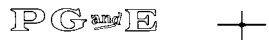


PACIFIC GAS AND ELECTRIC COMPANY



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

I. WAYLAND BONBRIGHT
MANAGER
INDUSTRIAL RELATIONS

January 28, 1987

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:

Letter Agreement 86-154, as revised, is being resubmitted for your consideration. It is our opinion that the revised language will provide opportunities to many employees who, under the old language, believe they have exhausted their options to take retests of the Arithmetic Computation Test.

While only one or two employees at present would qualify, one of the employees has retained counsel and may wish to pursue action through the courts.

We would prefer to reach agreement on the subject now as it would be one less issue for General Bargaining.

Sincerely,

PNL:sc

Attachment

PACIFIC GAS AND ELECTRIC COMPANY

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January 28, 1987

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:

Some employees attempting to qualify for an apprenticeship program have great difficulty in passing the ACT test. Most of these employees have very poor mathematical skills which need to be improved. In a few cases, however, an employee comes very close to passing and there is some independent evidence that the employee probably does have sufficient mathematical ability to complete an apprenticeship program.

Therefore, pursuant to Section 109.2 of the Physical Agreement, Company proposes to amend the Master Apprenticeship Agreement as follows:

A. QUALIFICATION TESTS FOR APPRENTICE CLASSIFICATIONS

1. An employee entering an apprentice classification will receive comprehensive formalized training in conjunction with the employee's work as an apprentice. To insure that a candidate for an apprentice classification possesses the necessary capabilities to progress through the program, an employee shall not be entitled to consideration for appointment to fill a job vacancy in an apprentice classification unless the employee has first received a passing score of 75 percent on the mutually agreed upon Arithmetic Computation Test (ACT). No credit will be given for any problem that is not completely correct.
2. An employee who desires to qualify for an apprenticeship, or who, after prebidding to an apprentice classification, receives notification regarding testing programs which must be completed, shall apply in writing to the employee's Personnel Department that the employee desires to be tested.

3. The Arithmetic Computation Test has been prepared in four forms for test purposes and one additional form for refresher purposes. When a prospective apprentice notifies the employee's Personnel Department that the employee desires to be tested, the employee will be furnished a copy of the refresher test and a copy of the same test with the correct procedures and answers indicated. This will enable the employee to determine what review will be necessary to attain a passing score on the formal test.
4. The employee shall be allowed a reasonable length of time for such review and the examination date shall be established by the employee's Personnel Department.
5. An employee who has failed, on the employee's first attempt, to receive at least the minimum passing score on the ACT will be eligible to be retested on such test in the following manner:
 - 2nd Testing - Three months, or thereafter, following the date of the first testing.
 - 3rd Testing - Six months, or thereafter, following the date of the second testing.
 - 4th Testing - Six months, or thereafter, following the date of the third testing provided that the employee provides evidence of successful completion, a grade of B or better, of a remedial arithmetic course, offered by an institution accredited by the Western Association of Schools and Colleges or through an extension course offered by an accredited institution for an adult education program, subsequent to the employee's third attempt. An employee who achieves a score of 28 or 29 on the fourth or subsequent attempts (scores of 28 or 29 on the first, second or third attempts do not qualify the employee) will be considered as having passed the examination.
 - 5th and all subsequent testing - Six months, or thereafter, following the date of the last previous unsuccessful attempt.
6. An employee who fails will be advised when the employee will be eligible for retest. When again eligible, such employee shall request of the Personnel Department to be retested, and the employee's retest shall be scheduled within 14 days of the request.

January 28, 1987

7. The above qualification tests may be revised or additional requirements may be established by written agreement between Company and Union. Additional requirements previously established under the provisions of Section 205.11 of the Agreement shall continue to be applicable.

This slight modification in the testing requirement would make promotional opportunities available to a few additional employees who would probably be successful in completing apprenticeship programs. The purpose of the ACT test is not to keep people out of the program, but rather to ensure that they are qualified prior to entry. In addition, the proposed modification could have a beneficial influence in providing added incentive to employees with relatively poor mathematical skills to seek and do well in courses that would help them improve in this area.

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 *M. F. Wright*
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 16, 1987

By *Joe McKinley*
Business Manager