



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 06-63-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

TOM DALZELL,
BUSINESS MANAGER

November 30, 2006

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:

The Company proposes to temporarily modify the language in Letter Agreement R1-01-41 to expand the ability to make temporary training assignments of Apprentice Linemen. The parties recognize that there is an existing shortage of Journeyman Linemen and a soon to be realized saturation of General Construction apprentices given the increase in hiring over the past several years, and expected continuation of hiring for the next three to five years. As a result of that activity, this proposal is being submitted for the purpose of alleviating the training impacts brought about by this journey to apprentice imbalance. This agreement is proposed for a one-year period with the understanding that the parties will evaluate the status and consider an extension if warranted.

In order to provide the apprentices the necessary and required training, the Company proposes to rotate them to Division Service Centers where there are qualified journeymen to assist in closing the training gap. The training needs require an expansion of LA R1-01-41 to all areas of the training program including work normally expected to be available within the apprentice's immediate work area. All other provisions of LA R1-01-41 remain in place including the training assignment being documented on the "Notification of Apprentice Lineman Training Assignment(s)" form.

This proposal is not to alleviate staffing shortages in any headquarters, but to ensure the integrity of our programs and the training of apprentices to reach Journey status. In addition, the Company commits to have the Apprentice Training Coordinators maintain oversight of these assignments to ensure the appropriateness of the training being provided.

In an effort to ensure the administrative process is operating effectively, the Joint Apprentice Training Committee will be commissioned to review the existing notification process and recommend any necessary changes to improve it and ensure appropriate communication between the parties.

Either party may cancel this agreement by providing the other party 30 days written notice.

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

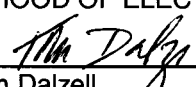
By: _____


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

By: _____


Tom Dalzell
Business Manager

September 18, 2006