



**Pacific Gas and
Electric Company.**

**LETTER AGREEMENT
NO. 10-14-PGE**

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS AND HUMAN RESOURCES 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

March 23, 2010

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:

The Company recently announced its decision to consolidate distribution control centers. During 2010, the Yosemite, Central Coast, DeAnza, and Russian River distribution control centers will be closed. The displacements associated with these closures will occur this year and will coincide with the last wave of transmission control center displacements affecting San Mateo, Diablo Canyon, Moss Landing, Metcalf, Los Banos, and Midway control centers. Subject to satisfactory funding, the remaining distribution control centers will be consolidated into three centers in Auburn, Concord, and Fresno during 2012 and 2013.

The parties recently met to discuss methods of minimizing the impact on employees as a result of the displacement associated with this year's closure of the four identified distribution control centers (Yosemite, Central Coast, DeAnza, and Russian River) and the six transmission control centers (San Mateo, Diablo Canyon, Moss Landing, Metcalf, Los Banos, and Midway). In accordance with Section 206.12 of the Physical Labor Agreement and Letter Agreement 99-72, the Company proposes the following:

Enhanced Options

Impacted employees are the System Operators, Apprentice System Operators, and Lead System Operators at the 10 identified impacted headquarters. Impacted employees will be provided with their Section 206.1 and 206.2 notices along with a list of options to consider. Employees will have 12 calendar days to return their prioritization list and be advised that their elections will be considered binding. The options will include:

- Vacancy in same classification at Vacaville Grid Control Center (GCC)
- Vacancies in same classification in Demotion Area (Listed by locations)
- Severance
- Utilize Title 206 Process

Assignments will first be made (on paper) to the prioritized vacancies. Title 206 assignments will then be made in accordance with Title 206 and LA 99-72. Although not likely, the Company may need to cap the number of employees placed directly into the GCC from one or more demotion areas. Those not assigned will be given their full Title 206 rights. Employees at the non-impacted control centers who may be impacted by the displacement will also be notified in order to update their employee election form. Impacted employees who have previously received Title 205 job awards, but have not yet reported, will be given the option to remove themselves from the 206 process by committing to their accepted position. Impacted employees will be advised of the Electric Operations vacancies which the Company plans on filling during this process.

Section 206.8 Moving Allowance

Employees (transmission and distribution) who are eligible for the 206.8 Moving Allowance as a result of reporting to a distribution control center or the Vacaville GCC will be entitled to an enhanced amount of \$5,000 to be paid as a flat amount rather than as reimbursement for covered expenses. As required in 206.8, employees must relocate to be eligible for this allowance.

Transitional Relocation Assistance

The Company's plans for a further consolidation of the distribution control centers into three locations means employees displaced into distribution control centers (other than Auburn, Concord, or Fresno) will be subject to further displacement within 2-3 years. Employees in this unique situation may opt to establish a secondary residence or commute, rather than relocate their primary residence. Acknowledging the difficulty of this unprecedented situation, the Company proposes the following alternative to the moving allowance described above:

Any employee (transmission or distribution) who is displaced into a distribution control center (other than Auburn, Fresno, or Concord), which is located 50 miles or more from their present residence and causes an increase of 30 miles or more in their commute, will be entitled to a \$10,000 assistance allowance. This allowance is intended to help offset the employee's secondary housing and/or increased commute costs and is in lieu of the Section 206.8 moving allowance. The employee does not need to relocate their primary residence to receive this allowance. The first \$5,000 will be paid upon reporting to their new headquarters and the remaining \$5,000 once the employee has remained there for twelve months.

Unanticipated Changes

Should any unforeseen circumstance occur to cause the partial or total cancellation or delay of the distribution control center consolidations, the parties will meet to address any impacts to employees as a result of the change.

This proposal has been discussed with Assistant Business Manager Ken Ball.

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

March 26, 2010

By: 
Tom Dalzell
Business Manager