



# LETTER AGREEMENT No. 93-42-PGE



Pacific Gas and Electric Company  
Industrial Relations Department  
201 Mission Street, 1513A  
San Francisco, California 94105  
[415] 973-3420

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

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Ronald L. Bailey, Manager or  
David J. Bergman, Director and Chief Negotiator

Jack McNally, Business Manager

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May 18, 1993

Local Union No. 1245  
International Brotherhood of  
Electrical Workers, AFL-CIO  
P.O. Box 4790  
Walnut Creek, CA 94598

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

In response to Union's concerns for job security and the Company's need to continue modifying the workforce to be more competitive, Company proposes to establish a Severance Program effective the date of ratification through the term of the agreement effective January 1, 1994.

This agreement will apply to Title 200 employees of the Physical Agreement and employees covered by the Clerical Agreement. Employees with less than one year of service will not be eligible for the severance program.

In the event the Company determines that a permanent downsizing of Title 300 employees is required; Application I will apply to those affected employees.

#### Application I

- A. Company determines the department, headquarters, classifications and number of employees to be affected.
- B. Those employees in department, headquarters and classifications to be affected will be offered the severance package. The senior volunteers electing to accept the offer will receive the severance package, except that the number of employees receiving the severance package will not exceed the number of employees Company has determined will be affected under A. above.
- C. Such employees who elect the severance package under Application I are considered to have resigned their employment with the Company and therefore have no preferential rehire rights nor would their service be bridged if rehired.

Application II

- A. If there are insufficient volunteers under Application I, the normal displacement and layoff provisions of the IBEW Labor Agreements will be effected.
- B. Employees laid off pursuant to Sections 19.7 of the Clerical Agreement and 206.7 of the Physical Agreement will receive the Severance Package as defined below.

Package

- A. Four weeks pay (base classification) plus one weeks' pay for each year of service.

In no event will the payment exceed one-year's base salary.

- B. A lump sum payment of \$4,500 to partially offset COBRA and life insurance conversion coverage. The employee has no obligation to use it for COBRA conversion or continued life insurance coverage.
- C. Payment is dependent on the signing of the Severance Agreement and Release (Attachment 1).

If you are in accord with the foregoing and attachment 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 & ELECTRIC COMPANY

By   
Director and Chief Negotiator

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

Oct 8, 1993

By   
Business Manager

## SEVERANCE AGREEMENT AND RELEASE

This Severance Agreement and Release is made and entered into between \_\_\_\_\_ and the Pacific Gas and Electric Company (PG&E). Mr./Ms. \_\_\_\_\_ and PG&E (collectively referred to as "the parties"), in their wish to compromise, resolve, settle, and terminate any dispute or claim between them with respect to Mr./Ms. \_\_\_\_\_'s employment with PG&E and severance therefrom, have agreed as follows:

1. Effective close of business, \_\_\_\_\_, 1993, Mr./Ms. \_\_\_\_\_ shall resign from PG&E employment.
2. On \_\_, 1993, PG&E shall pay to Mr./Ms. the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), less applicable deductions. If Mr./Ms. \_\_\_\_\_ is rehired within 30 calendar days of layoff, then PG&E's obligation to pay is null and void. The parties understand and agree that the payment provided in this paragraph is in addition to, and does not affect, any payment and benefit to which Mr./Ms. \_\_\_ may be otherwise entitled under PG&E's compensation, performance incentive, stock option, and other benefit programs.
3. In consideration for the payment and benefit which PG&E shall provide Mr./Ms. \_\_\_\_\_ under this Severance Agreement and Release, Mr./Ms. \_\_\_\_\_, in behalf of himself/herself, his/her heirs, estate, executors, administrators, successors, and assigns, releases and agrees to hold harmless PG&E, its officers, attorneys, agents, employees, assigns, subsidiaries, affiliated companies, and successors, from all actions, causes of action, claims, disputes, judgments, obligations, damages, liabilities of whatsoever kind and character, relating to Mr./Ms. \_\_\_\_\_'s employment with PG&E, including his/her employment severance and any action which led to the severance. Specifically, Mr./Ms. \_\_\_\_\_ understands and agrees that the actions, causes of action, claims, disputes, judgments, obligations, damages, and liabilities covered by the preceding sentence include, but are not limited to, those arising under any federal, state, or local law, regulation, or order relating to civil rights (including employment discrimination on the basis of race, color, religion, age, sex, national origin, ancestry, physical handicap, medical condition, veteran status, marital status, and sexual orientation) wage and hour, labor, contract, or tort.
4. Mr./Ms. \_\_\_\_\_ understands and agrees that this Severance Agreement and Release extends to all claims of every nature and kind whatsoever, known or unknown, suspected or unsuspected, past or present, and all rights under Section 1542 of the California Civil Code are hereby expressly waived. Such section reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known to him must have materially affected his settlement with the debtor.



