

# PACIFIC GAS AND ELECTRIC COMPANY

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February 27, 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 cancels and supercedes our previous correspondence to you on this matter.

Over the past several months, the Company and Union have had numerous discussions regarding the Company's study of a "positive" discipline system and its possible application. As has been discussed, it is the Company's belief that this study indicates that applying the principles of this concept vis-a-vis the present constructive discipline mode of corrective "punishment" should not only prove to be a significant advancement in the working relationships between employees and supervisors, but is expected to reflect favorably in the administration of the Union-Company negotiated grievance procedures. As such, the Company proposes to put the positive discipline concept into effect in North Bay Division and at the Geysers Generating Plant for a two-year trial period beginning March 1, 1984.

In order to implement an equitable transition from the current constructive discipline system to the positive discipline system, the Company will (1) prepare a list of those employees of the North Bay Division and Geysers to whom steps of constructive discipline have been applied since March 1, 1983, (2) determine and list each such employee's equivalent current status, not to exceed a written reminder in two categories, effective March 1, 1984 under positive discipline, (3) review and obtain concurrence of the list with the Union, and (4) explain to each affected employee in the presence of a shop steward, if the employee desires the presence of a shop steward, his status under positive discipline as it relates to his previous status under constructive discipline in meetings between those employees and their supervisors. Furthermore, recorded disciplinary action taken prior to March 1, 1983 of North Bay and Geysers' employees contained in their 701 files or supervisor's operating file or deactivated during the positive discipline trial period will be removed from their 701 files or supervisor's operating file and incidents referred to in such deactivated documents will not be used or referred to in any step of the grievance procedure.

The same comparisons, determinations and review will be made for employees transferring or bidding to North Bay or the Geysers during the trial period and will be done with the concurrence of the Union.

Although positive discipline does not contain a provision for time off without pay as disciplinary action, existing procedures for "crisis suspension" will remain in effect. Suspensions pending investigation will be held to a

minimum and will occur only when the employee's alleged actions indicate that remaining on or returning to the job may be detrimental to the employee, fellow employees, customers, or the Company. These situations will be handled in the following manner:

1. If, upon completion of its investigation, Company finds that there is insufficient evidence to support the alleged misconduct, the employee will be placed back to work and will be paid for the investigating time off.
2. If, upon completion of its investigation, Company finds that there is sufficient evidence to support termination, the employee's employment will be terminated and the investigatory time off will be without pay.
3. If, upon completion of its investigation, Company finds that there is sufficient evidence to support disciplinary action but not termination, the appropriate step of positive discipline will be administered and the employee will be reimbursed for the investigatory time off without pay. However, should an employee be unfit for work or otherwise unavailable, the employee shall not be reimbursed for such time.

The settlement reached during the 1983 general negotiations includes a revision to Contract Section 205.11 of the Physical Agreement and 18.11 of the Clerical Agreement whereby employees will be bypassed if under "active counseling" which is defined as (1) two or more separate instances in which the employee received disciplinary layoff without pay for poor work performance or (2) demotion for cause. For the purposes of Contract Sections 205.11 and 18.11, the definition of "active counseling" under the positive discipline system will be defined as during the previous 12-month period (1) two or more instances in which an employee has received written reminders, (2) a decision-making leave or (3) demotion for cause.

It is further understood and agreed that Union's agreement to this proposed trial period does not constitute a waiver by Union of its right to challenge a disciplinary action on the grounds that such action was without "just cause," the degree of discipline was too severe, or there was disparity of treatment, pursuant to the provisions of the appropriate grievance procedure.

One year into this trial period and at any other time, as deemed appropriate by either party, the Company and Union will review the results of the trial. Additionally, three months prior to the end of this trial period, the Company and Union will review the results of the trial and either agree to continue this procedure, develop modifications to continue, or develop procedures to revert to the former constructive discipline system. In any event, disciplinary action occurring prior to March 1, 1983 or deactivated during positive discipline will not be reactivated or placed into the 701 file or supervisor's operating file and may not be used or resorted to in any step of the appropriate grievance procedure.

Any procedures or practices developed during this trial period will be without prejudice to the Union, Company Divisions and Departments other than North Bay and the Geysers during the trial period and to Union or all Company Divisions and Departments including North Bay and the Geysers at the conclusion of this trial period.

