



# LETTER AGREEMENT NO. R2-99-72-PGE



PACIFIC GAS AND ELECTRIC COMPANY  
INDUSTRIAL RELATIONS DEPARTMENT  
2850 SHADELANDS DRIVE, SUITE 100  
WALNUT CREEK, CALIFORNIA 94598  
(925) 974-4104

INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS, AFL-CIO  
LOCAL UNION 1245, I.B.E.W.  
P.O. BOX 4790  
WALNUT CREEK, CALIFORNIA 94596  
925-933-6060

LAURA SELLHEIM, ACTING MANAGER  
AND CHIEF NEGOTIATOR

JACK MCNALLY, BUSINESS MANAGER

April 27, 2000

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

Attention: Mr. Jack McNally, Business Manager

Dear Mr. McNally:

Company proposes to replace the Clarifications of Title 19 and 206 based on the recommendations made by the Displacement Procedures Subcommittee. This is not intended to cancel or supercede any previous letter agreements regarding Titles 19 and 206, unless otherwise noted. The Reverse Lines of Progression for Title 600 classifications and the Reverse Lines of Progression for the Clerical classifications will be forwarded under a separate letter agreement proposal.

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.

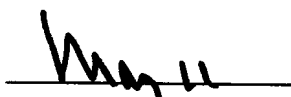
Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By:   
\_\_\_\_\_  
Laura Sellheim, Acting Manager 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

 2000

By:   
\_\_\_\_\_  
Jack McNally  
Business Manager

**CLARIFICATION OF TITLE 206 AND TITLE 19**

**DEMOTION AND LAY OFF PRODEDURE  
OF THE PHYSICAL AND CLERICAL  
AGREEMENTS  
BETWEEN  
PACIFIC GAS AND ELECTRIC COMPANY**

**AND**

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

**JANUARY 1, 2000**

Replaces previous Volume 1 of Title 206 and Title 19 Clarification Booklets

Dated January 23, 1995

## **I. Overview**

From time to time, the Company eliminates certain jobs (called *positions* in this document) for lack of work. The Agreements between the Company and the International Brotherhood of Electrical Workers (the Union) outline the responsibilities of the Company to its bargaining unit employees when the Company eliminates positions. Title 206 of the Physical Agreement and Title 19 of the Clerical Agreement describe, for operation, maintenance and construction employees and office and clerical employees respectively, the process by which the Company can assign alternative positions or layoff to displaced employees.

This document describes the process that is used to assign displaced employees to alternative positions or layoff consistent with contract provisions and based on a pre determined sequence of consideration provided by each employee.

## **II. Displacement and Demotion Process**

The Company decides which positions are to be eliminated independent of this process. The list of employees incumbent in these positions, called *List A*, is an input to this process. The Company considers all other bargaining unit jobs, whether currently filled or vacant, to be *positions* to which *List A* employees may be able to be demoted or displaced. This list is called *List B* and it includes all employees within a bargaining unit.

Title 206 and Title 19 contain several *sections* that describe how to determine positions to which an employee can be assigned. These are:

- 206.3 (19.3) Demotion in Line of Progression
- 206.4 (19.4) Elections to Change Headquarters or Department
- 206.5 (19.5) Election to Return to Previous Line of Progression
- 206.6 (19.6) Bumping Employee in Beginner's Job
- 206.7 (19.7) Layoff

### **A. Employee Election Form**

Every employee will have the opportunity to complete an Employee Election Form to pre-select the order or sequence in which they wish their displacement rights under Section 206.3 (19.3) through 206.7 (19.7) to be administered. New employees will complete an Employee Election Form after one year of employment. Employees may make changes to their elections at any time during their employment by completing a new form. Job assignments will be made in sequential order as determined by the employee and consistent with contract provisions. An employee who does not have a completed form on file, or whose completed form is no longer valid because they have changed their line of progression, will be assigned a default selection sequence.

The default selection sequence is as follows:

- 1) 206.3 (19.3) to an immediate next lower classification as shown in the reverse lines of progression;
- 2) 206.4 (19.4) to Area, then Unit, then System;
- 3) 206.5 (19.5) to Area and then Unit;
- 4) 206.6 (19.6) to Area, then Unit, then System; and
- 5) **206.7 (19.7) layoff**

The Company will use the valid form on file as of two days prior to the start of the initial assignment phase.

