

## LETTER OF UNDERSTANDING

**BETWEEN:** Teck Highland Valley Copper Partnership

of the First Part

AND: United Steelworkers

Local 7619

of the Second Part

SUBJECT: Autonomous Haulage Systems (AHS) break structure trials

Mine Department

Teck Highland Valley Copper Partnership and the United Steelworkers Local 7619 recognize the importance of working together to find new, more efficient ways of operating. With this in mind, the Parties agree to trial different break structure(s) to optimize safety and productivity of the AHS pilot.

As break structure is an important driver to success in the AHS pilot's pursuit of continuous loading, the trials outlined below will allow the Parties to understand the potential benefits of continuous loading in the Autonomous Operating Zone (AOZ).

Upon successful completion of these trials, AHS personnel will conduct an analysis of, operator feedback surveys, and utilization data to understand impacts on safety and productivity. The Parties will meet to review the analysis.

## General:

- O The Company will post for two (2) Shovel Operators and one (1) Qualified Backup Shovel Operator on each crew ("A", "B", "C" & "D"). These positions will be temporary for the AHS pilot, currently projected to complete around the end of 2019. The number of Operators required will be adjusted (upward or downward) depending on operational requirements.
- Vacancies for these positions shall be filled in accordance with the provisions of Article 10 of the Collective Bargaining Agreement.
- The Shovel Operators will trade off operating the shovel to allow continuous loading. When an operator is not operating the shovel, they will be operating a piece of equipment in the autonomous operating zone (i.e. grader, dozer, rubber tire, small loader).
- o All breaks will be taken off the shovel uninterrupted
- The successful applicants for the above noted positions agree to take part in the break structure trials
- The successful applicants must also be qualified on DLG.

- There will be no change to the wage grade for these positions.
- The positions will participate in the following break structure trials. Exact timing and duration will evolve based on feedback from the crews with the goal of optimizing safety and productivity as experience is gained. This may include shifting time from dayshift to nightshift, but will not affect the overall duration.

Trial #1: - Two Breaks

- for each twelve (12) hour shift two (2) breaks, eighty (80) minutes total (forty (40) minutes in the first half of the shift, forty (40) minutes in the second half of the shift)
  - forty (40) minutes around the 4<sup>th</sup> hour
  - forty (40) minutes around the 8th hour

Trial #2 - Three Breaks:

- for each twelve (12) hour shift three (3) breaks, eighty (80) minutes total
  - twenty (20) minutes around 11:00 hrs
  - thirty (30) minutes around 14:00 hrs
  - thirty (30) minutes around 17:00 hrs
- nightshift twelve (12) hour shift three (3) breaks, eighty (80) minutes total
  - twenty (20) minutes around 23:00 hrs
  - thirty (30) minutes around 02:00 hrs
  - thirty (30) minutes around 05:00 hrs

The Parties agree to discuss other shift break structures for the purpose of optimizing the safety and productivity of the AHS pilot.

This Letter of Understanding will be reviewed by both Parties upon the completion of the AHS pilot.

SIGNED ON BEHALF OF: TECK HIGHLAND VALLEY COPPER PARTNERSHIP SIGNED ON BEHALF OF: UNITED STEELWORKERS LOCAL 7619

Troy Tobin