The attendance category referred to in the North Bay Division Positive Discipline Guideline will not be used to circumvent Section 112.8 of the Physical Agreement and Section 7.8 of the Clerical Agreement.

It is agreed that the attached North Bay Division/Geysers Power Plant Positive Discipline Guidelines, which are incorporated herein, will be administered as the Positive Discipline System. This agreement may be amended at any time by agreement between Company and Union.

It is proposed that these guidelines be effective March 1, 1984 upon agreement between Company and Union, and that they continue in effect until amended by mutual agreement, or until either party has given to the other 30 days' written notice of its termination.

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 *W. Bonbright*  
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

March 1, 1984

By *Jack Wilkey*  
Business Manager

## NORTH BAY DIVISION AND THE GEYSERS POWER PLANTS

### POSITIVE DISCIPLINE GUIDELINES

#### I. INTRODUCTION

It has been the policy of North Bay Division to enhance and to improve work performance in all areas by means of clear communication and understanding of performance requirements by all employees. To this end, North Bay Division and the Geothermal Region of the Steam Generation Department will utilize Positive Discipline to:

1. Improve communications between supervisors and employees.
2. Improve knowledge and understanding by individuals of performance expectations.
3. Communicate the expectation of change and improvement through coaching and counseling.

In order to ensure that customers are served effectively and Company business in North Bay Division is conducted properly and efficiently, employees must meet certain standards of performance and perform their jobs in a safe and effective manner. Supervision is responsible for establishing employee awareness of their job requirements, and employees, in turn, are responsible for meeting these standards and expectations. Positive Discipline is a system that emphasizes an individual's responsibility for managing their performance and behavior. It focuses on communicating an expectation of change and improvement in a personal, adult, non-threatening way; while at the same time, maintaining concern for the seriousness of the situation. Key aspects of this system include recognizing and encouraging good performance, correcting performance problems through coaching and counseling, and building commitment to effective work standards and safe work practices.

If an employee has a conduct, attendance or work performance problem, disciplinary action may be necessary to correct the situation. Positive Discipline is designed to provide the opportunity to correct deficient performance and build commitment (not merely compliance) to expected performance in a manner that is fair and equitable to all employees. Each step is a reminder of expected performance, stressing decision making and individual responsibility, not punishment.

The Positive Discipline Program applies to all regular employees in North Bay Division, and the Geothermal Region of the Steam Generation Department. It does not apply to probationary employees or General Construction employees working within the geographic boundaries of North Bay Division. The performance of probationary employees shall continue to be monitored utilizing performance reviews and counseling. The Employee Assistance Program will continue to play a very important role and should be utilized when appropriate.

## II. THE POSITIVE DISCIPLINE SYSTEM

### A. Coaching and Counseling

Coaching/Counseling is the expected method for the supervisor to inform an employee about a problem in the areas of work performance, conduct, or attendance. The objective of performance coaching/counseling is to help the employee recognize that a problem exists and to develop effective solutions to it. Since it is the supervisor's approach to a performance problem that often brings about the employee's decision to change behavior, it is critical that the supervisor be prepared. Normally, performance problems can be resolved at this step. Coaching/counseling memos or notes kept in the supervisor's operating file should be deactivated in the same manner as oral reminders (Section VI.A.)

### B. Positive Discipline Steps

When an employee fails to respond to counseling or a single incident occurs which is serious enough to warrant a formal step of discipline, the supervisor will have several options, depending on the seriousness of the performance problem. These options or steps of the Positive Discipline system are:

NOTE: ALL BARGAINING UNIT EMPLOYEES ARE ENTITLED TO APPROPRIATE UNION REPRESENTATION DURING ANY STEP OF POSITIVE DISCIPLINE.

#### STEP ONE - ORAL REMINDER

##### 1. Application

The supervisor discusses the conduct, attendance, or work performance problem with the employee in a private meeting. The supervisor reminds the employee of the importance of commitment to follow work rules and Company standards. In this problem-solving discussion, the supervisor informs the employee that this is the first step of the discipline process and restates the employee's need to live up to his/her commitment. The meeting closes with the supervisor expressing confidence in the employee's ability to change.

