## PACIFIC GAS AND ELECTRIC COMPANY

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

December 17, 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

Dear Mr. McNally:

This letter cancels and supercedes Letter Agreement 86-131-PGE. Company proposes an employee must first perform services during a calendar year before current or additional sick leave will be allowed; except that

- 1. An employee who is using current or accumulated sick leave on the last workday of any calendar year, and whose absence by reason of sickness continues and extends into the next following year, shall, after exhausting his accumulated sick leave, be allowed additional sick leave in accordance with the formula in the Sections cited above if he qualifies therefore in such following calendar year.
- 2. An employee who is using additional sick leave on the last workday of any calendar year, and whose absence by reason of sickness continues and extends into the next following year, shall be allowed further additional sick leave, in accordance with the forumula in the Sections cited above if he qualifies therefore in such following calendar year. Such additional sick leave shall be allowed effective the first workday of such following calendar year that an employee is absent by reason of sickness.

Further, Company proposes clarification of Standard Practice 725-1 - Leaves of Absence. This clarification would eliminate the practice of paying employees for sick days credited on their return to work if their medical leave starts in one calendar year and ends in a subsequent calendar year.

Ordinarily, when a Standard Practice relates to working conditions, only non-bargaining unit employees are affected. However, since the Labor Agreement is silent in addressing this specific sick pay issue, it is necessary to interpret the sick leave Titles of the Clerical and Physical Labor Agreements with a clarification of Standard Practice 725-1. Any subsequent changes to this interpretation will be subject to negotiation.

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

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

Du 31 , 1987

Business Manager