



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 05-05-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

STEPHEN A. RAYBURN,
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN,
BUSINESS MANAGER

February 23, 2005

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:

In 1981, the Company and Union established a Line of Progression in the Gas Construction Department to operate drilling and boring equipment. The purpose of establishing this Line of Progression was to recognize this special operation, which required special skills and extensive travel throughout the Company system. These employees performed vertical and horizontal earth drilling. These crews performed standard penetration tests, soil sampling, diamond core drilling and the use of other drilling accessories. Prior to that agreement, the Company used Working Foreman "B", Working Foreman "C" and Miscellaneous Equipment Operator A or B to operate the drilling equipment.

In 1992, the Company and Union agreed to modify the Gas Construction Lines of Progression to allow for "Drilling Working Foreman C" (0846) who could perform directional boring up to 4 inches and may be the lead of a crew consisting of a MEO and/or Fieldperson. The agreement was reached recognizing the fact that the skill level required was somewhat less than that required of the equipment used by the Drilling and Boring Group.

In 2000, the Company and Union agreed in Letter Agreement R2-00-38-PGE that equipment and technological advances have resulted in the ability of each area to perform their own boring work that does not require that special skill level. The equipment allows for large bores without requiring additional skills or knowledge. The amount of boring required no longer justifies a special centralized group. Boring is now common place where in the past it was the exception. Cities and municipalities are requiring more boring and less trenching.

The agreement eliminated the Driller Line of Progression and the (0846) Drilling Working Foreman "C" and moved the work back into the (0853) Working Foreman "B", (0854) Working Foreman "C", (1646) Miscellaneous Equipment Operator, and (0525) Fieldperson classifications. The (0844) Drilling Working Foreman "B" was reclassified to (0853) Working Foreman "B." The (0846) Drilling Working Foreman "C" was reclassified to (0854) Working Foreman "C" at the same rate of pay. The (0450) Drillers were classified as (PIO), "Present Incumbent Only" and were considered the same as a (1646) Miscellaneous Equipment Operator.

Company is now proposing to further modify the General Construction Gas Department Line of Progression pursuant to Section 304.4 of the Agreement. The modification is to allow General Construction Gas Department Miscellaneous Equipment Operators (1646) to be equivalent to Drillers (0405) for purposes of promotion to the next higher classification. Allowing Miscellaneous Equipment Operators to be equivalent to Drillers would eliminate the need for Notes 5, 6, and 7 of the General Construction Gas Department Line of Progression Chart. Note 5 states that a Miscellaneous Equipment Operator is next lower to Driller. Note 6 states that a Drilling Working Foreman C may be appointed to a Driller 2-year wage step. Note 7 states that an employee must have held the Driller classification to be considered qualified for Drilling Working Foreman B (0844).

The additional skills or knowledge level required of a Miscellaneous Equipment Operator is somewhat more than the requirement of the equipment used by the Driller. The Miscellaneous Equipment Operator operates multiple types of equipment while the Driller typically only operates a drilling unit. This has resulted in less skilled Drillers with less seniority than Miscellaneous Equipment Operators to be promoted to the next higher classification. Drillers should not be placed above the Miscellaneous Equipment Operator, but rather should be equal to Miscellaneous Equipment Operators.

In addition, Company is proposing to modify the Line of Progression for Drillers (0405) to now be the next lower classification to Drilling Working Foreman C (0846). The purpose is to provide them with the required training and knowledge prior to being considered for a Drilling Working Foreman B (0844).

Attached is the revised General Construction Gas Department Line of Progression.

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.

