

11-25-91

Pacific Gas and Electric Company

215 Market Street
San Francisco, CA 94106
415/972-7000

FILE COPY

December 10, 1991

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Mr. Darrell Mitchell
International Brotherhood of
Electrical Workers, AFL-CIO
Local Union No. 1245
P.O. Box 4790
Walnut Creek, CA 94596

Attention: Darrel Mitchell, Senior Assistant Business Manager

In accordance with Section 201.6 of the Physical Agreement and Section 15.2 of the Clerical Agreement, the mileage reimbursement rate will be changed effective December 1, 1991, as follows:

The first 1,000 miles per month from 26 cents per mile to 27.5 cents per mile.

Over 1,000 miles per month from 11 cents per mile to 15 cents per mile.

These new rates are within the maximum non-taxable vehicle mileage allowance allowed by the Internal Revenue Service.

Attached is a copy of Standard Practice 724.5-1 effective December 1, 1991.

Sincerely,

DAVID J. BERGMAN
Director and Chief Negotiator

12/10
copy to staff assigned to
Pg+E

DMS:bbs

Attachment



STANDARD PRACTICE

STANDARD PRACTICE NO. 724.5-1

ISSUING DEPARTMENT CONTROLLER

PAGE NO. 1 (of) 4 EFFECTIVE 12/1/91

CORPORATE OFFICER CONTROLLER

REPLACING ALL
PAGE NO. (of) EFFECTIVE

SUBJECT:

USE OF EMPLOYEE-OWNED CARS ON COMPANY BUSINESS

PURPOSE

1. The purpose of this standard practice is to provide a procedure and prescribe rates for the use of employee-owned cars on company business.

POLICY

2. It is the policy of the company to reimburse employees for the authorized use of their personal cars on company business.

RESCISSION

- *3. Standard Practice 724.5-1, effective April 1, 1990.

APPLICATION

4. This standard practice applies to all employees except that the applicable contract section or interpretation will apply for those in classifications represented in a bargaining unit where provision has been made in the union contract or an interpretation thereof.

AUTHORIZATION FOR USE OF EMPLOYEE-OWNED CARS

- *5. Use of employee-owned cars on company business requires the authorization by the appropriate Officer, General Office Department Head, Regional Manager, or Division Manager. When the average annual business use is expected to exceed 750 miles per month or 50% of the annual working days, prior written authorization is required on Form 62-4767, Request and Authorization for Use of Employee-Owned Cars (Exhibit A). This form is to be submitted to the Regional Manager or General Office Department Head and to be retained in their office until the authorization is canceled.
6. Authorizations are valid until revoked or until the employee is promoted or transferred to another position.



STANDARD PRACTICE

STANDARD PRACTICE NO. 724.5-1

ISSUING DEPARTMENT CONTROLLER

PAGE NO. 2 (of) 4 EFFECTIVE 12/1/91

CORPORATE OFFICER CONTROLLER

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SUBJECT:

USE OF EMPLOYEE-OWNED CARS ON COMPANY BUSINESS

AUTHORIZATION FOR USE OF EMPLOYEE-OWNED CARS (Cont'd)

7. The use of an employee-owned car is not to be authorized until reasonable steps have been taken to determine that it is safe and presentable. The car shall meet the following basic requirements:
- a. The interior and exterior of the car must be in good, clean condition.
 - b. The car must be in good mechanical repair and in safe operating condition.
 - c. Subcompact, compact, intermediate, or standard size passenger cars or light trucks are acceptable.
 - d. Two- or three-wheeled cars, or those that present a non-businesslike appearance, are not acceptable.
 - e. All equipment and accessories required by State and Federal regulations for the age of the car must be installed, operating, and used.
 - f. The car must have seat belts.

USE OF EMPLOYEE-OWNED CARS

8. Seat belts must be used.
9. The employee must possess a valid driver's license.

INSURANCE REQUIREMENTS

10. Employees requiring prior authorization pursuant to paragraph 5 of this standard practice shall carry automobile liability insurance with the following minimum limits:
 - a. Bodily Injury - \$100,000 per person;
\$300,000 per accident
 - b. Property Damage - \$50,000 per accident
 - c. Bodily Injury and Property Damage - \$300,000 Combined Single Limit (CSL)
11. The insurance shall cover the use of the car for business and pleasure.

