



LETTER AGREEMENT NO. 96-44-PGE



PACIFIC GAS AND ELECTRIC COMPANY
INDUSTRIAL RELATIONS DEPARTMENT
375 NORTH WIGET LANE, SUITE 150
WALNUT CREEK, CALIFORNIA 94598
(510) 746-4282

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W
P.O. BOX 4790
WALNUT CREEK, CALIFORNIA 94596
(510) 933-6060

MEL BRADLEY, MANAGER OR
DAVID J. BERGMAN, CHIEF NEGOTIATOR

JACK MCNALLY, BUSINESS MANAGER

June 10, 1996

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:

Company proposes to combine the Region Gas Control Operator classification (1579) in the Gas M&C line of progression and Gas Supply Coordinator classification (1836) in the Gas Transmission and Storage line of progression to a Gas System Operator classification (1587) in the Gas Transmission and Storage line of progression. In addition, the Company proposes to establish a Gas Operator-In-Training classification (1588) in the Gas Transmission and Storage line of progression. The consolidation and establishment of these classifications is in conjunction with the combination of Gas Load Centers and Terminals.

The Company currently has Gas Load Centers in San Jose and Sacramento staffed by Region Gas Control Operators and Terminals in Brentwood and Milpitas staffed by Gas Supply Coordinators. The Company has scheduled the closure of the Sacramento Load Center and Milpitas Terminal by the end of 1997. Supervisory Control and Data Acquisition (SCADA) and telecommunications technologies have made it possible for a given location to monitor and control a much larger area of the gas system. As a result, Load Center/Terminal facilities no longer need to be located in the immediate vicinity of the pipeline systems being monitored and controlled, which provides an opportunity to reduce the number of facilities involved in monitoring and controlling system operations. The Company plans to maintain facilities in Brentwood and San Jose.

1. Gas System Operator

A job definition and wage rate for the Gas System Operator classification are included as Attachment 1. The Gas System Operator will be an above-entry level classification and will be considered "next higher" to a Gas Operator-In-Training.

2. Gas System Operator-In-Training

Company proposes that a Gas System Operator-In-Training classification (1588) be established in the Gas Transmission and Storage line of progression. The job definition, line of progression, and wage rate are included in Attachment 2.

3. Impact on Current Work Force

Employees impacted by this consolidation are listed on Attachment 3 (Region Gas Control Operator) and Attachment 4 (Gas Supply Coordinator). There are 12 Region Gas Control Operators and 13 Gas Supply Coordinators impacted by the consolidation of facilities. Twelve or thirteen Gas System Operator positions will be established at both the Brentwood and San Jose headquarters. The Company will offer all impacted employees an opportunity for placement to one of the headquarters and the target staffing figure of 23 shall be attained through attrition if all employees accept positions.

Pursuant to Sections 205.19 and 206.12 of the Physical Agreement, the 25 impacted employees will be offered the following options:

- a. All employees in the Region Gas Control Operator and Gas Supply Coordinator classifications on the date this agreement is signed will be offered the Voluntary Severance Incentive (Application I of the Severance Program outlined in LA 93-42). The Company will accept up to 3 total volunteers for the Voluntary Severance Incentive (VSI), with no more than 2 volunteers from the same headquarters.
- b. Forty-five days after offering VSI, impacted employees will receive a list of 25 total Gas System Operator vacancies in San Jose and Brentwood and a list of their displacement options under the regular provisions of Title 206. Employees will choose to be considered for a GSO vacancy or to exercise their Title 206 rights. Employees that elect to pursue the GSO vacancies will be awarded positions based on seniority with the most senior employee appointed to the headquarters of choice. Employees who choose to exercise their regular Title 206 displacement rights will be assigned a vacancy/position based on the regular provisions of Title 206.

4. Special Allowance

In an attempt to minimize displacements in the work place and to retain experienced gas operators, current Region Gas Control Operators and Gas Supply Coordinators who accept a Gas System Operator vacancy shall receive a special allowance. Gas Supply Coordinators will receive \$2,000 upon accepting a GSO position and the Company's immediate execution of a payroll change tag to move employees to GSO in their current headquarters and \$3,000 upon completion of the Gas System Operator Training Program. Region Gas Control Operators, who will be receiving a wage increase, will receive \$1,000 upon accepting a GSO position and the Company's immediate execution of a payroll change tag to move employees to GSO in their current headquarters and \$2,000 upon completion of the Gas System Operator Training Program.

