REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO:

EA99/176

TITLE:

Caltex / Kurnell Maintenance Agreement 1999 (Electrical & Instrument

Trades)

I.R.C. NO:

99/2284

DATE APPROVED/COMMENCEMENT:

24 May 1999

TERM:

24 months

NEW AGREEMENT OR

VARIATION:

New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES:

19

COVERAGE/DESCRIPTION OF

EMPLOYEES:

Applies to employees classified as E&I Technicians and includes Apprentices for Caltex

at the Kurnell site

PARTIES:

Caltex Refineries (NSW) Pty Ltd -&- Electrical Trades Union of Australia, New South Wales

Branch

Caltex / Kurnell Maintenance Agreement

1999 (Electrical & Instrument Trades)

Registered Enterprise Agreement

Industrial Registrar

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1.0 Title & Parties

- 1.1 This agreement shall be known as the Caltex /Kurnell Maintenance Agreement 1999 (Electrical & Instrument Trades)
- 1.2 The Parties to the agreement are:
- Caltex Refineries (NSW) Pty Ltd (hereinafter known as "the company").
- The Electrical Trades Union of Australia (NSW Branch)

2.0 Duration and Application

- 2.1 This Agreement will operate from February 15, 1999 for a period of two years.
- 2.2 The Agreement will operate in conjunction with the Ampol Refineries (NSW) Pty Ltd Electrical & Instrument Trade Award 1995 (hereinafter known as "the Award") and to the extent that if there is any inconsistency between that award and this agreement, then the agreement shall take precedence.
- 2.3 The agreement is binding on the parties to the agreement and employees of the company engaged in the classifications as contained within this agreement

3.0 Objectives of the Agreement

- 3.1 The agreement seeks to translate the "Heads of Agreement" document negotiated in 1997 and amended during negotiations of this Agreement, into a legally binding Agreement, which amongst other matters provides for annualised pay arrangements and a teams based culture.
- 3.2 The parties have committed to ensuring that the refinery is operated in a reliable, cost-effective manner through the provision of a highly skilled maintenance service. The emphasis of the maintenance teams will be proactive rather than reactive.

The common objective is to make Kurnell profitable and competitive providing all employees with job security and financially rewarding and satisfying long term careers.

- 3.3 It is the intent of the parties under the terms of this Agreement to commit to continually review all workplace practices and to the following goals -
- Open communication on the running of the refinery.
- Emphasis on teams and teamwork with less emphasis on compartmentalised (silo) operations.
- Each Team Member understands their individual roles in meeting both the short and long term goals of the business in their particular Areas ie improved equipment reliability and reduced maintenance costs.
- Understanding of, and commitment to, the contribution they collectively make to the business.

- Continuous improvement and innovation with an emphasis on achieving 'best practice' (refer Appendix 1) and concepts such as total productive maintenance and equipment ownership.
- A culture which promotes continuous learning and upskilling allowing all employees the opportunity for personal growth.
- A focus on the customer both internal and external.

4.0 Safety Health and Environment

- 4.1 Consistent with 'Kurnell 2000 & Beyond' the Company will provide safe working conditions, promote and encourage safe working practices and provide information and control measures for hazards in the workplace and related environment.
- 4.2 Everyone will ensure that they perform their jobs in a safe and environmentally responsible manner and undertake to follow procedures and practices as set.

5.0 Work Organisation

5.1 Area maintenance teams will continue to operate. Team structures will be reviewed from time to time to ensure that they correspond to the needs of the business.

It is envisaged that with the implementation of new SAP Computerised Maintenance Management System, all planning and scheduling for maintenance at Kurnell Refineries will be coordinated by a centralised planning and scheduling group with appropriate responsibilities.

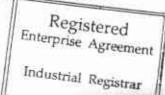
Before increasing or reducing team numbers or sizes the team(s) under review will be consulted and a manning review carried out with a Manning Review Subcommittee to ensure that skills and workload requirements for the Area are met. Such reviews would be limited to two days in length.

If not resolved, then Area Manager(s) will determine the allocation of Team Members across their Area(s) based on all relevant information.

