



REVIEW COMMITTEE



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS DEPARTMENT
MAIL CODE N2Z
P. O. BOX 770000
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(415) 973-6723

RECEIVED by LU 1245
March 19, 2008

**CASE CLOSED
FILED & LOGGED**

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 2547
VACAVILLE, CALIFORNIA 95696
(707) 452-2700
BOB CHOATE, SECRETARY

MARGARET A. SHORT, CHAIRMAN

- DECISION
- LETTER DECISION
- PRE-REVIEW REFERRAL

Pre-Review Committee No. 16914 Customer Field Services – Meter Reading – San Luis Obispo

Melanie Curry
Company Member
Local Investigating Committee

Mike Haentjens
Union Member
Local Investigating Committee

Subject of the Grievance

This case concerns the long term temporary upgrade of a Senior Meter Reader to Supervisor in San Luis Obispo for the Advanced Metering Infrastructure (AMI) deployment project.

Facts of the Case

The incumbent Sr. Meter Reader was upgraded to Supervisor beginning September 14, 2005. It is unclear from the LIC report who is being upgraded to Senior, but the grievant is from another headquarters and is not the senior prebidder as of October 2, 2006.

Discussion

Union noted that this temporary assignment for the Senior Meter Reader has exceeded two years and is excessive, Company should fill the Supervisor position on a regular basis or return the Sr. to the unit.

Company responded that this is an unusual situation but is not limited to this headquarters. The long term temporary assignments are being driven by the conversion to SMARTMeters (AMI) which over time will replace the Meter Readers. For this reason, the parties entered into several Letter Agreements 05-08, 05-26, and 06-07, to allow the conversion of all regular Meter Reading positions to Hiring Hall as they are vacated. This gradual attrition of regular positions will reduce the number of employees impacted by the Demotion and Lay-Off Procedure when conversion to SMARTMeter is complete.

The LIC cited PRC 15773 which states: "The PRC agrees there is no contractually defined period of temporary upgrade beyond which, Company must fill additional positions. If the upgrades were behind absent employees, then they would be limited by the duration of the employee's absence. Upgrades for additional workload, as in this case, are generally viewed as excessive after one year. At that point, Company needs to address and decide whether to fill the positions on a regular basis or stop the upgrades."

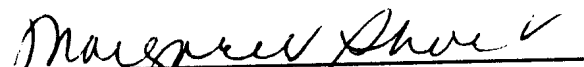
This is not a case of additional workload, there is an absent employee due to the AMI Project, and the parties have agreed that Meter Reading positions should not be filled on a regular basis except for transfers between headquarters by existing Meter Readers.

Temporary upgrades are not new to the grievance procedure as both parties have an interest in the application of upgrades. In this instant case the AMI Project is behind the targeted schedule implementation and the parties recognize that the upgrades could be very lengthy.

The PRC pursued a possible remedy to recognize upgrade pay for certain employees who have been upgraded for extended period of time under the AMI Project as covered compensation for retirement purposes. Unfortunately, the Retirement Plan would need to be amended in General Negotiations to provide such consideration and such consideration must meet nondiscrimination requirements for a limited number of individuals.

Decision

The PRC agrees that no violation of the agreement occurred in this case based on the parties agreement in several Letter of Agreements related to the AMI Project. This case is closed on the basis of the above understanding.



Margaret A. Short, Chairman
Review Committee

2/12/08

Date



Bob Choate, Secretary
Review Committee

2/12/08

Date



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 05-08-PGE

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
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STEPHEN A. RAYBURN,
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN,
BUSINESS MANAGER

March 18, 2005

Mr. Perry Zimmerman, Business Manager
Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95696

Dear Mr. Zimmerman:

On March 15, 2005, PG&E made two filings with the California Public Utilities Commission (CPUC) regarding advanced metering infrastructure (AMI) deployment, an updated business case and an AMI Project Pre-deployment Application requesting cost recovery of certain pre-deployment costs.

The approval process will take some time; however, Company has proposed to modify the language in Letter of Agreement R3-00-31 whereby the Company is limited to filling 15% of its Meter Reader positions with hiring hall. Preliminary discussion between the parties has resulted in a verbal agreement to increase the existing 15% hiring hall cap to 25%.

The Company proposes to fill all Meter Reader vacancies with hiring hall after first allowing current incumbent Meter Readers the opportunity to transfer to other Meter Reader vacancies. If there are no current Meter Readers on the transfer list, the job will be filled with a hiring hall. Under this agreement, hiring hall Meter Readers will not exceed the 25% cap.

This agreement will remain in effect for the indefinite future; however, either party may cancel this agreement by providing the other party 30 days written notification.

