



Stephen A. Rayburn
Director and Chief Negotiator
Labor Relations

Mail Code N2Z
P. O. Box 770000
San Francisco, CA 94177
415-973-4310

October 31, 2008

Mr. Tom Dalzell, Business Manager
Local Union No. 1245
International Brotherhood of Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95687

Dear Mr. Dalzell:

This letter and its attachments will confirm the Company's understanding of the settlement reached on October 27, 2008 between the Company's Negotiating Committee and the Union's Negotiating Committee in General Negotiations with respect to the IBEW Physical; Medical Dental, Vision; and Benefits Agreements between Company and IBEW Local 1245.

Term

The Physical Agreement; Medical, Dental, Vision; and Benefits Agreement will have a three-year term of January 1, 2009 through December 31, 2011.

Wages

The Company will grant a general wage increase, using normal rounding, of three and three-quarter percent (3.75%) effective January 1, 2009; three and three-quarter percent (3.75%) effective January 1, 2010; and three and three-quarter percent (3.75%) effective January 1, 2011.

Ratification Bonus

An additional quarter percent (.25%) will be added to the general wage increase on January 1, 2011 if this agreement is ratified on the first vote. (3.75% + .25% = 4.0%)

Re-Opener – Benefits

The parties agreed to a re-opener to start as soon as possible on the following subjects with the objective of implementing agreed-to changes on January 1, 2010:

- Retiree medical
- Active employee medical, dental and vision benefits
- Life Insurance
- Other mutually agreed to benefits

Workforce Flexibility/Wage Adjustments

The parties agreed to greater workforce flexibility for certain job descriptions in the Gas Service, Gas T&D, Electric T&D and Telecommunications Departments. The parties agreed to wage adjustments for certain classifications to compensate for additional duties, hours of work and flexibility.

- **Service Crews** – Provides the Company with the ability to establish schedules on weekends and after regular work hours to improve customer outage response. Service Crew members will receive 8% above the appropriate Title 200 base classification.
- **Climbing Classifications** – Lineman and all classifications same or higher in the line of progression will receive a .5% wage adjustment effective January 1, 2009.
- **Gas Service** – Gas Service employees will have flexibility to perform some duties currently performed by other classifications. Also, gas appliance parts replacement work will be added to their job duties. Classifications receive wage increases effective January 1, 2009 as follows:
 - Gas Service Representative – 3%
 - Service Mechanic – 3%
- **Gas T&D** – Provides flexibility in making work assignments such as allowing Gas T&D employees to perform work currently performed by the UG Construction Journeyman - Gas position. Classifications receive wage increases effective January 1, 2009 as follows:
 - Crew Leader – 5%
 - Fitter – 11%
 - All other Title 200 and 300 Gas T&D Employees in the Fieldman and above classifications – 2%.
 - Gas Mechanic will move to the Gas Crew Leader rate.
- **Electrical Maintenance** – A Title 200 Sr. Telecommunications Technician position will be established that will require new certification to perform work on increasingly complex IT systems. The position will be paid at 5% (\$41.85-2008 rate) above the existing Title 200 Telecom Tech (\$39.85-2008 rate). As the Sr. Telecom Technician position may work alone or as part of a crew reporting to a Telecom Crew Lead, the Crew Lead position top rate of pay (\$43.94-2008 rate) will be increased to 5% above the Sr. Telecom Tech position, effective when established.
- **DCPP Firefighters** – A local committee will be established to review Firefighter wages and will make a recommendation no later than March 31, 2009.

- **Nuclear Operations** – Includes revisions to the Nuclear Operations lines of progression, job descriptions, training programs and NRC license provisions. Classifications receive increases effective January 1, 2009 as follows:
 - Reactor Operator – 4%
 - Nuclear Operator – 4%
 - Work Control Lead – 4%
- **Materials Handler** – A new pay range for new hires was established which will continue to have the same top step rate of pay.

Contracting

New contracting guidelines were agreed to for the Electric T&D, Gas T&D and Substation Departments. Includes the use of Project Labor Agreements. Contracting guidelines will be reviewed on a department-by-department basis to determine if it makes sense to move to a Project Labor Agreement model.

Co-Mingling

The parties have discussed the co-mingling of Title 200 and Title 300 crews and note that there are some departments that currently have agreements, e.g., Fleet, ISTS, and Hydro. The parties agreed that Title 200/Title 300 co-mingling agreements are best agreed to on a department-by department basis.

Hydro Ad Hoc Committee

The parties agreed to establish an ad hoc committee within 12 months of the Agreement. The committee would be tasked with establishing two job classifications in Title 300: Electrical Machinist and Water System Repairmen. This would include determining the best alternatives and process for implementation after establishing the classification. The committee would also review the compensation for the Title 200 Water System Repairman.

Job Bidding and Transfer System

To streamline the job bidding and transfer system the parties agreed to changes that include, but are not limited to:

- All bids/transfers received before the job requisition control date will be considered, thereby eliminating the eight-calendar day requirement for bids/transfers to be on file prior to being considered.
- Using two lists to fill vacancies.
- A 100 bid limit except for employees subject to Title 206.
- Bids will drop immediately upon reporting to a new position.
- All bids and transfers to be submitted electronically through the Company's web site.
- Employee self-service provided by making testing and training information available on the web site.
- Prebid and transfer directory will be provided exclusively online.

Per Diem

The Per Diem process has been streamlined to one application and increases to the Per Diem amounts have been made. Return to using the residence for per diem eligibility purposes.

Meals

In-lieu meals have been increased to \$15 where they were formerly \$8 and to \$20 where formerly \$15 effective January 1, 2009. The normal breakfast, lunch and dinner times will be included in the Agreement. The Union and Company recognize that there is an obligation on the part of each party for the continuous rendition and availability of services to the public and have added language regarding the exercise of good judgment to obtain or delay the initial meal upon call out for an emergency assignment to restore service to customers.

Labor Management Meetings

The Company and Union discussed and agreed on the value of conducting regular Labor-Management Meetings to address current issues and to reduce the need to file grievances. Quarterly Labor-Management Meetings are currently occurring in Gas Transmission, ISTS, CRE, Materials and Fleet. Energy Delivery has meetings occurring in many areas and will initiate meetings in the remaining areas, resulting in quarterly meetings in all seven areas. The parties encourage regular Labor-Management meetings in other departments.

Grievance Procedure

The Parties agreed to update the language in Section 102.4 of the Physical Agreement to reflect the agreement reached in 1999 General Negotiations to eliminate Step Four – Region or General Office Department Joint Grievance Committee effective January 1, 2009. Grievances settled at the Pre-Review Committee or Review Committee, Step 4, since January 1, 2000 are final and binding on the Company, Union and the grievant and are precedent setting.

Grievance Timelines

The Company and Union discussed and agreed on the importance of meeting grievance timelines as outlined in the Agreement. The parties acknowledged that they were working towards this goal as evidenced by the joint Grievance Resolution Workshops provided in 2008 to first-line supervisors and shop stewards. The parties will continue to work together to meet grievance timelines.

Retirement Savings Plan (RSP)

A new platform of investment options will be made available to employees in 2009. A robust communication campaign will be executed to ensure participant understanding of these plan changes.

Excess Vacation Payout

Guidelines for excess vacation payout will change effective January 1, 2009. Excess vacation will no longer be paid out each pay period beginning January 1, 2009. Employees will be able to accrue more than twice their annual vacation and will receive payment for any vacation in excess of twice their annual allotment as of December 31 with payment made by February. Employees are encouraged to regularly take vacation.

Pension Adjustment

Certain retirees will receive a pension adjustment as follows:

Retired before 1990	5.0%
Retired between 1/1/90 and 12/31/97	3.0%

This pension increase is contingent on the approval of the Employee Benefits Committee of Pacific Gas & Electric Company and the Board of Directors of Pacific Gas & Electric Company and will be effective February 1, 2009.

Retirement Plan – Basic Pension Benefit Formula

The parties agreed to eliminate the pension bands and use a pension formula to calculate pension amounts. The replacement formula is intended to provide the same pension benefit.

Holidays

Subsection 103.7 provides that employees who work on a holiday will be paid overtime and holiday pay. However, those employees who want to receive only overtime and have the holiday hours remain in their holiday bank to take at a later time may do so by completing the Holiday Option Form and submitting it to their supervisor during the December vacation sign-up period. This option is for the entire calendar year.

Educational Assistance

The Educational Assistance reimbursement amount provided for in Exhibit I will be increased to \$5,250 from \$1,200.

Tool List

The parties will review the tool list as provided under Subsection 107.3(b) and make appropriate updates. The parties agree to complete this update by July 1, 2009.

Obsolete Classifications

The parties agreed to eliminate Head Power Surveyor (2350) and Power Surveyor (2353) from Exhibit X as classifications no longer exist and are obsolete. These classifications were removed during the last update of Exhibit A on 12/31/01.

Rounding – Wages

The parties agreed to the calculation of the general wage increase and new wage rates using an automated method which will use normal rounding.

Attachments

Attached are amended Contract sections as agreed to during the negotiations, as follows:

- A. Physical Agreement and its Exhibits, Supplements and Clarifications
- B. Benefit Agreement

If any of the above or the attachments thereto are not in accordance with your understanding of our settlement, please let me know immediately.

Sincerely,

s/Stephen A. Rayburn

Stephen A. Rayburn
Director and Chief Negotiator

Attachments

ATTACHMENT A
PHYSICAL AGREEMENT

TITLE 1. PREAMBLE

1.2 NON-DISCRIMINATION

It is the policy of Company and Union not to discriminate, harass or allow the harassment of an employee or applicant for employment on the basis of race, color, religion, age **(40 and over)**, sex, national origin, ancestry, physical or mental disability, medical condition, veteran status, marital status, pregnancy, sexual orientation, gender identity, **registered domestic partner status**, or a request for family medical leave, **any other category or status protected by law**, or any other non-job related factor. (Amended **1-1-09** 40-1-03)

TITLE 3. CONTINUITY OF SERVICE

3.5 Consistent with the provisions of this Title which pertain to the continuity of service to the public, employees who fill job vacancies in the classifications of Serviceman or Troublemán on and after July 1, 1974, may be required to reside within the community in which the Company headquarters to which they regularly report is located, unless for good cause such requirement is waived or varied by joint agreement of Union and Company as to any such individual appointment. Such residential requirement shall be determined solely on the basis of obligations relating to the continuous rendition and availability of Company service to the public. The waiver provided for above shall be reduced to writing, the conditions thereof set forth, and signed by the Company's Director of Industrial Labor Relations and Union's Business Manager.
(Amended 1-1-09 ~~10-1-03~~)

For the purposes of this section, an employee will be considered to be residing in the "community" if his/her residence is located no more than 30 minutes automotive travel time, under ordinary travel conditions, from the employee's headquarters. (Amended 1-1-91)

Any employee who must change his/her place of residence as provided herein shall be given a reasonable period of time in which to move in order to avoid personal hardship.
(Amended 1-1-91)

The local residence requirements allowing an employee to live beyond the above community standard in effect at a headquarters on June 30, 1974 shall remain in effect for each employee then subject to the provisions of this Section 3.5 until changed by agreement of said Business Manager of Union and Company's Director of Industrial Labor Relations.
(Amended 1-1-09 ~~10-1-03~~)

TITLE 8. LABOR-MANAGEMENT COOPERATION

8.1 COMPANY LABOR-MANAGEMENT MEETINGS (Title Amended 1-1-00)

~~Quarterly~~ **Semi-annual** system joint labor-management meetings shall be regularly scheduled for the purposes of improving communications and promoting harmony and cooperation between Company and Union through discussions of matters of policy and operation which are of general system concern. The meetings will be scheduled for the ~~fourth~~ **first Thursday of May and November** ~~Wednesday of January, April, July and October,~~ except that such meetings may be canceled by mutual agreement or by failure to submit agenda items. (Amended **1-1-09** ~~4-1-83~~)

(a) AGENDA (Title Amended 1-1-00)

To enable each to select representatives knowledgeable in the matters of general system concern, agenda items will be submitted to the Company's Director of Industrial **Labor** Relations together with a list of employees attending for Union at least two weeks prior to the date of the next ~~quarterly~~ meeting. An agenda will be prepared from the items submitted and sent to the Union and Committee members designated by each as soon as possible thereafter. A summary of the Committee's discussion shall be prepared by Company and after Union review shall be distributed to each attending Committee member. (Amended **1-1-09** ~~4-1-03~~)

(b) REPRESENTATION (Title Amended 1-1-00)

Company's Director of Industrial **Labor** Relations and Union shall appoint their respective representatives to attend a ~~quarterly~~ meeting, and no restriction is placed on the number each may appoint. However, the number so appointed by each should be limited to those having knowledge of the agenda items and restricted in number in such a way as to insure an orderly presentation by each. (Amended **1-1-09** ~~4-1-03~~)

8.3 PRODUCTIVITY ENHANCEMENT COMMITTEES (Title Amended 1-1-00)

- (a) Language unchanged.
- (b) Language unchanged.

Company's Director of Industrial **Labor** Relations and Union's Business Manager may agree to guidelines and provisions to temporarily amend provisions of the agreement and/or Company policies and procedures (excluding conflict with any Federal or State Law, Regulation or Executive Order). (See Letter Agreement 87-165-PGE, Exhibit XI.) (Amended **1-1-09** ~~4-1-03~~)

PART I

REGION, DEPARTMENT, AND GENERAL CONSTRUCTION EMPLOYEES

TITLE 100. APPLICATION

100.1 The provisions of Part I of this Agreement shall apply to

(a) operation, maintenance, and construction employees ***in classifications listed in Exhibit X – Wages*** in each of Company's geographical Divisions and Regions (including clerks in the offices of Electric Department foremen and technical clerks in Steam Generation) and its

Gas System Maintenance & Technical Support/Gas System Operations,
Materials Distribution Department,
Telecommunications Department of General Office,
Building Department of General Office,
Gas Meter Repair Plant,
Electric Meter Shop,
Steam Generation Department,
Hydro Generation Department,
Nuclear Power Generation Department, and

(Amended **1-1-09** ~~1-1-00~~)

(b) field and Service Center employees of General Construction ***in classifications listed in Exhibit X – Wages. (Amended 1-1-09)***

Whenever the words "employee" and "employees" are used in this Part, they shall, unless otherwise noted, be construed to refer only to employees described above in this Section for whom Union is the exclusive bargaining representative. Where the context of this Part makes it reasonable to do so, reference to "Region" or "Division" or "Department" shall be construed to include and apply to the organizational units enumerated hereinabove and the words "Vice President(s)" shall be construed to include and apply to the head(s) of such organizational unit(s).
(Amended 1-1-88)

Title 101. LEAVE OF ABSENCE

101.1 ELIGIBILITY

"Leave of absence" without pay shall be granted to regular employees, under the conditions set forth in this Title for urgent or substantial personal reasons, provided that adequate arrangements can be made to take care of the employee's duties without undue interference, or if required by law, undue hardship, with the normal routine of work. A "leave" will not be granted if the purpose for which it is requested may lead to the employee's resignation. For the purpose of this Agreement the terms "leave of absence" and "leave" signify absence without pay for periods in excess of ten consecutive workdays. In the computation of the length of a "leave of absence" there shall not be included any time the employee is absent with pay. Absences without pay for ten consecutive workdays or less shall also be authorized under these provisions.