5.2 Each area maintenance team must provide a working team leader to coordinate the activities of the combined trades team to ensure business needs are met. Team Leader duties and responsibilities are defined in Appendix 5. Team Leader applicants will be required to complete the agreed Training Needs Analysis assessment and successfully complete the required training which will be offered to all Team Members to enable them to undertake this role

It is recognised that not all Team Members will wish to undertake this role. This is acceptable providing a reasonable number of team members participate and rotate through the role.

5.3 After the commencement of this agreement new Team Leaders shall hold the position for a period of 3 months or as agreed between the team and the Area Manager. Whilst designated as a team leader an allowance will be paid



(the allowance will only be paid to one person per team). The allowance is detailed in Clause 8.0 - Annualised Pay Rates and Performance Payments.

5.4 The parties agree that the annualised pay and team concept will not lead to work 'dumping' by either the company from contractors to teams or from teams to contractors. Work allocation will be done according to the most efficient and effective way of performing the work as per the SELL principle (Safe, Efficient, Legal, and Logical).

In accordance with this principle an employee will at the Companys direction carry out such duties as are within the employees skills/competence and training provided that such duties are not designed to promote deskilling and are consistent with the Companys responsibility to provide a safe and healthy working environment.

However, the intent is to allow Maintenance Team Members to work more efficiently wherever possible.

5.5 Where technical expertise is required the Reliability Manager in conjunction with the Area Managers & after consultation with the effected teams may move people across area boundaries for short term assignments. During this period, manpower in the effected area will remain constant by transfer of permanent or contract personnel into the area if deemed necessary by the team. Where possible the requirement to work additional hours will be minimised for people who transfer across area boundaries.

Note, however that this sub-clause does not apply during Turnarounds and Inspections (T&I's), as defined in Clause 6.5.

6.0 Annualised Pay

6.1 The annualised pay concept described in this clause encompasses all pay and allowances (including Annual leave loading) made to an employee (other than an apprentice) whilst working at the Kurnell Refinery. Any work or pay exceptions are detailed within this agreement.

The change to an annualised pay concept requires a commitment to the concept of pay for the job and the following main components are included:

- Normal hours of work
- Additional Hours (Overtime component)
- Changes to start and finish times
- T&I component
- Standby allowance

The following leave conditions contained within the Award Section continue to apply:

- Annual Leave (Clause 18)
- Long Service Leave (Clause 19)
- Sick Leave (Clause 20)
- Parental Leave (Clause 26)
- Bereavement Leave (Clause 34)
- Jury Service (Clause 35)
- Family Leave (Clause 36)
- Trade Union Training Leave (Clause 30)



6.2 Normal Hours

- Ordinary hours of work are based on 70 hours per two week period
- Maintenance employees are day workers and their hours of work are as defined in the current award

6.3 Additional hours component

Ensures that:

- Area work needs may be addressed in a flexible manner
- Employees can work to meet the needs of the business without artificial time constraints.

The following commitments underpin this component:

- The philosophy is to minimise the requirement to work additional hours
- Relevant Maintenance Team Members stay back at the end of normal hours to finish high priority work - priorities are determined by Area/Reliability Manager or designate
- Responsible approach to requirement to work additional hours by Area Operations, Reliability and the Maintenance Teams
- Any additional hours that are required to be worked are spread equitably amongst the Team Members
- A transparent system is in place to monitor and control excessive overtime (Electronic spreadsheet/database)
- Some time off in lieu of additional hours
- Time off in lieu for excessive additional hours

6.3.1 Time off in lieu of additional hours

It is appropriate in regard to overtime and call-ins, that a flexible approach be adopted. The parties agree that, on a without prejudice basis, additional hours will be equitably and pragmatically distributed, subject to the following conditions being met:

- Additional hours worked are spread equitably, where possible, among team members
- The Team must not lose its ability to meet Area Business Needs (refer Appendix 2) whilst the time off in lieu of additional hours is taken
- There must be signoff for all time off in lieu of additional hours by Area/Reliability Manager or designate
- The time off in lieu of additional hours must be planned ahead as part of the Teams week ahead work schedule unless otherwise agreed by Area/Reliability Manager or designate
- Time off in lieu of additional hours must be taken within 2 calendar months of completion of the 2 month calendar block worked or as agreed by Area/Reliability Manager or designate.

