



REVIEW COMMITTEE



PACIFIC GAS AND ELECTRIC COMPANY
2850 SHADELANDS DRIVE, SUITE 100
WALNUT CREEK, CALIFORNIA 94598
(925) 974-4123

MARGARET A. SHORT, CHAIRMAN

DECISION
LETTER DECISION
PRE-REVIEW REFERRAL

RECEIVED by LU 1245

APR. 4, 2000

CASE CLOSED

FILED & LOGGED

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
BOB CHOATE, SECRETARY

Hydro Generation Grievance No. NAH-97-28
Fact Finding No. 6641-97-016
Pre-Review Committee No. 2145

Hydro Generation Grievance No. SAH-97-07
Fact Finding No. 6601-97-132
Pre-Review Committee No. 2148

Diablo Division Grievance No. CON-98-04
Fact Finding File No. 6673-98-48
Pre-Review Committee No. 2158

BETSY GRIFFITH
KAREN SAVELICH
JO ANN PITTMAN
Company Member
Local Investigating Committee

JIM LYNN
FRANK SAXSENMEIER
MICKEY HARRINGTON
Union Member
Local Investigating Committee

Subject of the Grievance

These grievances concern the Company's use of contracting to install revenue meters at existing power producing facilities.

Facts of the Cases

As a result of Electric Industry Restructuring, the Company was mandated to have revenue quality meters installed on all non-nuclear generating facilities by January 1, 1998. The total time frame for the project was 8 months, with 5 months for installation. The Company contracted this work to Black & Veatch. In total, there were up to 400 meters installed at the Company's power producing facilities including hydro, fossil fuel, and the Geysers. The number of meters per site varied from as few as one meter (Narrows #1 Powerhouse) to as many as 25 (Pittsburg Power Plant).

The work performed by the contractors included: installing meters, installing cabinets, running conduit, pulling wire, programming and calibrating the meter, and final testing by an ISO-certified Inspector. Although the Company had not installed meters for this purpose before, there is no dispute in the Local Investigating Committee (LIC) Reports that most of the work is work normally performed by the bargaining unit. The exception to this being the ISO-certified final testing and calibration.

Testimony from Company members of the LICs indicates that the project could not have been completed within the required time frame using internal resources. There is testimony from one supervisor that a piece of the project could have been completed, with some overtime, by his metering employees. This piece was the installation, programming, and testing of 40 meters at Pittsburg and Contra Costa Power Plants. This supervisor stated that he had not been contacted regarding availability of his Meter System Technicians to perform this work. He also stated that there had been minimal overtime for the Meter System Techs and that Meter System Techs had previously installed the type of meters involved in this project.

Discussion

The Pre-Review Committee is in agreement that, with the exception of the ISO Certified inspection, the contracted work is the type of work which would normally be performed by the bargaining unit. As such, it is subject to the provisions Subsection 207.2 of the Agreement. The question before the Committee is whether the Company fulfilled its obligation to consider the use of Title 200 optimal overtime and the use of Title 300 employees.

Testimony from Company witnesses in the LIC Reports indicates that the Company believed it could not complete the project in the required time frame using existing internal resources. They stated that in the Hydro facilities for example, the meter installation project coincided with the Maintenance Department's peak workload. There was concern that facility overhauls would have been impacted if resources were diverted to the meter installation project.

The installation of the meters, as well as, the associated conduit and wiring installation, was contracted out as a complete project. Black & Veatch was responsible for the entire project including the engineering, procurement, and construction, although B&V subcontracted all the construction work. From the record available to the Pre-Review Committee, it appears the decision to contract the work at issue in this case was a decision reached at the corporate level of the Company. Although there is testimony that Company assessed the availability of internal (Title 200 and Title 300) resources, there is no indication there was any discussion with any of the many local headquarters where work was to be performed.

It was noted by the PRC that discussions between Company and Union about this project took place at the Hydro 94-53 Committee meetings of October 29, 1997 and February 17, 1998. Company reported on the letting of the contract and on its progress. Company believes this discussion to have satisfied the notice provisions of Section 207.2.

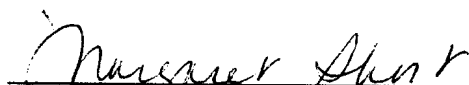
The parties agree that prior to contracting, Company is obligated to consider optimum overtime. While there is nothing in the record that specifically addresses whether this was done in this instance, the LIC record indicates that overtime would not have been an option within Hydro because the meter installation work needed to be completed during the same time as overhauls. The vast majority of locations where the meters needed to be installed were Hydro - 125 of the 160 locations. Of the other generating locations, only one area indicated an ability to perform some of the work on overtime. The Union opined that in the grievances at issue, there was no consideration on a headquarters by headquarters basis whether qualified resources were available, or any consideration to optimum use of voluntary overtime, or consideration of General Construction personnel or even advance notice to the Union of the contracting of work normally performed by the bargaining unit employees.

Company opined that it is appropriate for certain contracting decisions to be made at the corporate level especially for work that is system-wide and/or for projects like this with a short timeline, a requirement for expertise, and a component of work exceeding the jurisdiction of the bargaining unit. A project such as this one does not lend itself to a location-by-location decision of perform or not perform. Company believes that a more global assessment of ability to meet the scope and time constraints of the project with internal resources is all that is required. Given the discussion that took place at the 94-53 committee, it would appear that Company made the decision that it could not meet the requirements of the CPUC with internal resources.

Decision

The Committee agrees that when contracting decisions are made at the corporate level, consideration shall be given to whether the work can be accomplished with internal resources on a straight time and overtime basis. Further, the Committee agrees that the contracting of the installation of the ISO meters was not for the purposes of dispensing with the services of employees; Company was under a strict time frame; the work was observed by the appropriate bargaining unit classification; on-going maintenance of the meters remains bargaining unit work; and the parties have negotiated into the Labor Agreement provisions that would ensure the Company must follow when contracting work normally performed by bargaining unit employees.

Due to the age of these grievances and the new provisions established under the 1999 negotiations, the parties agree to close these cases without adjustment.



Margaret A. Short, Chairman
Review Committee

3/29/02

Date



Bob Choate, Secretary
Review Committee

3/29/02

Date