PACIFIC GAS AND ELECTRIC COMPANY

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

August 3, 1984

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:

This letter cancels and supersedes our correspondence of December 9, 1983.

Company has recently implemented a domestic and small commercial Regulator Replacement Program in place of the former K Regulator Modification Program. The purpose of this Program is to replace over a seven-year period all existing three-quarter inch non-relieving domestic and small commercial gas regulators with new regulators having internal relief valves. The primary reason for this Regulator Replacement Program is the fact that many existing regulators contain material which, over time, deteriorates in quality, contributing to potential failure and possible over-pressure in house lines.

Accordingly, in order to accomplish this goal within the established time frame and in an effort to more fully utilize existing manpower, Company proposes, pursuant to Section 205.19 of the Physical Agreement and without further reference to Title 205, to initiate a temporary manpower loan from the classifications of 1376 Senior Meter/Regulator Mechanic and 1375 Meter/Regulator Mechanic at the Gas Meter Repair Plant in Fremont. The intent of this manpower loan is to field train the available Senior and Meter/Regulator Mechanics in the skills required to replace non-relieving regulators and occasionally replace domestic and small commercial meters in the field. Meters will only be replaced in conjunction with the regulator when such meter is scheduled for replacement. During the time such employees are assigned to the Regulator Replacement Program, they will be upgraded to the Gas Serviceman rate.

Company is proposing this temporary manpower loan and upgrade because the Gas Meter Repair Plant's workload is subject to seasonal fluctuations, with a traditionally reduced workload during the fall and winter months. Company believes that this proposal will serve the dual purpose of accommodating the needs of the Company regarding the timely and successful completion of the Replacement Program and facilitating the needs and desires of both the Union and Company in stabilizing the work force at the Gas Meter Repair Plant.

Under this proposal, the available Meter/Regulator Mechanics and Senior Meter/Regulator Mechanics accepted on a voluntary basis, by seniority, for these assignments on a temporary basis for up to seven years. Under this system, inter-, and intra-Division assignments shall be considered as separate assignments for purposes of determining the most senior applicant eligible to participate in this program. Company shall provide eligible employees with two weeks' notice of all assignments and the initial training assignment. Employees who elect to terminate an assignment must provide Company with a one week's notice of such desire, except in the event of personal emergency. Upon receipt of such notice the employee will be returned to the employee's former classification and duties at the Gas Meter Repair Plant, and may be considered for subsequent assignments based on the seniority list for each separate assignment.

During the actual time these employees are upgraded to Gas Serviceman for the replacement work, they will be compensated pursuant to Title 204 of the Physical Agreement at the comparable Gas Serviceman rate. The actual length of the individual manpower loans may vary depending upon manpower requirements.

To be eligible for such assignments, employees must possess a valid California Driver's License and must have successfully completed the prerequisite training program to be held at Emeryville. An employee will have one opportunity to successfully complete the training program in any calendar year, with a maximum of two opportunities during the course of the Regulator Replacement Program. This training program will consist of similar instruction and objectives as that of the Gas Serviceman's training school, with major modifications as agreed to in Letter Agreement 83-127-PGE.

Under this proposal, these individuals will not be required to possess the skill and knowledge of the Gas Serviceman's classification or perform the work thereof. Furthermore, during the term of this Agreement, Company will insure that all Gas Servicemen are fully utilized and that all Reserve Gas Servicemen are fully utilized through upgrade to Gas Serviceman at any headquarters in which such Gas Meter Repair Plant employee is utilized. During the period an employee is participating in this manpower loan program, the employee's work will be subject to the provisions of the Gas Serviceman audit. However, such audits will be performed only in relation to the work the employee is actually performing.

If you are in accord with the foregoing and agree thereto, please so in the space provided below and return one executed copy of this letter to the Company.

Yours very truly,

By 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

Business Manager

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