit overview. If there are discrepancies between this benefit overview and the Certificate of Coverage, the Certificate will govern.

EMPLOYEE BENEFITS

SHORT TERM DISABILITY

Policy: Consumers Water Company and its affiliates will provide short-term disability protection for certain of its disabled employees.

Such protection shall be integrated with Social Security and such other State and Federal programs as may be available.

Scope: As provided herein, employees who are covered by this collective bargaining agreements are eligible for such coverage.

How it Works: An eligible employee will receive short-term disability payments once any accrued sick leave has been exhausted for a given disability.

An eligible employee with at least two years of service, and not more than five years of service, will receive 50% of his or her pay until the disability is ended or long-term disability begins.

An eligible employee with over five years service, will receive 66-2/3% of his or her pay until either the disability ends or long-term disability begins.

As with the Company's sick leave policy, satisfactory evidence of inability to work, including a physician's statement of certification, may be required.

EMPLOYEE BENEFITS

LONG TERM DISABILITY

Policy: Consumers Water Company and its electing subsidiaries, will provide income protection for its employees, in part through its Long-Term Disability Program.

The Long-Term Disability Plan is integrated with Social Security payments, V.C. insurance, Workers' Compensation, and any other government program to ensure that there are no duplications of benefits.

Scope: All full-time, regular employees (defined as a minimum of 30 hours per week in the insurance contract) who are covered by this collective bargaining agreement are eligible for such coverage.

How It Works: An employee with a least one year of service is entitled to a benefit equal to 60% of his or her monthly income with a maximum benefit of \$5,000 for higher salaried employees.

Such insurance will be offset, if applicable, by 100% of the Primary Insurance amount received under Social Security disability.

Disability payments will commence 180 days after the date on which the disability occurred. Payments will end on the earlier of: the employee's return to work; age 65; or the death of the employee.

The employee remains eligible for benefits for two (2) years if he or she cannot perform his or her job. Eligibility continues after this time if the employee is unable to perform any job or occupation.

An employee who becomes disabled after completed fifteen (15) years of service with the Company or its affiliates, will continue to accrue "years of service" for purposes of computing his or her pension under the Retirement Plan for Employees of Consumers Water Company and Associated Companies.

All benefits cease upon employment with another company.

CONSUMERS ILLINOIS WATER COMPANY

LIFE INSURANCE

For Employees	\$35,000
For Retired Employees	\$15,000

Exhibit C

Sick Leave Guarantee

	<u>Hours</u>
Devore, Gary	400
Gray, Allen	400
Hanson, Dan	403 2/3
Harris, Jim	289
Huggins, Gary	393 1/3
Longtin, Bernard	400
Martin, Marty	845
Smith, John C.	292
Zasada, Bruce	81 2/3

CONSUMERS ILLINOIS WATER COMPANY

1000 S. Schuyler Avenue · P. O. Box 152, Kentook, IL 60901 · (815) 935-8803

M E M O R A N D U M

TO:

FROM:

DATE:

SUBJECT:

ALCOHOL AND DRUG POLICY

I. STATEMENT OF PURPOSE

Employees are the Company's most valuable resource and their health and safety is therefore a serious concern. The Company will not tolerate any alcohol or drug use which endangers the health and well-being of its employees or threatens its business. Indeed, the safety and reliability of potable water is an absolute necessity which the Company must achieve to serve the public and to remain a viable business. As such, the Company must rely on the dependability and performance of its employees.

Furthermore, employees have the right to work in an alcohol and drug free environment and to work with persons free from the effects of alcohol and drugs.

The Company is therefore committed to maintaining a safe and healthy workplace free from the influence of alcohol and drugs.

II. EMPLOYEE AWARENESS PROGRAM

The Company will sponsor an employee drug and alcohol awareness program. The program will be presented to all Company employees on an annual basis. The purpose of the program is to educate employees on the dangers of drug and alcohol use, the help which is available to substance abusers, and the consequences of continual substance abuse. The program will emphasize the Company policy.

III. THE DRUG TESTING PROGRAM

A. Mandatory Referral for Drug Testing

The drug testing program is designed to identify employees who abuse drugs and assist them in obtaining help in correcting debilitating habits. Company supervisors will be alert to declining job performance or erratic on-the-job behavior. When the supervisor concludes that such

declining job performance or erratic on-the-job behavior may be the result of the employee's drug problems, the supervisor will refer the employee to the appropriate department for a breath, saliva, urine, and/or blood test for alcohol or drug abuse. A decision to test will be based on specific contemporaneous, physical behavior, or performance indicators of probable drug use. For example, evidence of repeat errors on the job, regulatory or Company rule violations, or unsatisfactory time and attendance patterns if coupled with a specific contemporaneous event that indicates probable drug use will provide evidence to test an employee based on reasonable cause.