*Paragraph Revised (Portions Underlined)

**Paragraph Added



STANDARD PRACTICE

STANDARD PRACTICE NO. 724.5-1

ISSUING DEPARTMENT CONTROLLER

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SUBJECT:

USE OF EMPLOYEE-OWNED CARS ON COMPANY BUSINESS

INSURANCE REQUIREMENTS (Cont'd.)

12. Effective July 1, 1985, California law requires that every driver of a motor vehicle shall, when requested by a peace officer, provide evidence of a form of financial responsibility for the vehicle. It is the responsibility of the employee who uses an employee-owned car on company business to have in the car evidence of financial responsibility including the name of his/her automobile liability insurer and the policy number currently in effect.

REIMBURSEMENT PROCEDURE AND RATES

13. Reimbursement will be made using the personal expense account except that reimbursement for mileage may be made using petty cash in cases where the use of a personal expense account has not been authorized.

14. The allowance will be given for authorized use of employee-owned cars at the following rates:

*For the average business usage expected to exceed 750 miles per month or 50% of the annual working days:

*The fixed monthly payment is \$100 per month (as authorized by Form 62-4767) plus 27.5 cents per mile for the first 1,000 miles per month; and 15 cents per mile over 1,000 miles per month.

Note: The fixed monthly payment is taxable and the company is responsible for this tax payment.

*For all other regular business use:

*27.5 cents per mile for the first 1,000 miles per month; and 15 cents per mile over 1,000 per month. (This reimbursement payment is not taxable.)

15. Use of employee-owned cars may be authorized as transportation for personal convenience in conjunction with an authorized trip by an employee to a convention or meeting at a distant location, provided that the company does not incur expenses in excess of the cost of public transportation. Such cases are covered by Standard Practice 552-1, Travel Approval and Arrangements.

*Paragraph Revised (Portions Underlined)
 **Paragraph Added



STANDARD PRACTICE

STANDARD PRACTICE NO. 724.5-1

ISSUING DEPARTMENT CONTROLLER

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CORPORATE OFFICER CONTROLLER

REPLACING PAGE NO ALL (of) EFFECTIVE

SUBJECT:

USE OF EMPLOYEE-OWNED CARS ON COMPANY BUSINESS

FURTHER INFORMATION

*Contact Accounting Services Department, Payables Processing Section, on extension 223-6489.

APPROVED BY

Gloria S Gee

GLORIA S. GEE
Controller

ADDITIONAL COPIES

Additional copies of this standard practice may be obtained by contacting the Accounting Services Department on extension 223-2408.

* Paragraph Revised (Portions Underlined)
** Paragraph Added



**Pacific Gas and Electric Company
Request and Authorization for Use of Employee-Owned Cars**

Employees using their cars on Company business as per Standard Practice 724.5-1, Paragraph 5, must be insured with a minimum of \$100,000/\$300,000 bodily injury and \$50,000 property damage.

Name _____ Date _____, 19 _____

Title/Classification _____ S.S. # _____

G.O. Dept./Region _____ Location _____

Request for authorization for use of personal car where average use exceeds 750 miles or 50% of the annual working days.

Nature of Work Requiring Car: _____

I hereby certify that whenever I am authorized to drive my personal car on Company business, I will have a valid driver's license in my possession and will have in effect automobile liability insurance of not less than \$100,000/\$300,000 for bodily injury and \$50,000 for damage to property of others or \$300,000 Combined Single Limit (CSL). The insurance shall cover the use of the car for business and pleasure.

I understand that it is my responsibility to have in the car, evidence of financial responsibility including the name of my automobile liability insurer and the policy number currently in effect.

I understand that permission to drive a personally-owned car on Company business is a privilege which may be suspended or revoked at any time for failure to comply with the above.

Employee's Signature _____

Recommended By _____

Approved By _____

Title _____

Title _____