##### 2. Documentation

- (a) The supervisor will prepare a hand written memo documenting the basic conversation, date it, and keep it in his/her operating file. The employee is entitled to and will be given a copy of this memo.
- (b) The supervisor will also make a notation of this discussion on the Employee Performance Record sheet (Attachment 1).
- (c) An oral reminder is active for six (6) months.
- (d) Refer to the Authority Level and Documentation Chart for approvals required.

#### STEP TWO - WRITTEN REMINDER

A written reminder is a formal conversation between a supervisor and employee about a continued or serious performance problem. The conversation is followed by the supervisor's written letter to the employee summarizing the conversation and the employee's commitment to change their behavior. It is the second step of the Positive Discipline System.

1. Application

This step is applied when:

- o An employee's commitment to improve is not met within the six (6) month active time period for an oral reminder; or
- o An employee commits a serious offense whether or not any previous disciplinary action has been taken.

2. Documentation

- (a) After the conversation with the employee, the supervisor will then write a letter to the employee summarizing the discussion. It should contain the exact performance problem, the date of casual, and/or oral reminders, what offenses caused the reminder, the employees commitment and need to change in the future, and whether further steps of Positive Discipline could follow.
- (b) The original copy of the letter is given to the employee. The immediate supervisor retains a copy of the letter and a copy is placed in the employee's Personnel (701) File.
- (c) The supervisor will make a notation of this discussion on the Employee Performance Record sheet (Attachment I).
- (d) The written reminder is active to twelve (12) months.
- (e) Refer to Authority Level and Documentation Chart for approvals required.

STEP THREE - DECISION MAKING LEAVE (DML)

The DML is the third and final step of the Positive Discipline System. It consists of a discussion between the supervisor and the employee about a very serious performance problem. The discussion is followed by the employee being placed on DML the following work day with pay to decide whether the employee wants and is able to continue to work for PGandE, this means following all the rules and performing in a fully satisfactory manner.

The employee's decision is reported to their supervisor the workday after the DML. It is an extremely serious step since, in all probability, the employee will be discharged if the employee does not live up to the commitment to meet all Company work rules and standards during the next twelve (12) months, the active period of the DML; except as provided in Section III. B.

Because the DML is a total performance decision by the employee, there is only one active DML allowed.

1. Application

This step is applied when:

- o An employee's commitment to improve is not met during the twelve (12) month active time period for a written reminder; or
- o An employee commits a very serious offense whether or not previous discipline has taken place.

2. Documentation

- (a) Notes are to be written covering the key points of the conversation. The exact date and offenses should be included. Employee excuses, protests, and reasons should be included.
- (b) When the employee returns from the decision making leave the employee will be given a letter summarizing the decision making leave incident and the employee's decision. This letter should be written by the supervisor using the notes mentioned in (a) above. The letter will advise the employee that termination could follow should they fail to live up to their commitment to maintain total performance and abide by all Company rules.
- (c) The original copy of the letter is given to the employee. The immediate supervisor retains a copy of the letter and a copy is placed in the employee's Personnel (701) file. The supervisor will also make a notation of this discussion on the Employee's Performance Record sheet (Attachment 1).
- (d) A DML is active for twelve (12) months.
- (e) Refer to the Authority Level and Documentation Chart for approvals required.

III. TERMINATION

- A. Termination occurs when Positive Discipline has failed to bring about a positive change in an employee's behavior, such as another disciplinary problem occurring within the twelve (12) month active duration of a DML. Termination may also occur in those few instances when a single offense of such major consequence is committed that the employee forfeits his/her right to the Positive Discipline process, such as:

Theft (See Review Committee Decisions 1451 and 1452)  
Striking a member of the public  
Energy Diversion  
Curb reading of meters

The decision to terminate must be authorized by the Division Manager/Manager of Geothermal Steam Generation.

- B. Notwithstanding the foregoing, if a performance problem which normally would result in formal discipline occurs during an active DML, the Company shall consider mitigating factors (such as Company service, employment record, nature and seriousness of violation, etc.) before making a decision to discharge, all of which is subject to the provisions of Title 102 and Title 9. In addition, a summary of the decision not to terminate should be documented and placed in the employee's personnel (701) file and the employee should be given a copy of the summary.

