

LETTER AGREEMENT NO. R1-93-73-PGE



PACIFIC GAS AND ELECTRIC COMPANY INDUSTRIAL RELATIONS DEPARTMENT 201 MISSION STREET, ROOM 1513A MAIL CODE P15A P.O. BOX 770000 SAN FRANCISCO, CALIFORNIA 94177 (415) 973-3425 INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO LOCAL UNION 1245, I.B.E.W P.O. BOX 4790 WALNUT CREEK, CALIFORNIA 94596 (510) 933-6060

RONALD L. BAILEY, MANAGER OR DAVID J. BERGMAN, DIRECTOR AND CHIEF NEGOTIATOR

JACK MCNALLY, BUSINESS MANAGER

October 8, 1993

Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P.O. Box 4790 Walnut Creek, CA 94598

Attention: Mr. Jack McNally

Gentlemen:

Company proposes the following modifications to the health care plan enrollment provisions contained in the benefit plans as outlined in the 1991 Medical, Dental and Vision Benefit Agreement.

The modifications to the eligibility provisions shall pertain to Exhibits A - Q of the 1991 Medical, Dental and Vision Benefit Agreement.

In addition to the current eligibility provisions, Company proposes to allow PG&E active bargaining unit employees ("Active Employees") who are married to PG&E employees ("PG&E Spouses") the opportunity to add their PG&E Spouse and the PG&E Spouse's eligible dependent(s) to the Active Employee's benefits plans outside the open enrollment period only in the following situation:

If an Active Employee who is covered under the PG&E Medical, Dental or Vision Agreement is married to a PG&E Spouse, and the PG&E Spouse loses his or her job during the period September 1, 1993 through December 31, 1994, due to the PG&E reorganization, the Active Employee can add the terminated PG&E Spouse (and the PG&E Spouse's eligible dependents) to the Active Employee's current benefit plans.

The time-frame for adding such newly acquired dependent(s) must be within 31 days from the date the PG&E Spouse's previous coverage ends. If such a time-frame is not met, the Active Employee must wait until the next open enrollment period to add such eligible dependent(s) under the Active

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Employee's benefit plans. If such eligible dependents are enrolled within the 31 day time-frame, coverage would be effective the first of the month after the PG&E Spouse's employment termination date.

This modification applies to all active IBEW bargaining unit employees including employees whose Employee Spouse is in management or non-bargaining unit (n.b.u.) and covered under the flexible benefits program at PG&E, provided the PG&E Spouse's loss of job occurred between the period September 1, 1993 through December 31, 1994, and the loss of PG&E Spouse's job was due to the PG&E reorganization. This modification shall cease to be in effect for any Active Employee whose Employee Spouse's loss of job due to the PG&E reorganization occurs after December 31, 1994.

The effective date of this modification will be September 1, 1993.

If you are in accord with the foregoing and attachments 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: 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

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Business Manager