

Letter of Agreement  
Health Prime Plan for Local 1055

Effective January 1, 2025, and through the term of the 2024 IBEW Local 1055 Memorandum of Agreement, the Company will provide Local 1055 with access to the System Council U-4 (SC U-4) Health Prime plan in addition to the company standard medical plans. After both the Health Prime and the company standard plans are offered to the population of local 1055, SC U-4 and Local 1055 agree that SC U-4 will adjust the cost share agreement, as defined below, should the Local 1055 population, including both those that migrate to the Health Prime plan and those that are enrolled in company standard plans, exceed an incremental cost threshold of \$500k in year one and then grown annually by the medical trend.

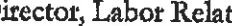
The Company and Union agree on the following formula to calculate any excess over the threshold:

- 1) On an annual look back basis, (example: in April 2026, the parties will perform the analysis for 2025 and in April 2027, the parties will perform the analysis for 2026) the Company will compare Local 1055 claims and administration costs incurred in any plan for the comparison plan year for measurement against the threshold.
- 2) The parties will use the current Local 1055 company standard per employee per year (PEPY) cost of \$6,923 grown by the medical trend annually (baseline comparator cost) to determine if Local 1055 employees enrolled in Health Prime plan and other company sponsored medical plans exceed the incremental cost threshold for the comparison plan year.
- 3) The parties will then compare the Local 1055 actual cost to the baseline comparator cost for the comparison plan year to determine if:
  - a.) There is any excess greater than the threshold for the comparison plan year.
  - b.) Local 1055 actual costs are greater than the baseline comparator cost, and the total cost exceeds the threshold, then the SC U-4 premium share agreement of 80% company/ 20% union will be adjusted.
  - c.) The premium share adjustment will equate to the total dollars in Company expense in excess of the threshold. The amount to adjust the premium share percentage will be based on current year forecasted claims experience.
  - d.) Employee premiums would need to be increased in May after the analysis to cover the union share of any excess for one year.
- 4) Regardless of any Local 1055 migration changes, the SC U-4 Health Prime plan will remain responsible for covering any excess over the threshold in the plan year following the excess.

The Company and Union also agree that the Company will make the following normalization adjustments when performing the calculation:

- If Local 1055 stays below the incremental cost threshold during the duration of the MOA, then the incremental cost threshold terms sunset at the expiration of the MOA. If Local 1055 exceeds the incremental cost threshold during the duration of the MOA, then the incremental cost threshold terms will be renegotiated during the next contract negotiations. Local 1055's access to the Health Prime plan will continue so long as that plan remains available to SC U-4 and Local 1055 agrees to the renegotiated terms.

Sail Wife 5-1-2024

 5/1/21  
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Kelly Tveter Date  
Sr. Director, Labor Relations  
Florida Power & Light Company

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