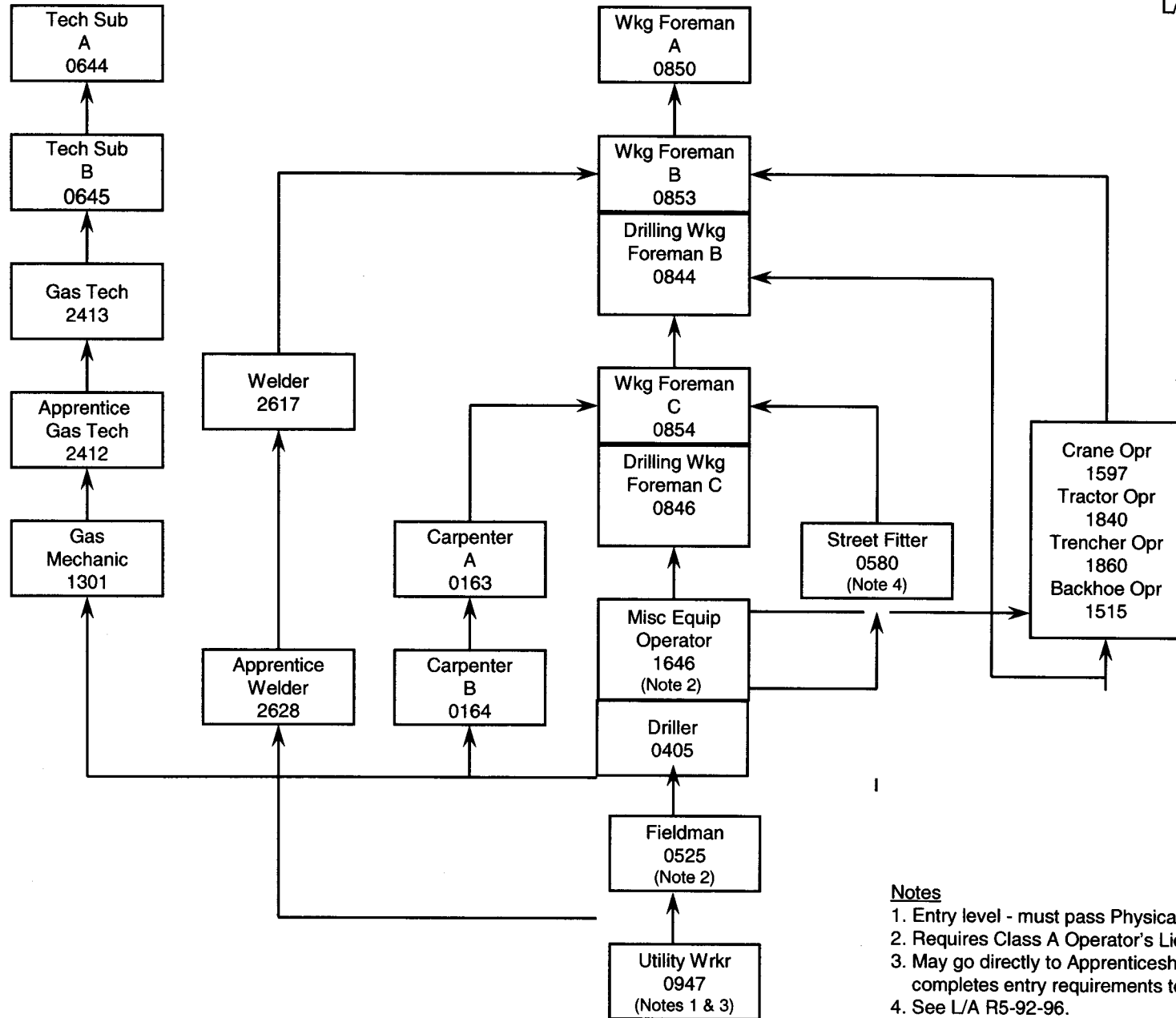
LOCAL UNION NO. 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

Jan 10, 2005

By: 
Perry Zimmerman
Business Manager

GAS CONSTRUCTION

Attachment
L/A 05-05-PGE



Notes

1. Entry level - must pass Physical Test Battery.
2. Requires Class A Operator's License.
3. May go directly to Apprenticeship provided employee completes entry requirements to Apprenticeship.
4. See L/A R5-92-96.