PACIFIC GAS AND ELECTRIC COMPANY

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

March 3, 1988

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 executing Letter Agreement R1-87-64, regarding pregnancy disability leaves for probationary and intermittent employees, it was the parties' intent to provide such employees the mandatory rights and entitlements in California Code Section 12945. A further review indicates that such rights were not entirely addressed in that agreement. The Company, therefore, proposes the following to cancel and supercede Letter Agreement R1-87-64.

In accordance with the provisions of Section 500.5 of the Physical Agreement and Section 25.5 of the Clerical Agreement, Company proposes to grant the mandatory rights and entitlements in California Code Section 12945 to all probationary employees who are pregnant or become pregnant.

This proposal is in response to the U.S. Supreme Court's decision to uphold said California statute requiring employers to grant pregnant employees unpaid disability leave for the period of disability and reinstate those employees when they are medically able to return to work. California Code Section 12945 states that pregnancy, childbirth, and related medical conditions are treated as any other temporary disability.

With respect to pregnancy "leaves of absence," the Section provides that any female employee, including those with probationary or intermittent status, should be granted such a leave for a reasonable period of time, provided the Company has been furnished with medical confirmation for such need. The State of California has interpreted a "reasonable period of time" to be up to four months. Further, the law requires that an employee returning from pregnancy leave may not be penalized over an employee who did not take such leave with respect to working conditions, benefits, opportunities for advancement, or loss of pay.

It further states that a returning employee is to be placed in the same position she held prior to the leave. If such placement is not possible due to business-related reasons, Company is required to reinstate the employee to a substantially similar job.

Based on the foregoing, it is proposed that any probationary employee shall be entitled to an unpaid "leave of absence" for reasons of pregnancy, childbirth, or related medical conditions for a cumulative period of up to four months, provided that the Company has been furnished with medical confirmation for such need. When such employee applies for reinstatement she will be returned to her former classification and headquarters which she vacated, except that if such reinstatement is precluded for business-related reasons, Company shall reinstate her to a substantially similar job.

It is further proposed that upon such employee's return to work, her employee status shall be reinstated at the same point in time in her employment period as prior to the leave.

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

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

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

Business Manager

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