#### IV. ADMINISTRATIVE GUIDELINES

- A. Rule infractions are generally divided into three categories. These are (1) work performance; (2) conduct, and (3) attendance. The maximum number of oral reminders that may be active at one time is three (3), and these must be in different categories. Should another performance problem occur in a category where there is already an active oral reminder, the discipline step must escalate to a higher level of seriousness; usually a written reminder. The maximum number of written reminders that may be active at one time is two (2), and these must be in different categories. Should another performance problem occur in a category where there is already an active written reminder, the discipline step must escalate to a DML.

Because the Decision Making Leave is a total performance decision on the employee's part, there is only one DML. Additionally, while the DML is active, no other formal steps of Positive Discipline may be administered; except as provided for in Section III.B.

- B. The following list, which is not intended to be all inclusive, gives examples of rule violations and general categories they fall into:

##### Attendance

Absenteeism  
Tardiness  
Sick Leave Abuse  
Unavailability  
Extended Lunches/Break Periods

##### Conduct

Violation of the Employee Conduct Standard Practice  
Carrying Firearms on Company Property or in Company Vehicles  
Backing Accidents  
Leaving Assigned Work Area/Location Without Permission  
Insubordination: Refusal to Follow Supervisor's Instruction  
Refusal to Work Overtime in an Emergency Situation  
Fighting or Provoking a Fight on Company Property  
Falsification of any Company Document or Record  
Conducting Personal Business on Company Time Without Permission  
Reporting a False Reason for an Absence  
Congregating



Verbal and/or Sexual Harassment  
Failure to Adhere to Safe Work Practices and Accident Prevention  
Rules  
Initiating, Encouraging, or Participating in a Walk-Out or Work  
Slowdown  
Allowing Guests on Restricted Company Property Without Permission

Work Performance:

Unsatisfactory Work Performance (Quality/Quantity, Effort, and/or  
Negligence)  
Sleeping on the Job  
Poor Housekeeping  
Excessive Time Away from Work Station

Note: For some types of performance problems, cause by an ability  
deficiency, demotion to a lower classification may be the  
appropriate action rather than implementing any step of  
Positive Discipline.

- C. Offenses in each of the three categories are normally assigned a  
level of severity. Their level of severity can be minor, serious, or  
major in nature. As a general rule, the seriousness of the offense  
dictates which step of the Positive Discipline process would apply.
- D. The above list is not totally inclusive. In addition, Company  
Standard Practices, Safety, and Procedural Rules, along with sound  
judgement and common sense should govern individual conduct and  
actions. Individual departments and locations also have rules and  
standards which must be adhered to or met.

V. CRISIS SUSPENSION

As has been past practice, a crisis suspension should be used when an  
employee's inappropriate behavior is so serious immediate removal from  
the work-place is necessary. The employee shall be required to leave  
Company property pending investigation. Some examples would be theft,  
insubordination, threat of violent action, destruction of Company  
property, or reporting to work under the influence of alcohol or drugs.  
In crisis suspension, the employee's time off is treated in accordance  
with the provisions of the letter of agreement that established Positive  
Discipline in North Bay and Geysers. When just cause has been  
determined, the appropriate Positive Discipline step or termination is  
applied.

VI. DEACTIVATION

A very important step of the Positive Discipline system which recognizes  
improved performance is the deactivation process. If an employee has  
maintained fully satisfactory performance during the active period of a  
disciplinary action and the employees attendance, conduct, and/or  
performance improves, it is imperative that supervisors acknowledge the  
improvement. The administrative process of deactivation is summarized  
below:

A. Oral Reminder

At the end of the 6 month active time period, the immediate supervisor meets with the employee and informs the employee of the inactive status of the oral reminder, and commends the employee for improved performance. The supervisor notes the inactive status on the Employee's Performance Record sheet. The original memo should be removed from the supervisor's operating file and be returned to the employee.

B. Written Reminder/DML:

At the end of the 12 month active time period for the written reminder and the 12 month active time period for the DML, the supervisor initiates a typed memo advising the employee of the inactive status of the step, commends the employees improved performance, and removes all reference from the 701 file. Copies are distributed to all who were previously copied on the written reminder or DML letters with the exception of the 701 file. The supervisor also notes the inactive status on the Employee's Performance Record Sheet.

