RESOLUTION OF CREW CONSIST DISPUTES

PARTIES TO DISPUTE

INTON PACIFIC RAILROAD COMPANY

and

UNITED TRANSPORTATION UNION

OUESTION AT ISSUE:

The Carrier's issue as presented represents the dispute between the parties:

Pursuant to Article 1, Section 8 of the Feather River Division (former Western Pacific Railroad) Agreement and Article 1, Section 7 of the Idaho and South Central Agreements, what will be the arbitration awards resolving the crew consist disputes on the merits between Union Pacific Railroad Company (UP) and the United Transportation Union (UTU) committees on these territories?

FINDINGS:

This dispute is part of an ongoing process of determining the composition and manning levels of ground service crews. Presidential Emergency Board 219 and Public Law No. 102-29 required that the long-existing disputes about crew consist be resolved and that the parties bargain these issues to resolution. Mandatory arbitration was established as an alternative in the event an impasse developed.

The parties engaged in negotiations on the three territories involved here. The UP-Western District agreement became effective on December 2, 1991 and was implemented on December 16, 1991. The UP-Central agreement became effective on December 5, 1991 and was implemented on December 18, 1991. The UP-South Central agreement was not ratified but imposed by arbitration pursuant to PEB 219 on December 27, 1991.

Although these agreements resolved issues related to through freight service, they did not finally resolve issues related to local service, traveling switcher service, non-revenue service, and yard service. Each of the agreements, however, contained a provision known as a "re-opener" provision that permitted the UP to await the passage of 18 months, and then serve notice of its intent to resume negotiations regarding these four classes of service, if it had determined that those services could be conducted safely and efficiently with a conductor-only crew.

The specific language of the agreements provides:

8. Notwithstanding the foregoing Section of this Article, should the Carrier after eighteen (18) months from implementation of this agreement determine it to be feasible from the standpoint of safety and efficiency to operate certain selected assignments in local, traveling switcher, non-revenue or yard service on a permanent basis with a crew of conductor/foreman only, this agreement does not preclude the serving of a notice to that effect by the Director of Labor relations upon the General Chairman. should the parties, upon consideration and conference regarding the request, be unable to

reach agreement within thirty (30) calendar days that such particular assignment(s) may be operated with a crew of conductor/foreman-only, the parties agree that such issue shall be resolved by final and binding arbitration. the arbitration proceeding shall be as follows:

- a. An arbitrator shall be agreed upon within ten (10) calendar days of impasse, or the NMB will be asked to appoint an arbitrator within such time.
- b. Hearings shall be held within thirty (30) calendar days of the date of selection or appointment.
- c. The arbitrator shall render a decision within thirty (30) calendar days from the date on which the hearing is concluded and/or the record is closed. The arbitrator's decision is limited to whether or not the assignment(s) may be operated with a crew of conductor/foreman-only in line with the work event limitations set forth in this agreement, and may not consider any of the other issues contained in this agreement. the Carrier shall have the burden of presenting a thorough history of the particular assignment(s) and the work events performed therewith.
- d. Expenses of the proceeding will be borne by the party incurring them. The fees and expenses of the arbitrator shall be shared equally by the parties.
- The provisions of this Section 8 e. applicable after this agreement has been in effect for eighteen (18) months and Carrier's right to such existing assignments convert to conductor/foreman-only operation must be exercised within six (6) months thereafter. Failure on the part of carrier to exercise this option under the time frames described herein will preclude Carrier from further changes on these assignments except through mutual consent with the Organization signatory hereto.

