

PACIFIC GAS AND ELECTRIC COMPANY

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

October 2, 1985

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:

This letter will confirm the discussion between the Company and the Union on Monday, September 9, 1985 concerning the clarification of Title 19 of the Clerical Agreement and Title 206 of the Physical Agreement as to their intent with respect to part-time employees.

It was agreed that part-time employees and intermittent employees have demotion and displacement rights under Title 19 and Title 206 of the Labor Agreements, but only to replace employees with less seniority in the same or lower classification of part time or intermittent positions respectively, within the normal line of progression. Part-time and intermittent employees are considered to be a different classification than full-time employees under the same job title. Part-time employees and intermittent employees will not be able to displace full-time employees, regardless of seniority. Part-time employees can only displace other part-time employees in the same or lower classification within the normal line of progression. Intermittent employees can only displace other intermittent employees in the same or lower classification within their normal line of progression.

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

By *W. Broughton*
 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

By *Jack McNally*
 Business Manager

Oct 14, 1985