



LETTER AGREEMENT NO. 00-20-PGE



PACIFIC GAS AND ELECTRIC COMPANY
INDUSTRIAL RELATIONS DEPARTMENT
2850 SHADELANDS DRIVE, SUITE 100
WALNUT CREEK, CALIFORNIA 94598
(925) 974-4104

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 4790
WALNUT CREEK, CALIFORNIA 94596
925-933-6060

LAURA SELLHEIM, ACTING MANAGER
AND CHIEF NEGOTIATOR

JACK MCNALLY, BUSINESS MANAGER

May 9, 2000

Laura Sellheim
Acting Manager & Chief Negotiator
Industrial Relations Dept.
Pacific Gas & Electric Co.
2850 Shadelands Drive, Suite 100
Walnut Creek, CA 94598

Dear Ms. Sellheim:

Pursuant to recent discussions between Diablo Canyon Power Plant management and IBEW Local 1245, the parties have agreed to update 94-53 labor-management provisions for the Diablo Canyon nuclear facility. These updates are designed for the parties to address issues to maintain and improve the profitability of the facility and favorably position the company for future inevitable changes, while, at the same time, addressing the issues of bargaining unit employees at the plant.

Accordingly, the following shall be the 94-53 application for DCPD:

Overview Committee

This committee shall meet quarterly to review labor-management activity at the plant and to be a resource for other labor-management committees. Upon request by either party, special meetings to review specific situations may be scheduled. Further, the committee may agree to establish sub-committees to address specific issues. The committee shall be comprised of six members, three appointed by each party.

Committee 2000

This committee shall be charged to review all applicable labor agreement provisions for the DCPD and to submit jointly agreed to recommended modifications, deletions, or additions to Company's Manager of Industrial Relations and Union's Business Manager when such recommendations are developed to improve workforce efficiencies by:

- appropriate updating of existing provisions;
- appropriate modifications to address changes in the "free-market" environment of the future;
- addressing employment security issues for bargaining unit employees.

The committee shall be comprised of no more than twelve members, six appointed by each party.

Outage Committee

An outage committee shall be established to negotiate a recommended outage agreement for each outage at Diablo Canyon Power Plant. The committee will review all labor agreements for the outage and make jointly, agreement recommendations for the outage agreement.

The committee for the specific outage will also review any issues, complaints and grievances regarding the outage agreement and resolve all such issues, if, at all possible. Any unresolved dispute shall be referred to the provisions of the grievance procedures if not settled within sixty calendar days after the conclusion of the outage.

The committee shall be comprised of no more than fourteen members, seven appointed by each party.

Local Communication Committees

Departmental communication committees in Operations, Maintenance Services and General Services shall be maintained to keep communication lines open between management and labor. These committees are established for communication purposes only are not to be charged to pursue any labor negotiations. Participation in these committees will upon agreement between union and management at the local level.

If you are in accord with the foregoing and agree thereto, please so indicate in the space provided below and return one executed copy of this letter to the Union.

Very truly yours,

LOCAL UNION 1245, INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, AFL-CIO

By: 
Jack McNally
Business Manager

The Company is in accord with the foregoing and it agrees thereto as of the date hereof.

PACIFIC GAS AND ELECTRIC COMPANY

5-11 2000

By: 
Laura Sellheim
Acting Manager & Chief Negotiator