



**Pacific Gas and
Electric Company™**

REVIEW COMMITTEE



IBEW

PACIFIC GAS AND ELECTRIC COMPANY
2850 SHADELANDS DRIVE, SUITE 100
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AUG. 10, 1999

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
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PERRY ZIMMERMAN, SECRETARY

MARGARET A. SHORT, CHAIRMAN

- DECISION
- LETTER DECISION
- PRE-REVIEW REFERRAL

REVIEW COMMITTEE FILE NO. 1829
Business Manager Grievance No. IR-IBEW-97-08

Subject of the Grievance

This case concerns the administration of Subsection 301.9(a) of the Physical Agreement.

Facts of the Case

Section 301.9 provides for how employees will be reimbursed for expenses incurred while on special assignment. A special assignment is defined as a temporary detachment (anticipated to be 30 days or less) from the employee's established headquarters and outside the employee's Residence Area (see the Section for more detailed definition). Section 301.9 allows employees to opt for reimbursement under Subsection (a) which is actual expenses or Subsection (b) which is per diem as outlined in Section 301.4.

Subsection (a) further allows employees to request reimbursement without receipts for meals which do not exceed the in lieu meal amounts outlined in Subsection 104.10(b), that is \$8 for breakfast, \$8 for lunch, and \$15 for dinner. Between 1980 when the language was negotiated (although the meal amounts were less and were specifically listed) until September 1997, Company accepted and paid Expense Reimbursements for a daily meal total equal to the amounts outlined in Subsection 104.10(b).

In September 1997, Company issued a letter requiring employees to document the specifics of the meals claimed: date, name and location of the restaurant, names of others who also ate, business reason for the meal, amount paid, and receipts if the meal exceeded the amounts allowed under Subsection 104.10(b). The letter also stated that Subsection 301.9(a) applied to meals eaten. As a result, employees opting for Subsection 301.9(a) either began submitting for reimbursement in amounts slightly less than \$31 per day or began submitting receipts for reimbursement in excess of \$31 per day.

Discussion

The correction requested by the Union was to restore the past practice at \$31 per day. Union opined that it was the intent of the language of Subsection 301.9(a) to assume that employees would incur meal expense since they are staying away from home. To simplify administration for both the employees and Company, a predetermined amount was negotiated. Per the Union it was intended that the meal reimbursement be treated as an allowance.

Union differentiated Subsection 301.9(b) which is the appropriate option for employees on special assignment if they are not going to stay away from home. For those commuting to the temporary location, there is no assumption that they would be interrupting their normal meal practice and therefore no specific meal provision. However, Zone 5 has an option similar to Subsection 301.9(a) except for the amount of the reimbursement for meals; it is less. Zone 5 provides for lodging at Company expense plus \$22.25 per day. This (Subsection 301.9(b) is still an attractive option for employees who do not want to complete the paperwork associated with Subsection 301.9(a).

The last change to Subsection 301.9(a) was in 1988. The last change to Section 301.4, per diem, occurred in 1994 which substantially changed the structure of per diem. It is apparent that this change had an unintentional impact on the provisions of Section 301.9.

Company stated the reason for the change in practice in 1997 occurred as a result of exhaustive reviews of all expense budget items in an effort to cut costs, and to properly interpret and administer the language of the agreement. Union's interpretation is improper not only because it disputes the clear language of (a) but also because it gives employees a choice of per diem or per diem when it is very clear from the language that Section 301.9 intends to give employees a choice of reimbursement for actual expenses or a per diem.

Further, Company expressed concern about returning to the flat amount of \$31 per day as that would constitute a per diem which would then be taxable. Upon further review of the tax implications, Company finds that in all areas of the system except Yolo County a per diem of \$31 per day for meals falls below the maximum non-taxable amounts allowed under the IRS Guidelines if an overnight stay away from home is involved.

DECISION

Company agrees to close this case by granting Union's correction requested based on the opportunity to revise the language to reflect the intent and interests of both parties in the upcoming General Negotiations. The Review Committee agrees to restore the pre-1997 application of Subsection 301.9(a). Employees may request meal reimbursements in the amounts of \$8, \$8, and \$15 without receipts. They will need to continue to fill out an Expense Reimbursement Form with all the required detailed information. If

employees request reimbursement for meals exceeding the above amounts, receipts must be provided. Additionally, employees are only entitled to the \$31 without receipts if there is an overnight stay. For special assignments in Yolo County, the meal reimbursement amount is limited to \$30 unless receipts are provided. Should no revision to Section 301.9 occur in General Negotiations, Company reserves the right to administer the language as written.

This case is closed on the basis of the foregoing.

For the Company:

Margaret A. Short
Ernie Boutte
Gary Heitz
Kenneth E. Lewis

For the Union:

Perry Zimmerman
William R. Bouzek
Ed Dwyer
Sherrick A. Slattery

By: Margaret Short
Date: 8/6/99

By: Perry Zimmerman
Date: 8/10/99