Idaho/South Central Territories:

7. Notwithstanding Section I of this Article, should the Carrier, after eighteen (18) months from implementation of this agreement, determine it to be feasible from the standpoint of safety and efficiency to operate certain selected assignments in local, traveling switcher, non-revenue or yard service on a permanent basis with a crew of conductor/foreman only, this agreement does not

preclude the serving of a notice to that effect by the Director of Labor Relations upon the General Chairman. Should the parties, upon consideration and conference regarding the request, be unable to reach agreement within thirty (30) calendar days that such particular assignment(s) may be operated with a crew of conductor/foreman only, the parties agree that such issue shall be resolved by final and binding arbitration. The arbitration proceeding shall be as follows:

- a. An arbitrator shall be agreed upon within ten (10) calendar days of impasse, or the NMB will be asked to appoint an arbitrator within such time.
- b. Hearings shall be held within thirty (30) calendar days of the date of selection or appointment.
- c. The arbitrator shall render a decision within thirty (30) calendar days from the date on which the hearing is concluded and/or the record is closed. The arbitrator's decision is limited to whether or not the assignment(s) may be operated with a crew of conductor/foreman-only in line with the work event(s) limitations set forth in this agreement and may not consider any of the other issues contained in this agreement. The Carrier shall have the burden of presenting a thorough history of the particular assignment(s) and the work events performed therewith.
- d. Expenses of the proceeding will be borne by the party incurring them. The fees and expenses of the arbitrator shall be shared equally by the parties.
- provisions of this e. Section 7 are only applicable after this agreement has been in effect for eighteen (18) months and Carrier's right to such existing assignments convert conductor/foreman-only operation must be exercised within six (6) months thereafter. Failure on the part of Carrier to exercise this option under the time frames described herein will preclude Carrier from further changes on these assignments except through mutual consent with the Organization signatory hereto.

The agreements permitted conductor-only crews on through freight service. Such service was limited as to the number of "work events" that could be performed during operations between the initial and final terminal, but was not limited as to the number of work events at the initial and final terminal. Operations at the initial and final terminals were, however, limited by other existing agreement rules.

The agreement language as to work events states:

Article I, Section 2

b. Upon implementation of this agreement, the Carrier may commence "Conductor-Only" operations in Pool Freight Service on those trains on which no more than three (3) work events are performed or scheduled to be performed between the initial and final terminal of the crew, regardless of train length or car count.

A work event is considered to be a straight pick-up or set-out. Picking up, setting out, or exchanging one or more locomotives and setting out a bad order car shall not be considered an event. Work performed in the initial and/or final terminals will be governed by applicable rules.

Question #1: Is a set out of cars at an intermediate point and then a pick-up of others cars at the same point two (2) or one (1) event?

Answer #1: Two (2) events

Question #2: If a crew is required to pick-up or let out locomotives which have been or will be utilized by other assignments, will such movements be considered as work events?

Answer #2: Yes.

Question #3: Is the reblocking of the train's present consist of cars at an intermediate point considered a work event or events?

Answer #3: Yes

NOTE: Should the "rear end device" cease to operate the "conductor-only operation" train will not perform any further work events enroute.

- c. "Conductor-Only operation of pool freight service shall include made-up crews used to protect pool freight, business car specials, and light engine operation, as well as crews transported to a point between terminals to handle a train from that point to the final terminal.
- d. It is understood that all Hours of Service relief on pool freight service shall be operated conductor-only, and shall be subject to the event restrictions set forth above, but such restriction will not be reduced by any work events which may have been performed by the crew being relieved.
- e. Hours of Service relief for conductor/brakeman locals or road switchers and foreman/helper yard engines that will require work event or events enroute must consist of a conductor/brakeman or foreman/helper, which ever is applicable.

Differences developed between the parties as to whether or not non-through freight classes of service were covered by the recommendations of PEB 219. No agreement could be reached as to conductor-only crews in non-through freight service -- the UTU insisting that work restrictions apply to those operations; the UP insisting that PEB 219 and PL 102-29 had no restrictions as to class of service and required no work restrictions.

The UP chose to proceed with agreement solely on conductoronly crews in through freight service with work event restrictions.