If an employee mandatorily referred for a test because of declining job performance or erratic on-the-job behavior tests positive for drugs or alcohol, the employee will be in violation of Company policy.

All urine tests will be performed by laboratories on the current list of laboratories which meet standards to engage in urine drug testing for federal agencies. Testing will be conducted on "controlled substances" as published in Appendix 1.

B. Other Testing

Each initial offer of employment shall be conditioned upon the passing of a urine test for drugs. The Company will not hire any applicant who fails to pass the pre-employment drug test.

Whenever the Company determines that an employee may have contributed to an accident involving a fatality, serious bodily injury, or substantial damage to property, the Company may require the employee to submit a breath, saliva, urine and/or blood test for drug testing. An employee who tests positive for alcohol or drugs as a result of such a test will be in violation of this policy.

The Company will permit applicants and employees subject to testing the opportunity, prior to testing, to list all prescription and non-prescription drugs they have used in the last thirty days and to explain the circumstances surrounding the use of such drugs.

Prior to testing, applicants and employees must sign an approved form consenting to the testing and consenting to the release of the test results to the Company.

Prior to taking any action, the Company will give all applicants and employees, who test positive for alcohol or drugs, the opportunity to explain the test results to the Company.

The Company will report all positive alcohol or drug tests to other management officials on a need-to-know basis.

IV. AUTHORIZED USE OF A PRESCRIBED MEDICINE

Employees undergoing prescribed medical treatment with any drug which may alter their behavior or physical or mental ability must report this treatment. Employees must keep all prescribed medicine in its original container, which identifies the drug, date of prescription, and prescribing doctor.

V. PROHIBITIONS

This policy prohibits the following:

- A. Unauthorized use or possession, or any manufacture, distribution, dispensation or sale of illegal drugs, drug paraphernalia, controlled substance or alcohol on Company premises or during Company business, in Company supplied vehicles, or during working hours;
- B. Storing in a locker, desk, automobile or other repository on Company premises any illegal drug, drug paraphernalia, any controlled substance whose use is unauthorized, or any alcohol;
- C. Being under the influence of any unauthorized controlled substance, illegal drug or alcohol on Company premises or during Company business, in Company supplied vehicles, or during working hours;
- D. Use of alcohol off Company premises that adversely affects the employee's work performance, his own or others' safety at work, or the Company's regard or reputation in the community.
- E. Possession, use, manufacture, distribution, dispensation or sale of illegal drugs off Company premises that adversely affects the employee's work performance, his own or others' safety at work, or the Company's regard or reputation in the community.
- F. Switching or adulterating any urine or other sample submitted for testing;
- G. Refusing consent to testing when requested by management;
- H. Failing to adhere to the requirements of any drug or alcohol treatment or counseling program in which the employee is enrolled;
- I. Conviction under any criminal drug statute, felony or misdemeanor;
- J. Failure to notify the Company of any conviction under any criminal drug statute within five days of the conviction;

- K. Failure to report to your supervisor the use of a prescribed drug which may alter the employee's behavior or physical or mental ability;
- L. Failure to keep prescribed medicine in its original container;
- M. Refusal to complete a Medical Questionnaire and Consent Form prior to testing;
- N. Refusal to complete the Toxicology Chain of Custody Form after submission of a urine or blood specimen.

VI. CONSEQUENCES FOR VIOLATION OF POLICY

The Company may invoke disciplinary action including the termination of any employee who violates this policy. First time offenders may avail themselves to the provisions of the sick leave and health policies to correct substances abuse.

In addition to any disciplinary action for a positive test for alcohol or drugs, the Company may, in its sole discretion, refer an employee to a social service agency for assessment, counselling, and referral to a treatment program for alcohol or drug abuse. Employees referred to such an agency as a result of a positive test for alcohol or drugs must immediately cease any alcohol or drug abuse, must subject themselves to periodic unannounced testing for a period of twenty-four months, and must comply with all other conditions of the treatment and counselling program recommended by the social service agency. Employees who undergo counselling and treatment for substance abuse and who continue to work must meet all established standards of conduct and job performance.