5. Mr./Ms. \_\_\_\_\_ agrees not to initiate, participate or aid, in any way, in any lawsuit or proceeding upon any claim released by him/her under paragraphs 4 and 5. Mr./Ms. \_\_\_\_\_ understands and agrees that, if he/she violates his/her promise in the preceding sentence, he/she has engaged in a material breach of this Severance Agreement and Release. This paragraph, however, shall not prohibit Mr./Ms. \_\_\_\_\_ from participating in an Equal Employment Opportunity Commission age discrimination investigation or proceeding, if requested to do so by the Equal Employment Opportunity Commission. In the event of a Commission request, Mr./Ms. \_\_\_\_\_ shall notify PG&E of such request.

Notwithstanding the foregoing, if Mr./Ms. \_\_\_\_\_ obtains against PG&E a monetary judgment or settlement for a claim released by him/her under paragraphs 4 and 5, the payment he/she received under this Agreement and Release shall be deducted from any such monetary judgment or settlement.

6. Mr./Ms. \_\_\_\_\_ agrees not to use, disclose, publicize, or circulate any confidential or propriety information concerning PG&E, its subsidiaries or affiliates, which has come to his/her attention during his/her employment with PG&E, unless authorized in writing by PG&E or required by law. Before making any legally-required disclosure, Mr./Ms. \_\_\_\_\_ shall give PG&E as much advance notice as possible. Mr./Ms. \_\_\_\_\_ further agrees that his/her violation of this paragraph shall constitute a material breach of this Severance Agreement and Release.

7. Mr./Ms. \_\_\_\_\_ agrees that, if he/she engages in a material breach of this Severance Agreement and Release, he/she shall repay to PG&E the payment he/she received under this Severance Agreement and Release within seven (7) calendar days upon written demand by PG&E. Mr./Ms. \_\_\_\_\_ further understands and agrees that, if he/she later disavows this Agreement and Release and if this Severance Agreement and Release is ordered to be unenforceable by a court of competent jurisdiction, he/she shall repay to PG&E the payment he/she received under this Severance Agreement and Release within seven (7) calendar days from the entry of the final court order. In addition, Mr./Ms. \_\_\_\_\_ understands and agrees that, if a court of competent jurisdiction, however, rejects his/her attempt to disavow this Severance Agreement and Release, he/she shall pay to PG&E within seven (7) calendar days from the entry of the final court order any loss, cost, damage, or expense, including, without limitation, attorney's fees PG&E incurred in enforcing the Severance Agreement and Release.



**ATTACHMENT I: Severance Agreement and Release (CONTINUED)**

- 8. This Severance Agreement and Release shall not be considered an admission of liability or a violation of any applicable contract, law, rule, regulation, or order of any kind.
- 9. Mr./Ms. \_\_\_\_\_ understands and agrees that all claims he/she may have arising under the Age Discrimination in Employment Act before he/she signs this Severance Agreement and Release are covered by paragraphs 4 and 5 of this Severance Agreement and Release and that his/her waiver of those age discrimination claims is an integral part of the release aspect of this agreement. Therefore, consistent with the Older Workers Benefit Protection Act, Mr./Ms. \_\_\_\_\_ states that he/she was given this Severance Agreement and Release on \_\_\_\_\_, 1993, and understands that he/she has 45 calendar days from \_\_\_\_\_, 1993, (until \_\_\_\_\_, 1993), to consider this Severance Agreement and Release. Further, Mr./Ms. \_\_\_\_\_ understands that, if he/she signs this Severance Agreement and Release, he/she may revoke it within seven (7) calendar days of the agreement's execution. To revoke this Severance Agreement and Release, Mr./Ms. \_\_\_\_\_ must submit to \_\_\_\_\_ a signed statement to that effect by close of business of the seventh (7th) day. Mr./Ms. \_\_\_\_\_ understands and agrees that this Severance Agreement and Release will not take effect until the expiration of the seven-day revocation period.
- 10. This Severance Agreement and Release sets forth the entire agreement between the parties and fully supersedes any and all prior agreements or understandings between the parties pertaining to the subject matter of this Severance Agreement and Release.
- 11. Mr./Ms. \_\_\_\_\_ states that he/she has read this Severance Agreement and Release in its entirety, that he/she has been given the necessary time to consider its contents, that he/she fully understands its terms, that he/she has been advised that he/she should consult legal counsel of his/her choosing, that the only promises made to him/her to sign are those stated herein, and that he/she is signing this Severance Agreement and Release voluntarily.

**PLEASE READ CAREFULLY. THIS SEVERANCE AGREEMENT AND RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.**

\_\_\_\_\_  
PACIFIC GAS AND ELECTRIC COMPANY

\_\_\_\_\_  
EMPLOYEE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DATE

