



LETTER AGREEMENT NO. 01-48-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

STEPHEN A. RAYBURN, DIRECTOR
AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN, BUSINESS MANAGER

September 24, 2001

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

Attention: Mr. Perry Zimmerman, Business Manager

Gentlemen:

This will confirm our understanding of the agreement reached between Messers Ken Ball and Joe DeMartini concerning the workforce reduction in the Gas System Maintenance & Technical Support Department at Kettleman.

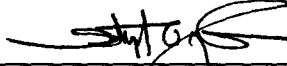
Company will provide Section 206.2 notice to the three affected employees at Kettleman. Additionally, Company will provide 206.1 notice to other employees at Kettleman who are not directly impacted by the reduction, but who may volunteer for layoff in lieu of a more junior employee.

Additionally, the HH Operator-Mechanic position located at Milpitas will be offered as a regular vacancy in this Title 206 activity, although it is not expected that that position will remain beyond the end of the year.

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

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: 

Stephen A. Rayburn, Director and
Chief Negotiator

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

LOCAL UNION NO. 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

Dec 29, 2001

By: 

Perry Zimmerman
Business Manager