### **B. Communications and Notice**

Prior to beginning a workforce reduction, Company representatives will meet with the Union for the purpose of a) explaining the business reason for the reduction; b) reviewing the number, type of classifications and locations (headquarters) to be reduced, the reduction time frame, and any job vacancies; c) agreeing on a date for 206.1 or 19.1 notification (including granting of A rights) and a date for 206.2 or 19.2 notification (which begins the displacement process); d) developing the plan for communicating with employees which will include system wide notification, unless agreed to otherwise; e) discussing any other special provisions that may reduce the impact from displacement; and f) discussing other issues as requested by the parties (i.e., Hiring Hall employees, contracting, and part-time employees).

**206.1/19.1 notification:** Employees will be notified of (1) an impending displacement; (2) the number of employees and classifications to be displaced; and (3) the date the 206.2/19.2 process is expected to begin. Additionally, at that time those initial employees to be displaced due to lack of work will be provided with preferential transfer and bid rights and the timeliness provisions of Subsections 205.4(d), 18.4(d), 205.5(d)(2) and 18.5 C (2) will not apply for the purpose of granting consideration under the provisions of Subsections 205.5 (a) or 205.7 (a) rights or 18.5 (a) or 18.7 (a) rights.

**206.2/19.2 notification:** Employees will be notified of the specific date that the 206/19 job assignment process will begin. In no case will the 206/19 assignment process begin less than 14 days following this notification. Employees have until 2 days prior to the start of the 206/19 assignment process to make changes to their Employee Election Form. Completed Employee Election Forms must be received and date stamped in the HR Service Center at least two days prior to the beginning of the 206/19 assignment process in order to be valid.

### **C. Initial Assignment Process**

Assignments will be made beginning with List A in order of seniority, with the most senior List A employee coming first. This most senior employee is assigned to the first available position as determined by the selection sequence they have identified. Further, an employee must prioritize at least one 206.3 (19.3) option before receiving any consideration for option under sections 206.5 (19.5) and 206.6 (19.6). Under Section 206.3 (19.3) an employee may elect to prioritize the sequence of any successively lower positions in their reverse line of progression, and assignments will be made accordingly.

If there are no positions to which the employee may displace based on their selection sequence, they will be assigned to lay off pursuant to Section 206.7(19.7). A List B employee who is displaced by a List A employee will be immediately added to List A in order of seniority. This process is then repeated for the next most senior employee on List A and continues until all displaced employees receive an assignment or are laid off.

Employees who are off on an extended basis on either a leave of absence or workers' compensation payroll, will be assigned to positions just as if they were on the active payroll.

#### **D. Final Assignment Process**

Following the initial assignment process, all employees who have been initially assigned Area positions under Subsections 206.4(a)(1) and 206.4(b)(1) [19.4(a)(1) and 19.4(b)(1) of the Clerical Agreement] will be provided with a list of headquarters assigned to other employees displaced to the same classification and department within that Area for consideration and prioritization. Employees initially assigned Unit positions under Subsections 206.4(a)(2) and 206.4(b)(2) [19.4(a)(2) and 19.4(b)(2) of the Clerical Agreement] will be provided with a list of headquarters assigned to other employees displaced to the same classification and department within that Unit for consideration and prioritization. Finally, employees initially assigned System positions under Subsections 206.4(a)(3) and 206.4(b)(3) [Sections 19.4(a)(3) and 19.4(b)(3) of the Clerical Agreement] will be provided with a list of headquarters assigned to other employees displaced to the same classification and department within the System for their consideration and prioritization. The assignments made under 206.6 or 19.6 will be handled in a similar manner for those employees in like classifications. For example, if three employees are assigned to the same classification and department under Section 206.6 as an Area assignment (206.6 (a)), all three employees will be given a list of the three headquarters and asked to prioritize them.

Employees will have seven calendar days to prioritize the headquarters. Final job assignments will be made in order of priority based on seniority.

Employees who are on vacation, sick leave, workers' compensation payroll or a leave of absence during the seven day timeframe will be allowed to leave a contact number where they can be reached so that they may be contacted and given the headquarter list to review and prioritize. If these employees cannot be reached, they will be assigned to the headquarters that is closest to their home address and that their seniority will allow.

Final job assignments will be made in order of preference based on seniority.

#### **E. Job Assignment Notification**

Employees will be notified of their job assignments by letter and through a general employee posting. Employees will be given seven calendar days to either accept or decline the job assignment. Employees who accept the job assignment will be expected to report to their new work location as directed by their immediate supervisor.

#### **F. Employees who Decline Job Assignments**

An employee who declines a job assignment will be laid off under Section 206.7 or 19.7 but will retain rehire rights pursuant to Subsection 206.13 [19.13] and is entitled to receive the Severance Package if eligible under Exhibit K of the Clerical Agreement or Exhibit XIV of the Physical Agreement. The position that the employee had been assigned to will be filled pursuant to Title 205 or Title 18 as soon as possible. Further, the eight day time limit for submitting prebids and transfers will be suspended for employees impacted by this process.