In addition, the UP chose to delay going forward with conductoronly crews in local service, traveling switcher service, nonrevenue service, and yard service. The agreements established
certain limited circumstances under which the UP could engage in

conductor-only operations in these remaining four classes of service:

Article I

- 6. The Carrier shall be permitted to work conductoronly/foreman-only assignments in local, road switcher, non-revenue and yard service based on the following:
 - i Except as provided in Section 2(e) of this Article, all Hours of Service relief shall be subject to the three (3) work event restrictions;
 - ii Yard assignments dedicated solely to transfer service.
 - iii When one member of conductor/brakeman or foreman/helper assignment is released from active service (as a result of sickness, family illness, etc.) after going on duty, the remaining member of the crew may complete the assignment when the remaining work only requires delivery, which will not exceed one (1) work event.
 - iv Non-revenue service which will not have any work events between the initial and final terminal of the crew.

Disputes arose as to the work event rule and precipitated the parties' incorporating side letters into the crew consist agreements. These side letters provided:

This has reference to our recent conversation concerning the "Conductor-/Only" Crew Consist Agreement, specifically, complaints being received from Conductors that they are being instructed and then required to perform more than three (3) work events enroute contrary to the aforementioned agreement.

This problem has been brought to the attention of Train Management and every effort will be made to ensure rule compliance. Part of the problem appears to be confusion as to the proper interpretation and application of the agreement and

as such, every effort is also being made to correct that situation.

In view of the Carrier's commitment to your Organization during negotiations that Conductors would not be required to perform more than three (3) work events enroute, the Carrier will allow a Conductor who is instructed and then required to perform more than three (3) work events enroute, an additional arbitrary claim amount equal to the service earnings of a brakeman had such brakeman been called to perform work with that conductor. Such compensation will be allowed in addition to the normal earnings for the conductor's service trip.

Again, the Carrier is making every effort to comply with the three (3) work event restriction and any further complaints of this nature should be directed to my office as soon as possible for resolution.

In the course of the time since the side letters, the UP has regularly paid conductors an "arbitrary," not a "penalty," when a conductor-only crew performs more than three work events en route between terminals. By the terms of the side letter, the arbitrary is "equal to the service earnings of a brakeman had such brakeman been called to perform work with that conductor." The UTU has not protested this and the complaints expressed in the side letters have ceased.

By letter dated September 23, 1993, the UP served notice on the General Chairmen involved that it intended to operate conductor-only crews in local, traveling switcher, non-revenue, and yard service, and that it desired to resume negotiations on this matter, pursuant to the re-opener provisions. Following these notices, the parties negotiated for more than seven months. A detailed chronology of the meetings and copies of the correspondence is included in the UTU's briefs and in the exhibits of both parties, and are incorporated by reference herein.

Unable to reach an agreement, the parties sought arbitration pursuant to the provisions of the crew consist agreements.

The position of the UTU is that the UP has defaulted on the time limits, failed to follow the procedures set forth in the agreement, and therefore, is precluded from any further changes on any assignments except through the mutual consent of the organizations which are parties to the agreements. On the merits, the position of the UTU is that assignments operated with conductor-only crews are restricted to three work events per trip or tour of duty.

The UTU contends that the UP failed to comply with the requirements of the agreements as to the time limits for re-opening the conductor-only talks and to convert selected existing assignments to conductor-only operation. The UTU argues that the UP's "window of opportunity" opened after 18 months from the effective date of each agreement. It follows with a detailed recital of the meetings, postponements, and correspondence between the parties from the close of that 18 month period (June 1993) until the decision to arbitrate (June 1994), and maintains that

since no agreement was reached, the UP is "now barred from making any further requests for arbitrated modifications to those Agreements."

The UTU further contends that the UP's September 23, 1993 notices of the UP's intention to operate conductor-only crews in local, traveling switcher, non-revenue, and yard service were deficient as to the specificity required by the agreements. The UTU asserts that the notices were deficient in that they failed to list selected assignments and work histories which the UP believed could be operated safely and efficiently with a conductor-only crew on a permanent basis. The UTU maintains that the information eventually provided by the UP as to the assignments in question failed to provide documentation to support the UP's request, was incomplete, and did not provide detailed information on the work and the manner in which it had to be performed. The UTU asserts that it pointed out these deficiencies to the UP at various stages of their communications on the matter.

