

PACIFIC GAS AND ELECTRIC COMPANY

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December 22, 1986

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:

In the near future, Company will be changing the reporting relationships of the General Construction clerical and administrative services personnel. Currently these employees report to the Manager of Personnel and Administrative Services. Following the reorganization, the field clerical employees will report to the operating department for which they are providing service. The Service Center clerical employees will report to the Manager of Gas and Fleet Services. Clerical employees assigned to projects will report to whichever Department is responsible for the project.

Presently, the Promotion-Demotion Area for clerical employees is systemwide. In making these changes, it is not Company's intent to alter the current promotion or demotion rights of the affected employees. However, the language of Subsections 305.5(a), 306.3(a)(b), and 306.5(a) is in conflict with this purpose since these clerical employees will no longer all be in the same Department (Administratives Services).

Therefore, Company proposes to apply Titles 305 and 306 of the Agreement to General Construction clerical employees as though they were still reporting to the Manager of Personnel and Administrative Services.

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 the Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

By *W. H. Wright*
 Manager of Industrial Relations

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

Jan 9, 1986

LOCAL UNION NO. 1245, INTERNATIONAL
 BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO
 By *Jack McNally*
 Business Manager