



LETTER AGREEMENT NO. 02-46-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 18, 2002

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:

The Company and Union entered into Letter Agreement 01-50-PGE on September 27, 2001 to implement the Company's policy for Emergency Active Military Leave. In that Letter Agreement, the parties agreed that regular employees would receive pay supplements equivalent to their base pay minus taxable wages received from the military for up to six months. Letter Agreement R1-02-07 extended this pay supplement through October 2002.

There are still employees who will be continuing their emergency active military service beyond October 2002. Therefore, the Company proposes to amend Letter Agreements 01-50-PGE and R1-02-07 to extend, on a one-time basis, this pay supplement through April 2003.

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

Oct 2, 2002

By: _____


Perry Zimmerman
Business Manager