The Company may promptly terminate any employee who tests positive for alcohol or drugs while undergoing Company-required counselling and treatment for alcohol or drug abuse or who tests positive on a periodic unannounced test for alcohol or drugs during the twenty-four month period following completion of the rehabilitation program.

VII. CONDITION OF EMPLOYMENT

Compliance with the Company's substance abuse policy is a condition of employment. Failure or refusal of an employee to cooperate fully, sign any required document, submit to any inspection or test, or follow any prescribed course of substance abuse treatment may be grounds for termination.

VIII. UNION LIABILITY

The Company agrees to hold the Union harmless to any monetary liability imposed by a court of law, and court costs, and legal fees arising out of the Company's activities in carrying out the drug testing program.

CONTROLLED SUBSTANCES

<u>DRUGS</u>	<u>SCHEDULE</u>	<u>TRADE OR OTHER NAMES</u>	<u>MEDICAL USES</u>
<u>NARCOTICS</u>			
Opium	II, III, V	Dover's Powder, Paregoric, Parepectolin	Analgesic, antidiarr
Morphine	II, III	Morphine, Pectoral Syrup	Analgesic, antitussi
Codeine	II, III, V	Tylenol with Codeine, Empirin Compound with Codeine, Robitussin A-C	Analgesic, antitussi
Heroin	I	Diacetylmorphine, Horse, Smack	Under investigation
Hydromorphone	II	Dilaudid	Analgesic
Meperidine (Pethidine)	II	Demerol, Mepergan	Analgesic
Methadone	II	Dolophine, Methadone, Methadose	Analgesic
Other Narcotics	I, II, III, IV, V	LAAM, Levitine, Numorphan, Percodan, Tussionex, Fentanyl, Darvon, Talwin, Lomotil	Analgesic, antidiarr, antitussive
<u>DEPRESSANTS</u>			
Chloral Hydrate	IV	Noctec, Somnos	Hypnotic
Barbiturates	II, III, IV	Phenobarbital, Tuinal, Amytal, Nembutal, Seconal	Anesthetic, anticonvul, sedative, hypnotic
Benzodiazepines	IV	Ativan, Azene, Clonopin, Dalmane, Diazepam, Librium, Kanax, Serax, Tranxene, Valium, Verstran, Malcion, Paxipam, Restoril	Anti-anxiety, anti-convulsant, sedative, hypnotic
Methaqualone	II	Paresi Quaalude	Sedative, hypnotic
Glutechimide	III	Boriden	Sedative, hypnotic
Other Depressants	III, IV	Equanil, Miltown, Noludar, Placidyl, Valmid	Anti-anxiety, sedative, hypnotic

CONTROLLED SUBSTANCES

<u>DRUGS</u>	<u>SCHEDULE</u>	<u>TRADE OR OTHER NAMES</u>	<u>MEDICAL USES</u>
<u>STIMULANTS</u>			
Cocaine **	II	Coke, Flak, Snow	Local anesthetic
Amphetamines	II, III	Biphentamine, Balcobese, Desoxyn, Dexedrine, Mediatric	Hyperkinesia, narcolep weight control
Phenmetrazine	II	Preludin	Hyperkinesia, narcolep weight control
Methylphenidate	II	Ritalin	Hyperkinesia, narcolep weight control
Other Stimulants	III, IV	Adipex, Bacarate, Cylert, Didrex, Ionamin, Plegine, Pre-Sate, Sanorex, Tenuate, Tepanil, Voranil	Hyperkinesia, narcolep; weight control
<u>HALLUCINOGENS</u>			
LSD	I	Acid, Microdots	None
Mescaline & Peyote	I	Mesc, Buttons, Cactus	None
Amphetamine Variants	I	2,5-DMA, PHA, STP, MDA, HMMA, TMA, DOM, DOB	None
Phencyclidine	II	PCP, Angel Dust, Rog	Veterinary anesthetic
Phencyclidine Analog	I	PCE, PCPy, TCP	None
Other Hallucinogens	I	Bufotenine, Ibogaine, DMT, DET, Psilocybin, Psilocyñ	None
<u>CANNABIS</u>			
Marijuana	I	Pot, Acapotes Gold, Grass, Reefe, Sinsemilla, Thai Sticks	Under investigation
Tetrahydrocannabinol	I	THC	Under investigation
Hashish	I	Hash	None
Hashish Oil	I	Hash Oil	None

* Not designated a narcotic under the CSA
** Designated a narcotic under the CSA

1995 CWC EMPLOYEE BONUS PLAN

The Consumers Water Company Employee Bonus Plan offers eligible employees the opportunity to receive a cash bonus of up to 3 % of their Total Annual Compensation, including Overtime, depending on the ability of the Company to meet certain Targets. The 1995 Plan identifies two goals relating to Business Unit earnings and a Business Unit Performance Target. A 1995 Target has been established for each goal. The Business Unit earnings goal may contribute up to 1.5% towards the award and the Business Unit Performance Target may contribute 1.5% towards the overall award. All together, the award may come to 3%. A combination of the targets attained will determine the size of the award.