Reiterating its contention that it did not receive specific data and information on the select assignments which the UP believed could be operated safely and efficiently with a conductor-only crew on a permanent basis, the UTU reminds the Board of the rancorous negotiations in 1991. In those negotiations, the UTU asserts, the carriers involved held the organizations strictly to the December 31 end of a "window of opportunity" to negotiate a

crew consist agreement. The UTU urges the Board to hold the UP to the same principle of strict compliance with time limits in evaluating the UP's timing of its actions.

On the merits, the UTU contends that the UP supplied data which support the operation of only two additional assignments with a conductor-only crew. The UTU notes that it acknowledged this at the January 5, 1994 meeting with the UP.

contends that the work event restrictions essential in the above-described two assignments and all other assignments, since they relate to the well-being and exhaustion of its membership. The UTU argues that the provisions regarding work events apply "to work events performed for those assignments in road or yard service which did not depart and remained within the confines of a single terminal." Further, the UTU argues that assignments which may be designated conductor-only and which do not leave the confines of the yard are restricted as to three work The UTU concedes that the agreements allow the UP to operate with a conductor-only crew in local, traveling switcher, non-revenue, and yard service assignments, in cases where the brakeman or helper is released from active service pursuant to the sickness, family illness, etc. provisions. In those situations, the remaining crew members may execute one work event. Thus, even if the Board finds that the UP may operate all assignments with a conductor-only crew (which the UTU vigorously disputes), the UTU maintains that "all assignments so designated be limited to a total of three (3) work events en route."

The UTU cites Referee John B. LaRocco's award in the arbitration between the UTU and the Alameda Belt Railway/Oakland Terminal Railway (which imposed a negotiated but not ratified agreement that would allow all ABL/OT yard assignments to be operated with a conductor-only crew), and argues that the agreement in that matter proves the parties' intention to apply in perpetuity the three work event restriction to yard assignments, even though such assignments never depart their home yard. The UTU characterizes as "self serving," "[an] embarrassing display of convenient memory loss" and "corporate arrogance" the UP's position that the three work event restriction has "evaporated" "identical assignments" operated on the three properties in question here.

The UTU contends that this proceeding is not governed by the guidelines of PEB 219 or P.L. 102-29. Rather, it argues, this is a dispute about the interpretation of specific agreement provisions and is governed by the agreements in question.

The UTU rejects as "manufactured" the term "re-opener" and contends that the agreements were not re-opened but merely revisited for the express, limited purposes enunciated in Article I. It also rejects a number of the UP's statements or positions in

its opening brief as, for instance, "incorrect," "misleading and untrue," or "not the case." The arguments associated with these contentions generally track those espoused in the UTU's opening brief and at the hearing of this matter.

The UTU proposed a draft agreement, consistent with its positions, that would make the necessary changes it believed would comport with the provisions and guidelines of the agreements.

The position of the UP is that the agreements allow it: to operate all classes of service which work exclusively within terminals with a conductor-only crew with no work limitations or additional pay; to operate all classes of service which work partially within terminals and partially outside (between initial and final) terminals with a conductor-only crew with no additional (arbitrary) pay, so long as no more than three (3) work events are performed while the crews are en route between (and thus outside) the terminals; and to operate all classes of service which work partially within terminals and partially outside (between initial and final) terminals with a conductor-only crew with unlimited work events subject to the payment of the agreed-to arbitrary payment if more than three work events occur between, and thus outside, terminals. Further, the position of the UP is that it did not default as to the re-opener process as asserted by the UTU.

The UP contends that conductor-only operations in all classes of service is a settled matter in the railroad industry. The UP cites exhibits which detail the history of this type of operation as well as other agreements in the industry since the enactment of P.L. 102-29 to show that conductor-only operations in all classes of service now constitutes the practice in the industry. The UP notes that some of these other agreements with the UTU provide for conductor-only operations with no work restrictions. The UP acknowledges that unrestricted operations is not what was bargained for with the UTU.

