

OUR VISION: TO TRANSFORM WASHINGTON GAS BEYOND A GREAT UTILITY TO THE BEST, DIVERSIFIED ENERGY RETAILER IN THE UNITED STATES.

WASHINGTON GAS is the local natural gas distribution company that provides natural gas service to more than 900,000 residential, commercial and industrial customers throughout metropolitan Washington, DC and the surrounding region.

Unregulated affiliates of Washington Gas offer customers energy-related products and services in the following major areas:

- 1) heating, ventilating and air-conditioning services;
- 2) retail energy marketing; and
- 3) consumer financing.

AT WASHINGTON GAS, we understand the growing and diverse needs of a highly qualified work force. Our philosophy, therefore, is to provide a competitive package of employee benefits through our Flexible Benefits Plan. The Plan offers a wide range of benefits from comprehensive health care coverage to tax-deferred income. In addition, employees may custom design their benefits package that best suits their personal and/or family needs.

When evaluating a career at Washington Gas, it is important to consider benefits as part of the total compensation package.

We are pleased to provide you with an overview of the many benefits employees enjoy at Washington Gas. *Please note that benefits for Union-eligible employees may vary based on labor agreements with various bargaining units.*



**Washington
Gas**

Washington Gas, 6801 Industrial Road, Springfield, Virginia 22151
www.washgas.com

The material contained in this document is a summary of information only and does not set forth any terms and/or conditions of an implied or expressed contract of employment. Specific questions regarding Washington Gas policies or benefits should be referred to a Human Resources or Employee Benefits Representative at (703) 750-5543.

The descriptions of the various benefits are intended to provide a brief summary of the plans. In the event of any discrepancies between this booklet and the controlling contracts or plan documents, the language in the controlling documents will govern.

Washington Gas has the right to change, modify, amend, or terminate each and every aspect of the underlying plan documents as required by governmental action and/or efficient or cost-effective administration of the plan. (6/01)

WASHINGTON GAS SUMMARY OF BENEFITS



**Washington
Gas**

WASHINGTON GAS SUMMARY OF BENEFITS

MANAGEMENT

UNION

ELIGIBILITY

- Management employees working 40 hours per week are eligible for benefits on the **first day of the month following the date of employment.**
- Union-eligible employees working 40 hours per week are eligible for benefits after **90 days of employment.**

MEDICAL OPTIONS

- Blue Cross/Blue Shield PPO Plan
- Traditional Medical Plan
- Comprehensive Medical Plan
- Kaiser Permanente (HMO)
- Aetna/US Healthcare (HMO)
- MD-IPA (HMO)
- Same options apply

PRESCRIPTION DRUGS

- Retail for 34-day supply**
- \$5 co-payment for generic
- \$10 co-payment for brand name
- Same options apply

Mandatory Mail Order for 90-day supply for all maintenance medication

- \$10 co-payment for generic
- \$15 co-payment for brand name

Oral Contraceptives and Viagra

- \$15 co-payment per month or \$45 for 90-day supply

DENTAL OPTIONS

- Washington Gas Dental Plan
- Consumer (HMO) Dental Plan
- Washington Gas Dental Plan
- Not Available

VISION PLAN

- Choice of in-network and out-of-network providers
- Routine eye examination once every 12 months
- Lenses once every 12 months
- Frames once every 24 months
- \$10 co-payment for examination
- \$20 for materials
- Discount on Lasik surgery and Photorefractive Keratectomy (PRK)
- Same options apply

LIFE INSURANCE

- Basic coverage is **1x annual base salary** at no cost
- Buy additional coverage up to 5x annual base salary under Group Universal Life
- Voluntary cash accumulation feature
- Basic and additional Group Universal Life coverage are portable
- Basic coverage is **\$15,000** at no cost
- Same options apply
- Basic coverage is not portable
- Additional Group Universal Life coverage is portable

MANAGEMENT

UNION

LIFE INSURANCE (cont.)

