



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 06-26-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

May 9, 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:

The parties recently met regarding the staffing of Operating Clerical positions in the Resource Management Centers (RMCs). As previously agreed, the Company is in the process of filling the initial 10 (maximum) clerical positions at the Concord RMC through the bidding and transfer provisions of Title 18. Additional staffing will be needed throughout 2006 at all seven RMCs. In accordance with Sections 18.17 and 19.12, the Company proposes the following process for filling these vacancies:

1. The Company will post Operating Clerical classifications at six RMCs in accordance with Section 18.4(h). As outlined in Letter Agreement 06-19, jobs for the seventh RMC, Concord, have already been posted as new jobs at the headquarters in order to accommodate bidding for the initial 10 positions (closed on May 3, 2006). Clerical Operating employees may continue to submit bids to the Concord RMC.
2. In order to provide accelerated bidding and transfer rights, the Company will provide Section 19.1 notice to all employees in the Operating Clerical Department, except those employees who have already been awarded a position in the Concord RMC. This notice allows employees to have their bids to RMC vacancies considered under the provisions of Section 19.9 ("a" rights). This notice invokes the provisions of Letter Agreement 05-66 except for the voluntary severance options. The 10 employees who have already been awarded jobs at the Concord RMC will have Section 19.9 rights to return to their former classification and headquarters.
3. Noticed employees will be provided a list of clerical vacancies which the Company intends to fill at the seven RMCs. Employees will have seven calendar days to prioritize their interest in these vacancies. Employees will be advised that their elections will be considered binding and entitle them to the provisions of Letter Agreement 06-19, including wage protection and the \$3,000 Special Allowance offer.

- 4. The Company will make assignments from the prioritized lists based on seniority and negotiated qualifications. Employees will be advised of their assignment as soon as possible, however, report dates will occur throughout 2006. Every effort will be made to give employees a minimum of two weeks' notice prior to reporting to their new position. Until employees report to their assignment, their bidding and transfer rights will continue to be based on their current headquarters and base classification. Employees will be placed "on paper" into their new assignments for purposes of Title 19 only. Once this staffing process is complete, any future vacancies will be filled through the normal bidding provisions.

The Company will not implement the provisions of Title 19 in Operating Clerical during 2006. Once the Company determines the need for displacements, and prior to any displacement activity, the parties will meet and discuss ways of minimizing employee disruption and to ensure compliance with Letter Agreements 99-72 and 06-19.

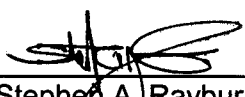
This letter agreement is contingent upon LA 06-19 going into effect.

This process has been discussed with Assistant Business Managers Ken Ball and Dorothy Fortier.

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

May 10, 2006

By: 
 Perry Zimmerman
 Business Manager



**Pacific Gas and
Electric Company®**

Stephen A. Rayburn
Director and Chief Negotiator
Labor Relations

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August 13, 2007


AUG 17 2007

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

Dear Mr. Dalzell:

Letter of Agreement 06-26 provided Section 19.1 notice to all employees in the Operating Clerical Department, except those employees who had already been awarded a position in the Concord RMC. Given the information communicated regarding no further reductions planned as a result of Business Transformation Foundation and the potential for increased staffing, the affected employees will be advised that the 19.1 Notice is rescinded. However, those employees that did relocate will retain "A" rights back to their previous headquarters.

Sincerely,


Stephen A. Rayburn
Director, Labor Relations