



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 06-19-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 RAYBURN
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN
BUSINESS MANAGER

April 25, 2006

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:

To become the nation's leading utility, PG&E implemented Business Transformation, an enterprise-wide effort to conduct a thorough examination of its operations to implement new tools, processes, and operational approaches. Some of the changes require modification to the way IBEW-represented employees perform their work, particularly in the clerical functions.

The IBEW and the Company met to discuss the Company's decision to consolidate and centralize clerical work into Resource Management Centers (RMCs) specific to work performed by Utility Clerks-Operating, Operating Clerks, Sr. Operating Clerks, Foreman's Clerks, Assistant Foremen's Clerks, Routine Field Clerks, First Field Clerks, Sr. Field Clerks, Maintenance Assistants, and Shop Clerks.

This letter will confirm the Company's understanding of the settlement reached on March 31, 2006 between the Company's Negotiating Committee and IBEW Local 1245. The agreement is summarized below.

1. Staffing and Scope of Work

- a) Existing Contract provisions allow for the establishment of Operating Clerical Line of Progression positions at the new Resource Management Centers. Clerical positions in the RMCs will be established in the Operating Clerical Line of Progression as Sr. Operating Clerk I-II, Operating Clerk and Utility Clerk utilizing the Position Evaluation Questionnaire process. The positions will perform dual commodity job duties including, but not limited to, damage claims, joint pole, material ordering, dispatching, time entry, job processing/closing, compliance support – EPCM/GPCM, c-card, etc. It is expected most Operating Clerical employees in the field will be directly impacted by the consolidation of work to the RMCs. The Sr. Operating Clerk I-II position is considered the same as a Sr. Operating Clerk I for bidding and displacement/demotion purposes.
- b) Company will initially fill between seven and ten clerical positions utilizing Title 18 at the Concord RMC in support of the initial staffing for the opening of the Center on or about June 5, 2006. No bargaining unit employees will be impacted by Title 19/206/306 as a result of this initial staffing. The parties are currently discussing the process for additional staffing of the RMCs and the Company agrees not to use Title 18 when Title 19 is appropriate.
- c) Incumbents in Title 200 and 300 clerical classifications remaining at the service centers will perform dual commodity functions in those locations including the full scope of duties of their classification (Title 200 clerical employees may perform Title 300 clerical work and vice versa, as well as Operating clerical work, etc.). The remaining Title 200/300 incumbents may also be required to perform physical work historically performed by their classification.

- d) There will be no involuntary displacement from Title 200 and 300 clerical classifications for lack of work as a direct result of the staffing of the RMCs. This does not preclude displacements as a result of future headquarters closures and does not preclude utilization of Title 301 or future Title 206/306 displacements unrelated to RMC staffing.
- e) As Physical Clerk jobs are vacated, the positions may be filled as Operating Clerical positions. Once these jobs are filled as Operating clerical, they will perform the same clerical duties as listed in "c" above (dual commodity, etc.).
- f) The Company will establish separate bid codes if a 2nd or 3rd shift is established as defined in Title 11.
- g) An Internal Bid Process will be developed within the RMCs to offer vacant shift/schedules to current RMC employees in the same classification, status and headquarters prior to filling jobs through the normal job bidding and transfer system.
- h) Existing Contract provisions allow the Company to move CFM contract processing and money work to the Accounting Line of Progression in West Sacramento. The Company will fill new positions at West Sacramento in the Accounting Line of Progression. The Clerical Position Evaluation system will be used to grade the positions.

2. Posting of New Jobs at Headquarters

- a) On or before April 15, 2006 the Company will post jobs for the initial staffing of the Concord RMC.
- b) Additional job posting for the RMCs and the West Sacramento Payment Processing Center may be posted and established during the 2nd Quarter of 2006.

3. Wages

- a) Employees voluntarily accepting and reporting to positions in an RMC will receive Section 13.9(d), 204.6(d) or 304.1(c) wage protection if awarded a job prior to December 31, 2006 or at the end of the initial staffing of the RMCs, whichever is later.
- b) The senior clerk classification at the RMC will be established as Senior Operating Clerk I-II and will be paid the Senior Operating Clerk II wage. Operating Clerk and Utility Clerk wages remain the same.

Exhibit F			
New RMC Classifications	Class Code		2006 Hourly Wage Rate
Sr. Operating Clerk I-II	2801	Start	30.13
Sr. Operating Clerk - Typist I-II		End 6 Mo	30.78
		End 1 Yr	31.44
		End 18 Mo	32.10

4. Special Allowance

An employee who voluntarily accepts and reports to a job at an RMC during the initial staffing of a center will be entitled to a special \$3,000 allowance whether or not s/he moves. Acceptance of the special allowance commits the employee to that headquarters for a period of 12 months. Employees will be paid the \$3,000 allowance within 30 days of reporting to an RMC. The special allowance will apply to employees who voluntarily bid to a RMC before December 31, 2006 or at the end of the initial staffing of the RMCs, whichever is later.

5. Joint Company-Union Communications

The Company and Union will make joint presentations on Company time to impacted employees including time for Union to meet with members exclusively.

6. Training

- a) Company will provide training in support of energizing our employees and meeting customer needs through job enrichment, rotational assignments, vacation relief, etc.
- b) No employee will be negatively impacted by Company's failure to provide training.

7. Vacation Allowance

The parties also agreed that the Company will honor the vacation schedules of employees reporting to RMCs when it is operationally feasible.

8. Performance Standards

It is the intent of the parties to jointly agree to performance standards for RMC clerical classifications.

9. Typist Classifications

The Company will verify that Typist classifications are appropriately designated prior to any Title 19 activity.

10. Contract Extension

In conjunction with this agreement, the parties will extend the term of the Clerical Agreement two years through December 31, 2010. The general wage increase (GWI) negotiated for Physical Bargaining Unit employees in 2009 and 2010 will also apply to the Clerical Bargaining Unit. The contract extension is subject to ratification by the Clerical Bargaining Unit and this letter agreement will not go into effect until the ratification vote is completed. However, the parties have agreed to move ahead with the staffing of between seven and ten clerical positions at the Concord RMC as discussed in this Letter Agreement.

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

4-25, 2006

By: 
 Perry Zimmerman
 Business Manager