

## NO. 11-35-PGE



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

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

STEPHEN RAYBURN
DIRECTOR AND CHIEF NEGOTIATOR

BUSINESS MANAGER

August 4, 2011

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 has recently experienced a higher than normal turnover rate in the Vacaville Grid Control Center workforce. The Company proposes to offer a commitment allowance of \$15,000 beginning September 1, 2011 to all eligible employees in an effort to reduce this turnover rate, improve safety and stabilize the workforce.

## Commitment Allowance

Eligible employees may elect to receive the commitment allowance by signing an agreement committing to remain at the Vacaville Grid Control Center for a period of 18 months from the date of the agreement. Employees electing this allowance will not have their bids or transfers considered, except to a higher classification at the Vacaville Grid Control Center headquarters, until they complete their 18-month commitment.

Journeyman System Operators, Lead System Operators, and Apprentice System Operators (currently in the program at phases 3-5) currently working at the Vacaville Grid Control Center will be offered the opportunity to sign up for the commitment allowance.

New Apprentices hired on or after May 31, 2011 will be required to pass their First Simulator Wage Progression Test to be eligible for this commitment allowance. Upon successful completion of the First Simulator Wage Progression Test, these Apprentices may be offered the allowance.

For employees currently under an existing commitment allowance, the new allowance will run consecutively and begin on the day following the expiration of the current allowance.

Employees bidding and hired into the impacted classifications at the GCC following the initial commitment allowance offer may also be offered the commitment allowance at the discretion of the Company.

All eligible employees must complete the Commitment Allowance Agreement and Payback Agreement declaring their intent to either accept or decline the commitment allowance offer within 30 days of the offer.

The allowance will be processed for payment once properly completed Commitment Allowance and Payback Agreements have been submitted by an employee. All future offers following the initial offering will be offered at the discretion of the Company.

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

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

August 5 , 2011

By:

Business Manage