

PACIFIC GAS AND ELECTRIC COMPANY

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

May 21, 1987

Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P. O. Box 4790
Walnut Creek, California 94596

Attention: Mr. J. K. McNally, Business Manager

Gentlemen:

Since January 1987, Company and Union have had discussions regarding a work efficiency experiment at the District headquarters in Livermore, California. We have also previously discussed preliminary plans for similar trials at other locations. In order to provide a consistent approach to the Livermore experiment and to other work efficiency experiments, the Company proposes that the Manager of Industrial Relations and the IBEW Business Manager may agree to the establishment of individual work efficiency experiments and that the following conditions be applicable.

1. Company and Union may agree locally to the specific conditions of each experiment including the criteria to be used to judge the productivity and the quality of the work, except that changes in the conditions of any Labor Agreement require a formal letter agreement between the Manager of Industrial Relations and the appropriate Union Business Manager(s).
2. Each experiment will have an Advisory Committee to consist of four Company members, four Union members, including one representative of the Engineers and Scientists of California, MEBA, and at least one consultant to be agreed to by the parties.
3. Each experiment will have a local Steering Committee initially made up of no more than five Company members, five Union members, and one consultant to be agreed to by the parties. The actual size of this committee is to be determined locally. The Steering Committee may also utilize representatives from various departments on a subcommittee basis, as they deem appropriate.
4. The Advisory Committee will meet at least quarterly to review the status of the experiment.

- 5. Upon completion of the experiment, any modified bargaining unit work assignments agreed to during the experiment will be returned to the original unit.
- 6. There will be no layoffs for lack of work or demotions for lack of work in the headquarters in which the experiment is located during the period of the experiment.
- 7. During the experiment, local supervision and the employees involved shall be responsible for getting work done in a timely manner using all available resources.
- 8. Any party to an individual work efficiency agreement may cancel the agreement upon 30 days' notice to the other party(s).

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 Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

By *W. W. Benbright*
 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

June 2, 1987

By *Jack Wilber*
 Business Manager