In addition to the provisions of this Title, it is the intent of the parties to include leave benefits as mandated by state and federal law, including both the California Family Rights Act of 1991 and the Federal Family and Medical Leave Act of 1993. (Amended 1-1-09 4-4-94)

101.2 PERIODS OF LEAVE

(a) The Company may grant a "leave of absence" without pay to a regular employee for a period not in excess of six consecutive months. It may grant an additional "leave of absence" without pay to such employee if personal circumstances and service to the Company warrant the granting thereof or as otherwise required by applicable law. Except as provided in Sections 101.6 and 101.8, a "leave of absence" will not be granted which, together with the last "leave" or "leaves" granted, will exceed twelve consecutive months. (Amended 1-1-09 4-4-94)

101.6 UNION LEAVE OF ABSENCE

Subject to the provisions of Section 101.1 Company shall at request of Union grant a "leave of absence" without pay to any employee for the purpose of engaging in Union business. Such "leave" shall be for a period or periods not to exceed a total of ~~36~~ **72** consecutive months. An employee who has returned to work for Company following an absence on "leave" for Union business in excess of six months shall not be granted another such "leave" until such employee has worked for a period equivalent to the time of the last continuous absence on "leave" for Union business. (Amended 1-1-09 4-4-94)

101.8 MILITARY LEAVE OF ABSENCE

An employee who leaves employment with Company to enter the military service or other service where reemployment rights are protected by law will be granted a "leave of absence" under the provisions of Sections 101.1 to 101.5, inclusive. Upon qualifying for reemployment under any such law, and being reemployed the employee will be granted a further retroactive "leave of absence" to cover the balance of the absence. (Amended 1-1-91)

Eligible employees who engage in military service or who are eligible family members of military personnel are entitled to time off consistent with federal and state law. (Added 1-1-09)

101.9 FUNERAL LEAVE

(a) If at all possible, a regular employee will be granted the actual time off with pay necessary to attend the funeral of a member of the immediate family, including the time the body may lie in state and the day of the funeral, and the time necessary to travel to and from the location of the funeral, but not to exceed three workdays. Unused vacation or floating holidays may be granted to extend an employee's funeral leave beyond the three days provided for above or personal time off without pay for the time needed will be granted. The immediate family shall be limited to: an employee's spouse or employee's registered domestic partner, parent, grandparent, grandparent-in-law or grandparent of employee's registered domestic partner, parent-in-law or parent of employee's registered domestic partner, child or child of employee's registered domestic partner, grandchild, son-in-law, daughter-in-law, stepchild, brothers, sisters, half-brothers and half-sisters, step-brothers, step-sisters, foster parents, step-parents, aunts, uncles or an individual who was a member of the employee's immediate household at the time of death. (Amended 1-1-09 4-4-94)

Title 102. GRIEVANCE PROCEDURE

102.3 TIME LIMITS

(a) Filing

It is the intent of Company, Union and the employees that timely filed grievances shall be settled promptly. (i) A local grievance is timely filed when submitted by the Union Business Representative or his/her alternate (hereinafter either is referred to as "Business Representative") in writing on the form adopted for such purpose to the ~~Director, designated representative~~ **electronic mailbox in the Labor Relations Department** ~~HR Service Center, 245 Market Street, San Francisco or his/her alternate (hereinafter either is referred to as~~ **or alternatively, to a "Sr. Labor Specialist** ~~"Human Resources Advisor")~~; or (ii) a Business Manager grievance is timely filed when submitted by Union's Business Manager to Company's **Labor** ~~Industrial Relations Director~~ (iii) within the following time periods: (Amended **1-1-09** ~~10-1-03~~)

- (1) Language unchanged.
- (2) Language unchanged.
- (3) Language unchanged.

102.4 FINALITY

The resolution of a timely grievance at any of the steps provided herein shall be final and binding on the Company, Union and the grievant. A resolution at a step below Step **Four** ~~Five~~, while final and binding, is without prejudice to the position of either party, unless mutually agreed to otherwise. (**Amended 1-1-09**)

- (a) Language unchanged.
- (b) Language unchanged.
- (c) Language unchanged.

102.6 STEPS

STEP ONE

SHOP STEWARDS

Language Unchanged.

STEP TWO

LOCAL INVESTIGATING COMMITTEE

Language Unchanged.

STEP THREE

FACT FINDING COMMITTEE

Language Unchanged.

STEP FOUR (Title Amended 1-1-00)

REVIEW COMMITTEE

The Review Committee shall consist of four representatives designated by Company's Director of Industrial **Labor** Relations, one of whom shall serve as Chairman of the Committee,

and four representatives designated by the Union, one of whom shall serve as Secretary of the Committee. Company will not assume payment of any expense or lost time incurred by Union members of the Review Committee.

The Chairman of the Committee shall maintain an agenda of the current cases referred to the Committee. So long as there are cases pending on the agenda, the Committee shall meet at least once each calendar month. These monthly meetings shall be scheduled for the fourth Thursday of each month unless the Chairman and Secretary agree to meet more often. (Amended 1-1-09 ~~4-4-03~~)

REVIEW COMMITTEE PROCEDURE

After the Pre-Review Committee meeting, referrals not disposed of shall automatically be added to the Review Committee Agenda.

- (i) Language unchanged.
- (ii) Language unchanged.
- (iii) Language unchanged.
- (iv) Language unchanged.
- (1) Language unchanged.
- (2) Language unchanged.
- (3) Language unchanged.
- (4) Close the Review Committee file and remove it from its Agenda by notifying

the Company's Director of ~~Industrial~~ **Labor** Relations and the Union's Business Manager that the case is "suspended." Following such notice, the Union's Business Manager and Company's Director of ~~Industrial~~ **Labor** Relations shall, within 15 calendar days, meet for the purpose of proposing an interim consultative disposition of the issues involved or, at their option, refer the case to an Ad Hoc Negotiating Committee as provided for pursuant to the provisions of Title 400 of the Physical Labor Agreement. (Amended 1-1-09 ~~4-4-03~~)

A. PRE-REVIEW COMMITTEE PROCEDURE

After the ~~Industrial~~ **Labor** Relations Department receives a Business Manager's Grievance or the file from the Local Investigating Committee or Fact Finding Committee as provided for in the foregoing, four copies shall be submitted to the Union's Business Office. Thereafter, and prior to docketing, the Chairman and the Secretary of the Review Committee shall meet at a mutually agreeable time and place for the following purposes: (Amended 1-1-09 ~~4-4-00~~)

B. REVIEW COMMITTEE PROCEDURE

After the Pre-Review Committee meeting, referrals not disposed of shall automatically be added to the Review Committee Agenda.

- (i) Language Unchanged.
- (ii) Language Unchanged.
- (iii) Language Unchanged.
- (iv) Language Unchanged.
- (1) Language Unchanged.
- (2) Language Unchanged.
- (3) Language Unchanged.
- (4) Close the Review Committee file and remove it from its Agenda by notifying

the Company's Director of ~~Industrial~~ **Labor** Relations and the Union's Business Manager that the case is "suspended." Following such notice, the Union's Business Manager and Company's Director of ~~Industrial~~ **Labor** Relations shall, within 15 calendar days, meet for the purpose of proposing an interim consultative disposition of the issues involved or, at their option, refer the case to an Ad Hoc Negotiating Committee as provided for pursuant to the provisions of Title 400 of the Physical Labor Agreement. (Amended 1-1-09 ~~4-4-03~~)

TITLE 103. HOLIDAYS

Insert between deleted 103.5 and proposed 103.6

Below is a table explaining holiday pay treatment applying to Sections 103.6 through 103.8.

<u>WORKDAY</u>	<u>PAY</u>
<u>Employee does not work</u>	<u>Receives holiday pay.</u>
<u>Employee works during regular work hours</u>	<u>*Receives overtime for hours worked and holiday pay.</u>
<u>Employee works outside of regularly scheduled hours</u>	<u>Receives overtime for hours worked and holiday pay.</u>
<u>NON-WORKDAY</u>	
<u>Employee does not work</u>	<u>Receives holiday hours in holiday account.</u>
<u>Employee works</u>	<u>*Receives overtime for hours worked and holiday pay.</u>
	<u>*Employees may complete the Holiday Option Form to have the holiday hours remain in their holiday account for later use, rather than receive holiday pay.</u> <u>See L/A 07-44</u>

(Added 1-1-09)

103.6 HOLIDAY ON EMPLOYEE'S NON-WORKDAY

If a holiday falls on a regular employee's non-workday, such employee shall be entitled to have one additional workday off with pay. Such day shall be scheduled in conjunction with the employee's next scheduled vacation under the provisions of Title 111, except that such day may be taken prior to the employee's next scheduled vacation with the approval of the supervisor in charge. In no event shall the additional day be taken prior to the date of the holiday. ~~By agreement between the employee and the Company, the employee may elect to take one day's pay at the straight-time rate for each holiday that falls on his/her non-workday. Such election shall be exercised within ten workdays after the holiday falls on an employee's non-workday. The provisions of this Section shall not apply to part-time employees. (Amended 1-1-09 4-4-88)~~

103.7 WORK ON HOLIDAYS

(a) Regular employees in the classifications listed below may be regularly scheduled to work on holidays which fall on their workdays and shall be compensated therefore as provided in Title 208 **in addition to holiday pay.** The number of such employees regularly scheduled to work on a holiday shall be kept at a minimum consistent with operational requirements. ~~By agreement between the employee and the Company, the employee may take one additional workday off with pay.~~

Classifications listed in Exhibits III, IV and V
Roving Operator
Water System Operator
Classifications subject to the provisions of Section 202.5.

If the Company determines that the services of an employee, who is regularly scheduled to work on a holiday, are not required on the holiday, such employee, upon being notified by Company any time prior to quitting time of such employee's workday next preceding the holiday, shall then take the holiday off with pay and the employee's name shall be considered to be removed from the schedule for such day. (Amended 1-1-09 ~~4-1-88~~)

103.14 ERROR

If an employee is misinformed as to his/her holiday entitlement, such employee will not be required to reimburse the Company for any excess hours day(s) taken if such employee pointed out the error to his/her supervisor in writing. (Amended 1-1-09 ~~4-1-94~~)

In those cases where an employee has not pointed out the error to his/her supervisor in writing beforehand, the employee may elect to (a) reimburse the Company for the wages paid for the excess hours day(s), or (b) have such excess hours day(s) be deducted from his/her current vacation entitlement, if any, or (c) have such excess hours day(s) be deducted from his/her next year's holiday hours, if any. entitlement and if none, vacation entitlement. (Amended 1-1-09 ~~Added 4-1-94~~)

TITLE 104. MEALS

104.1 INTENT

The provisions of this Title shall be interpreted and applied in a practical manner which shall conform to the intention of the parties in negotiating with respect to meals; namely, that a comparable substitute shall be provided when employees are prevented from observing their usual and average meal practices or are prevented from eating a meal at approximately the usual time therefore.

Average and usual meal practices for day employees are defined as:

- Breakfast:** ½ hour to 1 hour prior to regular work hours.
- Lunch:** non-workday lunch is same as workday lunch time period.
- Dinner:** Between 6:00 p.m. and 7:00 p.m.

As stated in Section 3.1 of this Agreement, Company is engaged in rendering public utility services to the public, and Union and Company recognize that there is an obligation on each party for the continuous rendition and availability of such services. Therefore, employees will be expected to exercise good judgment as to whether or not to obtain or delay the initial meal when called out for an emergency assignment to restore service to customers during an average and usual meal time. (Added 1-1-09)

104.10 MEALS - REIMBURSEMENT AND TIME TAKEN

- (a) Language unchanged.
- (b) At the employee's option, Company shall pay an allowance for any meal which it is required to provide in accordance with the following schedule:

- 1. Prior to reporting to work:
 - (i) Meal nearest regular starting time \$ ~~15.00~~ 8.00
 - (ii) Meal nearest midpoint of regular hours \$ ~~15.00~~ 8.00
 - (iii) Meal nearest regular quitting time \$ ~~20.00~~ 15.00
- 2. Meal following dismissal from work \$ ~~20.00~~ 15.00
- 3. Meal missed during a work period \$ ~~20.00~~ 15.00

The allowances referred to above may ~~may~~ **will** be paid **and taxed on regular bi-weekly paycheck pursuant to Sections 204.1 and 304.3. Employees may designate the gross of these payments to a separate direct deposit account than their primary direct deposit account. Employees who receive a pay check may request a separate check for the gross of their In-Lieu meals.** by separate check and shall be issued on a weekly basis. (Amended ~~1-1-09~~ 1-1-94)

- (c) Language Unchanged.

104.11 TIME INTERVALS

In determining time intervals for the purpose of providing meals there shall not be included any travel time from an employee's home nor any time allowed for meals. **(Amended 1-1-09)**

104.12 OVERTIME MEALS FOR SHIFT EMPLOYEES

The provisions of this Title shall apply to shift employees as follows:

- (a) The employee may arrange to have a meal purchased for herself/himself and

delivered to the job. In such event, Company shall pay the cost of the meal and reasonable commercial delivery charges, if any, associated with such meal, or (Amended 1-1-88)

(b) when held over from the employee's previous shift, the employee may take the meal upon dismissal from work and Company shall pay the cost of the meal and one-half hour for the time to consume such meal, or in lieu thereof, the employee may elect to receive a flat payment in accordance with the schedule set forth in 104.10(b) plus a time allowance of one-half hour, or (Amended 1-1-88)

(c) such employee may provide the meal(s) on the job, and the Company shall pay the employee an allowance of \$15.00 ~~\$8.00~~ for each meal. (Amended 1-1-09 ~~4-4-94~~)

(d) If an employee is not assigned to shift work which requires the employee to remain on the job, the employee shall follow the same overtime meal practice as any other employee, and the time necessary to eat the meal shall be considered work time. (Amended 1-1-88)

TITLE 105. SAFETY

105.1 PREVENTION OF ACCIDENTS

(a) Language unchanged.

(b) Company shall make reasonable provisions for the safety of employees in the performance of their work. It shall provide each new employee, and each employee who has transferred into an electric generating or gas compressor plant, with a safety indoctrination during the first five days of employment, which shall include, where appropriate, giving such employee a copy of the **Code of Safe Practices** ~~Accident Prevention Rule Book~~ and an indication of the applicable Sections therein. **(Amended 1-1-09)**

(c) Language unchanged.

105.2 PROMULGATION OF ACCIDENT PREVENTION RULES

(a) Language unchanged.

(b) Nothing in the **Code of Safe Practices** ~~Accident Prevention Rules~~ is intended to conflict with applicable Federal or State health and safety laws, rules and regulations. In the event any applicable Federal or State health or safety rules are revised or adopted so that any provisions of the Accident Prevention Rules are in conflict therewith, such rules shall be revised as provided in Subsection (a) above. **(Amended 1-1-09)**

105.3 HEALTH AND SAFETY COMMITTEE

(a) **Members** - There shall be established immediately a Company-Union Health and Safety Committee consisting of not more than ten members, five of whom shall be appointed by Company's Director of **Industrial Labor** Relations from among its employees and five of whom shall be appointed by Union from among its members. (Amended **1-1-09** ~~4-1-03~~)

(b) **Purpose** - The purpose of the Committee will be to further promote safe working conditions and safety awareness on the part of both supervisors and other employees; negotiate with respect to additions to or revisions of the **Code of Safe Practices** ~~Accident Prevention Rules~~; discuss serious industrial accidents where ~~not prejudicial to the legal position of either the employee or Company~~, and report hazardous conditions; adjust grievances relating to any provision of this Title; and such other related agenda items as either party may request. **(Amended 1-1-09)**

(c) **Chairman-Secretary** - The Chairman and the Secretary of the Committee shall be appointed by the Company. The Secretary will prepare meeting agendas and keep the minutes of the meeting which will be distributed to the Committee members.

(d) **Meetings** - The Committee provided for herein shall meet quarterly on the third Wednesday in the months of February, May, August, and November unless it is mutually agreed in writing to schedule any such meeting on a different date or to cancel it. (Amended 1-1-83)

In addition to the foregoing, the Committee shall also meet on a mutually convenient date at the request of the Union's Business Manager or the Company's Director of **Industrial Labor** Relations. (Amended **1-1-09** ~~4-1-03~~)

TITLE 106. STATUS

106.2 COMPANY

As used in this Title, the term "Company" shall include:

Pacific Gas and Electric Company
Standard Pacific Gas Line, Inc.
Pacific Gas Transmission Company
Alberta and Southern Gas Company
Alberta Natural Gas Company
Pacific Service Employees Association
Alaska California LNG Company
Calaska Energy Company
Eureka Energy Company
Gas Lines, Inc.
Natural Gas Corporation
Pacific Gas Marine Company
Pacific Transmission Supply Company
PG&E Corporation

(Amended **1-1-09** ~~1-1-89~~)

106.6 PART-TIME EMPLOYMENT

(a) Language Unchanged.

