PACIFIC GAS AND ELECTRIC COMPANY

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November 27, 1978

Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P.O. Box 4790 Walnut Creek, California 94596

Attention: Mr. Dean Cofer, Business Manager

Subject: General Construction -Gas Line of Progression

Gentlemen:

Pursuant to the provisions of Titles 305 and 306 and the understandings reached at the conclusion of negotiations for the Labor Agreement dated January 1, 1977, and the Union and Company Subcommittees' subsequent discussions, we are submitting the following proposal relative to the lines of progression in the General Construction Gas Department as they pertain to Titles 305 and 306. The proposed lines of progression are set forth on Attachments A and the clarification of Section 306.9, Attachment B. Each is incorporated herein as though set forth in full and will be effective on execution of this letter agreement.

An employee will be entitled to preferential consideration for promotion, pursuant to Title 305, only to classifications that are shown as higher to his present classification in his numbered line of progression (Attachment A). The same will hold true to appointments made pursuant to Section 306.9. When a lack of work situation occurs as provided for in Title 306, the employee to be demoted will be entitled to preferential consideration to displace an employee having less service in each successively lower classification in the appropriate numbered line of progression. The employee must be fully qualified to perform the duties of the classification to which such employee is to be demoted or transferred. When an employee in a Working Foreman classification is to be demoted pursuant to Title 306, such employee shall have the choice to select demotion to the next lower Working Foreman classification or to return to the classification in the numbered line of progression he held prior to becoming a Working Foreman; provided he does not displace an employee with greater service. Local Union No. 1245 Attention: Mr. Dean Cofer

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The foregoing is not intended to change the present provisions of Title 306 of the Agreement. However, pursuant to the provisions of Section 306.10, if the Company is unable to place the demoted employee in such next lower or successively lower classification in the appropriate numbered line of progression, the employee may, notwithstanding any provisions in Title 306 to the contrary, elect to displace an employee who has less service in another line of progression in the Gas Department, in his area, provided (i) the demoted employee previously held such classification for six consecutive months or longer, and (ii) the classification has a lower wage rate than the one from which the employee is being demoted.

If you are in accord with the foregoing and its attachments and agree thereto, please so indicate in the space provided below and return one executed copy of this letter to Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

Industrial Relations

The Union is in accord with the foregoing and its attachments and it agrees thereto as of the date hereof.

> LOCAL UNION NO. 1245, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

January 4, 1979 XXXXXX

By



GENERAL CONSTRUCTION GAS LINES OF PROGRESSION



Footnote 1/

For a period not to exceed six months (or a period time otherwise agreed to by Company and Union) from the date of the execution of the attached letter agreement or adoption of the General Construction Apprentice Welder Gas Program, whichever occurs first, an employee who is classified as MEOB and who has previously submitted, in writing, a request to transfer to such Apprentice Welder classification, will be entitled, for such period of time, to consideration for appointment, when the need arises, at the beginning wage step of such classification in the order of the employee's service as provided in Title 305.

Footnote 2/

An employee who is assigned to operate and/or be in charge of the Plastic Fusion Truck shall be paid at the appropriate wage step of MEOA. Consideration for such assignments shall be given first to employees presently classified as MEOA and, secondly to Heavy Truck Drivers, who have previously submitted a written request for such assignment. Such employees will be considered in the order of their service provided they have first passed the Plastic Fusion Qualification Test.

CLARIFICATION OF SECTION 306.9 PHYSICAL LABOR AGREEMENT

During the course of the Company and Union discussions of the lines of progression relative to Titles 305 and 306 of the Physical Labor Agreement concerning General Construction employees, the parties discussed a further clarification of Section 306.9 relative to the number of opportunities which a demoted employee would be given preferential consideration to exercise his rights for appointment to a classification in his line of progression.

It is understood that General Construction informs employees who have been demoted for lack of work of future opportunities for advancement as they occur in his line of progression to regain his previous employment status. It is further understood that in the past the employee has been given one opportunity following such notification to avail himself of the opportunity, on a preferential basis, to return to his higher classification in his geographic area.

The Union and Company have examined this practice and find that it is fair and consistent with the intent of the parties in negotiating Section 306.9. Therefore, the Union and Company have agreed that in the application of Section 306.9 that if the employee declines such a promotion in his line of progression to return to the classification held when he was demoted for lack of work, such employee shall have no further claim to preferential consideration afforded by Section 306.9 as to further promotional opportunities.

For Union Its Business Manager

For Company

Its Manager of Industrial Relations

Date January 4, 1979

Date 27 November 1978

