

PACIFIC GAS AND ELECTRIC COMPANY

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

June 19, 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:

The Company proposes, pursuant to Section 112.15 of the Physical Agreement, to permanently place Mr. Pete Torres into the position of Operator Mechanic at the McDonald Island Gas Storage Facility.

Mr. Torres worked as an Apprentice Gas Control Mechanic. In September 1982, he went on Long Term Disability due to a nonindustrial accident. On October 21, 1985, Mr. Torres was placed on the rehabilitation payroll to be retrained as an Operator Mechanic and to be evaluated on his ability to perform the duties of this position. Mr. Torres has been very successful in the retraining and, therefore, the Company would like to place Mr. Torres into a reclassified vacant Operator Mechanic slot.

Mr. Torres had less than 10 years of service with the Company prior to his date of injury. Pursuant to Subsection 112.10(c)(2) of the Physical Agreement, Mr. Torres will be paid \$622.90 per week.

This proposal has been discussed with Don Custer, Union Business Representative.

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 J.W. Boehling
 Manager of Industrial Relations

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

By Jack McNally
 Business Manager

July 22, 1986