There will be a Two Monthly Area Review by the Area/Reliability Managers and their Teams, and a Two Monthly Refinery Wide Review by Area Managers and Reliability Managers, of time off in lieu of additional hours, to ensure

consistency of application across the site and that the philosophy is to minimise the requirements to work additional hours.

6.3.2 Time off in lieu of Excessive Additional Hours

- "Excessive" means where an individual exceeds 20hrs of additional work over a 2 month calender period excluding T&I hours.
- The above calculation is based on the following formula 35hrs/week x 52 weeks/yr x 6.5% / 6 (2 month blocks ie Jan/Feb, Mar/Apr, May/Jun...).

Where an individual exceeds 20hrs over a 2 month calendar period, time off in lieu of excessive additional hours may be taken subject to the following conditions being met:

- Additional hours worked are spread equitably, where possible, amongst the Team Members
- The Team must not lose its ability to meet Area Business Needs whilst the time off in lieu of excessive hours is taken
- There must be signoff for the timing of time off in lieu of excessive additional hours by Area/Reliability Manager or designate
- The time off in lieu of excessive additional hours must be planned ahead as part of the Teams week ahead work schedule unless otherwise agreed by Area/Reliability Manager or designate
- If the agreed amount of an individuals time off in lieu of excessive additional hours is not taken within 2 calendar months of completion of the 2 month calendar block worked, then it is automatically added to annual leave.

A flexible approach will be applied to requests for time off in lieu where associated with pressing and domestic circumstances such as children's school/medical issues, and when such cannot be attended to on rostered days off.

6.4 Changes to hours of work

Alterations to start/finish times will be agreed between the Team and the Area Manager or designate. These alterations will occur from time to time to meet business needs. This is taken into account in the annualised pay.

The differentiation of day work and special shift work is normally as defined by spread of hours in the Award but this can be varied by agreement between the Team and the Area Manager or designate.

The area team affected is responsible for the equitable distribution of changes to hours of work among team members.

6.5 Turnarounds & Inspections (T&I's)

T&I's are defined as the period from Oil Out to On Line/On Specification and steady operation plus agreed pre shutdown & post shutdown work.

The T&I component contained in annualised salaries is intended to apply to all Areas though some Areas do not experience T&I's. In these situations additional work will be substituted in consultation with the relevant Area Team and Manager. Appendix 3 contains the Kurnell T&I schedule and agreed work scope for 1999/2000.

The final detailed work scope (prepared by all concerned parties) for each work

Team will be submitted to/by the Team to the Area Manager or designate for approval.

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It is not the intention of this clause to ensure the full 80 hrs are recovered but it is the intention to ensure a more even spread of work across Areas. The T&I component is defined as 80 hours per year, based on 6x10 hour days per calendar week and has been factored into annualised pay.

T&I hrs may be spread across a number of shifts in accordance with philosophy to minimise T&I lengths.

Weekend start up and shut down shifts are categorised as "additional hours" as per clause 6.3 and not as part of an employee's ordinary working hours.

6.5.1 Time off in lieu for T&I hours

Where the 80hrs per calendar year additional T&I hours are exceeded by an individual, time off in lieu of T&I hrs may be taken subject to the following conditions:

- T&I hours worked are spread equitably, where possible, amongst the Team Members
- The Team must not lose its ability to meet Area Business Needs whilst the time off in lieu of excessive hours is taken
- There must be signoff for the timing of time off in lieu of T&I hours in excess of 80hrs per calender year by Area/Reliability Manager or designate
- The time off in lieu of T&I hours in excess of 80hrs per calender year must be planned ahead as part of the Teams week ahead work schedule unless otherwise agreed by Area/Reliability Manager or designate
- If the T&I hours in excess of 80hrs per calender year are not taken within 2 calender months of completion of the shutdown worked, then they are automatically added to annual leave.