(b) A part-time employee who attains regular status or a regular full-time employee who accepts part-time status on or after January 1, 1991 shall be eligible to receive the following benefits:

(1) Group Life Insurance and Long-Term Disability coverage, and Retirement Plan and Savings Fund Plan benefits as provided in the Benefit Agreement.

(2) Medical, Dental and Vision plan coverage as provided in the Medical, Dental and Vision Benefit Agreement.

(3) Vacation allowance as provided in Title 111, but prorated based on the ratio of total straight-time hours worked in a year to 2,080 hours.

(4) Sick Leave as provided in Title 112, but prorated based on the ratio of straight-time hours worked in a year to 2,080 hours. Sick leave may only be taken on those days or for those hours that an employee is asked or scheduled to work and is unable to work due to illness or non-industrial injury.

(5) Paid holidays **hours prorated based on ratio of straight-time hours scheduled to work in a year to 2,080 hours.** ~~when regularly scheduled to work on that day. Such holiday payment shall be in proportion to the amount of time which the employee would have worked on that day if it were not a holiday.~~ (**Amended 1/1/09** Added 1-1-94)

TITLE 110. PREMIUM PAY

110.2 AMOUNT OF SHIFT PREMIUM

- (a) Language unchanged.
- (b) The weighted average straight-time rate referred to in Subsection (a) hereof shall be calculated annually by adding any general wage increase effective on January 1 to the computed weighted average straight-time rate as of the **October 31** ~~December 31~~ immediately prior, except as provided for in (c) below. The effective date of any change in shift premium shall be January 1. (Amended **1-1-09** ~~1-1-94~~)
- (c) Language unchanged.

TITLE 111. VACATIONS

111.1 DEFINITIONS

- (a) **Eligibility:** The provisions of this Title apply only to regular employees.
- (b) **A Regular Employee** is an employee who has fulfilled the applicable requirements of Section 106.5 of this Agreement.
- (c) **Earned Annual Vacation Allowance** is the number of paid vacation hours days which an employee has earned in the previous calendar year. The number of paid vacation hours days will be determined by the straight-time hours days worked in the preceding calendar year and years of employment. **An employee may not have more vacation hours than twice their annual accrual rate in their vacation account as of December 31. Excess vacation hours will be paid annually by the end of February beginning in February 2010, based on excess vacation as of December 31 of the prior year and will be paid at the current rate of pay. (Amended 1-1-09)**

111.2 VACATION ALLOWANCE

- (a) **Employees in their first year of Service, accrue vacation on paid straight time hours at the rate of 80 hours per year.** A regular employee, who completes his/her first year of Service, shall be entitled to **take** vacation with pay **accrued** in accordance with the following table **in Subsection 111.2(b):** (Amended **1-1-09** 4-1-94)

Employment date:

From	to inclusive	Days of Vacation
January 1	February 3	10
February 4	March 9	9
March 10	April 11	8
April 12	May 14	7
May 15	June 16	6
June 17	July 19	5
July 20	August 21	4
August 22	September 23	3
September 24	October 26	2
October 27	November 28	1
November 29	December 31	0

(Amended **1-1-09** 4-1-94)

- (b) In the subsequent calendar years a regular employee shall be entitled to vacation with pay in accordance with the following table:

Subsequent Calendar Years Following Date of Employment	Workdays	Hours With Pay
2 - 5	40	80
6 - 15	15	120
16 - 21	20	160
22 - 29	25	200
30 and greater	30	240

(Amended **1-1-09** 4-1-94)

111.5 FORFEITURE OF VACATION

- (a) An employee who is absent for **240 cumulative hours** 22 consecutive workdays or more in any calendar year by reason of leave of absence or layoff without pay for any reason,

or for ~~880 hours~~ 440 workdays or more in any calendar year by reason of industrial disability, shall ~~cease accruing~~ in the following calendar year forfeit for each 22 workdays of such absence ~~1/12th of the number of days of vacation~~ **until the employee returns to work**, to which the employee is entitled, to be computed to the nearest full day. An employee may, at his/her option, take the full vacation to which the employee would be otherwise entitled, in which event the employee shall receive no vacation pay for the number of ~~hours~~ days of vacation forfeited as herein determined. (Amended ~~1-1-09~~ 4-1-94)

(b) If any absence is for less than ~~240 cumulative hours~~ 22 consecutive workdays in duration because of leave of absence, or layoff without pay for any reason, or is for less than ~~880 hours~~ 440 workdays in duration because of industrial disability, an employee shall be entitled to a full vacation as provided for in Section 111.2. (Amended ~~1-1-09~~ 4-1-94)

(c) Any employee who is affected under this Section shall be notified in writing. (Added 1-1-84) ~~Deleted 1-1-09~~

(d) The provisions of this Section do not apply to part-time employees.

111.6 VACATION ALLOWANCE WHEN LAID OFF FOR LACK OF WORK

An employee who has qualified for a vacation, and who is laid off for lack of work, shall be paid a vacation allowance under the provisions of Section 111.7. Thereafter if the employee returns to work and Service is not deemed to be broken under the provisions of Title 106, vacation ~~shall be computed on the basis of Subsection 111.2(b)~~, allowance for the next calendar year shall be computed on the basis of ~~1/10th of the allowance provided for in Section 111.2 for each 22 workdays remaining in the calendar year of the employee's return to employment.~~ (Amended ~~1-1-09~~ 4-1-94)

111.7 TERMINATION OF EMPLOYMENT

(a) Any employee who terminates Service with the Company for any reason shall be paid ~~for all accrued vacation at the employee's most current rate of pay~~, a vacation allowance of ~~1/12th of his/her annual vacation for each 22 workdays worked beyond January 1 of the year in which he/she leaves the Company's service, plus any unused vacation earned in the calendar year(s) preceding severance provided the employee(s):~~

_____ (1) _____ was first employed before December 31, 1969, and retired from the Company's service under the provisions of Company's Retirement Plan, or

_____ (2) _____ was first employed after December 31, 1969, or

_____ (3) _____ vacation entitlement as of December 31, 1970, was calculated on the basis of the then existing provisions of Section 211.17 and Title 311 of this Agreement.

(Entire Subsection Amended ~~1-1-09~~ 4-1-94)

(b) [Any employee, other than an employee described in Subsection (a) above, whose Service with Company terminates shall, upon such termination, be paid only a vacation allowance equivalent to the unused vacation earned in the calendar year(s) preceding such termination.] ~~(Deleted 1-1-09)~~

111.11 DEFERRED VACATION

(a) An employee may defer vacation in one year and add it to his/her vacation in the next following year, provided that the Company gives its approval thereto prior to December 1 of any year. In no event shall an employee defer vacation longer than one year, or be permitted to take more than a total of two vacation allowance years in any one vacation year, or take a vacation in advance of the year in which it is due. An employee may defer vacation in consecutive years provided that in no event shall the amount of vacation deferred exceed more than one year's vacation allowance. (Amended 1-1-91) ~~Deleted 1-1-09~~

TITLE 112. SICK LEAVE

112.1 QUALIFICATION AND RATE OF COMPENSATION

After completing one year of Service and for each year of Service thereafter, a regular employee shall be allowed sick leave with pay for a total of 80 hours per calendar year. A regular part-time employee or intermittent employee shall be allowed sick leave with pay for such portion of 80 hours per calendar year as the ratio of straight-time hours worked in a year to 2,080 hours. **Current sick leave will not be credited unless the employee first performs services in the new year.** (Amended ~~1-1-09~~ 4-1-94)

112.5 ORDER OF USE

~~Current sick leave shall not be applied until cumulative sick leave has been exhausted. Cumulative sick leave shall be applied in the order in which it accumulated.~~ **(Deleted 1-1-09)**

112.16 FAMILY SICK LEAVE (**Amended 1-1-09** Added 4-1-00)

(a) In any calendar year, a regular full or part time employee shall be permitted to use the employee's current available sick leave benefits, **up to 40 hours in the calendar year** in an amount equal to the sick leave benefits that the employee would accrue for six months at his or her annual rate of entitlement, to attend to an illness of a child, parent, or spouse of the employee. **A regular part-time employee may take up to one-half of their annual current sick leave hours allotment to attend to an illness of a child, parent or spouse of the employee.**

- (b) Language Unchanged.
- (c) Language Unchanged.

- (1) Language Unchanged.
- (2) Language Unchanged.

TITLE 200. APPLICATION

200.1 The provisions of Part II of this Agreement shall apply only to operation, maintenance and construction employees (including clerks in the offices of electric department foremen and technical clerks in steam and hydro generation) ***in classifications listed in Exhibit X – Wages – Applicable to all Regions, Divisions and Departments except General Construction*** in each of the Company's geographical Divisions and Regions and the

Gas System Maintenance & Technical Support/Gas System Operations,
Materials Distribution Department,
Telecommunications Department of General Office,
Building Department of General Office,
Gas Meter Repair Plant,
Electric Meter Repair Facility,
Steam Generation Department,
Hydro Generation Department,
Nuclear Power Generation Department, and
Accounting and Computer Operations Department

(Amended **1-1-09** ~~4-1-00~~)

Whenever the words "employee" and "employees" are used in this Part, they shall, unless otherwise noted, be construed to refer only to employees described above for whom Union is the exclusive bargaining representative. Where the context of this Part II makes it reasonable to do so, reference to "Region" or "Division" or "Department" shall be construed to include and apply to the organizational units enumerated hereinabove. (Amended 1-1-88)

TITLE 201. EXPENSES

GENERAL PROVISIONS FOR EMPLOYEES ATTENDING COMPANY TRAINING CLASSES

The provisions of Sections 201.1, 201.2, 202.4, and 202.23 shall not apply to an employee who is temporarily assigned to attend training classes at other than the employee's regular headquarters. In such assignments, the following provisions of Sections 201.7 through 201.12 shall apply: (Amended 1-1-91)

Section 201.7 DAILY TRAVEL

When arrangements are made for an employee to travel each day between the employee's living quarters and the training location, he/she shall be given an allowance for the time involved which is in excess of the time normally taken in traveling between his/her living quarters and regular headquarters and such ~~compensation shall be paid at the employee's regular straight-time rate of pay.~~ **time will be considered as time worked and paid at the appropriate rate of pay.** Transportation between living quarters and the training location shall be in accordance with the provisions of Section 201.9. (Amended ~~1-1-09~~ **1-1-09** 1-4-94)

TITLE 205. JOB BIDDING, PROMOTION AND TRANSFER

205.4 PREBID PROCEDURE

Any regular employee of Company may submit a prebid on any existing job classification and headquarters for which the employee desires consideration in accordance with the following procedure provided the employee does not exceed a combined maximum number of 100 ~~150~~ prebids and transfers. This maximum will not apply to employees subject to the provisions of Title 206. (Amended 1-1-09 ~~10-1-03~~)

(a) **Eligibility:** To be valid, an employee's prebid must be entitled to preferential consideration under the provisions of Section 205.7. A list of existing classifications by headquarters with appropriate prebid numbers is available online from the Company's Human Resources web site, in each headquarters where employees in the bargaining unit regularly report for work. (Amended 1-1-09 ~~1-1-88~~)

(b) **Forms:** Prebids must be submitted electronically through PG&E@Work For Me (from the Company's intranet or the Internet), on the form provided by Company or via Bid Express, the telephone input system. (Amended 1-1-09 ~~1-1-94~~)

(c) **Mail:** Prebids may be submitted to Company by either United States or Company mail. (~~Deleted 1-1-09~~)

(d) **Timeliness:** Company shall not consider any prebid which was received by Company on or after the control date which is less than eight calendar days prior to the date the fully authorized job vacancy report was received and date stamped by the Centralized Job Bidding Team (CJBT) Human Resources Department to fill a job vacancy in the classification and headquarters on which the prebid was made. Only those prebids valid prior to the control date as of the date stamped on the job vacancy report will be considered to fill such vacancy. Subsequent prebids may be considered only after that list has been exhausted. After two lists have been exhausted, At that point where there are no qualified prebids on file, Company may fill the job at its discretion under the provisions of Section 205.13. (Amended 1-1-09 ~~10-1-03~~)

(e) **Date of Receipt:** The date of receipt will be the date received by the CJBT, of the U.S. postmark if legible. If such postmark is illegible or if the prebid is submitted by Company mail, the date of receipt will be the Industrial Relations date stamp. (Amended 1-1-09)

(f) **Acknowledgment:** Company will acknowledge receipt of all prebids within 15 calendar days from the date of receipt and without rejecting the prebid notify the employee in writing (via e-mail for employees who submitted prebids via e-mail) of any known reason which might preclude the employee's filling the classification on which the employee has submitted a prebid, including information regarding testing programs which must be completed. Information on whether or not an employee has completed such programs is available electronically from the About Me tab in PG&E@Work For Me (from the Company's intranet or the Internet), from the employee's Human Resources Department. (Amended 1-1-09 ~~10-1-03~~)

(g) **Cancellation of Prebids:** Prebids are valid for a period of one year from the date of receipt or until such time as the employee changes classification and/or headquarters, or until such time as the employee rejects an appointment to the classification and headquarters (and shift, if appropriate) on which the prebid was made. Company will notify an employee of the cancellation of employee's prebids as indicated below. Cancellation shall be effective as follows:

(1) at the expiration of one year from the date of the prebid and after 15 calendar days' advance notice from Company,

(2) immediately upon the employee's declining an appointment to the classification and headquarters on which the prebid was submitted, (Amended 1-1-09 ~~1-1-88~~)

(3) immediately 30 calendar days after any employee's change of headquarters or classification which does not affect his or her status as a prebidder, and after 15 calendar days' advance notice from Company, (Amended 1-1-09)

(4) ~~(Deleted 1-1-09)~~ immediately upon an employee's change of classification and/or headquarters which affects his or her status as a prebidder,

(5) immediately upon receipt of authorization from an employee to cancel a prebid, or

(6) upon receipt of authorization from the CJBT local Human Resources Department to cancel prebids because a job is deleted from the directory or an employee improperly designates rights, as provided in Section 206.9, with notification to the employee by the CJBT local Human Resources Department of such cancellation. In the latter cases, the employee's prebid will be given the appropriate 205.7 consideration for 15 calendar days from the time the CJBT local Human Resources Department notifies employee of such cancellation. (Amended 1-1-09 4-1-88)

(h) **New Jobs at a Headquarters:** The Company shall post, on all bulletin boards throughout the System, a notice describing all new classifications at existing headquarters or any job at a new headquarters in the Company, on the first or fifteenth of any month, as soon as such jobs are authorized to be filled. Such notice shall remain posted until the next Directory listing the new classification is posted on the bulletin board, but not less than 15 days. If no prebids are received 18 days after the date shown on the notice, or after two lists have been exhausted at the point there are no qualified bids on file, Company will have 60 days to fill the vacancy under the provisions of Section 205.13. (Amended 1-1-09 4-1-88)

205.5 FILLING BEGINNER'S CLASSIFICATIONS

Whenever Company intends to fill a beginner's classification, Company shall fill it in the following sequence:

- (a) Language Unchanged.
- (b) Language Unchanged.
- (c) Language Unchanged.
- (d) Language Unchanged.

The provisions of this Subsection shall be applicable to a beginner's classification in a Line of Progression at a headquarters where a transfer application for such vacancy is on file and the number of unrestricted appointments under provisions of Subsection 205.5(c) exceeds transfers.

