

**REVIEW COMMITTEE****PG and E**PACIFIC GAS AND ELECTRIC COMPANY  
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D.J. BERGMAN, CHAIRMAN

**IBEW** INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS, AFL-CIO  
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R.W. STALCUP, SECRETARY**APR 11 1988**  
**CASE CLOSED**  
**LOGGED AND FILED**  
**RECEIVED APR - 4 1988**

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- DECISION
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- LETTER DECISION
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- PRE-REVIEW REFERRAL

REVIEW COMMITTEE DECISIONMission Trail Region Grievance No. 08-1129-87-40 COA  
Review Committee File No. 1656-87-9SUBJECT OF THE GRIEVANCE

This case concerns the contracting of certain bargaining unit work to the Credit Bureau of Santa Cruz.

FACTS OF THE CASE

In July 1986, the PURPA guidelines regarding field collection follow-up procedures were amended as a result of Assembly Bill 2721. Prior to the Amendment, the guidelines required two field visits to residential premises before Company could disconnect domestic account services for nonpayment. The modifications to the guidelines allow utility companies to mail 48-hour notices to a domestic customer, eliminating one field visit prior to the disconnection of service.

As a result of the modification of the field collection procedures the Coast Division Customer Services Department instituted a pilot program in which the second 48-hour notice to a delinquent customer would be mailed rather than delivered. The Division contracted with the Credit Bureau of Santa Clara County, a collection agency, to mail the letter. A Utility Clerk forwards the customer's account information to the Credit Bureau via a terminal and the Credit Bureau sends a letter on their letterhead requesting payment. The customer is instructed in the letter to contact PG&E. Credit Bureau employees do not take any action other than mailing the letter.

DISCUSSION

Company argued that the contract at issue was different from those involved in Arbitration Case No. 128 in that the work was performed off premises and independently by the Credit Bureau rather than by agency employees under PG&E supervisory control. Company also noted that the contract did not have the purpose or result of dispensing with the services of clerical bargaining unit employees. Having the work performed by PG&E employees would not result in the employment of additional personnel, nor will the contracting of Utility Clerk work result in the displacement of employees in that classification. Company believes that the contracting was a business based, market driven decision

resulting in increased revenue without any adverse effect on the bargaining unit.

While noting that the amount of bargaining unit work being performed by the outside agency is minimal and most likely would not have a deleterious effect on the bargaining unit, Union argued that the contract was in violation of Section 24.5 of the Clerical Agreement, primarily Subsection (a). Section 24.5 recognizes Company's right to have work performed by contract as long as the contract is not for the purpose of dispensing with the services of employees covered by the Clerical Bargaining Unit and as long as certain guidelines are observed. Subsection 24.5(a), the first guideline, reads, "Where temporary services are required for a limited period of time, such as an emergency situation or for a specific special function." Union noted that the contract in this case was not for a limited period of time, defined as 90 workdays by Arbitration Case No. 128, as the contract in Santa Cruz was on-going and Company had announced its intent to contract this work on a systemwide basis. Recognizing the apparent de minimus effect of this contract, Union suggested that Company utilize the Letter Agreement forum to seek a waiver of Section 24.5 for this particular contract.

DECISION

The Committee agreed that the contracting was in violation of Sections 24.5 (a) and (c) of the Clerical Agreement in that it was not for a limited period of time nor was the Union notified in advance of Company's intentions. The parties noted that a Letter Agreement to allow the contracting of this work on a systemwide basis has been proposed and is being discussed.

On the above basis, this case is considered closed.

FOR COMPANY:


Rodney J. Maslowski  
Ron A. Morris  
Robert C. Taylor  
David J. Bergman

By 

Date 3-31-88

FOR UNION:

Dean Gurke  
Patrick S. Nickeson  
Fred H. Pedersen  
Roger W. Stalcup

By 

Date 3/31/88