If you are in accord with the foregoing and agree thereto, please so indicate in the space provided and return one executed copy of this letter to the Company.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: Stephen A. Rayburn
Stephen A. Rayburn
Director 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

March 23, 2005

By: Perry Zimmerman
Perry Zimmerman
Business Manager

Kiley, Karen

From: Dalzell, Tom
Sent: Monday, June 13, 2005 1:38 PM
To: PG&E Representatives; Administrative Staff
Subject: Letter Agreement Supporting Transformation

At 3 this afternoon the following will be posted on the PG&E website:

On Friday, June 10th, Local 1245 signed a Letter Agreement with PG&E expressing the union's general support for the business transformation process launched at PG&E in late 2004. Local 1245 is especially supportive of the company's goal of improving service and identifying cost savings. At the same time, the IBEW looks forward to working with PG&E on its plans for investing in the replacement of aging infrastructure and building new facilities.. The letter agreement provides for individual review by Local 1245 of specific initiatives and provides for involvement of bargaining unit employees in certain aspects of the transformation process. Contractual disputes arising from the transformation process will continue to be resolved through the grievance and arbitration procedure. Like PG&E, Local 1245 aims to have the company recognized as an industry leader with dedicated employees, satisfied customers, and cost-efficient service.

Call me with any questions - Tom



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 05-26-PGE

IBEW



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STEPHEN A. RAYBURN,
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN,
BUSINESS MANAGER

June 10, 2005

Mr. Perry Zimmerman, Business Manager
Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95696

Dear Mr. Zimmerman:

The Company and Union recognize that California is a sophisticated energy marketplace and that customer expectations are high and increasing. Customers demand PG&E to be a quality service provider, in as cost efficient a manner as possible. For PG&E to continue to provide the type of service customers want and expect, it must make significant investment to replace existing infrastructure in its 100 year old system, as well as build new facilities. At the same time, PG&E must pursue and maintain operational excellence in key operating areas, including service delivery, power quality and reliability, billing, and revenue collection. Both the Company and the Union recognize that all interested stakeholders in PG&E's business – customers, employees, regulators and the communities it serves – have significant interests in the Company's ongoing success.

In parallel with its planning to make much needed infrastructure investment, the Company has also embarked on "Business Transformation," an enterprise-wide effort to conduct a thorough examination of its critical customer-based operations, to identify innovative processes to maximize their effectiveness, and to explore the redeployment of available resources for infrastructure upgrades.

Proper implementation of Business Transformation will result in the introduction of new tools and the adoption of coordinated processes. In addition, available resources will be redeployed to enhance the Company's infrastructure. To maximize the effectiveness of Business Transformation and to achieve the necessary infrastructure investments, the effective use of staffing resources are essential.

Over the past weeks, the Company and Union have discussed the infrastructure investment and the Business Transformation activities. During those meetings, the parties also discussed their respective rights and obligations under the Labor Agreements and, in doing so, creatively explored ideas to promote proper implementation of Business Transformation and infrastructure investment consistent with relevant contractual provisions.

As a result of these meetings, the parties recognize that PG&E's ability to attain customer service excellence is directly tied to appropriate infrastructure investment and the proper design and implementation of Business Transformation. Therefore, in accordance with the spirit and intent of the labor-management cooperation agreement signed by the parties on September 24, 2001, the Company and Union have reached agreement on the following items:

Employee Involvement and Initiative Implementation

While the Company has identified the initiatives that will be moving forward, it recognizes that it may be beneficial to have subject matter experts participate in the design and implementation phases of the specific initiatives that impact bargaining unit employees. Therefore, for selected initiatives, the Company shall consult with the IBEW Business Manager to identify bargaining unit employees and/or union representatives for participation.

Participation of bargaining unit members in design and implementation team efforts shall be considered as time worked, and the Company shall be responsible for the costs associated with employees' participation on the design and implementation teams.

The Company and the Union shall mutually support bargaining unit participation in the design of initiatives. After their design, the parties shall work cooperatively to facilitate their implementation. The Company recognizes the importance of effective implementation of initiatives and, to further that effort, has developed comprehensive change management activities as part of Business Transformation. The parties shall coordinate their mutual support of initiative implementation with those change management activities.

Support

The Company and Union are committed to working cooperatively to achieve the benefits of Business Transformation, consistent with the Physical and Clerical Labor Agreements as modified by this Letter Agreement. The Union acknowledges that Business Transformation activities support the Company's desire to provide employees with necessary tools and resources needed to meet customer expectations and to lead the industry by delivering the vital services to energize California. Accordingly, the Union agrees to support the reasonableness of this Letter Agreement and each of its terms.