All transfer requests must be submitted electronically through PG&E@Work For Me (from the Company's intranet or the Internet), by United States or Company mail on a form provided by Company. Transfer requests also may be submitted via Bid Express, the telephone input system. The date of receipt shall be the postmark date if delivered by U.S. Mail, or Industrial Relations date stamp if delivered by Company mail or if the U.S. postmark is illegible. In no event shall the Company consider any transfer application which was received by the Centralized Job Bidding Team (CJBT) on or after Company less than eight calendar days prior to the established control date. The control date is first established on the date the fully authorized personnel requisition is received and date stamped by the CJBT local Human Resources Department to fill a job vacancy in the classification and headquarters on which the transfer application was made. If the transfer listing is exhausted without a successful candidate, a new control date will be established. This new control date will be the date of the decline or bypass of the last transfer applicant. Transfers which were not timely under the original control date but were received eight days prior to the new control date will then be given consideration. If the vacancy cannot then be filled by transfer, it may be filled by unrestricted appointment -- no transfers on file. (Amended 1-1-09 4-1-94)

(e) Company shall acknowledge receipt of all transfer applications within 15 calendar days from date of receipt and, without rejecting such applications, notify the employee in writing (via e-mail for employees who submitted transfers via e-mail) an employee who submits a transfer application of any known reason which might preclude the employee from filling the classification on which the employee has submitted a transfer application, including information regarding testing programs which must be completed. Information on whether or not an employee has completed such programs is available from the electronically from the About Me tab in

PG&E@Work For Me (from the Company's intranet or the Internet), employee's Human Resources Department. (Amended **1-1-09** ~~10-1-03~~)

(f) Within ten calendar days after the first of each month, Company shall, within each Bidding Unit or Department, provide Union information on beginning job vacancies that have been filled the previous month as follows: (Amended 1-1-91)

(1) Name of individual, **personal identification** ~~social security~~ number, employment date and classification. (**Amended 1-1-09**)

(2) Classification of vacancy filled.

(3) Department and Headquarters of vacancy filled.

(4) Date vacancy filled.

(5) Show whether vacancy is regular or part-time.

(6) Show whether vacancy is filled by transfer, new hire or new hire - no transfers on file.

(g) Language Unchanged.

(h) **Cancellation of Transfers:** Applications for Transfer are valid for a period of one year from the date of receipt or until such time as the employee changes classification and/or headquarters, or until such time as the employee rejects an appointment to the classification and headquarters on which the transfer application was made. Company will notify an employee of the cancellation of employee's applications for transfer as indicated below. Cancellations shall be effective as follows:

(1) At the expiration of one year from the date of the transfer and after 15 calendar days advance notice from Company,

(2) **Immediately upon** ~~Upon~~ the employee's declining an appointment to the classification and headquarters on which the transfer was submitted, (Amended **1-1-09** ~~1-1-94~~)

(3) **Immediately** ~~30 calendar days~~ after any employee's change of headquarters or classification, which does not affect his or her priority status as a transfer, and after 15 calendar days advance notice from Company, (**Amended 1-1-09**)

(4) **Deleted 1-1-09** ~~Immediately upon an employee's change of classification and/or headquarters which affects his or her priority status as a transfer,~~

(5) Immediately upon receipt of authorization from an employee to cancel a transfer, or

(6) Upon receipt of authorization from the **CJBT** ~~local Human Resources Department~~ to cancel transfers because a job is deleted from the directory or an employee improperly designates rights, as provided in Section 206.9 with notification to the employee by the **CJBT** ~~local Human Resources Department~~ of such cancellation. In the latter cases the employee's transfer will be given the appropriate consideration for 15 calendar days from the date of notification. (Amended **1-1-09** ~~1-1-94~~)

TITLE 301. EXPENSES - FIELD EMPLOYEES

301.1 APPLICATION

Employees who are transferred from a present headquarters to one at a new location, or who are reemployed at a new location within thirty months after layoff for lack of work at a previous location, shall be allowed expenses as provided for in Section 301.4. Transfer to a new location or reemployment at a new location shall mean one of the following: (Amended 1-1-94)

(a) a change initiated by the Company from an established job headquarters or point of assembly location within an employee's own Residence Area or hiring location to a location outside such area; or; (Amended 1-1-09)

(b) a change initiated by the Company from an established job headquarters or point of assembly location at which the current expense status is based. (Amended 1-1-09 ~~1-1-83~~)

(c) a change due to a job award under the provisions of Section 305.7 or 305.8 will not result in the payment of per diem and will require a 50-mile move from the new headquarters to qualify the employee for per diem. (Added 1-1-09) (~~Deleted 1-1-83~~)

301.2 MILEAGE MEASUREMENT

(a) Expense allowances provided for in Sections 301.4 and 301.9 shall be paid, or free board and lodging provided for in Section 301.5 shall be allowed, to an employee only when the job headquarters or point of assembly to which the employee has been transferred or reemployed is outside the boundary of the employee's Residence Area, except as provided in Subsection 301.4(b)

(b) All road mile measurements for the purpose of establishing Residence and per diem expenses shall be determined by measuring distances on electronic road maps acceptable to Company and Union. However, when it is not possible to obtain such map measurements, a field check to the nearest measurable point shall be made. Routes selected for road mile measurement shall be accessible by automobile. Accessible by automobile is defined as a route that is: (1) reasonable and practical, (2) regularly maintained in reasonable repair, and (3) is safely traversable in a standard 2-wheel drive passenger car. (Amended 1-1-09 ~~1-1-88~~)

(c) An employee's Residence and hiring location must be an address in California, and must be included in the Company Service territory. (Amended 1-1-09)

301.3 DEFINITIONS (Amended 1-1-09)

An employee's Residence and Residence Area shall be determined and used to establish eligibility for expense allowances in accordance with the following:

(a) An employee's Residence is defined as the principal place of abode in the Company system in which the employee normally resides (1) on a regular basis and from which the employee commutes daily or weekly to work locations, or (2) one which the employee has a financial responsibility to maintain and to which the employee returns to live on most weekends while on work assignments at more distant job locations. An employee establishes a Residence by filing a Residence Certificate. (Amended 1-1-09 ~~1-1-00~~)

(b) An employee's Residence Area is defined as a zone extending 25 road miles from the employee's Residence. (Amended 1-1-09)

(1) Hiring location is the location where the employee was hired or placed in accordance with Sections 305.7 or 305.8. (Added 1-1-09)

(c) Per Diem Eligibility

(1) An employee who, is newly hired, rehired more than 30 months after layoff due to lack of work or rehired after any other type of termination must designate a Residence as defined in Subsection 301.3(a). However, this employee shall not be eligible for per diem expenses as provided in Section 301.4 until the employee is transferred to a job location more

than 50 road miles from their city or town in which the employee was hired or rehired. If the hiring or rehiring location is not established within the limits of a city or town, the 50 road miles will be measured from the point of assembly. **(Amended 1-1-09)**

(2) An employee who is newly hired, rehired more than 30 months after layoff due to lack of work or rehired after any other type of termination must designate a Residence as defined in Subsection 301.3(a) or (d). An employee who transfers or pre-bids to under Section 305.7 shall not be eligible for per diem expenses as provided in Section 301.4 until these employees are transferred under the provisions of this Title. **(Amended 1-1-09)**

(i) to a location more than 50 road miles from the Reporting Location in which the employee was hired or rehired, so long as the employee continues to report to a job headquarters.

(ii) such employee shall not become eligible for per diem as a result of an exchange or rotation pursuant to Section 301.18 provided that the next transfer returns the employee to the original hiring area (as defined above), except that while the employee is working within a commuting distance (as defined in Subsection 301.18(b)) of such employee's residence area, the employee may receive per diem as provided in Section 301.4.

(iii) The Promotion-Demotion Geographic Area referenced in this Section are those contained in Exhibit II of this Agreement or as amended from time to time by agreement of Company and Union. (Entire Subsection Amended 1-1-88)

Change of Residence

(1) An employee may change Residence as defined in Subsection 301.3(a) at any time; however, the employee may have only one Residence at a time. An employee who changes Residence under this Subsection must file a new Residence Certificate immediately. The new Residence Certificate will become effective on the date of the change of Residence. **(Amended 1-1-09)**

(2) Since the payment of per diem expenses is based upon the location of the employee's Residence, the employee is vouching that the Residence Certificate does, in fact, identify a Residence (as defined in Subsection 301.3(a) and not temporary living accommodations. Any employee who knowingly falsifies or delays filing such a Residence Certificate shall be required to reimburse the Company for any overpayment of per diem and shall be subject to disciplinary action, including discharge.

301.4 EXPENSE ALLOWANCES

Subject to the provisions of this Title, employees who provide their own board and lodging shall be entitled to per diem expense allowance as follows:

(a) Each Scheduled day an employee works in the basic workweek or is prevented from performing such scheduled work by inclement weather conditions covered in the Title 303; each day an employee reports for prearranged or emergency work on a non-workday; holidays which fall on a workday in the basic workweek provided such an employee works on the adjacent workday or such day is also observed as a holiday pursuant to the provisions of Title 103; each non-workday during which an employee is required to take more than four hours of travel time under the provisions of Section 301.11.

Zone	Road Miles from the Employee's Residence to the Reporting Location	Amount of Per Diem
1	More than 25 but 45 or less	11.00
2	More than 45 but 65 or less	20.00
3	More than 65	30.00

(Amended **1-1-09**)

Employees in Zone 3 have a choice. They can elect to commute and receive Zone 3 per diem or choose to stay overnight and receive Zone 3 per diem plus full reimbursement for lodging

or use the normal method of payment as established by Company (e.g., P-Card, Corporate Credit Card, or other method adopted by Company) where payment is made by Company. The employee must indicate on the daily time card which choice he/she has made for that day. **(Amended 1-1-09)**

(b) If a new Residence is established by an employee who is being transferred under the provisions of this Title, to, or is presently reporting at, a job headquarters location which is outside the present Residence Area but inside the proposed Residence Area, the employee will be eligible to receive per diem expenses at the per diem rate established for Zone 1 only until the completion of 52 consecutive weeks at his or her current headquarters location (measuring from the date the employee was transferred to the current headquarters). If such 52 consecutive week period has elapsed when an employee makes such a Residence change, the employee will not be eligible for per diem expenses until he or she is transferred to a job location outside his or her new Residence Area. (Amended 1-1-83)

(c) An employee cannot qualify for per diem expense allowances and/or increase his/her per diem by moving his/her Residence further from his/her job headquarters. Such employee's per diem status and/or rate of per diem shall remain unchanged until his/her next following transfer. (Amended 1-1-91)

(d) The continuity of the consecutive workweek periods referred to in Subsection (b) shall not be broken by the special assignment of an employee under Section 301.9, but such workweek periods shall be extended by a period of time equal to the period of time of such special assignment.

(e) When an employee who maintains a temporary residence while on a job that is outside his/her Residence Area, or the employee who is receiving expenses under Subsection 301.4(b), is unable to work due to illness, he/she shall be allowed per diem expense for up to five workdays during any single period of illness. Employees who have temporary residences will qualify for this allowance by providing evidence that this residence was maintained during the period of illness. (Amended 1-1-91)

(f) The supervisor in charge may authorize lodging to seven days a week based on reasonable costs.

301.5 COMPANY PROVIDED FACILITIES

Employees may elect to use Company-provided camp and boarding facilities in lieu of providing their own board and lodging pursuant to Section 301.4 or Subsections 301.9(b) or (c), in which case Company shall provide such employees board and lodging for the duration of the periods they work at locations where board and lodging facilities are made available. Such camp and boardinghouse facilities shall be of reasonable quality. (Amended 1-1-84)

301.6 IN LIEU OF EXPENSES

An employee may receive expense allowances under Section 301.4 or 301.9, or the employee may elect to use the Company-provided board and lodging referred to in Section 301.5; however, the employee will not be allowed to receive benefits under more than one section at the same time. (Amended 1-1-84)

301.7 MOVING EXPENSES

If an employee is moved from one camp to another on a single project Company shall reimburse him/her for traveling expense and for other expenses incurred therein in transporting his/her household goods. (Amended 1-1-91)

301.8 PROJECTS

Provisions will be negotiated on an individual project basis, as needed, with the Union. (Amended 1-1-91)

301.9 SPECIAL ASSIGNMENT-FIELD EMPLOYEES

When the Manager in charge orders that an employee be temporarily detached from the employee's established headquarters and assigned to a temporary, emergency, or special job at another location outside the employee's Residence Area with the expectation that he or she shall return to such headquarters within a 30-day period, or orders that an employee be sent on a special temporary assignment to a location outside the employee's Residence Area, while enroute between jobs, the employee shall be eligible to elect either option (a) or (b) below.

(a) Such employee shall be reimbursed for actual board and lodging expenses incurred therein for a period not to exceed 30 consecutive days. Reimbursement for actual expenses shall be made after the employee submits an Expense Account accompanied by receipts for lodging and receipts for any meals. All expenses are expected to be reasonable and appropriate for the geographical location in which the temporary assignment is located. If such temporary, emergency, or special job location is at a headquarters or point of assembly at which Company-provided board and lodging are available, the employee shall not be eligible to select the provisions of this option (a) but shall be eligible to select the provisions of option (b) below. If an employee's temporary, emergency, or special job assignment continues beyond 30 consecutive days, it shall not thereafter retain its temporary character but shall be deemed to be a transfer to a new headquarters, in which event the employee shall be entitled to a per diem allowance under the provisions of Section 301.4. (Amended 1-1-09 ~~1-1-88~~)

(b) While on special temporary assignment at one location an employee may elect to receive for the period on special assignment, a per diem allowance equal to the amount such employee is eligible to receive under Subsection 301.4(a) in lieu of reimbursement for actual expenses provided for in this Section for:

(1) each scheduled day he or she works in his or her basic workweek or is prevented from performing such scheduled work during inclement weather conditions covered in Title 303;

(2) each day he or she reports for work on a non-workday and;

(3) holidays which fall on a workday in his or her basic workweek, provided that the employee works on an adjacent workday or such day is also observed as a "holiday" pursuant to the provisions of Title 103.

(c) Notwithstanding any of the foregoing, a series of short assignments (30 days or less each) by an employee in the Station Communications, Instrumentation, or Protection Group or Gas Instrumentation and Control Group or the Field Mechanical Services Group Lubrication or Crane crews or the Line Department Tower Group or any other group(s) hereafter agreed to by Company and Union shall be considered a special temporary assignment for the duration of such series of assignments. In no event shall the employee be paid expenses at two locations concurrently. Such series of assignments will not constitute changes in headquarters for the purposes of Section 301.1. (Amended 10-1-03)

(d) Any continuous period of attendance at a Company training class which has been agreed to between Company and Union shall be considered a special temporary assignment for the duration of such assignment and shall qualify for expenses as provided in Subsections 301.9(a) and (b) above, except, however, while on such training assignment an employee whose residence is more than 50 road miles away from such training facility may be required to utilize board and lodging which is provided by Company, in lieu of receiving per diem or full expenses. An employee whose residence is located between 25 and 50 miles of the training facility may elect to utilize the Company provided board and lodging or a per diem expense allowance as provided for in Subsection (b) above. Such board and lodging shall be of reasonable quality. Such assignment will not constitute a change in headquarters for the purposes of Section 301.1. Travel to such classes shall be as provided in Section 301.11. (Amended 1-1-09 ~~1-1-88~~)

(e) Employees who are sent on special temporary assignment and are required to use Company transportation to the temporary location will be provided transportation to the extent reasonably possible and subject to the availability of appropriate Company vehicle(s) for meeting their personal needs. (Amended 1-1-88)

301.10 ILLNESS WHILE IN CAMP

Notwithstanding the foregoing sections of this Title, an employee shall not be entitled to an expense allowance for any day he or she is absent from duty by reason of illness, or other personal reason except as provided for in Subsection 301.4(e). Camp and boarding house facilities shall, however, be available at no cost for not more than five days during a period of illness of an employee who has elected to receive board and lodging under Section 301.5. (Amended 1-1-84)

301.11 TRAVEL ALLOWANCE

(a) When an employee is transferred to a new job headquarters or point of assembly, the employee shall be compensated for either (1) the actual time the employee spends traveling from his/her former job headquarters or point of assembly, exclusive of stopovers or (2) one hour for each 45 miles or portion thereof traveled, whichever is greater. (Amended 1-1-88)

(b) Where possible, all travel time pursuant to this Section 301.11 shall be taken during regular work hours on a workday, and shall be compensated at the straight rate of pay for the classification the employee will hold at his or her new headquarters or point of assembly, except that if Company requires an employee to travel for more than four hours outside of regular work hours or on a non-workday the travel time in excess of four hours shall be paid at one and one-half times the straight rate of pay for the classification the employee will hold at his or her new headquarters or point of assembly. (Amended 1-1-88)

(c) When transportation facilities therefore are not furnished by Company or other mode of transportation is not authorized in advance, reimbursement of transportation expense at the maximum non-taxable vehicle mileage allowance allowed by the IRS shall be made. (Amended 1-1-00)

*(d) The foregoing provisions of this Section do not apply if the employee is transferred from one headquarters or point of assembly to another headquarters or point of assembly and each of the following provisions apply: (Amended 1-1-91)

- (1) both locations are 25 road miles or less from each other; and
- and;
- (2) both locations are within 60 road miles of the employee's residence area;
- (3) the employee normally commutes from home to both locations. (Amended 1-1-91)

(e) Company shall make a good faith effort to notify an employee at least 24 hours in advance of a change in headquarters or point of assembly. (Added 1-1-94)

*Note: Exception, if more than one such transfer is made in a workday, the employee shall receive mileage pursuant to Subsection 301.11(c) and shall be allowed actual travel time during regular work hours. (Subsection Added 1-1-88)

301.12 VEHICLE DRIVER PROVISIONS

If a driver of a vehicle cannot be released from duty when the crew is moved to a new location, and is required to return to his or her former headquarters to remove personal effects, such employee will be allowed round trip travel time under Section 301.11. In addition, if appropriate arrangements to transport the employee back to the former headquarters cannot be provided by the Company, the employee will be allowed the mileage expenses provided in Section 301.11 for his/her return to the former headquarters.