#### **G. Appropriate use of Employee Election Forms**

The Company will not access the Employee Election Forms until the end of the fourteen day notice period described in Section C above.

### **III. Clarifications by Contract Section**

#### ***A. 206.1 and 19.1 Seniority Ties***

In those cases where employees share the same seniority date, the following steps should be followed:

1. Any prior service as a Company employee shall be taken into consideration and the employee whose prior service is greater shall be deemed to have the greater seniority.
2. In the event such consideration does not resolve the conflict, the employee who first successfully completed all pre-employment tests shall be deemed to have the greater seniority.
3. In the event such consideration does not resolve the conflict, the employee whose application was first filed with the company will be deemed to have the greater seniority.
4. In the event such consideration does not resolve the conflict, the parties will determine which employee is deemed to have the greater seniority by a mutually agreed-upon method of chance such as a coin flip. (LA 87-121)

#### ***B. 206.3 and 19.3 Headquarters Defined***

The following letter agreements define headquarters for locations:

##### **Physical Agreement:**

1. Each geothermal unit at the Geysers Power Plant be established as a "Headquarters" for the Operations Department and all Power Plant Operators will report directly to their headquarters. This agreement shall NOT change the meaning of "headquarters" within Titles 205 and 206. For purposes of Titles 205 and 206, the East Geysers will still be considered as the "Headquarters.". (LA 99-15-Supersedes LA 97-133)
2. Employees headquartered in the following locations shall be considered as being a part of the geographic division and geographic region in which their headquarters is located. Employees of each of the respective geographic divisions and regions shall be considered for purposes of Title 206 to be a part of the applicable location:
  - Department of Engineering Research (DER)  
San Ramon Unit 1, Area 4  
Diablo Canyon Power Plant Unit 6, Area 28
  
  - Gas and Electric Technical Services  
Kettleman Unit 5, Area 21
  
  - Electric Meter Repair  
Oakland Unit 1, Area 4 (has since moved to Fremont but still Unit 1)
  
  - Gas Meter Repair Plant  
Fremont Unit 1, Area 4  
(LA 92-42)

3. For purposes of 206.3 for the Nuclear Power Generation and Steam Departments, each plant is considered a headquarters. For purposes of 206.4, Steam Generation and Nuclear Generation is considered the Demotion Unit as shown in the Supplement to Title 206 Demotion Units.
4. For purposes of 206.4 for Hydro, Demotion Unit is defined as Hydro Area Watersheds (North, Central or South) as defined in the Supplement to Title 206.

#### Clerical Agreement

1. The General Office organization (including Fairfield Computer Center and West Sacramento Billing Center) is Demotion Unit 11 and the "Departments" in General Office are:

- Vice President and Comptroller's
- Computer Operations Department
- Reprographics Section
- Design Drafting Department
- Mail Services Section
- Building Maintenance and Operations Section

The term "headquarters" shall equal "Section" with the following exceptions:

Section 19.14 "headquarters" shall equal "Department"

Section 19.16: "Demotion Area" shall equal "Department"

The Fairfield Computer Center is considered a separate headquarters.

(LA 85-165)

#### ***C. 206.3 and 206.4 (19.3 and 19.4) Same Classifications***

For purposes of Section 206.3 (19.3) and 206.4 (19.4), the term same classification may include derivatives of the primary classification plus secondary requirements and combination classifications. However if the displacing employee does not possess the necessary secondary requirement, the employee may displace the next most junior employee that does not have secondary requirements.

The three clerical lines of progression are Customer Services, Operating and Accounting. Customer Services and Operating do not have department designations. The Accounting line of progression includes classifications in the following departments:

1. Vice President and Comptroller's organization (including Customer Accounting)
2. Computer Operations Department
3. Reprographics Section
4. Design Drafting Department
5. Mail Services Section
6. Building Maintenance and Operations Section (LA 85-165)

#### ***D. 206.5 and 19.5 Election to Return to Previous Line of Progression***

In order to return to a previous Line of Progression, the following conditions must be met:

