



**Pacific Gas and  
Electric Company.**

# LETTER AGREEMENT NO. 04-57-PGE

**IBEW**



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

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STEPHEN A. RAYBURN,  
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN,  
BUSINESS MANAGER

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November 22, 2004

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

Dear Mr. Zimmerman:

On November 4, the parties reached an agreement to amend Subsections 110.2(b) (c) and 11.2(b) (c) of the Agreements beginning with the calculation of the 2006 shift premiums. This amendment was recommended by the Premium Standardization Ad Hoc Committee and is consistent with its charter to simplify Payroll administration. These changes allow the premiums to be determined prospectively and not after the effective January 1 date.

The above Subsections shall be revised as follows:

(b) "The weighted average straight-time rate referred to in Subsection (a) hereof shall be calculated annually by adding any general wage increase effective on January 1 to the computed weighted average straight-time rate as of the October 31 immediately prior, except as provided for in (c) below. The effective date of any change in shift premium shall be January 1."

(c) When all employees represented by Union are not granted equal increases, or where the effective date is not the same, the calculation shall be computed by adding the appropriate general wage increase to the appropriate group's weekly payroll as of the end of the quarter immediately prior to the effective date of the general wage increase and adding the totals of the groups together to ascertain the total weekly payroll of the groups of employees represented by the Union. The sum of those amounts should be divided by the total number of employees represented by the Union and divided by 40."

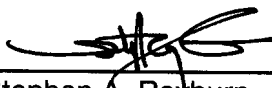
The parties may incorporate the above amendments to the Labor Agreements in the 2007 General Negotiations.

In addition, the parties agreed to a one-time advance application of the 2005 shift premiums as an equity settlement to Business Manager's Grievance 04-01 (14818). The 2005 shift premiums will be calculated based on the weighted average straight-time rate as of September 30, 2004 plus the 4% 2005 GWI. The new rates are effective November 1, 2004.

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 Company.

Very truly yours,

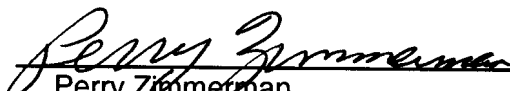
PACIFIC GAS & ELECTRIC COMPANY

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

12-17, 2004

By:   
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Perry Zimmerman  
Business Manager