

PACIFIC GAS AND ELECTRIC COMPANY**PGE**

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

June 23, 1987

Local Union No. 1245
International Brotherhood of
Electrical Workers
P.O. Box. 4790
Walnut Creek, CA 94596

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Pursuant to Section 206.12 of the Physical Agreement the Company proposes to amend Letter of Agreements 85-175-PGE (establishment of 6 Power Plant Operators at Martinez Power Plant) and 87-18-PGE (establishment of 5 Power Plant Operators at Avon Power Plant) by establishing a total of five Power Plant Operators at Avon and Martinez Power Plants to serve in the capacity of roving operators with responsibilities for conducting chemical tests at both plant locations. In addition, the Company proposes to expand the duties of these 5 Operators to include Oleum Power Plant once Oleum is placed in a cold shutdown status. Martinez Power Plant will be considered the PPO's headquarters.

Before offering the PPO vacancies to the current AMandO employees the company will first fill authorized vacant Control Operator positions in the East Bay Plants with Section 205.7 (a) bidders. The five Power Plant Operators will then be selected on a voluntary basis from the remaining Control Operators and Power Plant Operators at AMandO based on Company seniority. If necessary, the five remaining operators will be reclassified to Power Plant Operators. In the event that there are an insufficient number of Control Operators or Power Plant Operators that volunteer for this assignment, the Company will first offer the assignment on a voluntary basis, by seniority, to AMandO Assistant Control Operators who have passed the CO qualification examination and then to the remaining AMandO ACO's. CO's and ACO's who volunteer for the assignment will be reclassified or upgraded to Power Plant Operator, however, they will maintain their Title 205 and 206 rights based upon their former classification, i.e. Control Operator or Assistant Control Operator.

Once the five PPO's have been identified the Company will select on a voluntary basis, by seniority, one PPO as a Relief Operator.

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The Company intends to maintain these five Operators at AMandO until the Company is relieved of its responsibility for checking the effluent discharge at the three plant sites. The Company currently anticipates that this will be for a minimum period of six months. During this time employees will continue to have preferential bidding rights as outlined in Sections 206.9(a) and (b) of the Physical Agreement. When these employees are no longer needed they will be displaced under the provisions of Title 206.

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

By *W. W. Bright*
 Manager 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 ELECTRICAL WORKERS, AFL-CIO

June 26, 1987

By *Jack Welch*
 Business Manager