In addition to the special allowance described above, employees may be eligible to receive up to \$2,400 in relocation benefits as described in Section 206.8 of the Physical Agreement.

5. Preferential Bidding Rights

Employees who were previously displaced from a Region Gas Control Operator or Gas Supply Coordinator position and currently have 206.9 preferential bidding rights to one of these classifications will have 206.9 preferential bidding rights to the Gas System Operator position and corresponding rights under Section 3.22(a) of the Pension Plan.

6. Gas System Operator Training Program

a. A joint Company-Union Committee will develop a training program for the Gas System Operator classification and Gas Operator-In-Training classification. The programs will be submitted to the Joint Apprentice and Training Committee for final approval. The Company-Union Joint Training Committee will determine a timeline for current Region Gas Control Operators and Gas Supply Coordinators to complete the training program. Employees who are unable to successfully complete the training program in the specified time will have their specific situations reviewed by the Joint Company-Union Training Committee, which will be comprised of two Company and two Union members. The Joint Committee may grant extensions to employees based on their individual needs.

Employees will not be subject to displacement under the provisions of Section 206.15 for failing to complete the training program until the Joint Committee determines that the Company has provided the employee every reasonable training opportunity.

b. A Peer Review Training Advisor special skill block shall be established on an annual basis. The Joint Training Committee will review candidates who volunteer for this assignment and make a selection based on a competitive interview process. The rate of the premium is \$20/week, paid at year end.

If you are in accord with the foregoing and agree thereto, please so indicate in the space provided and return one executed copy of this letter to the Company.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: 
Chief Negotiator

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

 June 29, 1996

By: 
Business Manager

TRANSMISSION OPERATIONS:

1587 GAS SYSTEM OPERATOR

A shift employee who is responsible for the operation of transmission and distribution systems and facilities. The operator provides this service to divisions, power plants, major industries, the Gas System Maintenance Department (including underground storage facilities) and other gas utilization facilities. The operator ensures safety, security and continuity of service by monitoring gas supplies, equipment performance, and pipeline / facility conditions and by performing appropriate operations, adjustments, or recommendations for PG&E supervision or for System Gas Control. The operator is responsible for all station routing changes using SCADA and manual and automatic valves in conjunction with pneumatic and electronically controlled computer based control systems and compressors.

SPECIFIC DUTIES:

Compiles and generates reports using computer equipment and software. Updates various logs as required by PG&E standard practices to maintain CPUC compliance. Monitors maintenance activities involving gas routing based on new / non-routine and standard / routine job clearances. Takes appropriate action in emergency situations, including emergency personnel "callouts." Manages all base radio communications, telephone and PC logging activities and takes appropriate action when necessary. Monitors and processes data pertaining to gas operations such as, but not limited to, gas quality and SCADA. Assists in operator training for new and existing operators. May perform work at remote locations to monitor and operate gas facilities.

Next Lower Classification

1588 Gas Operator-in-Training

Same or Higher Classification

1587 Gas System Operator

Wage Rate:

1/1/96
\$1,004.40

RELIEF OPERATOR:

Will be required to perform all duties as listed above for a Gas System Operator. In addition, will fill a Relief designation as outlined in Titles 202, 205 and 208 - Utilization of Relief Shift Employees. May be required to perform associated clerical duties, including payroll.

1588 GAS SYTEM OPERATOR IN TRAINING

A shift employee who is engaged in performing Gas System Operator work as an assistant to, and under the direct supervision of, a Gas System Operator. The first six months will consist of a formalized training program that will include SCADA training, computer training, and on the job training at the assigned headquarters. Oral and written examinations will be administered to monitor performance in the Operator Training Program. During this formal training period, the GSOIT will be required to learn and successfully demonstrate that each duty of the Gas System Operator position can be performed. After successful completion of the six month formalized training, the GSOIT will continue the program with on the job training and development. After eighteen months and demonstration of all aspects of the training program, the GSOIT will be advanced to the Gas System Operator position.

