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**CONFIDENTIAL PER GENERAL PROTECTIVE ORDER IN CASE NO. UE-170485 &
UG-170486**

Compensation Committee
Base-Line Salary Budget Resolution
May 11, 2017

Ms. Feltes reminded the Committee that each year the Committee reviews and approves the recommended minimum salary budget for non-union employees. She noted that salary increases are not cost of living increases, but are adjustments made to an employee's base salary based on market movement and individual merit as determined by the employee's performance based on the manager's evaluation. Performance evaluations are generally conducted in January of each year and salary increases are effective beginning with the first pay period in March.

She also provided the Committee with historical and preliminary market survey data which was used to set the minimum salary budget recommendation. The Committee discussed and reviewed the initial data used to establish the recommended minimum salary budget for 2018. Based on the review the Committee agreed to set the base-line salary budget for non-union employees of the Company at ■■■ for 2018. The Committee affirmed this was a minimum salary budget and that the actual budget could be set higher based on a comparative analysis from the final results of market surveys such as Mercer's US Compensation Planning Survey and Hewitt's US Salary Increase Survey, which would be provided in November 2017.

After discussion, the following resolution was moved and seconded and unanimously adopted:

BE IT RESOLVED that the Compensation & Organization Committee hereby approves the ■■■ base-line salary budget for non-union employees of the Company for 2018.