Operational Flexibility

In refining Business Transformation initiatives for effective implementation, the Company and Union recognize that the adoption of new processes and tools may impact the existing job duties and/or work rules and procedures of bargaining unit employees. To adopt these changes, the parties shall apply the provisions of Sections 206.18 and 306.15 of the Physical Agreement and Section 19.17 of the Clerical Agreement. Specifically, the Company shall provide the Union and impacted employees as much advance notice as practicable of any minor change before implementation and the Union will agree to minor job changes as a result of new technology, tools, or processes. However, minor changes that will result in reallocating work between existing lines of progression or in the assignment of duties that are exclusively in one job classification to a lower level position will require discussion and agreement by the Joint Overview Committee before implementation.

Employment Security/Job Opportunities

The Company's goal through Business Transformation is to achieve customer service and operational excellence in a cost-effective manner. PG&E fully understands that its employees and the Union must play essential roles to support its pursuit of that goal.

The Company and Union acknowledge that implementation of some Business Transformation initiatives will lead to infrastructure investment and new operating structures, resulting in the redeployment of assets and revenues and in the geographical realignment of available bargaining unit job opportunities.

As a general matter, the Company shall meet with the Union to discuss employment security provisions on a case-by-case basis as Business Transformation Initiatives are implemented.

The following provisions apply to the Advanced Metering Infrastructure Initiative:

Existing Meter Reader Workforce

- All future Meter Reader vacancies will be filled with Hiring Hall Meter Readers.
- Existing Sr. Meter Readers and Meter Readers may voluntarily convert to Hiring Hall status effective the date this agreement is signed by both parties.
- The parties will discuss timing of the Section 206.1 notice.
- The parties will meet and confer over implementation of Title 206.

- The Company shall offer Sr. Meter Readers and Meter Readers an employment opportunity if they are mobile and qualified. An employee who is not mobile and qualified for any available employment opportunity or who declines an offer under this Letter Agreement shall be afforded all displacement and severance rights under the governing Labor Agreements. If such an employee's exercise of his or her displacement rights results in the potential layoff of a regular employee, the Company shall offer to that latter employee an employment opportunity if that employee is mobile and qualified, in addition to the alternative of his/her severance rights under the governing Labor Agreements.
- Any impacted employee who accepts an employment offer under this Letter Agreement shall receive wage protection in accordance with the provisions of Subsections 19.9(d)/204.6(d)/304.1(c) of the parties' Labor Agreements.
- The Company will develop a Meter Reader career guide to assist Meter Readers in job placement.

Jobs After Installation of AMI

- All maintenance and reading work will be performed by the Company designated bargaining unit classification.

Partial or Total Cancellation of AMI

Should unforeseen circumstances occur to cause the partial or total cancellation of AMI the following provisions shall apply:

- Any regular full-time Meter Readers who bid out of their job prior to being displaced may exercise "A" rights to return to their former job in their former headquarters.
- All Hiring Hall Meter Readers remaining after return of regular full-time Meter Readers from other positions may elect to be converted to regular employees with their date of hire being effective on the date of conversion.

Joint Overview Committee and Expedited Grievance-Arbitration

Within fifteen (15) calendar days after the execution of this Letter Agreement, the Company and the Union shall establish a Joint Overview Committee to address and resolve design and implementation issues related to Business Transformation initiatives. The Committee shall consist of three (3) Company members and three (3) Union members. A Company member shall serve as Chair of the Committee to arrange meetings and to handle administrative matters. Consistent with the parties' acknowledgement of the critical importance of Business Transformation, the Committee shall strive to develop mutually-agreeable approaches to ensure maximum benefits of the initiatives under consideration are consistently achieved.

If Joint Overview Committee members, despite their best efforts, are unable to agree on a specific design or implementation issue and the disagreement is a matter encompassed by the grievance-arbitration provisions of the parties' Labor Agreements, the Joint Overview Committee members may submit the matter to mediation at the Company's expense. Should the matter not be resolved at mediation and the disagreement is a matter encompassed by the grievance-arbitration provisions of the parties' Labor Agreements, the Union retains the right to submit the disagreement for resolution by filing a Business Manager's grievance under those provisions. Both parties commit to resolving any such grievance filed on an expedited basis. Specifically, for any issue submitted to arbitration, the parties shall request the issuance of an arbitration decision within thirty (30) calendar days after the filing of the grievance, absent an agreement to the contrary.

Enabler

The Company and Union agree that other provisions may be substituted for the provisions of this Letter Agreement with the approval in writing of both parties.

