PACIFIC GAS AND ELECTRIC COMPANY

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

May 11, 1987

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 202.16 of the Physical Agreement and Letter Agreement No. 86-155-PGE, to establish a trial ten-hour, four-day workweek schedule for the Auburn Gas Service Department in Drum Division. We propose to make this trial effective May 11, 1987 through November 11, 1987.

The following schedule will apply to all bargaining unit employees in this department:

Auburn Gas Service

One Serviceman assigned Monday - Thursday
One Serviceman assigned Tuesday - Friday
One Serviceman assigned Monday, Tuesday, Thursday,
Friday (Wednesday off)

The regular work hours will be 0700-1730.

The trial will follow the provisions of the generic ten-hour, four-day workweek schedule outlined in Letter Agreement No. 86-155-PGE, with the following three exceptions:

Meals and Rest Periods (Replaces "Meals" paragraph of Letter Agreement No. 86-155-PGE.) Lunch period will normally be five hours after start time. However, the regular lunch period may be advanced or delayed up to one-half hour for any of the reasons listed in Section 202.4 of the Agreement.

Two rest periods not to exceed 15 minutes each will be permitted; one rest period is to be taken in the middle part of the first half of the workday, and one rest period is to be taken in the middle part of the second half of the workday. Lunch periods and rest periods cannot be accumulated or combined and taken together.

Holidays (Replaces "Holidays" paragraph of Letter Agreement No. 86-155-PGE.) Ten hours' pay will be paid for holidays. Employees regularly scheduled to work on holidays will only work eight hours and receive ten hours' holiday pay (straight time) and eight hours' pay at one-and-one-half times the straight rate of pay. The provisions of Section 103.6 shall apply to holidays on an employee's non-workday (utilizing the ten-hour credit as applied in Item No. 2, Vacation, of the generic agreement).

Cancellation Clause (Replaces "Cancellation Clause" paragraph of Letter Agreement No. 86-155-PGE.) This agreement may be cancelled 30 days after written notice of such cancellation by either party. In the event of cancellation, all employees would return to their regular eight-hour shifts in effect on May 1, 1987.

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 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

May 20, 1987

Business Manager