



**Pacific Gas and  
Electric Company.**

# LETTER AGREEMENT NO. 10-03-PGE



PACIFIC GAS AND ELECTRIC COMPANY  
LABOR RELATIONS AND HUMAN RESOURCES 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

January 14, 2010

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:

Company proposes to amend the provisions of Section 3.09 Deferred Retirement of the Benefits Agreement dated January 1, 1994 to conform the handling of required minimum distributions under the Company's Retirement Plan to the Internal Revenue Code standard treatment of such distributions as follows:

### 3.09 DEFERRED RETIREMENT

An Employee who continues employment beyond the Normal Retirement Date, as provided for in Section 3.05, shall not be entitled to a Pension until Participant's Actual Retirement Date. The Plan will apply the minimum distribution requirements of Section 401(a)(9) of the Internal Revenue Code in accordance with the regulations under Section 401(a)(9) that were proposed on January 17, 2001. This provision shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under Section 401(a)(9) or such other date as may be specified in guidance published by the Internal Revenue Service. Any provision of the Plan notwithstanding, if an Employee continues employment beyond the end of the year in which the Employee attains age 70 1/2, Pension payments shall begin no later than April 1 of the year following the year in which the Employee attains age 70 1/2. The amount of the Pension payable shall be the Pension benefit accrued as of April 1 following the end of the year in which the Employee attains age 70 1/2, adjusted for any elections made by the Participant and, any forms of Pension required under section 3.10. (Amended 1/1/89)

This change will eliminate the need for employees who choose to work beyond April 1 of the year after they turn 70 1/2 to begin taking minimum distributions from the Retirement Plan while they are still working.

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

January 29, 2010