

LETTER AGREEMENT

## NO. 07-29-PGE



PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS DEPARTMENT MAIL CODE N2Z P. O. BOX 770000 SAN FRANCISCO, CA 94177 (415) 973-4310 STEPHEN RAYBURN DIRECTOR AND CHIEF NEGOTIATOR INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO LOCAL UNION 1245, I.B.E.W. P.O. BOX 2547 VACAVILLE, CALIFORNIA 95696 (707) 452-2700 TOM DALZELL BUSINESS MANAGER

June 8, 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:

As you know, a Company Union Committee was established to review the labor agreements to ensure compliance with recent interpretations of California state labor laws and to propose changes to the labor agreements as appropriate. The Committee has agreed that a revision be made to Section 201.7 of the Physical Agreement and Section 15.4 of the Clerical Agreement. Both of these sections pertain to the rate of pay applicable to time spent traveling to training assignments.

Therefore, the Company proposes these sections be revised as follows:

Section 201.7 When arrangements are made for an employee to travel each day between the employee's living quarters and the training location, he/she shall be given an allowance for the time involved which is in excess of the time normally taken in traveling between his/her living quarters and regular headquarters and such [compensation shall be paid at the employee's regular straight-time rate of pay.] time will be considered as time worked and paid at the appropriate rate of pay. Transportation between living quarters and the training location shall be in accordance with the provisions of Section 201.9.

Section 15.4 When arrangements are made for an employee to travel each day between the employee's living quarters and the training location, he/she shall be given an allowance for the time involved which is in excess of the time normally taken in traveling between his/her living quarters and regular headquarters and such [compensation shall be paid at the employee's regular straight-time rate of pay.] time will be considered as time worked and paid at the appropriate rate of pay. Transportation between living quarters and the training location shall be in accordance with the provisions of Section 15.6.

Further, the Company proposes that appropriate retroactive payments for this change be made to active employees from June 1, 2004 and that such payments be calculated as 2007 wages for tax and benefit purposes.

The parties agree to revisit this issue should the law change regarding the pre-emption of overtime laws impacting travel time.

Mr. Tom Dalzell

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 (Al. Ra vburn

Director and Chief Negotiator

The Union is in accord with the foregoing and agrees thereto as of the date hereof.

By:

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

**6 - 8 -** \_\_\_\_, 2007

Tom Dalzell Business Manager