



**Pacific Gas and
Electric Company.**

**LETTER AGREEMENT
NO. 08-27-PGE**

IBEW



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

September 22, 2008

Mr. Tom Dalzell, Business Manager
Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95687

Dear Mr. Dalzell:

In Letter Agreement 08-24, the Company and Union agreed to meet in an ad hoc forum to discuss System Operator wages and other non-displacement related issues. As a result of these ad hoc discussions, the parties have agreed to the following:

The wage rates for System Operators and Lead System Operators in Transmission and Distribution will be increased by 3% effective 01/01/2009.

Once the initial staffing of the Vacaville Grid Control Center has been completed, the parties agree that those employees will be given the opportunity to vote on any alternative work hour proposal submitted by the Company. This vote may occur before the employees physically report.

Finally, the parties agree to work cooperatively to develop a Peer-to-Peer Observation Program, and to continue discussions regarding the status of Apprentice System Operators who reach journeyman status.

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

By: _____

Tom Dalzell
Business Manager

October 1, 2008