If you are in accord with the foregoing and agree thereto, please so indicate in the space provided, and return one executed copy of this letter to the company.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: 

Russell M. Jackson
PG&E Corporation
Sr. Vice President - Human Resources

By: 

Stephen A. Rayburn
Director 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

June 10, 2005

By: 

Perry Zimmerman
Business Manager



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 06-07-PGE



IBEW

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STEPHEN A. RAYBURN,
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN,
BUSINESS MANAGER

February 6, 2006

Mr. Perry Zimmerman, Business Manager
Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P. O. Box 2547
Vacaville, CA 95696

Dear Mr. Zimmerman:

Company and Union have met on a number of occasions to discuss employee issues related to the AMI project. Based on those discussions, Company proposes the following:

1. Use of Hiring Hall

- In addition to filling all future Meter Reader vacancies with Hiring Hall Meter Readers in accordance with Letter Agreement 05-26, Credit Representative and Operating Clerk or Utility Clerk vacancies where primary duties include support for Meter Reading will be filled with Hiring Hall classifications.
- Hiring Hall employees who fill these classifications will remain in place during the implementation of Title 206 and Title 19 for regular Meter Readers, Credit Representatives and Operating Clerk or Utility Clerk and will be released as the individual offices are closed.
- Hiring Hall Meter Readers may be assigned temporarily to other headquarters within a commutable distance at the discretion of local management. The provisions of Section 202.23 shall apply.
- A HH Meter Reader who has successfully completed a work assignment in a specific headquarters may be offered existing HH Meter Reader vacancies prior to being released back to the Hiring Hall. If accepted, they will be transferred to the new headquarters.

2. Title 300 Installer Classification

- Letter Agreement 05-27 allows Meter Readers the opportunity to volunteer for a Title 300 Installer position. Sr. Meter Readers will also be allowed the opportunity to volunteer for a Title 300 Installer position. Attached are the proposed wage rate, department and job definition for this new classification.
- Volunteers for the Installer classification may be required to travel throughout the service territory during the installation process.
- Upon execution of this agreement, Company will develop communications and a process for soliciting volunteers.
- Company will cap the number of Installer volunteers at 100.
- The staffing of Installers will occur in phases as the deployment schedule is implemented. The individual volunteers will be released from their Meter Reader job by their supervisor as they are needed as Installers.
- Once the Installer job is completed, employees, at their option, may revert back to their Meter Reader base classification to exercise their Title 206 rights. Whether they remain as an Installer or revert back to Meter Reader, employees will be covered by the provisions of Letter Agreement 05-66.

3. Retrofitting of Meters

- Due to the volume, capacity and scheduling needs of the project, Company will contract out retrofit work of electric meters.
- For purposes of Exhibit XVI, the hours worked by contractors will not count toward the Electric Meter Department provided that Company does not involuntary lay off electric meter employees at the Fremont Meter Shop during the term of the AMI project.
- Union does not agree that the current wage rate of \$13.50/hour paid by contractor Wellington for the retrofit work is considered a prevailing wage for purposes of Exhibit XVI, but agrees to waive the prevailing wage requirements for purposes of this letter agreement.

4. Installation of Meters

- The installation of transformer-rated polyphase meters will be performed by the existing PG&E workforce.
- All single-phase meter installation and non-transformer-rated polyphase meter installation will be performed by a contractor. The parties agree to waive the provisions of Exhibit XVI for this work.
- All gas module installations will be performed by the contractor or the Title 300 Installer position. Gas meter changes and any associated service interruption work will be performed by Gas Service Representatives.

Very truly yours,


PACIFIC GAS & ELECTRIC COMPANY

By: 
 Stephen A. Rayburn
 Director 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

March 3, 2006

By: 
 Perry Zimmerman
 Business Manager

Classification

1043 GC Installer (Beginning Classification)

A General Construction employee covered by Title 300 of the Physical Agreement who, as part of a contractor crew or PG&E crew, will be assigned the installation of electric meters and the installation of modules on gas meters throughout the Company's system. This is a temporary traveling classification and will be cancelled at the end of the AMI project. Employees filling this position will be Meter Readers whose jobs will be eliminated by AMI and who have volunteered to do this work.

Qualifications

Employees volunteering to enter the Installer classification shall pass the Physical Test Battery.

Wages

2006 Wage Rate: \$28.20

Department

Gas Construction

Bidding

Installers will maintain the same 205.7 bidding rights to Gas Service Representative as is they were still Meter Readers in the Gas Service Line of Progression. The Installers will only be allowed to bid to higher classifications for the duration of the project.