

# PACIFIC GAS AND ELECTRIC COMPANY

PG&E + 245 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

May 26, 1981

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

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Company proposes to increase the mileage allowances for personal automobiles used for Company business retroactive to May 1, 1981, to 23¢ a mile for the first 300 miles per month, 20¢ a mile for the next 700 miles per month, and 12¢ a mile for all mileage over 1000 miles per month, and to increase the monthly reimbursement to \$85 per month where the employee is authorized to use his/her personal vehicle in excess of 50 percent of the working days in a month. These changes are to Paragraph 12 and 13 of the Standard Practice 724.5-1, which was effective May 1, 1979.

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 Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

By H. W. Bonbrugh  
Manager of Industrial Relations B

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

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

June 12, 1981

By Jack McNally  
Business Manager

**PG and E**

**FOR INTRA - COMPANY USES**

**INDUSTRIAL RELATIONS**

DIVISION OR DEPARTMENT    AUTOMOTIVE & EQUIPMENT  
FILE NO                    724.5  
RE LETTER OF  
SUBJECT                  Use of Employee-Owned Cars  
Standard Practice on Mileage Rates

**MAY 22 1981**

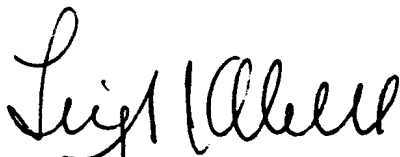
IWB                    FHG                    LDB  
DJB                    PNL                    MML  
LVB                    PEP                    RLS  
MMC                    MAS                    FILE

May 15, 1981

OFFICERS:  
GENERAL OFFICE DEPARTMENT HEADS:  
DIVISION MANAGERS:

Attached are revised pages 2 and 3 of the subject Standard Practice. Page 1 was not changed.

In the past we have had difficulty in getting a copy of this Standard Practice to those employees affected by the mileage rate change, so please see that everyone concerned receives a copy.



LEIGH J. ABELL

LJA (2106):dn

Enclosures

**STANDARD PRACTICE**STANDARD PRACTICE NO. 724.5-1EXECUTIVE OFFICE OR DIVISION VICE PRESIDENT  
GENERAL SERVICESPAGE NO. 1 EFFECTIVE 5-1-79ISSUING DEPARTMENT AUTOMOTIVE & EQUIPMENT DEPARTMENTREPLACING  
PAGE NO. 1 EFFECTIVE 6-1-78**SUBJECT:**

USE OF EMPLOYEE-OWNED CARS ON COMPANY BUSINESS.

POLICY

1. It is the policy of the Company to reimburse employees for the authorized use of their personal cars on Company business.

PURPOSE

2. The purpose of this Standard Practice is to provide a procedure and prescribe rates for the use of employee-owned cars on Company business.

APPLICATION

- \*3. This Standard Practice applies to all employees except that the applicable contract section or interpretation will apply for those in classifications represented in a bargaining unit where provision has been made in union contract or an interpretation thereof.

AUTHORIZATION FOR USE OF EMPLOYEES' CARS

4. Use of employee-owned cars on Company business may be authorized by the appropriate Vice President, General Office Department Head, or Division Manager, as follows:
  - \*a. Written or oral authorization is required for use in case of an emergency, a single trip, or for an annual average use of less than 750 miles per month and less than 50% of the annual working days.
  - \*b. Prior written authorization is required on Form 62-4767, Request and Authorization for Use of Employee-Owned Automobiles, Exhibit A, when the expected regular use of a vehicle exceeds an annual average of 750 miles per month or 50% of the annual working days.
5. The original and a copy of Form 62-4767 with evidence of required insurance attached, are to be submitted to the General Office Insurance Department. Upon verification of adequate insurance, the Insurance Department will note this on the original copy and forward it to the Disbursement Accounting Department.
6. Authorizations are good until revoked or until the employee is promoted or transferred to another position. Cancellations for any reason are to be made in writing to the Disbursement Accounting Department with a copy to the Insurance Department.

