



**Pacific Gas and
Electric Company**

LETTER AGREEMENT NO. 05-46-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

September 14, 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:

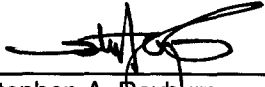
In recognition of the recent hurricane disaster in the Southeastern United States, the Company proposes to amend the provisions of Section 111.15 of the Physical Agreement and Section 8.16 of the Clerical Agreement and Letter Agreement 05-43-PGE. This amendment will allow employees to voluntarily sell up to ten days of their vacation and transfer the proceeds to the American Red Cross - Bay Area Katrina Relief Fund. Employees who choose to make this donation will have their donated vacation days converted to cash and sent directly to the Red Cross. This amendment will be effective through September 30, 2005.

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

9-21-

_____, 2005

By: _____


Perry Zimmerman
Business Manager