

REVIEW COMMITTEE

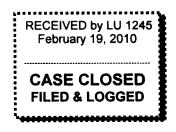


PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS DEPARTMENT MAIL CODE N2Z P.O. BOX 770000 SAN FRANCISCO, CA 94177 (415) 973-6725

JOHN MOFFAT, CHAIRMAN

- DECISION
- LETTER DECISION

D PRE-REVIEW REFERRAL



Pre-Review Committee No. 19073 Energy Delivery – CGT – Meridian

Robin Wix Company Member Local investigating Committee Arlene Edwards Union Member Local Investigating Committee

Grievance Issue:

This case concerns whether the Company has the right to require employees to take vacation so they are not paid for excess vacation.

Facts of the Case:

The Grievant receives 240 hours a year in vacation and is allowed to carry 480 hours of vacation on the books; the equivalent to two years of the Grievant's annual allotment. On April 23, 2009 the Grievant had 770 hours of vacation, well in excess of the two year allotment.

The Grievant scheduled 53 hours of vacation between April 23, 2009 and December 31, 2009. The company exercised its rights in accordance with Section 111.11 by scheduling vacation for the Grievant to reduce the excess vacation and to minimize a 2010 payout. The supervisor scheduled 409 additional hours for the Grievant to take.

Discussion:

The Committee reviewed the relevant vacation language in chronological order.

- Section 111.11 of the Physical Labor Agreement allows employees to defer up to one year's vacation allowance. Employees who exceed this deferral limit are paid for the excess amount with the understanding that "in no event shall an employee be permitted at his/her option to forego vacation for the purposes of receiving vacation pay allowance in addition to pay for time worked".
- Section 111.13 states that the Company shall schedule vacation and will consider the employee's selection.
- In Letter Agreement 93-94 the parties reaffirmed that "if on December 31 of a given year an employee has remaining vacation in excess of what is allowed to be deferred, the excess will be purchased..." Additionally, the language confirmed that "In those cases where an employee is made aware of the need to schedule excess vacation and does not, Company will

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BOB CHOATE, SECRETARY

schedule the vacation for the employee". Letter Agreement 94-131 clarified that "supervisors are expected to monitor vacation usage and schedule vacation in order to minimize buyouts"

In Letter Agreement 07-44 the parties changed how vacation was awarded. Prior to LA 07-44, • employees were awarded vacation on the first of the year based on the amount earned in the previous year. With LA 07-44 employees began receiving their vacation allowance monthly based on the amount they earned in the previous month. The letter agreement also changed how excess vacation would be paid. Instead of being paid in the first of the year for excess vacation on the books as of December 31 of the previous year, excess vacation would be paid out on a monthly basis. In Letter Agreement 08-33, the payout procedure was changed back to the annual basis that was in place before LA 07-44.

After reviewing the language of the relevant letter agreements and Section 111.11 and 111.13, the Committee concluded the following:

Letter Agreement 07-44 changed the timing of excess vacation payouts from annual payouts to monthly payouts. It did not cancel and supersede the language of Section 111.11 which states that "in no event shall an employee be permitted at his/her option to forego vacation for the purposes of receiving vacation pay allowance". Additionally, the language of 07-44 regarding payouts no longer exists as it was changed back to the previous existing practice through 08-33. The language in Section 111.13 vests the scheduling of vacation with the Company with consideration of the employee's preference.

Decision:

The Committee agrees there is no violation. Consistent with Section 111.11, employees do not have the option to forego their vacation in order to receive vacation payouts. Consistent with Section 111.13 and Letter Agreement 93-94 and 94-131, "supervisors are expected to monitor vacation usage and schedule vacation in order to minimize buyouts". "In those cases where an employee is made aware of the need to schedule excess vacation and does not, Company will schedule the vacation for the employee".

This decision is only applicable to situations where an employee will exceed the two years annual allowance which may be deferred if vacation is not used.

John A. Moffat, Chairma **Review Committee**

2010

Date

Bob Choate, Secretary Review Committee