

## PSEG Vacation Policy

Regular employees who are regularly scheduled to work at least 20 hours per week and who have more than six months service are eligible for a vacation as set forth in this guideline. Regular employees who are regularly scheduled to work at least 20 hours per week, but less than 40 hours per week, are eligible for vacation at a reduced rate, as indicated in the length of vacation table.

Temporary and work study employees shall not be eligible for any vacation.

Any condition specified in a Union-Company agreement which is at variance with these instructions shall have precedence as it applies to a member of that Union.

### Length of Vacation Table

Service	Days of vacation in current year	Days accrued per month July, prior year to April, current year
Less than 10 months on May 1	1 for every month worked during accrual period shown at right	1
10 months or more on May 1, but less than 6 years on October 1	10	1
6 years or more, but less than 15 years on October 1	15	1.5
15 years or more, but less than 21 years on October 1	20	2
21 years or more, but less than 30 years on October 1	25	2.5
30 years or more on October 1	30 25 (for non-represented Benefits 2000)	3 2.5 (for non-represented Benefits 2000)

Note: Reduced rate is applied to the days accrued per month and is calculated by dividing the employee's regularly scheduled hours by 40 hours. (Example: 32 hours / 40 hours = .80 days accrued per month for an employee with 3 years service)

### Definitions

1. Current Vacation: vacation earned by service of any duration during the 10 consecutive accrual months starting with July of the prior calendar year and ending with April of the current year. Vacation does not accrue during May and June.
2. Accrued Vacation: vacation earned by service after June 30 toward next year's current vacation. Accrued vacation cannot be used prior to January 1 of the next calendar year unless the employee is pensioned, leaves the Company, or goes on extended military leave of absence.

### Administrative Guidelines

#### Choice of Vacation Period

3. An employee's current vacation may be taken at any time during the calendar year, provided conditions of work are such that the employee can be released at the time desired. Vacation may also be carried over to March of the following year. Where extenuating circumstances such as extended illness or unusual operating conditions exist that prevent an employee from taking vacation within the required time period, vacation may be carried over beyond March. Any special request for carry over beyond March needs to be approved in writing by the department Vice President and submitted to the Vice President - Human Resources. Any approved vacation carry-over beyond March must be taken before July 1 or it will be forfeited.

4. If an employee becomes ill or injured and is unable to take vacation during the 15 month period, the employee shall reschedule the vacation within 30 days after return to work, and shall take it as soon as practicable. The period selected shall not interfere with operating requirements or with vacation schedules of other employees for that year.
5. An employee who is absent because of illness and whose disability benefits (including those paid at State Plan rate) expire before he/she is able to return to work, may elect to take any unused current vacation following the expiration of disability benefits.

#### **Single Day and Half-Day Vacation**

6. Providing operating conditions permit\* and at least two days' advance notice has been given, an employee may elect to take a vacation one day or a half-day at a time, normally not to exceed five days per year. In case of an emergency the two day advance notice may be waived.

#### **Split Vacation Periods**

7. Except as permitted above, vacations normally may not be split into more periods than the number of weeks of vacation allowance. Vacations may be taken as operating conditions permit.

#### **Vacations for Rehired Employees**

8. Vacations for regular employees for the first year after rehire is earned only during the accrual months since rehire.

The rate at which a rehired employee earns vacation is based on total service with the Company. An *effective service date* shall be determined by backdating the actual date of rehire by the days, months and years of prior service.

#### **Holiday During Vacation Period**

9. When a holiday is observed on one of the employee's regularly scheduled basic workdays within his basic five day workweek while on vacation, the employee shall be eligible for an additional day off with pay.

#### **Death in Family**

10. If there is a death in the family of an employee after the last work period before a scheduled vacation but prior to the start of the first regularly scheduled basic workday for which he/she is to receive vacation pay, the vacation may be rescheduled subject to the approval of appropriate local office management provided the request is received prior to the start of the first regularly scheduled basic workday for which the employee is to receive vacation pay.
11. With consideration for existing vacation schedules and operating conditions, a vacation may be rescheduled if a death in the family occurs while an employee is on vacation. Such rescheduled vacation shall be limited to the number of days to which he/she would have been eligible, had the death occurred while he/she was not on vacation.

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\* Labor agreements may not include this provision.

### **Illness or Injury Prior to or During Vacation Period**

12. An employee who becomes ill or is injured prior to the start of a scheduled vacation and is absent due to such illness or injury during the period or periods scheduled for vacation, shall have the vacation postponed until the employee has recovered sufficiently to be able to return to work.
13. An employee who becomes ill or is injured after starting a vacation shall be considered on vacation for the full duration of the regularly scheduled vacation period and such vacation shall not be changed as a result of such illness or injury, except as provided in paragraphs 15 and 16.
14. An employee's vacation shall ordinarily be considered as starting at the termination of work on the last regularly scheduled basic workday within the basic 5-day workweek on which the employee is required to work or at the termination of a subsequent overtime work period prior to the first regularly scheduled basic workday for which he/she is to receive vacation pay.
15. If an employee becomes ill or is injured after the last work period to a scheduled vacation but prior to the start of the first regularly scheduled basic workday for which the employee is to receive vacation pay, and it is determined that the illness or injury was in no way connected with vacation, the vacation may be rescheduled provided that request is received prior to the start of the first regularly scheduled basic workday for which the employee is to receive vacation pay.
16. Employees who are hospitalized following the start of their vacation may reschedule the portion of their vacation spent as a hospital in-patient. Certification of in-patient hospitalization is required.

### **Miscellaneous**

17. A regular employee with less than six months service on May 1, may be permitted to take a vacation if approved by the appropriate local office department head if it is expected that the employee will complete the six months of service required to be eligible for a vacation.
18. Temporary employees who are made permanent shall be eligible for the number of days vacation with pay for which they qualify as defined in the Length of Vacation table. Compute the vacation of such an employee in a manner similar to that described in paragraph 8, Vacations For Rehired Employees. Although temporary employees are not eligible for vacation, regular employees who become temporary are eligible for time-off for any accrued vacation earned that was not taken while permanent.
19. A regular employee going on leave of absence for active duty in the armed forces of the United States shall be allowed a vacation before the effective date of the leave, or vacation pay in lieu thereof, for any unused current vacation and for any accrued vacation.
20. A regular employee who has been on military leave of absence, (or on other leave not in excess of his/her eligible leave) is eligible for a vacation during the year in which he/she returns to work. The length of such vacation shall not be reduced because of the time absent on leave. If the employee returns from the leave in the same year in which the leave commenced, he/she is eligible for vacation for the period prescribed based on length of service, less any vacation which was taken before the leave of absence commenced or less the number of days of vacation pay, if any, paid in lieu thereof.

21. Employees shall not normally be expected to work beyond their regular quitting time on the last basic workday of the basic workweek on which they have been scheduled to work, nor shall employees normally be expected to work on a scheduled day of rest immediately preceding or following scheduled vacation unless conditions make such arrangement imperative.

**Vacation Affected by Excess Leave of Absence**

22. If a regular employee has been granted a leave of absence in excess of his/her entitlement by action of the Employee Benefits Committee, no vacation shall accrue during any complete calendar month the employee is on leave in a no pay status beyond his/her leave of absence. This does not apply to maternity leave or leave of absence for active military service.