PACIFIC GAS AND ELECTRIC COMPANY  
**STANDARD PRACTICE**VICE PRESIDENT  
GENERAL SERVICESSTANDARD PRACTICE NO. 724.5-1PAGE NO. 2 EFFECTIVE 5-1-81REPLACING PAGE NO. 2 EFFECTIVE 5-1-79EXECUTIVE OFFICE OR DIVISION \_\_\_\_\_  
ISSUING DEPARTMENT AUTOMOTIVE & EQUIPMENT DEPARTMENT**SUBJECT:**

USE OF EMPLOYEE-OWNED CARS ON COMPANY BUSINESS

7. The use of an employee's car is not to be authorized until reasonable steps have been taken to determine that it is safe and presentable. The vehicle shall meet the following basic requirements:
- a. The interior and exterior must be in good, clean condition.
  - b. The vehicle must be in good mechanical repair and in safe operating condition.
  - c. Subcompact, compact, intermediate, or standard size passenger cars or light trucks are acceptable.
  - d. Two or three-wheel vehicles, or those that present a flashy or ostentatious appearance because of color or unusual accessories, are not acceptable.
  - \* e. All equipment and accessories required by State and Federal regulations for age of the unit must be installed, operating, and used. Seat belts must be installed and used regardless of the vehicle's age.

INSURANCE REQUIREMENTS

8. Employees using their personal cars on Company business, as in 4-b above, shall carry standard form automobile insurance covering bodily injury liability (limits not less than \$100,000/\$300,000.), and property damage liability (limits not less than \$25,000.) on the cars involved. The insurance shall cover the use of the cars for business and pleasure. (The additional cost of the required insurance coverage is considered in establishing the mileage rates specified in paragraphs 12 & 13.)
9. The Manager of Insurance shall inspect the evidence of the employee's insurance and follow-up to determine that it is retained in proper form on a current basis. If the employee has a policy written on a "continuous" basis, an endorsement to the policy is required stating that the Manager of Insurance, Pacific Gas and Electric Company, 77 Beale Street, San Francisco, CA. 94106, will be given 10 days prior notice of cancellation or material change in the policy.
10. Employees using their personal cars on Company business in an emergency, for a single trip or for less than an annual average of 750 miles per month, are not subject to these insurance requirements. However, all employees who use their personal cars on Company business are to carry adequate insurance.

SUBJECT: USE OF EMPLOYEE-OWNED CARS ON COMPANY BUSINESS

REIMBURSEMENT PROCEDURE AND RATES

- 11. Reimbursement will be made using the personal expense account except that reimbursement for mileage as in 4-a may be made using petty cash in cases where the use of a personal expense account has not been authorized.
- \* 12. Cost of authorized use will be reimbursed at the following rates:
  - First 300 miles per month. . . . . 23¢ a mile.
  - Next 700 miles per month . . . . . 20¢ a mile.
  - Over 1000 miles per month. . . . . 12¢ a mile.
- \* 13. Where reimbursement is authorized for vehicles which will be in use in excess of 50% of the working days, employees will be reimbursed an additional \$85 per month. To receive this payment, Form 62-4904, Mileage Report - Personal Car Usage on Company Business, Exhibit B, is required. This payment will be discontinued after 4 consecutive months of less than 10 working days of personal car use, but the DMA (Form 62-4767) will not be cancelled. Payment will be re-applied upon use of vehicle for over 50% of monthly working days.
- 14. Use of personal automobiles may be authorized as transportation for personal convenience in conjunction with an authorized trip by an employee to a convention or meeting at a distant location, provided that the Company does not incur expenses in excess of the cost of public transportation. Such cases are covered by Standard Practice 724.6-1
- 15. In cases where the type of vehicle required, operating conditions, or the above rates are considered inadequate or inappropriate, the Division Manager or General Office Department Head may submit a special request to the Automotive and Equipment Department for review and establishment of a special rate. This is to be approved by the appropriate Vice President. Copies of authorized variations will be forwarded by the Automotive and Equipment Department to the Disbursement Accounting Department.

ADDITIONAL COPIES

- 16. Additional copies of this Standard Practice may be obtained from the Automotive and Equipment Department, extension 1307.



ISSUED BY: LEIGH J. ABELL, Manager  
Automotive & Equipment Dept.



APPROVED BY: R. K. MILLER, Vice President  
General Services

DISTRIBUTION: Management Officers  
General Office Dept. Heads  
Division Managers

\* Paragraph Revised  
\*\* Paragraph Added