



LETTER AGREEMENT

No.

91-37-PGE



Pacific Gas and Electric Company
Industrial Relations Department
215 Market Street
San Francisco, California 94106
[415] 973-1125

International Brotherhood of
Electrical Workers, AFL-CIO
Local Union 1245, IBEW
P.O. Box 4790
Walnut Creek, California 94596
[415] 933-6060

Richard Bradford, Manager

Jack McNally, Business Manager

March 5, 1991

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

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

The Controller's organization proposes to implement a Continuous Improvement through Employee Involvement (CI/EI) approach throughout the Controller's organization. CI/EI is an effort to involve employees in work related activities and decisions that will improve the quality of service and products produced, and work life for all Controller employees. The Controller's initial CI/EI efforts will address issues identified as a result of Survey Guided Development.

To clarify our understanding and mutual expectations with this approach, we propose the following conditions:

1. A CI/EI Steering Committee will be created to oversee the goals and policies of the Teams. This Steering Committee will be comprised of the Vice President - Finance and Rates, the Controller and the IBEW Business Manager. The Steering Committee will meet as often as needed but at least once a year.
2. In addition to the Steering Committee, a CI/EI Advisory Committee will be created and consist of an equal number of participants as appointed by the Union's Business Manager and the Controller to provide consultation to the Teams regarding this agreement. The Advisory Committee will meet on a regular basis to study and resolve issues which may arise. Issues that cannot be resolved by the Advisory Committee will be referred to the Steering Committee for resolution.
3. Teams will be created with the approval of the Advisory Committee. Team members will be given an appropriate amount of work time for the purpose of participating in Team activities. Advisory Committee and Steering Committee members may attend Team meetings. The members of the Advisory Committee shall be notified of all meetings and activities relating to CI/EI.

- 4. The Company will provide training to Team members, Team leaders, and Facilitators as necessary.
- 5. Teams will have the freedom to identify, discuss, investigate and make recommendations on possible improvements. The following issues, however, are beyond the appropriate scope of issues which Teams may discuss and submit recommendations:
 - o Issues subject to collective bargaining
 - o Disciplinary issues
 - o Interpersonal conflicts and/or personality conflicts
- 6. Teams may discuss local working conditions normally subject to the local agreement process (relevant to the Controller's organization) only after receiving permission from the Company and Union representatives who have authority to enter into agreements on such working conditions. Teams, after being given permission to discuss such issues, must then submit any proposed recommendations or solutions to the appropriate authorizing representatives for their approval and appropriate action prior to implementation of the revised working conditions.
- 7. There will be no demotions or layoffs of regular bargaining unit employees as a direct result of Teams' recommendations implemented in the Controller's organization. In the event there is an impact on the workload as a direct result of CI/EI that is not handled through attrition, the parties will meet to discuss avenues of addressing such impact.
- 8. This agreement may be cancelled upon 30 days written notice to the other of such cancellation.

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.

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY

By 
Manager of Industrial Relations

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

March 15, 1991

By 
Business Manager