Employees eligible for the Bonus Plan are all full-time, non-exempt employees of Consumers Water Company and of its utility subsidiaries. Eligibility of those employees who are members of bargaining units is subject to the terms of the applicable bargaining agreement. Exempt employees of the Company and of its subsidiaries are not eligible.

** A Business Unit will normally be a business group defined by state while a local Unit would normally be all of or part of a work group at a location, i.e. a District or a distribution crew.*

1.

10/21/97 revised

EARNINGS

GOAL: To improve the Business Unit's return on equity. (ROE)

MEASURE: At least 91% of this target must be attained in order for there to be any bonus paid under the Earnings portion of the Plan. The payout for the ROE component will begin at 91% of the target and will vary depending on the level of earnings achieved.

Return on equity (ROE) is calculated by taking the Company's profit (or net income) for the year and dividing it by the average common equity investment (or amount the shareholders have invested in the Company) for the year. It is a key measure of a company's financial health.

1995 TARGET: The Bonus Plan Earnings Goal for 1995 is x.xx%.

<u>GOAL</u>	<u>AWARD</u>
<u>% ROE Target</u>	<u>% Annual Total Compensation</u>
100	1.50
99	1.35
98	1.20
97	1.05
96	.90
95	.75
94	.60
93	.45
92	.30
91	.15
90	.00

SELECTED UNIT PERFORMANCE

- GOAL:** To increase overall Business Unit performance. Each Business Unit will select, by location or function, a specific Target which will assist the overall Business Unit in attaining its Business Unit Goals as described in the Incentive Compensation Plan for exempt employees.
- MEASURE:** Each Business Unit will select one Goal from among the Performance Measures which the Unit is using to meet or exceed its business objectives. This Goal may be related to a location (such as a District, etc.) or a function (such as distribution crew) depending on the business Units' make-up and overall Goals. It is anticipated that the Goals would vary from Unit to Unit. The Goal will provide an award of 1.5% of Total Annual Compensation, including Overtime, if it is achieved.
- 1995 TARGET:** Each Business unit will have approved targets by December 31 1994.
Attainment of the Target will result in an award of 1.5% of Total Annual Compensation, including Overtime.

PLEASE REPLY TO:
Purification Plant
1100 Cobb Boulevard
Kankakee, IL 60901
(815) 935-8803

December 20, 1997

Mr. Alan Gray, President
Utility Workers Union of America
Local 467

Dear Alan:

This letter is to confirm our discussion of the listing of the prime and non-prime months, today during the negotiating session.

WATER TREATMENT PLANT

PRIME MONTHS: Two (2) allowed on vacation at same time.
May, June, July, August

NON-PRIME MONTHS: One (1) allowed on vacation at a time.
Two (2) allowed on vacation at same time, if work permits.
January, February, March, April, September, October, November, December

DISTRIBUTION

PRIME MONTHS: Three (3) allowed on vacation at same time.
March, April, May, June, July, August, September, October

NON-PRIME MONTHS: Two (2) allowed on vacation at same time.
January, February, November, December

SERVICE DEPARTMENT

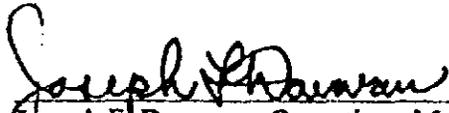
PRIME MONTHS: Two (2) allowed on vacation at same time
March, April, May, June, July, August, September, October

NON-PRIME MONTHS: One (1) allowed on vacation at a time.
January, February, November, December

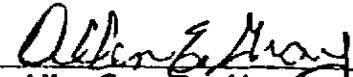
WILLOWBROOK

Due to work load, both employees cannot be off at the same time.

Note: If the vacation slots are taken by scheduled week vacations, then one (1) day vacations may or may not be granted by department supervisor depending on work load of department.



Joseph F. Donovan, Operations Manager
CONSUMERS ILLINOIS WATER COMPANY



Allen Gray, President Local 467
UTILITY WORKERS UNION OF
AMERICA