1. The employee must have spent at least six months in a classification in another line of progression in order to have 206.5 or 19.5 rights. The position held in the other line of progression must have been a regular assignment. For example; a Meter Reader who previously worked in the Steam Maintenance line of progression as a Utility Worker-Electrical Maintenance (0944) for five months and as a Utility Worker-Technical Maintenance (0963) for two months has the required six months in the Utility Worker classification in order to return to the Steam Maintenance line of progression. (Clarification dated 10-13-93)
2. An employee currently in a physical classification may return to a line of progression covered by the clerical bargaining unit and vice versa.
3. The employee can only return to the line of progression that he/she held immediately prior to entering his/her current line of progression. For example; a Meter Reader who was hired as a Utility Worker in Gas T&D, then transferred to a Garageman position and then transferred to his/her current Meter Reader position can only return to the Garageman position under Section 19.5.
4. The time spent in the employee's previous line of progression is cumulative. For example, an Electrician was originally hired as a Garageman. He held that classification for four months, then transferred to the Customer Services line of progression for six months and then returned to the Garageman classification for five months. He then bid to the Apprentice Electrician classification. Since he held the Garageman classification for a cumulative of nine months he is entitled to return to that classification under Section 206.5.
5. A previous line of progression is defined to include any classification not listed in the employees current reverse line of progression. For example, a Credit Representative may return to any classification not listed in the reverse line of progression for the Credit Representative classification. If an employee worked as a Service Representative for six months prior to entering the Credit Representative line of progression, he/she may return to the Service Representative classification under Section 19.5 because it is not listed in the Credit Representative reverse line of progression.
6. The line of progression the employee is returning to, must be in the employee's Demotion Area or Unit. For example; a Gas Serviceman in Hayward, who previously held the position of Auxiliary Operator would not be able to return to that position under this section because Auxiliary Operator is outside of the employee's Demotion Unit. Conversely, if an Auxiliary Operator previously held the classification of Meter Reader in the Customer Services Department, for more than six months, he/she would be able to return to the Meter Reader classification under 206.5 because the Division is in the Steam Demotion Area. (See Demotion Unit 12 in the demotion area definitions).
7. General Construction classifications are covered by Title 300 and therefore are not considered valid 206.5 options. Also, if an employee transferred from a Division physical line of progression to a General Construction position and then transferred to another Division physical line of progression, that employee is precluded from returning to the original line of progression since the intervening position was in General Construction.



8. An employee who is eligible to return to a classification in a previous line of progression, will not be subject to the wage restriction outlined in 206.1 and 19.1. For example; an employee who previously held the classification of Operating Clerk and is currently a Meter Reader, will be eligible to return to the Operating Clerk position even though it is a higher paid classification.

***E. 206.6 and 19.6 Beginning Level Classifications***

The following beginning level classifications have negotiated training programs that allow employees to automatically progress to the completion of the program while remaining in the classification. For the purposes of Section 206.6 and Section 19.6, while employees are in the first 18 months of these classifications they shall be subject to being displaced in accordance with these contract sections.

Gas Control Operator  
Gas Transmission Operator  
Materials Handler  
Maintenance Assistant  
Nuclear Operator  
Reprographics Operator B  
Materials Handler  
Computer Operator

(LA 96-100, LA 93-67, LA 95-79, LA 95-76, LA 95-63, LA 96-44, LA 89-42, LA R1-89-26, LA 98-16, LA 89-42 and LA 89-26)

***F. 206.9 and 19.9 ACCELERATED PROMOTION***

- A. Employees will be given consideration under Subsections 205.5(a) and 205.7(a) [18.5(a) 18.8(a)] in order of seniority regardless of whether their preferential bid rights are 206.9(a), 206.9(b) or 206.9( c ) [19.9(a), 19.9(b) or 19.9( c )].
- B. Subsections 206.9(a) and 19.9(a) provide that employees who do not exercise their rights under these Subsections to return to their former status (classification, headquarters, and department) forfeit their rights under 206.9(a) and 19.9(a). In order to exercise these rights, employees must have prebids and/or transfers on file to their former classification, department and headquarters at all times.

Subsections 206.9(a) and 19.9(a) provide for a displaced employee's accelerated return to former Area, classification and headquarters. Because this would not necessarily result in the employees regaining former bid/upgrade privileges, department is also a part of the employee's accelerated rights in regaining former status. Once an employee has regained their former classification, Area and headquarters, then the employee continues to have preferential rights to the former department.

**Example:**

A Truck Driver in the Electric Department in Fresno is displaced to Truck Driver in the Materials Department in Bakersfield. The employee has accelerated rights back to classification and headquarters, that is, Truck Driver, Fresno. Therefore, the employee is entitled to accelerated rights under 206.9(a) to all Truck Driver classifications headquartered in Fresno. Once there, however, the employee continues to have 206.9(a) rights to Truck Driver in the Electric Department in Fresno since returning to that department would make the employee's status whole.

