



# LETTER AGREEMENT NO. 03-21-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 2547  
VACAVILLE, CALIFORNIA 95696  
(707) 452-2700

STEPHEN A. RAYBURN,  
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN,  
BUSINESS MANAGER

July 1, 2003

Local Union No. 1245  
International Brotherhood of  
Electrical Workers, AFL-CIO  
P.O. Box 2547  
Vacaville, CA 95696

Attention: Mr. Perry Zimmerman, Business Manager

Dear Mr. Zimmerman:

The Company has experienced continual difficulty in filling Chemistry and Radiation Protection Technician (C&RP Technician) and Control Technician vacancies at Diablo Canyon Power Plant (DCPP). The current competitive national and state job markets for Technicians and the high cost of housing within a commutable distance to DCPP combine to make filling such jobs difficult. Relocation assistance will enhance Company's ability to attract qualified external candidates.

The Company proposes to provide externally recruited Chemistry and Radiation Protection Technicians and Control Technicians with relocation assistance as described in the Attachment "A" of this proposal. The elements of this relocation assistance are similar to the components of the package for renters for above-entry management positions filled in the external job market. Participants will be required to repay the cost of relocation assistance received if they resign within 24 months of the effective date of relocation. A Relocation Expense Payback Agreement is Attachment "B" of this proposal.

If agreed to, either party may cancel this agreement after providing 30 days advance written notice.

This proposal has been discussed with the local Business Representative.

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

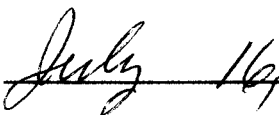
Very truly yours,

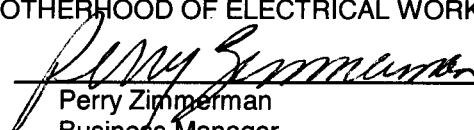
PACIFIC GAS & ELECTRIC COMPANY

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

 2003

By:   
Perry Zimmerman  
Business Manager

**Attachment "A", Letter Agreement No. 03-21-PGE  
Relocation Assistance Package Summary**

General Eligibility:

1. The C&RP Technician and Control Technician Relocation Benefit is intended for new hires NOT eligible for a relocation benefit from prior employer (i.e., U.S. Military). If a newly hired C&RP Technician and Control Technician is eligible for relocation from a prior employer, the C&RP Technician and Control Technician Relocation Benefit will supplement the other relocation program so that the total benefit does not exceed the C&RP Technician and Control Technician Relocation benefit.
2. Eligibility will be limited to newly hired C&RP Technicians and Control Technicians whose primary residence prior to PG&E employment is more than 50 miles from Diablo Canyon Power Plant. Additionally, subject to conditions below:
  - The new commute must exceed the old commute by at least 50 miles.
  - The relocation must result in a commute that is substantially reduced, that is by at least 50 percent. The new residence must be closer to the new headquarters than the former residence. Mileage will be verified using Mapquest.
  - Moves over 100 miles require the new residence to be within 50 miles of the new headquarters.
  - Moves less than 100 miles require that the commute be reduced by at least 50 percent.
  - Relocation of primary residence must occur within one year from the effective date of hire. Establishing a permanent residence is defined as the employee **and** family establishing a permanent tax base. Traveling back to the principle residence on weekends from an apartment, mobile home, motor home, rented room or company housing will not qualify for relocation assistance.

<b>Relocation Assistance</b>	<b>Benefit</b>
Lump Sum	Yes (1)
Household Move – Weight	Actual
Household Storage	30 days
Delivery Out Of Storage	Yes
Relocation Expense Payback Agreement	Required

**Notes:**

1. Computed by the Relocation Department based on distance. Employees are encouraged to use these funds to cover expenses they may incur for house hunting, enroute and interim living expenses. Within California \$2.50/mile + \$500. Outside California \$2.50/mile only.

**Attachment "B", Letter Agreement No. 03-21-PGE  
Relocation Expense Payback Agreement**

I hereby acknowledge that I have received and read a summary of the relocation assistance benefit available to me under the *Pacific Gas and Electric Company (PG&E)* relocation policy. I understand the benefit to me of the assistance available and agree to the following:

- For purposes of this Agreement, the effective date of relocation is the first day I report to my PG&E work location.
- The payment of relocation costs directly to me and to others on my behalf by PG&E is conditional upon the successful realization of my physical relocation as requested by PG&E and upon my remaining in the employment of PG&E for a period of twenty-four (24) consecutive months from the effective date of relocation. If I should voluntarily resign my employment with PG&E prior to the completion of twenty-four (24) consecutive months from the effective date of relocation, I will repay PG&E all relocation costs made to me or to others on my behalf, in accordance with the following schedule:

From the effective date of relocation, if I resign within:

Three months	- I will repay 100%	Fifteen months	- I will repay 65%
Six months	- I will repay 95%	Eighteen months	- I will repay 55%
Nine months	- I will repay 90%	Twenty-one months	- I will repay 45%
Twelve months	- I will repay 85%	Twenty-four months	- I will repay 35%

- If PG&E provides relocation costs to me or to others on my behalf but I do not physically relocate as requested by PG&E within the specified timeframe, I understand that PG&E is entitled to recover up to the full amount provided to me or others on my behalf under this relocation policy.
- I understand that if I voluntarily resign my employment with PG&E, any relocation reimbursement I owe to PG&E shall be due and payable on the final working day of my employment. PG&E will notify me of the exact amount I owe under this agreement prior to my final working day. I agree to repay PG&E the full relocation reimbursement amount on or before my final working day of employment. I may authorize PG&E to deduct the repayment amount from any wages, accrued vacation, bonuses or other sums owed to me by PG&E. I understand that if I fail to pay PG&E the full relocation reimbursement amount on or before my final working day of employment, PG&E may submit the debt to a collection agency.
- Any dispute regarding any aspect of this Relocation Expense Payback Agreement, including its validity, interpretation, or any action which would constitute a violation of this Relocation Expense Payback Agreement shall be resolved by an experienced arbitrator, selected by PG&E and me (collectively "the parties") in accordance with the rules of the American Arbitration Association. The fees of the arbitrator and cost associated with producing a transcript of the proceedings shall be paid in equal shares by the parties. Any decision rendered by the Arbitrator, including any remedy awarded, shall be in accordance with the laws of California.
- The forum for any dispute submitted to arbitration pursuant to this agreement shall be San Francisco, California. The decision of the arbitrator shall be final and binding. Judgment may be entered thereon in accordance with the practice of any court having jurisdiction.
- Reimbursement of relocation expenses by PG&E does not constitute a commitment by PG&E with respect to the duration of my employment.
- If any of the provisions contained in this agreement is held to be unenforceable, in whole or in part, by a court of competent jurisdiction, the entire agreement shall not fail and all other provisions and obligations of this agreement shall remain valid and enforceable.

By signing below, I hereby acknowledge and agree to the terms and conditions contained herein.

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Date

\_\_\_\_\_  
PG&E Relocation Director

\_\_\_\_\_  
Date

July 1, 2003