301.13 TRANSFER - GENERAL CONSTRUCTION SERVICE CENTERS

(a) An employee holding a General Construction Service Center classification shall not be subject to transfer to other job locations as are field employees and shall not be entitled to a per diem allowance or other expense allowance, except as provided for in Subsection (b) below, while at the Center. If, however, such an employee transfers to the field, the employee shall file a

Residence Certificate, as provided in Section 301.3, on or before the date of such transfer; any per diem expenses due the employee will be based on such Residence Certificate. (Amended 1-1-84)

(b) If an employee is transferred to a General Construction Service Center as a result of the application of Title 306 of this Agreement the employee shall be entitled to a Relocation Allowance equal to the applicable per diem amount for field employees, as provided for in Subsection 301.4(a), based upon the employee's Residence (as defined in Subsection 301.3(a)) at the time of the transfer, except that the maximum Allowance shall not exceed that of the Zone 3 per diem amount. Such Relocation Allowance shall be paid for each scheduled day the employee works in his/her basic workweek and each holiday which falls on a workday in his/her basic workweek, and shall continue (1) for 26 weeks from the date of the employee's placement in the Service Center, or (2) until he/she returns to a Service Center from which he/she transferred under the provisions of Title 306, or (3) until he/she is otherwise transferred, whichever occurs first. (Amended 1-1-91)

301.14 SPECIAL ASSIGNMENT - SERVICE CENTER EMPLOYEES

When an employee who is holding a General Construction Service Center classification is assigned to temporary work at such distance from the established headquarters at the Center that it is impracticable to return thereto or to the employee's regular place of abode, actual personal expenses for board and lodging for the duration of such assignment shall be allowed. All expenses are expected to be reasonable and appropriate for the geographical location in which the temporary assignment is located. The time spent by such an employee in traveling to such temporary job at its beginning and from it at its conclusion and any expense incurred therein shall be paid by Company. (Amended 1-1-83)

If on an employee's non-workdays any such employee remains at such temporary headquarters, expenses for board and lodging on such days shall be paid by Company, but if the employee goes elsewhere for personal convenience, Company shall not reimburse the employee for any expense that the employee incurs thereby. If any such employee returns home for non-workdays, including any holiday which immediately precedes or follows the employee's non-workdays, Company at its option shall: (Amended 1-1-83)

(a) allow the equivalent of any savings it realizes in the employee's board and lodging costs, or

(b) provide round-trip transportation by Company vehicle between the temporary headquarters and the regular headquarters at the Center and pay travel time in each direction, such travel time to be considered as time worked.

301.15 (Deleted 1-1-84)

GENERAL

301.16 HARDSHIP TRANSFERS

(a) Notwithstanding anything contained herein, Company by agreement with Union may transfer any employee who requests such a transfer for substantial reason. Such transferred employee shall not be entitled to travel time or reimbursement of transportation expense. Upon written request from an employee, submitted concurrently to Company and Union on the appropriate form, Company and Union shall give such request good faith consideration. Any transfer granted under the provisions of this Section shall remain in effect until the substantial reason which justified the transfer no longer exists or for a period not to exceed 6 months, whichever is less, unless Company and Union agree to an extension of the time period in increments not to exceed six additional months. (Amended 1-1-88)

(b) If granted a hardship under the provisions of Subsection (a) above and upon the conclusion of the period for which a hardship transfer was granted Company transfers the employee back to the previously assigned job headquarters where the hardship was granted, such employee shall retain the same per diem status as previously held at that job headquarters. If such employee is transferred to a different job headquarters from where the hardship was granted, such employee shall be eligible for per diem pursuant to the provisions of Sections 301.3 and 301.4. (Added 1-1-88)

301.17 EXPENSE ALLOWANCE ERRORS

If an error is made in the expense allowance to which an employee is entitled which results in an overpayment to the employee, the employee shall not be required to reimburse the Company beyond the first 60 days of such overpayment. However, extenuating circumstances may relieve the employee of responsibility of reimbursement for overpayment of less than 60 days.

301.18 WORK ASSIGNMENT -- RESIDENCE CONSIDERATION

The parties recognize that the work of General Construction may often require working at a job location outside of an employee's residence area. The parties also recognize the Company's right to transfer employees at its discretion to perform the work assigned to General Construction. Nevertheless, it is the Company's intent to attempt to place employees as close to their residence as possible, commensurate with General Construction's work assignments.

(a) Such intent may include the exchange of headquarters between employees in same or equivalent classifications who possess similar skills, knowledge and abilities and who mutually agree to such an exchange.

(b) Further, such intent may take into consideration the rotation, when practical, at reasonable intervals, of those employees in the same or equivalent classifications who possess similar skills, knowledge and abilities who have worked long distances from their residence area with those employees who have remained within a reasonable commuting distance (75 road miles or less but not more than 1-1/2 hours normal travel time) of their residence areas for similar periods of time. For the purpose of this Section "reasonable intervals" is considered to be approximately 6-12 months. Employees in Apprentice classifications may be required to forego consideration for rotation, due to training requirements, for the duration of their apprenticeship.

(c) Employees who exchange headquarters pursuant to Subsection (a) above shall not be eligible for the travel allowance provided for in Section 301.11. (Entire Section Amended 1-1-88)

301.19 (Deleted 1-1-09)

301.20 ENABLING CLAUSE

By written agreement between Company and Union, special provisions may be substituted for the provisions of this Title. (Section Added 1-1-88)

303.4 EXPENSES

When a regular employee is directed by the foreman or supervisor in charge not to report for work on any day in the employee's basic workweek because of inclement weather, or other similar cause beyond the employee's control, the employee shall be paid the Zone 2 per diem amount (as provided in Section 301.4) or regular per diem, whichever is greater, or, if the employee lives at a Company-operated or Company-designated boardinghouse or camp, the employee shall not be charged for board and lodging on such day. (Amended 1-1-09 [1-1-91])

TITLE 305. JOB BIDDING AND PROMOTION

305.1 BIDDING ON REGION JOBS

Any regular employee of General Construction who is in the unit described in Section 300.1 may submit a bid **electronically through PG&E@Work For Me (from the Company's intranet or the Internet)** by United States or Company mail to Company on any job under the provisions of Title 205 or Title 18 of the Clerical Agreement and such bids will be entitled to consideration as provided for in such Title. (Amended **1-1-09** 1-1-94)

305.7 GENERAL CONSTRUCTION PREBID PROCEDURE

Any regular employee of Company may submit a prebid on any existing job classification and promotion/demotion geographic area, as defined in Exhibit II of the Agreement for which the employee desires consideration in accordance with the following procedure provided the employee does not exceed a combined maximum number of **100** 150 prebids and transfers. This maximum will not apply to employees subject to the provisions of Title 306. (Amended **1-1-09** 10-1-03)

(a) **Eligibility:** To be valid, an employee's prebid must be entitled to preferential consideration under the provisions of Section 305.5 or the provisions of Subsection (b) below. A list of existing classifications by promotion-demotion geographic area with appropriate prebid numbers is available **online from the Company's Human Resources web site** in each headquarters where employees in the Physical bargaining unit regularly report for work. (Amended **1-1-09**)

(b) Language Unchanged.

(c) **Forms:** Prebids must be submitted **electronically through PG&E@Work For Me (from the Company's intranet or the Internet)**, on the form provided by Company or via Bid Express, the telephone input system. (Amended **1-1-09**)

(d) **[Mail: Prebids may be submitted to Company by either United States or Company mail.]** (Deleted **1-1-09**)

(e) **Timeliness:** Company shall not consider any prebid which was received by Company **on or after the control date which is** less than eight calendar days prior to the date the fully authorized job vacancy report was received and date stamped by the **Centralized Job Bidding Team (CJBT)** Human Resources Department to fill a job vacancy in the classification and promotion-demotion geographic area on which the prebid was made. Only those prebids valid as **prior to the control date** of the date stamped on the job vacancy report will be considered to fill such vacancy. Subsequent prebids may be considered only after that list has been exhausted. **After two lists have been exhausted** At that point where there are no qualified prebids on file, Company may fill the job at its discretion in the same manner as described in Section 205.13. (Amended 10-1-03)

(f) **Date of Receipt:** The date of receipt will be the date of **receipt by the CJBT**, the U.S. postmark if legible. If such postmark is illegible or if the prebid is submitted by Company mail, the date of receipt will be the Industrial Relations' date stamp. (Amended **1-1-09**)

(g) **Acknowledgment:** Company will acknowledge receipt of all prebids within 15 calendar days from the date of receipt and without rejecting the prebid notify the employee in writing (via e-mail for employees who submitted prebids via e-mail) of any known reason which might preclude the employee's filling the classification on which the employee has submitted a prebid, including information regarding testing programs which must be completed. Information on whether or not an employee has completed such programs is available **electronically from the About Me tab in PG&E@Work For Me (from the Company's intranet or the Internet)**, from the employee's Human Resources Department. (Amended **1-1-09** 10-1-03)

(h) **Cancellation of Prebids:** Prebids are valid for a period of one year from the date of receipt or until such time as the employee changes classification or until such time as the employee rejects an appointment to the classification in a specific promotion-demotion geographic area (and shift, if appropriate) on which the prebid was made. Company will notify an employee

of the cancellation of employee's prebids as indicated below. Cancellation shall be effective as follows:

(1) at the expiration of one year from the date of the prebid and after 15 calendar days' advance notice from Company,

(2) **immediately** upon the employee's declining an appointment to the classification in a specific promotion-demotion geographic area on which the prebid was submitted, **(Amended 1-1-09)**

(3) **immediately** ~~30 calendar days after any employee's change of classification which does not affect his or her status as a prebidder, and after 15 calendar days' advance notice from Company,~~ **(Amended 1-1-09)**

(4) **Deleted 1-1-09** ~~immediately upon an employee's change of classification which affects his or her status as a prebidder,~~

(5) immediately upon receipt of authorization from an employee to cancel a prebid, or

(6) upon receipt of authorization from the **CJBT** ~~local Human Resources Department~~ to cancel prebids because a job is deleted from the directory or an employee improperly designates rights, as provided in Section 306.9, with notification to the employee by the **CJBT** ~~local Human Resources Department~~ of such cancellation. In the latter cases, the employee's prebid will be given the appropriate 305.5 consideration for 15 calendar days from the time the **CJBT** ~~local Human Resources Department~~ notifies employee of such cancellation. **(Amended 1-1-09)**

(i) **New Jobs in a Promotion-Demotion Geographic Area:** The Company shall post, on all bulletin boards throughout the System, a notice describing all new classifications in any promotion-demotion geographic area on the first or fifteenth of any month, as soon as such jobs are authorized to be filled. Such notice shall remain posted until the next Directory listing the new classification is posted on the bulletin board, but not less than 15 days. If no prebids are received 18 days after the date shown on the notice, or **after two lists have been exhausted** ~~at the point there are no qualified bids on file,~~ Company will have 60 days to fill the vacancy in a manner as described in the provisions of Section 205.13. **(Amended 1-1-09)**

An employee who is the senior, qualified bidder to more than one vacancy, which is currently being filled, shall be given the option of accepting the classification and promotion-demotion geographic area desired.

305.8 FILLING BEGINNER'S CLASSIFICATIONS (Added 10-1-03)

Whenever Company intends to fill a beginner's classification, Company shall fill it in the following sequence:

- (a) Language Unchanged.
- (b) Language Unchanged.
- (c) Language Unchanged.

All transfer requests must be submitted **electronically through PG&E@Work For Me (from the Company's intranet or the Internet)**, by United States or Company mail on a form provided by Company. ~~Transfer requests also may be submitted via Bid Express, the telephone input system. The date of receipt shall be the postmark date if delivered by U.S. Mail, or Industrial Relations date stamp if delivered by Company mail or if the U.S. postmark is illegible. In no event shall the Company consider any transfer application which was received by~~ **the Centralized Job Bidding Team (CJBT) on or after** Company ~~less than eight calendar days prior to the established control date. The control date is first established on the date the fully authorized personnel requisition is received and date stamped by the~~ **CJBT** ~~local Human Resources Department~~ to fill a job vacancy in the classification and promotion-demotion geographic area on which the transfer application was made. If the transfer listing is exhausted without a successful candidate, a new control date will be established. This new control date will be the date of the decline or bypass of the last transfer applicant. Transfers which were not timely under the original control date but were received ~~eight days~~ prior to the new control date will then be given

consideration. If the vacancy cannot then be filled by transfer, it may be filled by unrestricted appointment - no transfers on file. **(Amended 1-1-09)**

(d) Company shall acknowledge receipt of all transfer applications within 15 calendar days from date of receipt and, without rejecting such applications, notify **the employee** in writing (via e-mail for employees who submitted transfers via e-mail) an employee who submits a transfer application of any known reason which might preclude the employee from filling the classification on which the employee has submitted a transfer application, including information regarding testing programs which must be completed. Information on whether or not an employee has completed such programs is available from the **electronically from the About Me tab in PG&E@Work For Me (from the Company's intranet or the Internet)**, employee's Human Resources Department. (Amended **1-1-09** 10-1-03)

(e) Language Unchanged.

(f) Language Unchanged.

(g) **Cancellation of Transfers:** Applications for Transfer are valid for a period of one year from the date of receipt or until such time as the employee changes classification or until such time as the employee rejects an appointment to the classification and promotion-demotion geographic area on which the transfer application was made. Company will notify an employee of the cancellation of employee's applications for transfer as indicated below. Cancellations shall be effective as follows:

(1) At the expiration of one year from the date of the transfer and after 15 calendar days advance notice from Company,

(2) **Immediately upon** Upon the employee's declining an appointment to the classification and promotion-demotion geographic area on which the transfer was submitted, **(Amended 1-1-09)**

(3) **Immediately** 30 calendar days after any employee's change of classification, which does not affect his or her priority status as a transfer, and after 15 calendar days advance notice from Company.