- C. Subsections 206.9(b) and 19.9(b) allow demoted employees accelerated rights to return to their former classification without regard to location. Once the employee has successfully returned to the classification held prior to demotion, only the provisions of 206.9(a) and 19.9(a) will be applicable, i.e., return to headquarters or area. Further, 206.9(b) and ( c ) and 19.9(b) and ( c ) rights are not given to employees demoted under 206.15 or 19.14 (LA 93-93).
- D. Subsections 206.9(b) and 19.9(b) also provide that a demoted employee has accelerated rights to any vacancy in any intermediate classification of the reverse line of progression of the employee's former classification (see Fact Finding Committee Case No. 567-77-165).

NOTE: For purposes of 206.9(b) and 19.9(b) an employee displaced from an entry-level classification is considered to be a demoted employee if such displacement resulted in the employee losing his/her classification – e.g., a Groundman in Auburn who is displaced to a Materialsman position in Marysville has 206.9(b) rights to return to Groundman without regard to location.

NOTE: A demoted employee does not forfeit his/her 206.9(b) or 19.9(b) rights if the employee declines a job offer to return to his/her former classification or to a vacancy in any intermediate classification in the reverse line of progression of the employee's former classification. As long as a demoted employee does not voluntarily change lines of progression, the employee retains 206.9(b) and 19.9(b) rights until he/she actually returns to his/her former classification.

**Example:**

An Electrician-Steam at Pittsburg Power Plant who has been demoted to Helper at Contra Costa Power Plant has the following rights under the provisions of 206.9:

- a) Under the provisions of 206.9(b) such employee has 205.7(a) prebid rights to Apprentice Electrician at any headquarters in the Company on a one-time basis only; and
  - b) Under the provisions of 206.9(b) such employee has 205.7(a) prebid rights to Electrician at any headquarters in the Company on a one-time basis only. Once the employee regains the classification held prior to demotion, the employee continues to have 205.7(a) rights under the provisions of 206.9(a) back to the headquarters and department held prior to demotion, i.e., Electrician-Steam, Pittsburg Power Plant.
- E. Subsection 206.9 allows displaced apprentices who progress to unassigned or journeyman status to return to their former headquarters on an accelerated basis as a journeyman or unassigned journeyman.

**G. Section 206.13 and 19.13 Re-employment Provisions**

1. Re-employment provisions are applicable after application of Title 206, Title 205, Title 19 and Title 18 for both beginning level and above beginning level classifications. These provisions come into effect after active employees have been considered for beginning level vacancies, then the Company will revert to the rehire pool to fill beginning level vacancies. Employees with transfers on file will have first consideration prior to the Company going to the rehire pool to fill beginning level vacancies. (See memo dated 11/10/94).
2. Applies to any regular employee who has been laid off for lack of work for a period not in excess of thirty months and who had one or more years of Service at the time of layoff. (See LA 97-53 for former Steam and Hydro Generation employees.)
3. Company shall notify such employee when any vacancy exists in a beginner's job for which such employee has preferential rehire rights and has indicated a desire to accept.
4. Company shall send a notice by certified mail and return receipt requested to the last mailing address furnished by the laid off employee.
5. Priority shall be given to the most senior employee on layoff status. (See LA 87-80.) Seniority is based upon Service at the time of layoff.
6. Such employee must respond within *three working* days from the date notice is received and advise Company of acceptance of re-employment. If employee fails to respond, employee will be considered terminated.
7. If a laid-off employee does not accept reemployment to a full-time position or report for work within the time provided, such employee will be considered terminated, with no further reemployment rights. If the laid-off employee declines an offer of part-time employment, such employee will not be considered for reemployment to future part-time positions.
8. If employee declines or fails to respond within given time, Company will send notice to the next employee on the laid off list.
9. Employees recalled shall report to work within seven calendar days after advising Company of acceptance.
10. An employee who fails to report within such time will be considered terminated with no further employment rights under this Section.
11. An employee returning to a job under provisions of this Section must possess the necessary skills, ability and physical qualifications to perform the duties of the position to which the employee is returned.

12. Such rehired employee has 206.9 and 19.9 rights.

13. An employee terminated under numbers 7 or 10 above, shall be considered to have a break in service pursuant to Sections 106.3 and 17.3 should the employee ever be reemployed.

***H. Section 206.17 and 19.16 Relocation Other Than for Lack of Work***

When the company is in a system-wide lack of work mode, it is inappropriate to use Sections 206.17 and 19.16 to relocate employees.