- Spouse's insurance up to \$100,000
- Child(ren)'s coverage up to \$10,000
- Evidence of Insurability form may be required depending on the level of coverage
- Premiums are deducted on an after-tax basis through Payroll
- Same options apply

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

- Purchase coverage for self and/or family from \$25,000 up to \$250,000
- Premiums are deducted on an after-tax basis through Payroll
- Evidence of Insurability form is not required
- 100% benefits for paralysis, dismemberment, loss of eyesight, speech, and/or hearing
- Waiver of premium for surviving family coverage for 12 months
- Same options apply

BUSINESS TRAVEL ACCIDENT PLAN

- Coverage is 5x annual base salary up to \$1,000,000
- Plan pays a percentage for each type of injury or loss
- No cost to employees
- Same options apply

DISABILITY BENEFITS

- Company provides short term disability benefits based on years of service
- 40% long term disability basic coverage is paid for by the Company
- A 20% "buy-up" option is available on a pre-tax basis for additional coverage
- Same options apply

FLEXIBLE SPENDING ACCOUNTS

- Health Care Account**
- Pre-tax payroll deduction for eligible medical, dental and vision expenses approved by the IRS
- \$260 minimum annual contribution up to \$3,000 maximum
- Expense reimbursements are paid through Benefits Department
- Dependent Care Account**
- Pre-tax payroll deduction for eligible day care expenses approved by the IRS
- \$1,300 minimum annual contribution up to \$5,000 maximum
- Expense reimbursements are paid through Benefits Department
- Same options apply

MANAGEMENT

UNION

PAID TIME OFF

- Based on service attained each calendar year:
- Less than 6 years =30 days
- 6 years, but less than 14 =35 days
- 14 years, but less than 20=40 days
- 20 years, but less than 25=45 days
- 25 years or more =50 days

- Paid Time Off includes vacation, sick leave, birthday holiday, personal days, and funeral leave

- New hires after June 30=15 days
- New hires after October 31=5 days

- May purchase additional time off up to 5 days on a pre-tax basis
- Additional leave in accordance with the Family Medical Leave Act

COMPANY DESIGNATED HOLIDAYS

- New Year's Day
- Dr. Martin Luther King's Birthday
- Presidential Inauguration Day
- Washington's Birthday
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Friday after Thanksgiving Day
- Christmas Day
- Same options apply

DEFINED BENEFIT PENSION PLAN

- Eligibility begins from date of employment
- 5 years of service to be fully vested
- Benefits are calculated based on years of service, age, and final average salary
- Retiree medical insurance in accordance with plan provisions
- Retiree basic life insurance at no cost
- Same options apply

401K SAVINGS PLAN

- Automatic enrollment to 4% of pay
- Choose from all pre-tax or after-tax (or combination of the two) contributions up to 14%
- Company match is 100% of the first 4% of contributions
- Company match is **vested immediately**
- Automatic enrollment to 1% of pay
- Same option applies
- Company match is based on labor agreements with various bargaining units
- Company match is **vested immediately**

MANAGEMENT

UNION

401K SAVINGS PLAN (cont.)

- Choice of 9 investment funds
- Direct rollover distribution from another qualified plan is allowed
- Loans and withdrawals are available
- 24-hour fund and account information; 7 days a week via phone or at www.ibenefitcenter.com
- Access to account representatives 9 a.m. EST to 10 p.m. EST
- Same options apply

STOCK PURCHASE PLAN

- Purchase common stocks from 1% to 10% of base pay on an after-tax basis
- Stock price is based on the market price
- Dividends are reinvested automatically
- Same options apply

EDUCATIONAL ASSISTANCE

- Company provides 75% educational reimbursement for tuition and books
- No maximum limit per year
- Requires grade C or above from accredited educational institution
- Same options apply

PRE-TAX TRANSPORTATION

- Metrocheks (subway farecards) up to \$65 a month through payroll deduction
- Parking expenses up to \$175 a month through payroll deduction
- Same options apply

OTHER BENEFITS

- On-site Employee Assistance Program
- On-site Medical Unit
- Ombudsman
- Membership to Credit Union
- Same options apply

