



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 08-33-PGE

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS DEPARTMENT
MAIL CODE N2Z
P. O. BOX 770000
SAN FRANCISCO, CALIFORNIA 94177
(415) 973-4310

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

October 20, 2008

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:

Under the current vacation provision, employees are allowed to accumulate up to two times their annual vacation award. Earned vacation in excess of the allowed maximum vacation accrual is automatically paid out to the employee in the pay period earned.

The Company is proposing that effective January 1, 2009, the excess vacation payout at each pay period be replaced with a one-time annual payout of excess vacation following the end of the calendar year.

The payout will be issued by the end of February for excess vacation as of December 31 of the prior year and will be paid at the current rate of pay. The first annual payout will be in 2010 for excess vacation as of December 31, 2009.

The Company will also be proposing this change be part of the general negotiations settlement package; however, in the event that the settlement is not ratified, this letter agreement will be effective.

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 Pacific Gas and Electric Company.

Very truly yours,

PACIFIC GAS AND 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

10/21/08, 2008