6.6 Standby Allowance (Call-in Guarantee allowance)

Incorporated into the annualised pay and compensates on the basis of 1 week in 3 standby for E&I technicians in order to guarantee call-ins.

- Call ins will count towards additional hours in the following circumstances-
- If an employee is on site less than 4 hours then 4 hours will be counted.
- If an employee is on site greater than 4 hours then actual hours on site will be counted.
- All hours counted will be valued at single time. Travel time is not counted.

6.7 Recording system

A transparent recording system, open to Area/Reliability Managers and designates, self administered by the Teams, and with restricted access spanning all Maintenance Areas, will be implemented. It must include, as a minimum, the following:

- Additional hours worked
- Time off in lieu arising from additional hours
- Time off in lieu arising from excessive overtime
- T&I hrs worked
- Time off in lieu arising from excessive T&I hrs
- Call-ins
- Vacation schedule
- RDO's



Oil Spill Training Days

7.0 Public Holidays-Arrangements for Employees On Call

- 7.1 When a technician is on call or attends work on a public holiday they will receive a day in lieu added to annual leave. If a technician is called in on a public holiday, no additional hours will be recognised, unless the time exceeds 8 hours, in which case the hours in excess of 8 will be recognised (ie. the normal call in provisions do not apply). Recognised hours are totalled in single time.
- 7.2 Teams will provide one E&I Technician per Zone for on site maintenance coverage for one day during extended holiday breaks. Extended breaks are defined as four days or greater (including weekends). The parties will confer and agree on which day coverage will be provided during the extended break. No time off in lieu or additional recognition of hours will occur on the specified days unless the time worked exceeds 8 hours in which case the hours in excess of 8 will be recognised.

8.0 Annualised Pay Rates and Performance Payments

8.1.0 Rates of Pay -The following rates of pay will apply from the first pay period commencing on or after February 15,1999 until the first pay period commencing on or after February15, 2000 when a mid term adjustment will apply as shown in the second column below;

Classification	\$pw Effective 15/2/99	\$pw Effective 15/2/2000
Wage Increase	4.0%	3.5%
E&I Technician Level 1	59,099	61,167
E&I Technician Level 2	64,087	66,330
E&I Technician Level 2A	65,860	68,165
E&I Technicia: Level 3	66,993	69,338
E&I Technician Level 4	68,808	71,216
Multi Skilled Electrical Level 2	64,087	66,330

NB. a team member performing the role of Team leader will be compensated by an additional \$50 per week in accordance with clause 5.3 (a detailed breakdown of the salaries for year one are contained in Appendix 4 of this agreement and skills associated with the classification structure in Appendix 5)

8.1.1 The rates contained in subclause 8.1.0 are in substitution for the rates, allowances and penalties contained within the Award including, without limitation the payments arising from the following provisions contained within the Award:

Clause 4 Wages Clause 9 Meal Allowances Clause 10 Boarding Allowance



Clause 11 Car Allowance

Clause 12 Shift Work

Clause 13 Overtime-Day Workers

Clause 14 Saturday work-Day Workers

Clause 15 Sunday Work-Day Workers

Clause 16 Cancellation of Overtime, Holiday and Weekend Work- Day Workers

Clause 17 Call-in Roster Payment

Clause 18 Annual Leave (sub section b)

8.2.0 Apprentices -the following weekly rates for apprentices which are calculated on the base component of annualised pay shown in Appendix 4, apply as follows:

Year	\$pw Effective 15/2/99	\$pw Effective 15/2/2000	
First Year	328.70	340.20	
Second year	430.50	445.60	
Third year	587.10	607.60	
Fourth year	688.80	712.90	

8.2.1 Apprentices will continue to be paid in accordance with the conditions of the Award and attract the following allowances where such are applicable;

Meal Allowance\$8.90Boarding Allowance\$18.10Car Allowance\$20.00

8.3.0 Oil Spill Response Group

Members will receive an allowance of \$1500 per annum paid in quarterly instalments subject to the following conditions being met-

