



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. R1-04-32-PGE

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
INDUSTRIAL RELATIONS DEPARTMENT
2850 SHADELANDS DRIVE, SUITE 100
WALNUT CREEK, CALIFORNIA 94598
(925) 974-4104

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 2547
VACAVILLE, CALIFORNIA 95696
(707) 452-2700

STEPHEN A. RAYBURN,
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN,
BUSINESS MANAGER

July 19, 2004

Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95696

Attention: Mr. Perry Zimmerman, Business Manager

Dear Mr. Zimmerman:

Pursuant to Section 112.15 of Physical Agreement, Company proposes to return Mr. Artis F. McHugh, a previous Communications Tech GC in Cottonwood, from Long Term Disability to a Telecommunications Equipment Installer at Auburn as Cottonwood no longer exists as a Point of Assembly.

Mr. McHugh's wage rate will be \$1405.35 per week. The wage rate was adjusted in accordance with Subsection 112.10(c) of the Physical Agreement. Mr. McHugh will have accelerated (306.9-Physical) rights as stipulated in Subsection 112.10(d) to return to Communications Tech GC.

Mr. McHugh's return to work is contingent on compliance with certain recommendations made by Dr. Stephen Raffle. Mr. McHugh will be required to provide a negative return to work drug test and be subject to up to four unannounced drug tests within the first twelve months following return to the active payroll. There will be other ongoing obligations that will be monitored by EAP. Failure to maintain compliance or refusal to take a drug test will subject Mr. McHugh to immediate termination. A first positive drug test will result in Mr. McHugh being placed in the First Time Offender Program.

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 & ELECTRIC COMPANY

By: _____


Stephen A. Rayburn
Director and Chief Negotiator

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

By: _____


Perry Zimmerman
Business Manager

7-20

, 2004