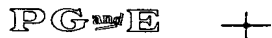


PACIFIC GAS AND ELECTRIC COMPANY



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

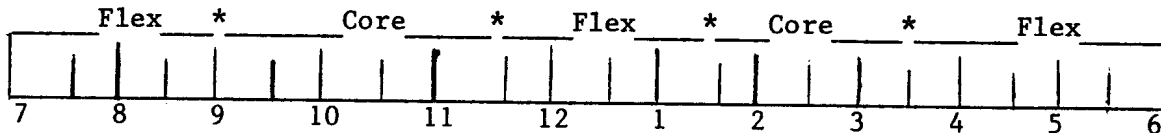
July 7, 1982

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:

A meeting was held at your request on December 16, 1981 to discuss the possible implementation of Flextime at the Gas Meter Repair Plant in Fremont. The Company proposes, pursuant to Subsection 202.16(b) of the Physical Agreement, to establish the following Flextime guidelines:



Basic Work Hours: 7:00 a.m. to 6:00 p.m.

Flextime: 7:00 a.m. to 9:30 a.m.
 11:30 a.m. to 1:30 p.m.
 3:30 p.m. to 6:00 p.m.

Core Time: 9:00 a.m. to 11:30 a.m.
 1:30 p.m. to 3:30 p.m.

1. The Agreement will cover all represented Local Union 1245, IBEW employees at the Gas Meter Repair Plant in Fremont.
2. Basic workweek will consist of 5 days per week, Monday through Friday, 7-1/2 hours per day, average or 8 hours per day, maximum unless authorized to work overtime.
 - a. Accumulated work time for the week must equal 37-1/2 hours.
 - b. Rest breaks for coffee and other personal business taken during 7:00 a.m. - 6:00 p.m. work day will not accumulate credit toward the 37-1/2 hours work time.

- c. Breaks for personal business may not be taken during core period.
 - d. Lunch breaks will be 1/2 hour minimum with no maximum, as long as it is taken during flex period.
 - e. Employees may not consume lunch while working.
3. While the basic goal is to provide employees with a maximum choice with regard to work hours, it may be necessary for the Company to adjust an individual's flextime schedule in order to meet the requirements of his job.

A minimum of 30 percent of plant personnel must work until 3:30 p.m. on Fridays.

The Company should endeavor to obtain voluntary coverage to establish the 30 percent work force. If voluntary coverage is not available, the Company will assign employees to work on the basis of qualifications and in reverse seniority order. The Company will attempt to rotate employees to provide fair distribution of Friday afternoon work.

4. If conditions other than those set forth in these Guidelines are imposed on an employee's schedule, Company shall notify the Union, no less than three working days prior to the effective date of such changes.
5. Employees off sick must notify the immediate supervisor of the fact at or before 7:00 a.m. to allow work to be properly planned. Establishment of flexible work hours in no way alters sick leave privileges to which an employee is entitled under Title 112 of the Company's Agreement with IBEW. Flextime does, however, offer employees the option of conserving their sick leave if they wish by prudent scheduling of medical and dental appointments.
6. Overtime pay will not be authorized until an employee has clocked 7-1/2 hours for a regular day or 37-1/2 hours of accumulated clock time (or its equivalent) on Friday. Authorized overtime will start for time after 7-1/2 or 8 hours at the option of the employee.
7. Two options are available to employees covered under the flextime agreement for time off on Good Friday.
- a. If you wish to take time off with pay in order to attend religious services between the hours 12 noon and 3:00 p.m., your workday will commence at 8:00 a.m. and be completed at 4:30 p.m. Lunch will be 1/2 hour commencing at 12 noon. A morning coffee break of 15 minutes will be allowed; however, the afternoon coffee break will be included in the period 12 noon to 3:00 p.m. This day will be considered a standard day and the accumulator will not be used.
 - b. You may elect to continue on your normal flextime schedule and record time on the accumulator.

July 7, 1982

Employees electing to observe Good Friday with pay (option 1) will be required to notify their supervisor no later than the Friday preceding Good Friday.

8. Initial trial shall be for a period not to exceed six months. Subsequently, it will be extended month by month unless at least 30 days written notice of termination is given by either the Company or Union.

If you are in accord with the foregoing and the attachment 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 JWBright
Manager of Industrial Relations

The Union is in accord with the foregoing and the attachment and it agrees thereto as of the date hereof.

LOCAL UNION NO. 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

Aug 5, 1982

By Jack Michael
Business Manager