(4) **(Deleted 1-1-09)** Immediately upon an employee's change of classification which affects his or her priority status as a transfer,

(5) Immediately upon receipt of authorizations from an employee to cancel a transfer, or

(6) Upon receipt of authorization from the **CJBT** local Human Resources Department to cancel transfers because a job is deleted from the directory or an employee improperly designates rights, as provided in Section 306.9 with notification to the employee by the **CJBT** local Human Resources Department of such cancellation. In the latter cases the employee's transfer will be given the appropriate consideration for 15 calendar days from the date of notification. **(Amended 1-1-09)**

PART V

Title 500. TERM

500.1 TERM

This Agreement, having taken effect as of September 1, 1952, and having thereafter been amended from time to time shall continue in effect as further amended herein for the term of ~~January~~ January ~~October 1, 2009~~ through December 31, 2011~~07~~, and shall continue thereafter from year to year unless written notice of termination shall be given by either party to the other 60 days prior to the end of the then current term. ~~The Company and Union acknowledge that, in the event the Company forms new Affiliated Acquiring Entities that are bound by this Agreement, this Agreement and any amendments thereto shall remain in effect until December 31, 2007, or until separate agreements are negotiated to apply to each new Affiliated Acquiring Entity, whichever is earlier. Further, upon either party's request, any new Affiliated Acquiring Entity and the Union shall engage in good faith negotiations to develop separate agreements.~~ (Amended 1-1-09 ~~10-1-03~~)

500.3 GENERAL WAGE INCREASES

- (a) Effective January 1, 2009 ~~October 1, 2003~~, the basic wage rates established for January 1, 2009 ~~October 1, 2003~~ in Exhibit X of this Agreement shall be increased by three and three-quarter percent. (Amended 1-1-09 ~~10-1-03~~).
- (b) Effective January 1, 2010 ~~January 1, 2004~~, the basic wage rates established for January 1, 2010 ~~January 1, 2004~~ in Exhibit X of this Agreement shall be increased by three and three-quarter percent. (Amended 1-1-09 ~~10-01-03~~).
- (c) Effective January 1, 2011 ~~January 1, 2005~~, the basic wage rates established for January 1, 2011 in Exhibit X of this Agreement shall be increased by three and three-quarter percent. (Amended 1-1-09 ~~10-1-03~~). Wage rates will be increased by another .25% effective January 1, 2011 if the Agreement is ratified on the first vote.
- (d) (Deleted 1-1-97)
- (e) (Deleted 1-1-09)

**EXHIBIT VI-L AND SECTION 600.12
TITLE 200 ELECTRIC TRANSMISSION AND DISTRIBUTION**

Outage Duration Improvement

In an effort to improve outage duration times, the parties have agreed to the following:

Service Crews

1. The Company may establish Service Crews in the Electric Department at headquarters agreed to by the Union's Business Manager and Company's Director of Labor Relations.
2. The workweek and work hours will be regularly scheduled.
3. The workweek may start on any day of the week and at any hour of the day, except no shifts will include both Saturday and Sunday as regular work days.
4. Service Crews will consist of at least a two person crew, but no more than a three-person crew, including one crew foreman and one journeyman.
5. Service Crews may be assigned to work with other crews or in conjunction with or assistance of a Troubleman. Troublemen will not be assigned as part of a two-person unit.
6. Unit members may be assigned any type of work that they are qualified to perform.
7. Service Crews may cross Division boundaries. Service Unit members may be utilized any time a local Title 212 List is exhausted.
8. The staffing of Service Crews will be accomplished through the voluntary job bidding and transfer system, by the assignment of future Unassigned Linemen who begin their apprenticeship after January 1, 2009, or with new hires.
9. If there are insufficient bidders and the Company is unable to hire employees for vacancies, the Company may use hiring hall.
10. No supplementing crews by involuntary prearranged overtime except on holidays.
11. Service Crew members may sign the Title 212 List in their headquarters and will receive equal consideration as day employees.
12. Service Crew members will be included in the equalization of Prearranged Overtime hours to the extent practicable.
13. All holidays will be equalized between Service Crews and day crews. Day crews working on a holiday will work their regular day schedule.
14. Service Crew members will receive 8% above the appropriate Title 200 base classification.

On Call Crew

1. The Company may establish a voluntary paid On-Call system in the Electric T&D Department at any headquarters.
2. On-Call crew members will receive an allowance equivalent to one hour straight time pay per day on Monday-Thursday and two hours straight time pay per day on Friday-Sunday and holidays.
3. Failure to respond to a call out will result in forfeiture of the on-call allowance for the week.
4. Responding to one call after 6:00 p.m. satisfies the requirement for responding each day.

**EXHIBIT VI AND SECTION 600.1
DIVISION GAS SERVICE DEPARTMENT**

A Company-Union Subcommittee has been meeting to review the Gas Service Representative (GSR) job description. In recognition that the Company's SmartMeter initiative will reduce some duties currently performed by Gas Service Representatives and the joint interest of the Company and Union to be a leading utility in providing valued service to PG&E customers, the following changes are proposed in the Gas Service Representative job description.

1. Expand GSR job definition to state "may perform gas appliance parts replacement in conjunction with their regular work."
2. Expand GSR job definition to state "may perform turn-ons/shut-offs above standard pressure and on manifolds <5 meters and may include other work on 2 lb. sets. No M&C employee may be laid off as a direct result of GSRs performing this work."

Note: First call-out should be to GSR for standard pressure to 2 lb. sets and M&C or qualified alteration crews for over 2 lb. installations.

3. Expand GSR job definition to state "may handle single-phase complete outs and voltage complaints (high/low and flickering lights), provided adequate training is provided. Will determine if complete outs are the customer's or Company's responsibility and determine if a Troubleshooter or Line Crew should be called. No Troublemakers may be laid off as a direct result of GSRs performing this work. First call-out will go to the Troubleshooter classification."
4. Expand GSR job definition to state "may connect and disconnect services at the weatherhead on new business accounts, including panel upgrades, provided adequate training is provided. No Troublemakers may be laid off as a direct result of GSRs performing this work. First call-out will go to the Troubleshooter classification. "
5. Expand the GSR job definition to include "may conduct leak survey work if Operator Qualified. No Gas T&D employee may be laid off as a direct result of GSRs performing this work. First call-out will go to a Gas T&D classification."
6. Expand GSR job definition to include "may grade leaks for customer-generated tags, provided that the GSR is Operator Qualified. No Gas T&D employee may be laid off as a direct result of GSRs performing this work. First call-out will go to a Gas T&D classification."
7. Expand GSR job definition to include the ability to disconnect and reconnect residential single phase services in secondary splice boxes and meter panels, provided adequate training is provided. This activity will be limited to new business accounts and will only be performed on new secondary system service connections where services do not terminate at transformers. No Electric T&D employee may be laid off as a direct result of GSRs performing this work. First call-out will go to an Electric T&D classification. It is the intent of the parties that this work will primarily involve bus bars.

In return for the additional duties noted above, GSRs and Service Mechanics will receive a 3% wage adjustment on January 1, 2009. Also, effective January 1, 2009, GSRs will launder their own uniforms.

GAS TRANSMISSION AND DISTRIBUTION

In recognition of the Company's and Union's joint interest to be a leading utility in providing valued service to our customers, the following changes will be made in the Gas T&D line of progression.

1. The duties currently performed by the Underground Construction Journeyman Gas (1078) as specified in Note I of the Underground Construction Journeyman Gas job definition may now be performed by the Fitter classification and classifications above in the line of progression. Fieldmen can perform these duties as a member of a crew supervised by a Fitter or above.
2. Gas Crew Leaders or Fitters working as a one-person unit will install and connect Gas Stub Services up to 1" plastic. It is not the Company's intent to have a one-person unit trench. It is, however, intended that installation of facilities requiring minimal excavation can be done by one person.
3. Fitters can work in a unit with one other employee to install, replace, locate/relocate, abandon and repair gas services and small sections of gas main under the provisions of Note B of the Gas Crew Foreman job definition.
4. Fitters may be assigned to multiple crews throughout the day.
5. Fitters may be required to maintain a Class "A" or "B" license and endorsements as required. Company will accommodate, if possible, employees who are unable to maintain a license. Current Fitters and Apprentice Fitters will be "grandfathered".
6. Title 300 Backhoe Operators may be required to maintain a Class "A" license and endorsements as required. Company will accommodate, if possible, employees who are unable to maintain a license. Current Backhoe Operators will be "grandfathered".
7. Drop word "Principal" from Note I of the Fieldman job description.
8. Inspections of UG work will be performed by Title 200 Equipment Operators and above and Title 300 MEO and above. Major subdivision work will be inspected by a journeyman and above.
9. The Headquarters Electric 212 list will be used before using Gas T&D employees for electric emergency response.
10. Union and Company to meet regarding training and apprenticeship issues.
11. Standby work for other than Company construction jobs can be performed by Title 200 Equipment Operators and above or Title 300 MEO and above. Title 200 Fieldman may be upgraded to Equipment Operator to perform this work if they are Operator Qualified to perform standby. Those Fieldman may be upgraded even though they have not completed the Backhoe/Loader Training Program.
12. The following wage adjustments will be made effective January 1, 2009.

Crew Leader – 5%

Fitter – 11%

All other Title 200 and 300 Gas T&D Employees in the Fieldman and above classifications – 2%

Gas Mechanics will move to the Gas Crew Leader rate

13. The classification of xxxx Tapping Technician will be added in the General Construction, Gas line of progression. The classification will be above the Welder classification as well as higher in the Line of Progression than the Working Foreman “B” classification with the pay rate of a Working Foreman “A”. Employees entering the classification will have the qualifications of a (2617) Welder in Gas Construction Department or the Working Foreman “B” classification (Welder background) and have a Class “A” driver’s license. Furthermore, Tapping Technicians wishing to progress to Working Foreman, will be required to first demote to the Working Foreman B classification. This classification will be considered in Construction Operations under Exhibit II of the Agreement and will be part of Promo Demo Area 0, system wide. Attached is the job description.

Tapping Technician:

Job Description:

The employee has the craft background of a Welder. Has knowledge of operating procedures and pressure limitations of each tapping, plugging and completion machine and accessories up to 12” diameter and 2200 psi. Must have knowledge of gas standards and the ability to evaluate job scope and determine the pressure control process. Must have knowledge of gas standards, equipment and procedures involved in the performance of liquid checks at gas pressures up to 1200 psi. Schedule large diameter pressure control jobs system wide and provide technical assistance as to the fittings, equipment and process required to perform the job safely and efficiently. Maintain and repair test heads and “pig” launchers for system wide use. Must be able to travel throughout the Company system.

Equipment currently used and maintained:

Mueller E-5/EH5 series machine

Mueller D-5/DH5 series machine

Mueller CH-6 series machine

Mueller C1-36 series Machine

TDW 660 series machine

TDW 770 series machine

TDW 904 XL series machine

Mueller line stopper units:

Unit #1

Unit #2

Unit #3

Unit #3SW

Unit #3SW 500

Unit #4SW 500

TDW Shortstop 2 plugging machine

Shell cutters

Wedge stoppers and rubber stoppers

Inserts and extractors

Machine adaptors
Gas pipeline probe installation
Gas sampling probes
Drain tube probes
Gas pipeline test head/pig launcher

14. As a result of this agreement, Electric T&D employees will not be laid off or displaced.

**EXHIBIT VI-L AND SECTION 600.12
DIVISION ELECTRIC MAINTENANCE DEPARTMENT**

An ISTS (Information Systems and Technological Services) Subcommittee was established by the 2008 General Negotiations Committee. The Subcommittee was charged with meeting, discussing, and making recommendations on ISTS related proposals submitted by the parties. Company's Proposal No. 16 proposed the establishment of a multi-tiered certified specialized journey position. Union's Proposal No. 12-7 proposed an equity increase in pay for the ISTS Title 200 Technical Crew Lead commensurate with the Electric Metering Tech Crew Lead position.

The Subcommittee met and agreed to recommend the establishment of a Title 200 Sr. Telecommunications Technician position at 5% (\$41.85) above the existing Title 200 (2409) Telecom Tech (\$39.85). As the Sr. Telecom Tech position may work alone or as part of a crew reporting to a Telecom Crew Lead, the Subcommittee also recommends increasing the Crew Lead position top to 5% (\$43.94) above the Sr. Telecom Tech position, effective when established.

An Ad Hoc Committee will be established to work out the details of the qualifications and/or certifications, testing, and performance expectations for the new Sr. Telecommunications Technician, as well as, the existing Telecommunications Technician position. The Ad Hoc Committee will also discuss how to keep the skills of the position current with changing technology (See also L/A 03-28 re updating work jurisdiction).

No Sr. Telecom Tech positions are to be established until the Ad Hoc Committee completes its work and agreement of the parties is reached. A position code will be requested and established in SAP at that time.

Job Definition (To be worked out more fully by the Ad Hoc Committee)

Shall have all of the craft skills of a journey level T200 Telecommunications Technician plus additional area(s) of expertise or certification as may be agreed upon by the parties as appropriate for this classification. May work alone or as part of a crew. Has a broad and extensive knowledge of data systems and information carrying circuits. Is able to troubleshoot and resolve problems.

Bidding and Line of Progression

Title 200 (2407) Telecommunications Crew Leader

- Add Sr. Telecommunication Technician as Next Lower.

Title 200 Senior Telecommunications Technician

- The number and locations of Sr. Telecom Tech positions will be established at the sole discretion of management. Newly established positions and vacancies shall be filled with the most senior qualified bidder pursuant to Title 205, but without preference for Bidding Area. Bidders must be fully qualified and have met all negotiated pre-requisites as of the control date of the vacancy.
- These positions shall be filled through system-wide bidding in the following sequence:
 - Employees with 205.7(a) bidding rights
 - Employees in the Line Of Progression with 205.7(b) or (c) bidding rights as

outlined in the table below:

Next Lower	Same or Higher
2409 Telecommunication Technician	2407 Telecommunication Crew Leader
2393 Unassigned Telecom Technician	0752 Electrical Technician Crew Leader
	0644 Technical Subforeman A (G.C.)
	0645 Technical Subforeman B (G. C.)

- Qualified bargaining unit employees with 205.7(d) bidding rights.
- Section 205.13 – Unrestricted Appointment, including consideration of any qualified 205.7(e) bidders.

Title 200 (2406) Telecommunications Installer

- The parties agreed in 1999 General Negotiations to make these PIO (present incumbent only) positions. Now that there are no longer any incumbents, the parties agree to delete reference to this classification in Exhibit X, the Wage Schedule; the Job Definitions and Lines of Progression; and all future documents.

If you are in accord with the foregoing, and agree thereto, please so indicate in the space provided below and return one executed copy of this letter to the Company.

Reverse Line of Progression

- 2407 Telecom Crew Leader may demote to 2409 Telecommunication Technician or Sr. Telecommunications Tech if the position was previously held.
- Sr. Telecommunications Tech may demote to 2409 Telecommunications Technician.

**DIABLO CANYON POWER PLANT
OPERATIONS DEPARTMENT
ECONOMIC PROPOSAL
10/23/08**

1. Eliminate factoring on 12 hour shift.
2. 4% increase Wage Range Adjustment effective January 1, 2009. This will be in additional to any General Wage Increase that may be negotiated effective January 1, 2009.

NO		2008 Current	2008 Proposed
	Start	28.77	29.92
	End 6 Mo	29.08	30.25
	End 1 Yr	29.93	31.13
	End 18 Mo	30.93	32.17
	End 2 Yr	32.51	33.81
	End 30 Mo	33.37	34.71
	End 42 Mo	36.87	38.35
	End 54 Mo	40.34	41.96
	NO L.9	N/A	44.28
	CO (Reactor Operator)	42.57	44.28
	SCO (Work Control Lead)	43.86	46.50

3. 5% differential between Reactor Operator and Work Control Lead

2008 Proposed	
Work Control Lead	46.50

4. NO 9 pay equal to Reactor Operator

\$44.28 **2008 Proposed**

5. Reactor Operator License Class attendee
 - Reactor Operator wage rate
 - 40% of the 3rd shift premium
6. Sr. Reactor Operator License Class attendee
 - Difference between RO and SRO license premium retroactive to start of license class upon passing the SRO examination.

NOTE: The parties are still investigating the question of whether under California state law the portion of this proposal that addresses an outage agreement and the elimination of factoring may be voted on only by affected employees. If the parties agree that only affected employees may vote, the outage agreement and elimination of factoring will be removed from the table.

