

1245

LOCAL UNION

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July 14, 1989

Mr. Richard B. Bradford
Manager, Industrial Relations Dept.
Pacific Gas & Electric Co.
215 Market St., Room #916
San Francisco, CA 94106

Dear Mr. Bradford:

Recently it has come to our attention that two employee award programs are approaching a stage of possible implementation at PG&E, namely the "ENCON Excellence Award" and the "Trail Blazer Award". It is also our understanding that these programs could involve very significant payments of compensation to employees in the bargaining unit represented by this Union.

It is our opinion that these programs are mandatory subjects of bargaining as covered by the National Labor Relations Act and, therefore, must be bargained between the Company and Union prior to implementation.

As you know, we have been aware that PG&E was considering establishing such programs and have had some limited discussions with Company concerning the matter. In fact, Mr. Virgil Rose had at least two conversation involving this topic with Mr. Jack McNally. The Union, by virtue of these conversations, has not waived its right to bargain on the matter.

Generally speaking as we have indicated in the past, we may be supportive of these programs, however, we do have various concerns that we do wish to address in the traditional bargaining process. Therefore, we expect PG&E to request negotiations relative to these programs prior to the actual implementation of these or any similar programs.

Yours truly,



Darrel Mitchell
Senior Asst. Business Manager

cc: Virgil Rose
Don Brand

cc Staff 7/18

DM:lm

IBEW

international
Brotherhood of
Electrical
Workers. AFL-CIO

Jack McNally
Business Manager

Howard Stiefer
President

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IBEW

International
Brotherhood of
Electrical
Workers, AFL-CIO

August 9, 1989

Mr. Richard B. Bradford
Manager, Industrial Relations Dept.
Pacific Gas & Electric Co.
215 Market St., Room #916
San Francisco, CA 94106

Jack McNaiv
Business Manager

Howard Stiefer
President

Dear Mr. Bradford:

This letter shall confirm various discussions between the Union and Company relative to the Company's "Trailblazer" program.

Initial input from our membership indicates the program has not necessarily been received on a positive note. In many instances, there is a lack of trust and credibility regarding the possible administration of the program. We hear some of the same comments that were expressed in recent employee surveys. As a result, it appears the program may not be able to achieve the objectives intended.

Notwithstanding the success of the program, the Union has serious concerns of bargaining unit employee compensation being applied on an individual or group basis as opposed to an "across the board" application. Disparate treatment based upon subjective evaluations may very well lead to a decrease in moral and productivity and inequitable applications that can only be inherent in such a concept.

Beyond this, we also have concerns of the Company developing the program, including the criteria of the awards, the monetary value of the awards, method of determining who will be given the awards, and the duration of the program while ignoring the obligation to negotiate such matters with the Union. Additionally, the Company had intended to unilaterally implement the program.

However, despite the foregoing concerns, the Union is, in this specific instance only, waiving our rights to negotiate the aspects of the Trailblazer program with the following understandings:

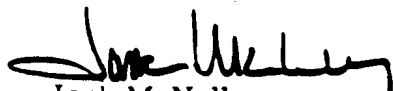
1. Any future program of this nature, or any other mandatory subject for bargaining, shall be developed in the traditional negotiating format including the appointment of bargaining unit employee involvement by this Union;

Mr. Richard Bradford
8-9-89

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2. The Trailblazer program will not have any impact on any other current or future wages or benefits affecting the bargaining unit.

Yours truly,



Jack McNally
Business Manager

cc: Darrel Mitchell

DM:lm