VII. RECOGNIZING GOOD PERFORAMCNE

The supervisor is a very important member of the work group. Since the supervisor's job is to get work done through others, it is essential that energies be concentrated on helping employees be as successful as possible. What a supervisor expects of an employee and the way the employee is treated to a large extent determines that employee's performance. Good performance is a shared responsibility.

The supervisor has an opportunity to foster a working environment that is based on mutual respect and trust, a collaborative team effort that is mutually beneficial to the supervisor, the employee, and the organization. Positive Discipline is intended not only to resolve performance problems, but also to focus on improvement in performance and recognize exceptional performance. Reinforcement of this type of behavior will help to ensure its continuation and should be used under the following circumstances:

- A. When an employee's attendance, conduct, and/or performance improves, it is imperative that the supervisor acknowledges the improvement in a way that encourages the employee to maintain the improvement. Such changes in behavior that are ignored often disappear.
- B. When an employee deserves recognition and commendation for performance, above and beyond the call of duty, such as:
  - o Taking immediate action in a crisis or emergency situation.
  - o Developing a cost saving or work saving idea.
  - o Providing special training or assistance to other employees.
- C. When an employee deserves recognition and commendation for performing

competently and dilligently over a period of time. Examples would include:

- o Maintaining a good attendance record over a significant period of time.
- o Maintaining a record of working safely.
- o Maintaining a spirit of teamwork that is demonstrated through specific actions.

In a discussion of this nature, the supervisor must refer to the specific improvement or incident with which the supervisor is pleased. The supervisor must be specific and sincere. These positive contacts should be noted on the employee's performance record. If the employee's performance is exceptional, or the supervisor is deactivating a step of Positive Discipline, a memo to the employee should be prepared by the supervisor recognizing this exceptional or improved performance. A copy should also be placed in the employee's Personnel file (701) unless it is a deactivation memo/letter. This type of recognition can be highly successful in establishing and maintaining a motivating, productive work environment.



NORTH BAY

AUTHORITY LEVEL AND DOCUMENTATION

STEPS	MONTHS ACTIVE	INITIATING RESPONSIBILITY	AUTHORITY LEVEL		DOCUMENTATION
			APPROVE	AUTHORIZE	
Oral Reminder (OR)	6	Immediate Supervisor		Immediate Supervisor	Employee Performance Record Handwritten memo to Supervisor's operating file.
Written Reminder (WR)	12	Immediate Supervisor	2nd Level Supervisor Dist. Dept. Head, Pers. Dept.	District Manager, or Div. Dept. Head (which- ever is appropriate)	Employee Performance Record. Typewritten letter summarizing conversation for distribution: o Original - Employee o Copies - Supervisor, Dist. Dept. Head, Area/ Dist. Manager, Div. Dept. Head. Pers. File (701)
Decision Making Leave (DML)	12	Immediate Supervisor	2nd Level Supervisor Dist. Mgr./Dist. Dept. Head, Pers. Dept.	Division Manager	Employee Performance Record. Typewritten letter summarizing the DML step: o Original - Employee o Copies - Supervisor, Div. Manager, Div. Dept. Head, Personnel File (701)

GEOHERMAL REGION  
AUTHORITY LEVEL AND DOCUMENTATION (ALD)  
\*POSITIVE DISCIPLINE

STEPS	MONTHS ACTIVE	RECOMMEND	AUTHORITY LEVEL		DOCUMENTATION
			APPROVE	AUTHORIZE	
Oral Reminder (OR)	6			Immediate Supervisor	Employee Performance Record, Supervisor's file. Handwritten memo to Supervisor's operating file.
Written Reminder (WR)	12	Immediate Supervisor	2nd Level Supervisor, Personnel Department	Department Head	Employee Performance Record, Typewritten letter summarizing conversation for distribution: o Original - Employee o Copies - Supervisor, Department Head, Plant Manager/ Regional Manager, Personnel (701) File
Decision Making Leave (DML)	12	Immediate Supervisor	*Department Head, Plant Manager, *Personnel Department	*Regional Manager	Employee Performance Record, typewritten letter summarizing employee's commitment to change for distribution: o Original - Employee o Copies - Supervisor, Department Head, Plant Manager/ Regional Manager, Personnel (701) File

\*Temporary Supplement to the Steam Generation's Delegation of Authority Table under:

II Personnel Actions