Beginner's Classification:

Wage Rate:	Start	<u>1/1/96</u> \$886.10
	End 6 Months	920.65
	End 12 Months	959.95

CLASSIFICATION LIST
Sorted Alphabetically within Classification

Class#	Classification	Last Name	First Name	SSN	Union Description	Department	Hire Date	Class Date	Class Tenure
05-June-96									
1579	Reg Gas Cntrl Op	Freund	Gerhard	-6238	IBEW Physical	Gas Systems Operations	02/10/69	02/07/80	16
1579	Reg Gas Cntrl Op	Gathers	Timothy	-5738	IBEW Physical	Gas Systems Operations	01/21/64	02/19/92	4
1579	Reg Gas Cntrl Op	Johnson	Steven	-2244	IBEW Physical	Gas Systems Operations	02/23/73	04/26/89	7
1579	Reg Gas Cntrl Op	Loer	James	-2041	IBEW Physical	Gas Systems Operations	02/21/73	05/15/77	19
1579	Reg Gas Cntrl Op	Martinez	Raymond	-0808	IBEW Physical	Gas Systems Operations	05/02/66	06/27/84	11
1579	Reg Gas Cntrl Op	Murray	Vincent	-1287	IBEW Physical	Gas Systems Operations	12/01/69	09/03/85	10
1579	Reg Gas Cntrl Op	Poe	Billy	-1705	IBEW Physical	Gas Systems Operations	07/27/70	06/01/82	14
1579	Reg Gas Cntrl Op	Post	Bart	-9135	IBEW Physical	Gas Systems Operations	06/24/74	02/17/77	19
1579	Reg Gas Cntrl Op	Rochholz	Larry	-0351	IBEW Physical	Gas Systems Operations	09/17/74	01/01/91	5
1579	Reg Gas Cntrl Op	Swanson	Mark	-8829	IBEW Physical	Gas Systems Operations	11/08/65	10/02/67	28
1579	Reg Gas Cntrl Op	Vincent	John	-9239	IBEW Physical	Gas Systems Operations	01/10/62	02/01/87	9
1579	Reg Gas Cntrl Op	Zaporta	Juan	-1920	IBEW Physical	Gas Systems Operations	09/18/67	01/23/80	16

Total Number of Employees: 12

CLASSIFICATION LIST
Sorted Alphabetically within Classification

Class#	Classification	Last Name	First Name	SSN	Union Description	Department	Hire Date	Class Date	Class Tenure
05-June-96									
1836	Gas Supply Coord	Ceniceros	Marc	1-3104	IBEW Physical	Gas Systems Operations	01/22/79	01/01/86	10
1836	Gas Supply Coord	Clark	Rodney	-2273	IBEW Physical	Gas Systems Operations	07/22/85	10/13/86	9
1836	Gas Supply Coord	Crosslin	Floyd	-5131	IBEW Physical	Gas Systems Operations	10/04/76	01/01/86	10
1836	Gas Supply Coord	Dunham	Pamela	-9607	IBEW Physical	Gas Systems Operations	12/04/75	01/01/86	10
1836	Gas Supply Coord	Fonbuena	Richard	-3708	IBEW Physical	Gas Systems Operations	07/07/86	08/03/92	3
1836	Gas Supply Coord	Gonzales	David	-9573	IBEW Physical	Gas Systems Operations	12/17/73	01/01/86	10
1836	Gas Supply Coord	McGinley	Michael	-2607	IBEW Physical	Gas Systems Operations	05/18/70	01/01/86	10
1836	Gas Supply Coord	McLean	Robert	-6543	IBEW Physical	Gas Systems Operations	06/16/83	02/22/93	3
1836	Gas Supply Coord	Mendez	Samuel	-2078	IBEW Physical	Gas Systems Operations	11/21/66	01/01/86	10
1836	Gas Supply Coord	Mune	Carl	-6312	IBEW Physical	Gas Systems Operations	06/18/80	01/01/86	10
1836	Gas Supply Coord	Myers	James	1-6926	IBEW Physical	Gas Systems Operations	09/14/77	01/01/86	10
1836	Gas Supply Coord	Rouanzoin	Patrick	-7276	IBEW Physical	Gas Systems Operations	06/20/83	01/01/86	10
1836	Gas Supply Coord	Vieira	David	1-5942	IBEW Physical	Gas Systems Operations	03/15/79	01/01/86	10

Total Number of Employees: 13