- Members are required to attend 4 x 8 hour training sessions per year, as arranged by the Oil Spill Response Coordinator additional to, and outside of, their "normal" rostered work hours.
- If Oil Spill Response Group Members are unable to attend training sessions
 then time may be made up on preventative maintenance work provided such
 work is agreed in advance with the Oil Spill Coordinator and is in the
 employees own time ie. outside of normal 35hr week.
- Verification of attendance at Training Sessions is required prior to payment being made.
- Any additional training required beyond the above will be considered as part of "normal" work hours.
- 8.3.1 Employees who work on an oil spill, associated with the Kurnell Marine facilities or on an AMOSC spill, outside of their normal work hours, will receive payment for any additional hours worked.

Payment will be calculated at 1.5 times the hourly rate of the annualised pay.

There will be no payment for travel time.

8.4.0 A Performance Bonus is available to all Maintenance Award employees subject to the agreed KPI's being achieved.

Bonus payment will be as follows:

For the period 1/7/1998 to 31/12/1998 - \$620 (1.0%) For the period 1/1/1999 to 31/12/1999 - \$1240 (2.0%) For the period 1/1/2000 to 31/12/2000 - \$1605 (2.5%)

8.4.1 Key Performance Indicators (KPI's) will be chosen to align with the published Kurnell Improvement Plan.

8.4.2 The targets are:

- Safety For the period 1/1/99 to 31/12/99 combined MTIs and LTIs for the site less than or equal to 4
- Environment For period 1/1/1999 to 31/12/1999 less than or equal to 3 Licence Exceedances.
- Reliability 95% Compliance with PM schedule, set in agreement with the work team - Monthly Auditing will be carried out by Reliability Dept
- Profit: 95% Compliance with entry of agreed equipment history notes entered into MPAC/SAP on specific equipment work orders - Monthly Auditing will be carried out by Reliability Dept

Each target is worth 25% of the bonus and will be calculated as a common figure across all of the Teams

Targets for subsequent periods will be agreed in the 6 week period leading up to the commencement of the period.

Each employee may elect to direct their bonus, if achieved, to a salary sacrifice towards superannuation providing such notification is received in advance.

9.0 Superannuation Benefits will be calculated as follows:

The base rate shall be used for service pre July 21, 1997. Total rate is used for service post July 21, 1997.

10.0 Agreement For Alternative Remuneration Arrangement

Where an employee elects to enter into an arrangement for alternative remuneration under the terms of Clause 4(5) of the Award, the amount so nominated will be calculated with reference to an annual sum, in substitution for the rate per week prescribed in the award. In other respects the terms of clause 4(5) of the award continue to apply.

11.0. Claims And Dispute Settling Procedures

- 11.1.1 Disputes or claims shall first be raised with the appropriate team.
- 11.1.2 If the matter is not settled within a reasonable time it shall be referred to a team work coach and appropriate union delegate(s).
- 11.1.3 If the matter is still not resolved it will then be raised with the Area Manager.

- 11.1.4 If not resolved it shall be raised with a HR representative and a union organiser may become involved.
- 11.1.5 In the event of no resolution the matter may be referred to the Industrial Commission of NSW.
- 11.1.6 Until the matter is resolved work shall continue as normal. No party shall be prejudiced as to the final settlement by the continuance of work in accordance with this sub clause.

12.0 Personal Development Process

During the life of this agreement all employees will be formally appraised by their Team Leader or another person, as agreed between the employee and the Area Manager or designate.

The object of this process is to set performance objectives, discuss training requirements and personal development issues. The process shall also involve a discussion of individual strengths and weaknesses to help employees improve their performance.

These reviews will be carried out on a regular basis - at least annually. This process shall not be used for disciplinary purposes.

DEFINITION



Reliability 2000+ Business Initiative and its link with Reliability 2000+ Project is not positioned and communicated appropriately.