The UP next argues that the only issue before this Board is how to apply the language "in line with the work event restrictions set forth in this agreement" to the classes of service under consideration. The UP contends that the definition of "work event" was clear at the time the parties entered into the agreements, to wit: a straight pick-up or set-out. The UP argues that these pick-ups and set-outs are not those within the crew's terminal, those being governed by national agreement road/yard rules. Moreover, the UP relies on the 1992 side letters to show that the work event rule does not limit or govern work, but governs pay, because the side letters allow unlimited work events en route between terminals as long as an arbitrary is paid when more than three work events are performed. The UP also contends that the work event restrictions only apply to operations "between the initial and final terminal," that is, to assignments on the road.

To apply the work event restriction to yard and road switcher assignments is to ignore the nature of that work. The UP asserts that the UTU's attempt to apply the work event restriction to road switcher and yard jobs is merely an attempt to render conductoronly operations in these services prohibitively expensive so as to preserve unneeded, unproductive brakeman jobs.

The UP rejects the UTU's assertion that it committed procedural errors relating to the timeliness of the re-opener notice, data production, and sufficiency of data produced, arguing that it served adequate and timely notice. The UP maintains that default is a concept not recognized by the agreements, and that rather than sit on any rights, as alleged by the UTU, the UP vigorously pursued negotiations on these matters for seven months. Furthermore, the UP points out that there is no requirement to produce data prior to arbitration, but despite this, the UP did produce data during the negotiations, which data were fully and accurately representative of the work performed on the assignments.

The UP also rejects the UTU's assertion that its notice of intent to operate "every" assignment with a conductor-only crew was inadequate since it did not specify "certain selected assignments" will operate on a "permanent basis," arguing that the agreement to permit the payment of the arbitrary showed that the parties agreed that "the 'selected' requirement is no longer applicable to

assignments in local, traveling switcher, non-revenue or yard service since all assignments in those classes of service may operate conductor-only/foreman-only." The UP asserts that the UTU's argument about "permanent basis" is "tortured" interpretation of the language at issue. The UP's operations are "dynamic" with work, assignments, and locations subject to change almost daily. In sum, the UP argues, nothing is permanent. The UP points out that it agreed to "make its decisions as to jobs it desired to operate conductor-only (and otherwise) and bulletin those assignments as 'permanent' assignments and operate them in accordance with such bulletins" so as to avoid severe disruption of crew members' quality of life.

The UP rejects the UTU's position that a three work event limitation is automatically required to be in place on every assignment subject to the re-opener negotiations. The UP argues that this cannot be the proper interpretation because it would mean that the UP would have agreed to a work event restriction for assignments that are composed solely of work events. The UP also contends that Article I, Section 6 was never intended as a permanent solution. Had it been, there would have been no point to the re-opener provisions and negotiations.

The UP proposed a draft agreement, consistent with its positions, which would make the necessary changes which it believed would comport with the provisions and guidelines of the agreements.

After considering the entire record, the Board finds that all crews in yard, local, road switcher, and non-revenue service may operate as one conductor or one foreman, subject to the following:

- (a) For all service rendered within the terminal of the crews, there shall be no work event limitations nor shall the arbitrary allowance apply.
- (b) For services rendered outside of the crews' terminal, the arbitrary allowance will apply after the crews are instructed to and perform more than three (3) work events.

Conductor-only operations in all classes of service is no longer uncommon in the railroad industry; it is now a regular industry practice. There is substantial, credible evidence in the record to support this picture of a changing work place. The present matter involves the establishment of conductor-only operations with restrictions, a far less onerous situation than unrestricted conductor-only operations, which are less universal.

The evidence in the record as to the negotiating history and the plain language of the agreements leave no doubt that the parties intended to allow conductor-only operations for through freight service and chose to sign the agreements without resolving completely the matter of conductor-only operations in the remaining types of service: local, traveling switcher, non-revenue, and yard. A decision about operations in those services was put off by the use of the so-called "re-opener" provision that was present in the agreements.

