

Pacific Gas and Electric Company

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COPY TO STAFF.



Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 4790
Walnut Creek, CA 94598

Attention: Mr. Darrel Mitchell

Gentlemen:

This letter confirms the understanding reached on February 24, 1994, between Darrel Mitchell, Rick Doering, and Dave Bergman concerning the following aspects of the Title 206 displacement occurring in the CES business unit of PG&E. All of the following understandings are without prejudice to either parties' position on the application of Title 206, including but not limited to the bidding of jobs during periods of displacement/layoff. In addition, it is understood that any actions involved in the following will occur prior to the second "wave" of bumping under Title 206.

1. Company is to continue with the application of Title 18/205 for filling vacancies where the process had been suspended due to the bidder being impacted by Title 206. Such application is limited to vacancies that are not a current Title 206 option for anyone.
2. Employees who were assigned "lay off" through the Title 206 process will be offered existing vacancies in Distribution Construction in lieu of being laid off.
3. Employees who were assigned to a position through the Title 206 process may decline the position and be laid off. The layoff will be considered an involuntary severance under Section 206.7 and the employee will be eligible for Application II of the severance agreement.
4. Employees who were assigned to a position, other than General Construction, through the Title 206 process may elect to decline the position and instead fill an existing vacancy in General Construction.

In the event of a conflict over an existing vacancy in General Construction, seniority will be the determining factor in assignment to the vacancy.

Sincerely,

David J. Bergman
Director and Chief Negotiator