JOB DEFINITIONS AND LINES OF PROGRESSION
NUCLEAR POWER GENERATION
DIABLO CANYON POWER PLANT
OPERATING

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JOB DEFINITIONS AND LINES OF PROGRESSION

RELIEF OPERATOR

A shift employee who stands shifts as assigned, relieves other operators, and performs all of the duties of the operating position which he/she is relieving. In addition, he/she may be required to perform routine maintenance work, to perform cleaning duties in and about the power plant, to assist in performing tests on operating equipment, and to instruct other employees. He/she shall be assigned to relieve only the operator classifications in which he/she is qualified.

See Labor Agreement Clarification "Relief Shift Employees" for method of filling vacancies in these classifications.

1582 WORK CONTROL LEAD

A shift employee who is an Assistant to the Shift Foreman. He/she shall have the personal qualifications of leadership and supervisory ability. He/she shall hold an NRC Reactor Operator license or greater and be familiar with NRC regulations and requirements. He/she operates and directs the operation of all equipment in the station together with their related controls and assists in the training of other employees in the proper performance of their duties. He/she shall have a thorough knowledge of operating principles, equipment operating procedures, system operating orders and clearance procedures and the station work control process. He/she trains, directs, and assists Operators in the performance of their job duties. In conjunction with his/her operating duties, he/she directs and assists in station cleaning.

Next Lower Classification

Same or Higher Classifications

1583 Reactor Operator

1582 Work Control Lead

1583 REACTOR OPERATOR

A shift employee responsible for monitoring and operating the controls in the control room. His/her duties include the operation of plant equipment and switchgear which have their controls in the control room. He/she shall have an NRC Reactor Operator license or greater and be familiar with NRC regulations and requirements. He/she must be familiar with equipment operational procedures, system operating orders and clearance procedures. In conjunction with his/her operating duties, he/she will do necessary cleaning on and around equipment controls and on the control mechanisms.

Next Lower Classification

Same or Higher Classifications

1699 Nuclear Operator

1582 Work Control Lead

1583 Reactor Operator

1699 NUCLEAR OPERATOR

A shift employee who operates and services auxiliary equipment. Specific duties include such functions as operating air compressors, waste treatment systems, water treatment equipment and systems, cooling water systems, ventilation systems, chemical control equipment, fuel handling, including related simple rigging and the operation of cranes and hoists, turbine generator and auxiliary equipment. He/she may be required to clean condensers, plug leaking tubes, take readings, perform operating tests, change out or clean filter elements. In addition, may be required to perform minor maintenance work. He/she may be required to operate controls on auxiliary control boards, and may operate controls on the main control boards under the direction of a licensed operator. He/she may be required to perform switching and direct the operation of the feed pumps and safeguard equipment. He/she shall have a basic knowledge of NRC regulations and the station work control process. Must qualify on the POSS test.

Beginner's Classification: Nuclear Operator is an entry level position through the 18 month qualification step

- Note:
1. The various duties of the Nuclear Operator classification will normally be assigned to individual employees in order of progressive complexity; that is, the employee will be assigned more complex duties as his/her experience and knowledge progress. Such assignments will be made on a continuing basis only after the employee has been trained and instructed in the performance of each duty and has demonstrated his/her understanding of and ability to perform such duty satisfactorily.
 2. A transfer application from an Assistant Power Plant Operator, Auxiliary Operator or a higher classification in the Line of Progression will be given Priority 1 status under the Job Bidding System. Priority 1 transfer applications receive preference over all other transfers and are treated as a bid under the provisions of Subsection 205.7(a), (b), or (c) as appropriate.

**NOTES ON OPERATING JOB DEFINITIONS
AND LINES OF PROGRESSION**

I. Job Definitions

A. Operator's Cleaning Duties

The primary function of the Operators is the operation of the power plant. Other assignments are secondary and may be performed in conjunction with he/she primary operating function. Operating employees are responsible for general housekeeping and the appearance of the plant and shall perform cleaning duties when their operating duties permit. It is expected, for example, that the Licensed Operators will insure that the Control Room and control areas of the plant are kept clean.

B. Duties of Nuclear Operators

The duties of the operating personnel at nuclear power plants will include, when trained in such work:

1. fuel handling, including related simple rigging and of cranes and hoists;
2. decontamination of radioactive equipment, protective clothing and working areas, including packaging, handling, and storing of radioactive waste in operating areas;
3. routine monitoring on shift necessary for personal safety, and maintaining exposure estimate sheets; and
4. forklift operators, related to their operating duties.

C. Training Duties

Qualified Operators in Nuclear Power Plants will assist in the on-the-job training of other Operations Department personnel in the proper performance of their duties. Work Control Leads shall be Task Performance Evaluator (TPE) qualified.

II. Lines of Progression

- A. Company may delay up to one year, the move of a Reactor Operator or Work Control Lead from a nuclear plant where there is no employee with a license available to fill the vacancy. Should this occur, such employee will not be bypassed for the position for which they were the successful bidder.

OPERATOR REQUIREMENTS, PROGRESSION, AND TRAINING

- I. Requirements for entering the Nuclear Operator Classification
 - A. All new hires into the Nuclear Operator classification shall be required to pass the Arithmetic Computation Test (ACT) during the first six months in the classification.
 1. The first test must be taken by the end of two months in the classification and if additional tests are requested, they should be given at intervals of 30 days. A total of three examinations shall be allowed.
 2. The new employee will be given a copy of the study form with answers at the time of employment with the understanding that the employee will take the test as indicated in Item 1.
 3. If the employee fails to pass the test within the established time, the employee shall be removed from the classification.
 4. Transfer applicants must pass the examination before their transfer request is accepted.
 - B. Employees entering the Operating Line of Progression are required to pass a special physical examination comparable to that required by the NRC for licensed operators. Failure to pass this examination is reason for disqualification since such failure will preclude advancement to the classifications requiring an NRC operating license.
 - C. Tests designed to measure the individual's ability to learn new academic subjects will be administered by the Human Resources Department to employees who bid on operating vacancies. Until otherwise agreed between Company and Union the Plant Operator Selection System (POSS) for Nuclear Operators developed by the Edison Electric Institute will be used. The minimum passing score on this examination will be 11.

Company will give an employee the first opportunity to take such tests when the employee has a reasonably good chance of becoming the successful bidder on an operating job vacancy. An employee who has passed such tests will not be required to take them a second time. An employee who has failed, on the first attempt, to receive at least the minimum passing score on such tests will be eligible to be retested on the following schedule:

2nd Testing - Twelve (12) months, or thereafter, following the date of the first testing.

3rd Testing - Twelve (12) months, or thereafter, following the date of the second testing, only upon receipt of employee's application indicating that substantial improvement may occur in this retest.

Company will not be required to give further consideration to the appointment of an employee to fill a vacancy in an operating classification when the employee has failed for the third time to meet the test requirements.

- D. When it is necessary to hire new employees into the Nuclear Operator classification at Diablo Canyon Power Plant, placement into the wage progression will be based on an employee's current nuclear operating knowledge and experience. Since such a placement will alter the negotiated length of the training period for Nuclear Operators, Company and Union agreement is required. However, employees are still required to successfully complete the operator training program to a step above their starting level prior to receiving a progressive wage increase. The existing requirements for being considered a qualified bidder to a higher classification will remain unchanged.

II. Progression for Nuclear Operators

A. Requirements for progression

1. New hire Nuclear Operator– pay step 1
2. For progression pay step 2 (6-month step)
 - a. Successful completion of the Initial Operator Training Program Course or six months, whichever occurs first.
3. For progression to pay step 3 (12-month step)
 - a. Successful completion of the first Watch Station qualification.
4. For progression to pay step 4 (18-month step)
 - a. Successful completion of the second Watch Station qualification.
5. For progression to pay step 5 (24-month step)
 - a. Successful completion of the third Watch Station qualification.
6. For progression to pay step 6 (30-month step)
 - a. Successful completion of the fourth Watch Station qualification.
7. For progression to pay step 7 (42-month step)
 - a. Twelve months after attaining the pay step 6 progression and,
 - b. Successfully complete the Condensate Polisher Watch Station qualification (fifth Watch Station) and,

- c. Maintain > 80% grade average in the Non-License Training program during the last 12 months.
- 8. For progression to pay step 8 (54-month step)
 - A. 12 months after attaining the pay step 7 progression and,
 - b. Maintain a > 80% grade average in the Non-License Training Program during the last 12 months.
- 9. For appointment to pay step 9
 - a. Level 8 volunteer in service order
 - b. Company shall designate a number of on shift positions
 - c. If required by Company, Clearance Writer, Clearance Coordinator, and TPE qualified
- B. Levels 1 through 3 are considered beginning positions. Levels 7, 8, and 9 are considered Journeyman positions.
- C. Employees who complete the requirements for progression ahead of schedule will be awarded this corresponding PWI effective the date of qualification.
- D. Employees who complete the requirements of the 30 month step ahead of schedule may progress to the 42 and 54 month step after completing the requirements listed in Section II.A., paragraphs (7) and (8) above.
- E. Nuclear Operator who is due to progress to the next higher wage step (up to Level 8) and who does not obtain the required qualification shall:
 - 1. Be notified in writing of the requirement that he/she complete the established qualification prior to the date he/she is scheduled to receive the next higher wage step,
 - 2. Be held in his/her present wage rate, and
 - 3. Be allowed a maximum of three months to meet the requirements.
- F. If during such three-month period the employee passes the established qualification, he/she shall receive the next higher step wage rate effective on the date such qualification is passed.
- G. If a Nuclear Operator who is attempting to meet the requirements established to progress for any other step of the program fails to complete the established qualification within the allotted time (including the three months' extension), he/she shall be granted a further extension of time required to complete the qualification not to exceed the time provided by the wage progression up to the point at which he/she failed to complete a qualification. If he/she still fails to complete the qualification, he/she shall be removed from the classification and

demoted or displaced under Section 206.15 of the Physical Agreement.

- H. An employee who was formerly demoted, for a reason other than one contained in Paragraph G, from Nuclear Operator, or who was formerly in a classification higher thereto in the Line of Progression and who returns to a vacancy in such classification shall be placed by Company in the wage step of the Nuclear Operator classification commensurate with his/her current knowledge, skill, efficiency, adaptability, and physical ability.
- I. Level 9 of Nuclear Operator is established to provide an alternate progression for Nuclear Operators who either cannot obtain, or do not intend to obtain, a Reactor Operator License. Therefore, a Nuclear Operator at Level 9 may not apply for license class. No less than five positions will be available on an ongoing basis. The Progression shall be by volunteer, in service order. By mutual agreement between the parties, a level 9 Nuclear Operator may be returned to Level 8, thereby making him eligible for future license class selection.

III. Non Licensed Requalification and Pre-License Preparation Training

Nuclear Operator Requalification Training shall meet INPO ACAD requirements. Nuclear Operator requalification training shall be 4 days of the normal cycle training period. At least one of those days shall be spent on training for pre-license preparation for all level 6, 7, and 8 Nuclear Operators preparing to attend Initial License Class. All Nuclear Operators will receive pre-license preparation training in addition to the INPO accredited required training. During plant emergencies/holiday periods and refueling outages training may be suspended to support plant operations.

IV. Requirements for Promotion to Reactor Operator and License Training

The NRC licensing program necessitates a concerted training effort both by the employee and the Company. To this end, the parties agree that employees need to be well prepared to successfully complete license training. The parties are also in agreement that providing adequate preparation, evaluation, and performance observation are paramount to the employee's success.

A. Selection for Reactor Operator Licensed Training

- 1. To enter into the selection process, a candidate must be a Level 7 or Level 8 Nuclear Operator and:
 - a. Submit a pre-bid to Reactor Operator.
 - b. Have maintained an average score of 85% on the first attempts of the non-licensed Operator Requalification tests in the year proceeding.
 - c. Pass a Reactor Operator Qualifying Exam. (Note: The Reactor Operator Qualifying Exam will not apply until January 1, 2009)

- 1) Exam will consist of a 100 question test from the RO Qualifying Exam bank.
 - 2) Exam bank shall be an open bank with a minimum of 500 questions derived from and based on:
 - a) The GFES bank,
 - b) Operator Information manual and lesson objectives taught during Nuclear Operator preparation classes during Requalification training, and
 - c) Self-study assigned as part of the Nuclear Operator preparation and development guide.
 - 3) The passing score is 70%
 - 4) Employees should submit a request in writing to the Operations Manager or their designee when they desire to take the test. It will be offered at a minimum 21 days prior to filling the license class positions.
 - a) 2nd Examination – two months or thereafter following the date of the original examination.
 - b) 3rd Examination – six months or thereafter following the date of the second examination.
 - c) 4th Examination – twelve months or thereafter following the date of the third examination.
 - d) If an employee fails to pass the examination a fourth time, Company will not be required to give further consideration to examining such employee for qualification for promotion. However, if Company determines such employee has conscientiously prepared himself, Company may allow another opportunity for the employee to qualify.
2. Selection for the class must be approved by a selection board. The selection board will consist of 1 person from Operations management, 1 person from Learning Services management, and 1 union licensed operator appointed by the union. The union licensed operator will fully participate in the analysis and discussion of each candidate, but will not be a voting member of the Committee. The selection board will evaluate candidates as follows;
- a. Employees who were either removed or withdrew from the previous license class.

- 1) They will have one opportunity to be considered for the next license class without regard to service order.
 - 2) They will be eligible for consideration for future license classes by service order.
 - b. The remaining candidates will be evaluated in service order. A more senior employee who meets the selection criteria will not be bypassed by a junior employee except as described in 2(a) above.
3. The selection board will interview the candidates and evaluate the following in their selection decision:
- a. Prior attempts at license class (if any),
 - 1) Where deficiencies were identified during past license class, if remediated and corrected, this will be considered a positive for the candidate.
 - b. Documented work performance records and evaluations with an emphasis on trends rather than single incidents, and
 - c. Demonstrated proficiencies in the following fundamentals:
 - 1) Maintains an absolute commitment to safety for self and others; and actively promotes safety awareness and commitment within and outside of the department. Understands the importance of monitoring plant conditions and indications closely to ensure a safe and error free operation.
 - 2) Promotes Human Performance tools and techniques used within the department. Encourages others in maintaining high standards of Human Performance to ensure plant evolutions are controlled precisely.
 - 3) Demonstrates sound reasoning and good judgment in daily work practices. Applies a conservative bias to plant operations and encourages others in sound decision making.
 - 4) Promotes teamwork within the department and across work groups. Takes ownership of team goals and consistently helps team achieve challenging goals. Understands and supports the importance of team input and a questioning attitude.
 - 5) Maintains a strong working knowledge of Operating Procedures and work instructions. Encourages others to maintain and improve their working knowledge. Displays

and promotes a solid understanding of plant design and system relationships.

- d. Written evaluation of candidate's readiness by his/her Shift Manager. This evaluation will be provided to the employee prior to the interview. The employee may submit a written response.

Note: If the Company fails to provide the required Pre-License Preparation Training identified in Section III or the semi-annual performance review and feedback obligations contained in Section IV.A.4., an employee's candidacy will not be subject to review by the Selection Review Board. In such case, the employee will be considered for Reactor Operator License Training on the sole basis of seniority provided the employee meets the entry conditions contained in Section A.1.

- 4. Nuclear Operators (Levels 6 through 8) will receive semi-annual performance reviews and be provided feedback on their performance, fundamentals and their progress on Pre-License Preparation Training for the purpose of improving performance. A Performance Review Form will be designed and reviewed by the parties before being implemented.
 - a. The employee's comments will be included in the review.
 - b. A jointly developed performance plan will be included.
- 5. Within 5 days (nominally) of the interview, the selection board will notify the Nuclear Operator whether they have been selected for license class. A written evaluation will be prepared outlining the strengths and deficiencies observed and the justification for selecting or not selecting the candidate. It shall also contain the recommended steps necessary for the candidate to improve said deficiencies prior to next license class selection process.
- 6. After notified of their selection, the employee will have 5 days to either accept or decline the offer to attend License Class. Employees who accept are expected to attend.
- 7. Appeal process – Within five days of receiving the written information required in paragraph 5 above, an operator may appeal the decision by submitting a written appeal, including supporting documentation if any, addressing each of the factors identified as reasons for non-selection. The appeal will be reviewed by the Station Director or his/her designee and the Union's Business Manager or his/her designee and a final decision rendered within 5 working days (or best attempt) of the receipt of the appeal. The initial decision of the selection board may only be changed with consensus of Station Director and the Union's Business Manager.