The crux of the dispute here is the application of the language found in the agreements regarding work events. The definition of "work event" is clear in the agreements; it is a straight pick-up or set-out. This is the sort of work performed within a terminal on a routine basis and those events are governed by national agreement road/yard rules. As the UP correctly points out, the work of yard and local switcher service is composed almost entirely of such work events. Work events "set forth in this agreement" therefore, covered only those work events performed in road territories.

The 1992 side letters then become important because they set forth the parties' agreement to allow the payment of an arbitrary when a conductor-only crew performed more than three work events. The mere agreement to permit the payment for exceeding the three work events demonstrates that the work event restriction is a

limitation (perhaps more precisely a threshold) on pay, not work. Were it a limitation on work, the work would not be allowed to be performed. Here, however, the work may be performed so long as the payment is made.

The circumstances developed that by the time the first 18 months of operation under the agreement had passed, the UP decided that it could operate all local, traveling switcher, non-revenue and yard service assignments safely and efficiently with conductor-only crews. The UP gave notice of its intention to commence such operations in accordance with the agreements. The notices were not defective under the agreement because the "selected" requirement was rendered inapplicable by the side letters' permitting the conductor-only operations. In addition, the concept of "selected" does not preclude the selection of the totality of assignments.

There is no merit to the UTU's argument that the UP committed procedural errors relating to timeliness of the re-opener notice or data production. There is clear, credible evidence that the notice was served in a timely fashion and that negotiations proceeded in accordance with the agreement. This matter was submitted to arbitration as provided for in the agreement. The Board finds that the concept of default at the negotiating stage is not recognized by the agreements, but only applies at the notice stage. Furthermore, the UP is correct in its assertion that its obligation is to produce data during the arbitration stage of the process, but

not necessarily during the negotiation stage. In addition, the UP did, in fact, produce supporting data which were representative of the work performed on the assignments.

There also is no merit to the UTU's argument that the three work event limitation is automatically required to be in place on every assignment subject to the re-opener negotiations. If that were the case, the UP would be in the impossible position of having agreed to work event restrictions in assignments composed solely of work events. Since such an interpretation would have eviscerated the essentials the agreement, it must be rejected.

In sum, the agreements permit conductor-only service in yard, local, road switcher, and non-revenue service. There will be a no limit on work events and the arbitrary allowance will not apply to service rendered within the terminal of the crews. The arbitrary allowance will apply, however, for service rendered outside the crews' terminal when the crews are instructed to and perform more than three work events.

The attached agreement, marked as Appendix A, language proposed by the UP will be adopted by this Board.

<u>AWARD</u>

As per Findings herein and attached agreement.

Nicholas H. Zumas, Neutral

Date: 10-3-94

APPENDIX A

ARBITRATION AWARD between UNION PACIFIC RAILROAD COMPANY and UNITED TRANSPORTATION UNION (Former Western Pacific, Idaho and South Central Territories)

Effective with the implementation of this Award, the existing Conductor-Only Crew Consist Agreements covering the territories in question will also now include the following:

- (1) The crew consist for all crews in yard, local, road switcher and nonrevenue service may operate as one conductor or one foreman, subject to the following:
 - (a) For all service rendered within the terminal of the crews, there shall be no work event limitations nor shall the arbitrary allowance apply.
 - (b) For services rendered outside of the crews terminal, the arbitrary allowance will apply after the crews are instructed to and perform more than three (3) work events.
- NOTE 1: Nonrevenue service includes work, wrecker and Hours of Service relief service.
- NOTE 2: All Hours of Service relief for yard, local, road switcher and nonrevenue service shall be operated conductor-only and shall be subject to the work event limitations set forth in (1)(a) and (1)(b), above, but such limitation shall not be combined with any work events which may have been performed by the crew being relieved.
- (2) A work event is as defined in the applicable conductoronly agreement for each territory.
- (3) Terminal, as used in this Award, is defined as a bulletined on/off duty point for crews. The limits of a terminal are prescribed by agreement, bulletin or accepted practice.
- (4) The Carrier may also establish single position utility jobs in terminals to assist road and/or yard assignments in the performance of terminal work. Such single utility jobs will be paid the appropriate yard foreman rate.
- (5) Crews may be operated with a larger crew than provided for in this Award should the Carrier deem it necessary.

