

COMPROMISE AGREEMENT AND GENERAL RELEASE

In Re: Arbitration Case No. 148
Involving the Discharge of B

This Compromise Agreement and General Release ("Agreement and Release") is made and entered into among WILLIAM H. BECK, III, LOCAL UNION NO. 1245, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, and PACIFIC GAS AND ELECTRIC COMPANY ("the parties") to resolve the parties' Arbitration Case No. 148. Arbitration Case No. 148 involves a grievance (Review Committee File No. 1632-86-3) brought by Local Union No. 1245, International Brotherhood of Electrical Workers, AFL-CIO ("Local 1245"), challenging the September 26, 1985, discharge of B, by the Pacific Gas and Electric Company ("PGandE" or "the Company").

In resolving Arbitration Case No. 148 and the above-referenced grievance underlying that case, the parties have agreed as follows:

1. PGandE will place Mr. B in a Helper position in the General Construction Department, effective September 29, 1986, provided that Mr. B passes the pre-employment testing requirements for that position.

2. Upon Mr. B's return to Company employment, PGandE will amend his personnel records to reflect the period between his September 26, 1985, discharge and

September 29, 1986, as a disciplinary layoff and to bridge his Company seniority for that period accordingly.

3. PGandE will pay to Mr. B , as liquidated damages, the sum of Eight Hundred Dollars (\$800.00). It is understood by the parties to this Agreement and Release that the amount the Company will pay pursuant to this paragraph does not represent reimbursement to Mr. B for damages he incurred attributable to lost wages, interim earnings, or other forms of taxable income. Further, it is understood that Mr. B will be responsible for any state or federal income tax liability resulting from his receipt of the sum paid pursuant to this paragraph.

4. Mr. B agrees to undergo drug testing and to sign the necessary medical authorization forms, at the Company's request, for up to four separate and random occasions during the calendar year immediately following his return to Company employment. Mr. B further agrees that his refusal to submit to a Company-requested drug test or his failing such a test is just cause for his discharge from Company employment. Mr. B also agrees that his engagement in any conduct prohibited by the Company Drug Prevention Policy is just cause for his discharge from Company employment. The parties acknowledge that Mr. B 's right to challenge his discharge for conditions specified in this paragraph under the grievance procedures contained in the labor agreement between Local 1245 and PGandE is limited

to a factual determination that he had refused a Company-requested drug test, that he had failed such a test, or that he had engaged in conduct prohibited by the Company Drug Prevention Policy.

5. In consideration of the payment and obligations which PGandE has agreed to undertake pursuant to paragraphs 1 to 3 of this Agreement and Release, Mr. B and Local 1245 do fully release and discharge PGandE, its officers, agents, employees, attorneys, subsidiaries, affiliated companies, successors, and assigns from all actions, causes of action, claims, judgments, obligations, damages, liabilities of whatsoever kind and character, arising out of Arbitration Case No. 148 and the above-referenced grievance underlying that arbitration case. Further, Mr. B and Local 1245 expressly waive the benefits and rights under Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known to him must have materially affected his settlement with the debtor.

6. In entering into this Agreement and Release, the parties expressly recognize that the making of this Agreement and Release does not in any way constitute an admission that PGandE has committed any wrongful act against Mr. B. Indeed, Mr. B and Local 1245 understand and

expressly agree that nothing in this Agreement and Release shall be construed as an admission of liability on the part of PGandE or used against it in any other proceeding.

7. This Agreement and Release contains the entire agreement among the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement and Release shall be of no force or effect, excepting a subsequent written modification signed by the parties to this Agreement and Release.

8. Upon execution of this Agreement and Release, Arbitration Case No. 148 will be closed with prejudice to the Company, Local 1245, and Mr. B .

PACIFIC GAS AND ELECTRIC COMPANY

By *Kenneth Yang*
KENNETH YANG
Attorney

September 17, 1986
DATE

LOCAL UNION NO. 1245

By *Jack McNally*
JACK McNALLY
Business Manager

Sept 25, 1986
DATE

SEPT. 22, 1986
DATE

From Division or Department **GENERAL CONSTRUCTION
HUMAN RESOURCES DEPARTMENT**
To Division or Department
FILE NO. **741.2**
RE: LETTER OF
SUBJECT **Arbitration Case #148 -**

September 21, 1987

RICHARD BOLF:

To comply with the Compromise Agreement and General Release of Arbitration Case #148, the following is a list of dates and results of the drug testing performed on B :

9/24/86	Negative
7/09/87	Negative
8/05/87	Negative
9/10/87	Negative

This case should now be closed.


JOSIE M. REYNA

dj

cc: WRMazotti
DSasse
LAWest
File