PACIFIC GAS AND ELECTRIC COMPANY

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

September 18, 1986

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:

Beginning in July 1986, Company will begin a consolidation effort that will result in the closing of the Salinas Materials Facility, and the transfer of employees at that facility to the Mission Trail Materials Facility located in San Jose. As a result, Company proposes the following, pursuant to Sections 205.19 and 206.12 of the Physical Agreement:

All Salinas Materials Facility employees (see attached list of affected classifications) will be reassigned to the San Jose Materials Facility in the following manner:

- a) All employees headquartered at the Salinas Materials Facility, including those on leaves of absences, off sick, on vacation, or off on disability, shall be considered on the basis of Service, as defined in Section 106.3.
- b) Employees with the greater Service shall be given the first opportunity to relocate.
- c) In the event there are insufficient volunteer(s) for such relocation, the employee(s) with the least Service in the affected classifications shall be relocated.
- d) Each employee in (c) above shall be given as much notice as possible of the impending relocation and such employee shall fill the vacancy in the employee's classification created at the new location where such job is relocated.
- e) An employee so displaced in (b) and (c) above shall be given preferential consideration under Section 206.9 to return to such employee's former headquarters/office, if it is re-established. In addition, for a period of one year from the date this agreement is signed, the displaced employees will be considered Coast Valleys Division employees for bidding and transfer purposes.

f) An employee relocated in accordance with (b) or (c) above shall be entitled, when appropriate, to the provisions of Section 206.8. Retroactive to April 1, 1986, employees who, in <u>anticipation</u> of this relocation, chose to accept a bid/transfer to a location other than San Jose will also be granted 206.8 rights.

The consolidation will result in the following three employees remaining in Coast Valleys Division:

George Scott, Materials Leadman in Monterey; Phillip Rivas, Materials Leadman Driver at Salinas; Brian Cook, Materials Leadman Driver at Salinas.

These three employees shall be considered as Coast Valleys Division employees for the purposes of Titles 205, 206, 208 and 212 of the Physical Agreement and shall remain at these locations until they leave such headquarters through the provisions of Titles 205 or 206. Further, Section 202.23 shall also apply to these three employees while working at the above-listed locations. These placements are without prejudice to the position of the parties with respect to the appropriate classification for certain material department functions.

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

1986