



LETTER AGREEMENT NO. 01-54-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

October 12, 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

Dear Mr. Zimmerman:

As you are aware, there is a lack of work in the Controller's organization. Detailed below is the list of affected classifications and headquarters.

	Senior Accounting Clerk I	Accounting Clerk	Utility Clerk- Accounting	Total
Accounts Payable		5	1	6
Budget (Rec.Mgmt)			1	1
Capital Accounting	2		1	3
Payroll		2		2
Total	3	7	3	12

In accordance with discussion between the parties, most recently, August 3, 2001, regarding business conditions in the Controller and Customer Revenue Transaction departments, including events associated with Letter Agreement R2-00-34-PGE, Company proposes pursuant to Section 19.12 of the Clerical Agreement, the following:

Notwithstanding the use of Hiring Hall employees in Customer Revenue Transaction headquarters for relief of absent employees, Company shall issue 19.1(a) notices to employees in the classifications and headquarters cited above. Such employees shall have preferential bidding and transfer rights as outlined in Subsection 19.1(a) until such time as Company notifies them in writing that such rights have been rescinded.

At the same time, Company and Union will hold meetings with all employees to announce the planned reductions. All employees will be reminded that Employee Election Forms may be updated at any time. Employees will be informed as to how to mark forms to reflect involuntary lay-off as a first choice.

On October 31, 2001 Company shall review the Employee Election Forms of employees in the above headquarters. Should the number of employees electing involuntary lay-off exceed 12, those with the greatest service shall be granted lay-off. Such employees shall be notified of lay-off not later than November 1, 2001. Pursuant to Section 19.11, employees notified of lay-off may be laid-off sooner than ten workdays with pay, but may not continue to work beyond November 30. Actual date of lay-off is at Company's discretion. Requests to retain specific employees longer than November 30 require local written agreement between the parties on a case-by-case basis.

Following such reduction, in order to properly staff, Company shall effect the provisions of Title 18 in the Controller's organization to fill all vacancies noted in L/A R2-00-34 and those exceeding the 12 positions identified above. Should there be an unforeseen circumstance, which causes Company to choose not to fill a vacancy, such information will be shared with Union. Company notified Union that it may utilize the provisions of Sections 18.6 and 18.11 of the Clerical Agreement when filling vacancies. Union noted that these provisions are subject to review in the grievance procedure.

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

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: *Stephen A. Rayburn*
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

Oct 12, 2001

By: *Perry Zimmerman*
Perry Zimmerman
Business Manager

TIMELINE
TITLE 19 CONTROLLER'S ORGANIZATION

<u>DATE:</u>	<u>ACTION:</u>
10/17/01	Issue 19.1(a) notices granting preferential bid and transfer rights to junior employees in affected classifications and headquarters. Conduct meetings with all employees in affected headquarters to inform of reduction and give opportunity to update Employee Election Forms.
10/29/01	Employee Election Forms due by close of business. 19.1(a) Notices rescinded
10/31/01	Review Employee Election Forms and make assignments and/or determine lay-offs.
11/1/01	Notify employees of lay-off.
11/15/01	Last day for employees assigned lay-off.
11/30/01	Last day for any employees assigned lay-off who were extended unless local agreement has been reached for specific individuals to continue longer.