THE BIG PICTURE - Reliability 2000+

Project & Initiatives

Fransformation Expectations: Management nitiatives Other Confusion in project/initiative names, expectations, outcomes and timing of outcomes Operator Management Change Teams કલાણગીઉ Feelfatet Afrites (3/3) RELIABILII Preventative Maintenance Scheduling Planning



Commercial in Confidence

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APPENDIX 1 (b)

BEST PRACTICE GROUPS

- Planned Maintenance
- Root Cause Analysis
- Emphasis on the Process of Managing Change
- Senior Management Commitment
- Teams to achieve common business goals
- Operator Involvement
- Materials Management

- CMMS
- Centralised/De-centralised Organisation
- Co-ordination of Training & Certification
- Structured Improvement Programs
- Bar Coding Technology
- Housekeeping & Safety
- Authorisation Levels

APPENDIX 2

"BUSINESS NEEDS" DEFINITION

Area/Reliability Managers or designates will require that all of the following are being reasonably addressed within their Area prior to a Team Member being authorised to take time off in lieu of additional hours (Refer Clause 6.3.1)

Safety -

Environment -

Loss of production -

Loss of product quality

Critical equipment - as defined in Equipment Criticality Database

Equipment repair issues - say where a pump is broken down and the spare is operating but in poor condition as identified via IMI vibration survey

CSC field hardware

Absenteeism/vacation

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APPENDIX 3 1999/2000

Area	1999	2000
1A	Biotreater Final Commissioning Tank Gauging Project Final Commissioning Line Testing	 Biotreater Final Commissioning Tank Gauging Project Final Commissioning Line Testing
1B	No 1 CDU	PDU No4 Boiler
С		No1 FCCU Poly COB Gas Plant
D	PlatformerIsosiv	Regens *
E	 Outstanding PM's Turbine Trips E&I Final Commissioning on VDU Side Stripper project 	Outstanding PM's Turbine Trips
Machine Shop	 Assist with rotating equipment overhauls associated with T&I's 	 Assist with rotating equipment overhauls associated with T&I's
Elect Shop	 HV PM's associated with T&I's SCADA system final commissioning 	 HV PM's associated with T&l's SCADA system final commissioning

Agreed commissioning of all Substation/MCC upgrades will be the responsibility of the E&I

Teams in the Areas involved and will count towards T&I hours

* Regens will be handled as per recent past practice ie critical equipment will be worked on on an 'as required' basis. Typically this would not involve the working of special shifts.



APPENDIX 4

E&I TECHNICIAN SALARIES YEAR 1 OF NEW AGREEMENT 4% INCREASE ANNUALISED BREAKDOWN

Component	E&I L1	E&I L2 /Multi- Skilled Electrician L2	E&I L2A	E&I L3	E&I L4
Base	42,230	46,256	47,687	48,602	50,049
Overtime	5,490	6,014	6,200	6,318	6,506
T&I	3,713	4,067	4,193	4,273	4,400
Allowances	3,235	3,235	3,235	3,235	3,257
Stand-by	3,425	3,425	3,425	3,425	3,425
Annual Leave Loading	1,006	1.090	1,120	1,140	1,171
Annualised Pay	59,099	64,087	65,860	66,993	68,808

Effective: February 15, 1999



APPENDIX 5

Team Leader Duties and Responsibilities

- Attend all Area Meetings as requested
- Attend Area weekly Planning & Scheduling meeting with Area Specialists,
 Dayworkers and Maintenance Planning Co-ordinators
- Develop a weekly work schedule and submit to Planning & Scheduling Group (Reliability Dept) who will co-ordinate for overall Refinery Plan
- Co-ordinate communication activities to all team members and customers
- Ensure Area budget monitoring is understood by all team members on a monthly basis
- Represents Area & attends morning Refinery Maintenance co-ordination meeting
- Will carry out work under the direction of the Maintenance Planning & Scheduling Group (Reliability Department) as required
- Ensure team functions are or mod out safely & efficiently
- Ensure that the Area Maintenance team adopts the principles of Maintenance Best Practice as outlined in the Reliability 2000+ project.



Signatories

SIGNED FOR AND ON BEHALF OF CALTEX REFINERIES (NSVV) PTY LTD

in the presence of

SIGNED FOR AND ON BEHALF OF THE ELECTRICAL TRADES UNION (NSW BRANCH)

In the presence of

B.RL