However, if a bulletined conductor-only or foreman-only permanent assignment is worked with a brakeman or helper, eight or more times within a payroll period, the permanent assignment must be rebulletined as a permanent conductor/brakeman or foreman/helper assignment for the next payroll period.

- (6) All extra/unassigned assignments in yard, local, road switcher and/or nonrevenue service may also operate as conductor/foreman-only assignments subject to the conditions set forth in (1)(a) and (1)(b), above.
- (7) The additional special allowances provided to the crew member for conductor-only operation under the existing conductor-only Crew Consist Agreements will apply equally to a crew member of conductor/foreman-only operations (whether permanent, extra and/or unbulletined).
- (8) This Award will supercede any Agreements, understanding and/or process which may be in conflict herewith.
- (9) This Award will be effective thirty (30) days from the date of the Award. During that thirty (30) day period, the Carrier shall bulletin all permanent conductor-only, foremanonly and utility assignments to be effective on implementation day. However, nothing in this section shall prevent the Carrier from bulletining additional permanent conductor-only, foreman-only or utility assignments in the future or from changing and/or abolishing such assignments in the future.

UNION PACIFIC RAILROAD COMPANY

A T OUN Director Labor Relations Operating - West (402) 271-3201

1416 BOOGE STREET



February 8, 1995 380-1 380.10-9 380.10-10 380.81-1 INT #2502179517

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MR R E CARTER GENERAL CHAIRMAN UTU C&T P O BOX 1333 POCATELLO ID 83204

Dear Mr. Carter:

This has reference to your correspondence dated January 18, 1995, received in this office on January 23, 1995, wherein your Organization requested the existing interpretation of Article IV, Section 7 of the Conductor-Only Agreement in effect on the Idaho Division also be applied on the California Division. In connection therewith, it was requested this interpretation be placed into effect prior to April 1, 1995. Finally, your Organization also sought to provide that "... those who have already qualified with borrowed-out time will not have to come off the reserve board for two (2) years ..."

Article IV, Section 7 of both the December 5, 1991 Conductor-Only Crew Consist Agreement and the Conductor-Only Crew Consist Agreement imposed pursuant to Arbitration Award dated December 27, 1991, require:

"Trainmen on any of the Reserve Boards must maintain their work proficiencies while in such status, including successfully completing any retraining or refresher programs required to maintain those proficiencies which may include the passing of any tests or examinations, including physical examinations (administered for the purpose of determining whether such proficiencies have been maintained in order to ensure that work profienceicies are properly maintained, each trainmen on any of the Reserve Boards will be required to exercise seniority to a regular or extra assignment within the Reserve Board Zone (seniority permitting) and remain off Reserve Board status for six (6) continuous months in every thirty (30) month period beginning with the implementation date of this Agreement."

It is recognized certain employes while in Reserve Board status voluntarily elected to work at other locations on the Carrier where temporary manpower shortages had arisen. While the performance of this work contributes to the maintenance of said employes' work proficiencies, it is understood and agreed the time those employes spend performing this service (i.e., in borrow-out status) will not serve to satisfy the requirements set forth in Article IV, Section 7 that an employe "... remain off Reserve Board status first six (6) continuous months in every thirty (30) month period...".

The interpretation set forth above will be applied throughout the territories governed by the December 5, 1991 Conductor-Only Crew Consist Agreement and the Conductor-Only Crew Consist Agreement imposed pursuant to the December 27, 1991 Arbitration Award. It is further understood, however, those employes who, as of this date, have performed six (6) months of continuous service as a borrowed-out employe at other locations in the last thirty (30) month period will not be required to vacate their Reserve Board position at this time but will, effective with the signing of this interpretation, be governed by this interpretation in the future.

If the foregoing properly reflects our understandings, please so indicate by affixing your signature in the space provided below.

Yours truly,

A. T. Olin

Director-Labor Relations

I CONCUR:

R. E. Carter

General Chairman, UTU

Date)