



**Pacific Gas and
Electric Company**

LETTER AGREEMENT NO. 10-27-PGE

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS AND HUMAN RESOURCES DEPARTMENT
MAIL CODE N2Z
P. O. BOX 770000
SAN FRANCISCO, CA 94177
(415) 973-4310
STEPHEN RAYBURN
DIRECTOR AND CHIEF NEGOTIATOR

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

June 18, 2010

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

Dear Mr. Dalzell:

The Company and Union have had recent discussions regarding the collection of overpayments made to approximately 80 employees enrolled in our apprentice programs.

On a pilot basis, the Company would like to offer these impacted Apprentices an opportunity to sell vacation to help repay the Company for overpayments received. The following provisions will apply:

- Vacation hours already accrued can be used to reduce the total amount owed -- with the remaining balance being paid via personal check, full payroll deduction, or installment payroll deduction (typically up to 10 payments).
- If the employee has enough existing hours, the employee may elect to repay the entire amount.
- If the employee has already scheduled time off, but no longer has available vacation hours accrued at the time of the scheduled time off as a result of selling the hours to resolve an overpayment, the employee will still be allowed to take time off, but must take the time off without pay.
- The employee may elect to sell all available accrued vacation hours if they so choose up to the amount needed to resolve the overpayment.
- All other vacation accrual rules will remain in effect -- (employee will continue to accrue vacation hours as normal).
- The Payroll department will confirm the total # of hours available for sale and the net effect of the sale (i.e., 100 hours available, total value = x, total overpayment = y). Employees will be required to sign a statement indicating the total # of hours that they would like to sell and apply to their overpayment, their preferred option to repay the remaining amount and their signed authorization for the vacation sale and repayment election. Payroll will then process the election.
- Employee election to sell vacation to resolve overpayments MUST be made at the time the employee indicates their repayment preference.

This agreement is without prejudice to the Union's position on the overpayments. The Company understands that the Union is not waiving its right to grieve any collections that they believe are not warranted.

Mr. Tom Dalzell

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June 18, 2010
L/A 10-27-PGE

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: /s/ 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

July 2, 2010

By: /s/ Tom Dalzell

Tom Dalzell
Business Manager