8. Upon being selected for License Class, candidate must pass an NRC Physical Exam. The company shall ensure that the physical is scheduled in a timely manner.
9. Employees selected for License Class will be provisionally awarded the position of Reactor Operator pending successfully obtaining an NRC Reactor Operator License. The job award and wage adjustment will be effective the first day of the class. After obtaining an NRC Reactor Operator License, the employee shall be placed as a Reactor Operator on a regular basis
 - a. Operators in License Class will receive a license class premium equal to 40% of the third shift premium for each hour assigned to license class, payable in the bi-weekly pay period.
 - b. If an operator is removed or voluntarily withdrawals from license class, he/she will return to the Nuclear Operator classification.
 - c. The Reactor Operator License premium will be paid retroactive to the date the operator passed the Company exam.

V. Initial Reactor Operator Licensed Training

Company shall continue to determine the number of Reactor Operator Licenses to maintain. Company shall supply necessary operating experience and all needed instructional materials, including classroom instruction, simulator training and study time to allow those Operators who enter the program to qualify for a NRC Reactor Operator License per TQ2.DC2.

A. Removal from License Class

It is recognized that it is in the best interest of the Company, Union, and employee that, once selected for Initial License Class, all reasonable efforts are made by the individual and the Company to successfully complete the class and obtain the NRC Reactor Operator License.

1. Removal from class will be determined by two methods:
 - a. The employee may determine he/she is not making satisfactory progress and self remove from the program. He/she may also self remove for personal reasons.
 - b. The employee may be removed by the Candidate Readiness Review Board (CRRB).
2. The Company will monitor the progress of all employees in License Operator class through periodic review boards (Candidate Readiness Review Boards). This board will meet at times specified in TQ2.DC2.
 - a. The Candidate Readiness Review Board (CRRB) will have both

Company and Union licensed operator representation. The Union representative will actively participate in the board activities but will not be asked to provide "continue in the program or remove from the program" recommendations. The CRRB quorum requires the following:

- 1) Operations Director or delegate
 - 2) Operations Manager or delegate
 - 3) Operations Training representative
 - 4) Union licensed operator, appointed by the Union.
- b. The Operations Director or his/her delegate will make the final determination as to whether an employee will continue in class or be returned to his/her previous position. Determination should be based on the guidance in TQ2.DC2.
- c. The determination will be based on input from the board members, aggregate training performance records as provided by Learning Services, and input from the employee, either through an interview with the board or a written statement, at the employee's discretion. (For example, chronic low test scores between 75% and low 80% may result in removal from the current class. Likewise, a single score and remediation less than 80% may not automatically result in removal, based on overall student performance).
- d. A representative of the board will notify the candidate of the board results as soon as practical, preferably within 24 hours.
- e. If the decision is to remove the employee from class, the CRRB will provide a written evaluation outlining the employee's areas of weakness and recommendations for the employee and his/her Shift Management to work on prior to the next license class interviews. This evaluation shall be provided to the employee within five (5) working days with a copy forwarded to the employee's Shift Manager.
- f. Appeal Process - The employee may appeal the decision of the CRRB by submitting a written appeal addressing issues identified by the board for removal from class. Due to the time requirements of this appeal, it should be completed and submitted as soon as practical but no more than five (5) working days. The appeal will be reviewed by the Station Director or his/her designee and the Union Business Manager or his/her designee and a final determination rendered within five (5) working days of the receipt of appeal. The CRRB decision may only be changed with the consensus of the Station Director and the Union Business Manager.

VI. Initial Senior Reactor Operator Licensed Training

A. Selection for Senior Reactor Operator Licensed Training

1. Company may select Reactor Operators and Work Control Leads to attend training to obtain an NRC Senior Reactor Operator license. The company determines the number of employees to attend each class.
2. Selection consideration will be based as follows:
 - a. Operators interested in becoming a Shift Foreman will submit a written request (e-mail is acceptable) to the Operations Manager expressing the desire to obtain an SRO license.
 - b. To be eligible, the operator must maintain greater than 85% rolling average on the first attempt at all Licensed Operator re-qualification exams (both weekly and annual) over the previous one year period.
 - c. Selection for the class must be approved by a selection board. Candidates will be evaluated in service order. A more senior employee who meets the selection criteria will not be bypassed by a junior employee.
 - d. The selection board will interview the candidates and consider the following in their selection decision:
 - 1) Prior license class performance.
 - 2) Documented work performance records, evaluations and demonstrated proficiencies in the following fundamentals:
 - a) Maintains an absolute commitment to safety for self and others; and actively promotes safety awareness and commitment within and outside of the department. Understands the importance of monitoring plant conditions and indications closely to ensure a safe and error free operation.
 - b) Promotes Human Performance tools and techniques used within the department. Encourages others in maintaining high standards of Human Performance to ensure plant evolutions are controlled precisely.
 - c) Demonstrates sound reasoning and good judgment in daily work practices. Applies a conservative bias to plant operations and encourages others in sound decision making.

- d) Promotes teamwork within the department and across work groups. Takes ownership of team goals and consistently helps team achieve challenging goals. Understands and supports the importance of team input and a questioning attitude.
 - e) Maintains a strong working knowledge of Operating Procedures and work instructions. Encourages others to maintain and improve their working knowledge. Displays and promotes a solid understanding of plant design and system relationships.
- 3) Written evaluation of candidate's readiness by his/her Shift Manager.
 - 4) Licensed Operators will receive annual performance reviews and will be provided feedback on their performance, fundamentals and their progress on improving performance. The operator will have an opportunity to submit a rebuttal if he/she disagree with the contents of the review.
 - 5) Within 5 days (nominally) of the interview, the selection board will notify the Operator whether they have been selected for the upgrade class. A written evaluation will be prepared outlining the strengths and deficiencies observed and the justification for selecting or not selecting the candidate. It shall also contain the recommended steps necessary for the candidate to improve said deficiencies prior to next license class selection process.
 - 6) After notification of their selection, the employee will have 5 days to either accept or decline the offer to attend the upgrade class. Employees who accept are expected to attend.
 - 7) Appeal process – Within five days of receiving the written information required in paragraph 5 above, an operator may appeal the decision by submitting a written appeal, including supporting documentation if any, addressing each of the factors identified as reasons for non-selection. The appeal will be reviewed by the Station Director or his/her designee and the Union's Business Manager or his/her designee and a final decision rendered within 5 working days (or best attempt) of the receipt of the appeal. The initial decision of the selection board may only be changed with consensus of Station Director and the Union's Business Manager.

- B. Senior Reactor Operator Upgrade candidate progress will be reviewed by the Candidate Readiness Review Board (CRRB). As with Reactor Operator candidates, the board will determine if a candidate will be removed from class based on overall performance and probability of success on the NRC examination. Senior Reactor Operator candidates removed from class may be considered for future classes.
- C. Upon successful completion of the NRC Senior Reactor Operator examination process, the operator will receive the difference between the RO and SRO license premium retroactive to his/her start in license class. If the Operator fails the NRC examination such Operator shall not be qualified for the Senior Reactor Operator premium.
- D. A bargaining unit operator who receives a Senior Reactor Operator license after License class L081 will have three years from receiving the license to obtain a regular position that requires an active Senior Reactor Operator license. Operations management will determine if the individual receives a regular position. If the operator does not obtain such a position, his/her license may be downgraded to a Reactor Operator license and he/she will be paid the Reactor Operator premium. The three year period may be extended at management discretion.
- E. During the 3 year period described in paragraph D above, an Operator who passes the NRC examination shall be eligible to continue to receive such premium for as long as such Operator is assigned at a Nuclear Plant in a position requiring a NRC Reactor Operator License and maintains the NRC Senior Reactor Operator License.
- F. Operators who currently hold a Senior Reactor Operator License or will obtain the Sr. Reactor Operator License in License class L081, will continue to receive such premium for as long as they are assigned a position requiring any license and they maintain the license. Upon agreement between the Company and the operator, the license may be downgraded.

VII. Requalification

The NRC requirement for renewal of the NRC Reactor Operator and NRC Senior Reactor Operator Licenses necessitates an ongoing training program including a written and operating (oral and simulator) examination. Company shall supply necessary operating experience and all needed instruction materials, including classroom instruction as per requalification procedure and a reasonable amount of time on watch as conditions permit to study for the requalification exam. An employee who passes the requalification examination or a retest as provided in A below will maintain the nuclear premium entitlement until the next annual requalification exam. An employee who passes the annual requalification examination or a retest as provided in A below will not be required to take another requalification examination prior to the next annual requalification examination and will maintain his/her nuclear premium entitlement.

- A. Failure to Pass Requalification Examination

An Operator who fails to pass the requalification examination on the first attempt will be eligible to be retested on the basis outlined below:

1. Immediately after such failure, the Operator shall be maintained for a 30-day period at the Operator's present classification and basic wage rate including premiums. During the 30-day period, the Operator shall be taken off the watch schedule and required to participate in an accelerated training program leading to the requalification examination.

During the 30-day period, such an Operator may request retesting at any time the Operator and the Company mutually agree. At the end of the 30-day period, such an Operator must be retested.

2. When it becomes apparent that a licensed Operator has failed an annual requalification examination, Company shall notify Union's Business Representative and the Oversight Committee.
3. The time limits outlined above may be extended by mutual agreement between the parties due to extenuating circumstances involving either plant operations or the concerned employee.

The NRC requirements are included in 10CFR55 Appendix A and are incorporated herein by reference. The Company's requalification programs conform to 10CFR55 Appendix A and are delineated in certain correspondence between Company and NRC which is also incorporated herein by reference.

4. If the Operator fails again, Operator shall be taken off the watch bill and allowed another 30-day period in which to pass the requalification examination. During such second 30-day period, the Operator will be assigned no other duties than that of a training nature. At the end of the second 30-day period, the Operator must again be retested. During such second 30-day period, the Oversight Committee shall make recommendations to the Plant Manager which may include an additional extension of 30 days before the Operator must again be retested or that the Operator be demoted to Nuclear Operator without retesting. If the Operator is successful, the Operator shall immediately be returned to such Operator's assigned classification. Failure of the second retest will result in his/her demotion to Nuclear Operator. Such demotion will be made in accordance with the terms of Section 206.15 of the Agreement. If no vacancy occurs for which such demoted employee qualifies, he/she shall be placed in accordance with the provisions of Sections 206.12 and 205.19 of the Physical Agreement.

VIII. Oversight Committee

- A. An Oversight Committee comprised of two management representatives selected by Company and two bargaining unit representatives selected by Union will be established. The committee will have responsibilities as outlined in this

agreement. The Oversight Committee may review, upon request, the current exam bank and weekly examinations to ensure the exams are appropriately measuring performance. The Oversight Committee shall also review and approve changes to TQ2.DC1, TQ2.DC2, and TQ2.DC3. Simple administrative changes may be made through electronic correspondence. Where a meeting is required, minutes will be taken.

B. Dispute Procedure

1. Should a complaint arise concerning the fairness of the administration or correction of an examination given in accordance with the provisions of the Operator Training Procedure or concerning an employee's opportunity to prepare for such an examination, it shall be forwarded to the Oversight Committee for resolution.
2. Disputes not resolved by the Oversight Committee which involve matters under these requirements may be submitted to the Local Investigating Committee and will be considered under the provisions of Title 102 of the Agreement as a grievance concerning an employee's qualifications for promotion or transfer.

IX. Disqualification for Health Reasons

- A.. A Licensed Operator who becomes physically disqualified to be licensed Operator shall not lose his/her License Premium or current rate of pay until a Form 396 is filed with the NRC.

Example:

First year – Operator meets the conditions of ANSI standard for his/her license.

Second year – Operator failed to meet conditions of ANSI standard. Employee is given a course of action to take to meet ANSI standard condition for his/her license.

Third year – Employee is unable to meet conditions of ANSI standard for his/her license.

At this point the licensed operator will be demoted under Section 206.15 of the Physical Agreement and be entitled to consideration under the provisions of Section 112.10.

- B. If a disagreement arises with respect to medical opinions between an employee's personal physician and the Company's physician as to whether employee meets or does not meet the requirement of the ANSI standard, for a NRC license, the issues shall be submitted to an impartial physician. Company will submit a list of more than two qualified physicians to the Operator or his/her collective bargaining representative who may select any one of the physicians. The employee will be referred to the physician so chosen for a medical examination

and report. Company will pay the medical cost of such examination.

- C. A committee comprised of Industrial Relations, Company Doctor, Business Representative and a Shop Steward from the Operations Department will meet with the employee to explain the course of action that he/she follow to qualify for a NRC license and the consequences of not doing so.
- D. An Operator who becomes physically disqualified to be an Operator at a Nuclear Plant shall be considered for placement under the provisions of Sections 205.19 and 206.13 of the Physical Contract. (Placement of Operators under Sections 205.19 and 206.13 require agreement between the Manager of Industrial Relations and the Business Manager of Local Union No. 1245.) If no such agreement is reached, the employee will be demoted/displaced under the provisions of Section 206.15 of the Physical Agreement and be entitled to consideration under the provisions of Section 112.10.

X. Assignment to a Special Training Schedule

- A. In order to provide special training for an Operator for non-licensed duties, initial NRC Licensing and upgrade NRC licensing, an Operator who is on a training assignment pursuant to II - F of the Clarification of Title 202 - Hours may be temporarily transferred from the Operator's training schedule of hours and days to a regularly established schedule as an additional Operator on the watch under the immediate direction of an employee of Company in order to receive training, provided that such transfer will provide more opportunity for training; than the employee's training schedule. The foregoing shall not be used to provide additional help on a watch to meet operating needs. In the application of this Section, Company will make every reasonable effort to provide consecutive days off.
- B. In order to accomplish the above transfer with no overtime penalty pursuant to Title 208 and its clarification, notice of such transfer must be provided as early as possible, but at least prior to 1630 hours of the workday preceding the assignment.

XI. Definitions

- A. The term "a reasonable amount of time," as used above, means that amount of time which would be sufficient for the average employee to qualify provided that employee takes advantage of the time.
- B. The term "on watch as conditions permit" means there may be times such as outages, refueling, or during the day shift when time is not available for study.

XII. Nuclear License Premiums

Employees who obtain and maintain applicable licenses will receive the following nuclear premiums:

- | | | |
|----|-----------------------------|----------------------------|
| 1. | Reactor License Premium | 2.0 x the 3rd Shift Hourly |
| 2. | Sr. Reactor License Premium | 2.6 x the 3rd Shift Hourly |

Company considers these premiums as a wage payment under provisions of the Fair Labor Standards Act. Accordingly, the premiums must be reflected in the overtime rate of pay for employees receiving the premium. Additionally, during a period when an Operator is otherwise qualified for a premium, such Operator shall retain the premium during periods when the Operator is off work with pay.

HOURS OF WORK - OPERATORS – DCP

The following five shift rotation schedules have been established for operators at Diablo Canyon Power Plant and are subject to change only by negotiations between the Union Business Manager and Company's Manager of Industrial Relations pursuant to Section 202.16(b) of the Physical Agreement.

	Sun - Sat				
	A	B	C	D	E
Sun.	X	8	12	4	X
Mon.	8T	8	12	4	X
Tue.	8T	8	12	X	4
Wed.	8T	8	12	X	4
Thurs.	8T	8	X	12	4
Fri.	8T	R	X	12	4
Sat.	X	X	8	12	4
Sun.	X	X	8	12	4
Mon.	X	8T	8	12	4
Tue.	4	8T	8	12	X
Wed.	4	8T	8	12	X
Thurs.	4	8T	8	X	12
Fri.	4	8T	R	X	12
Sat.	4	X	X	8	12
Sun.	4	X	X	8	12
Mon.	4	X	8T	8	12
Tue.	X	4	8T	8	12
Wed.	X	4	8T	8	12
Thurs.	12	4	8T	8	X
Fri.	12	4	8T	R	X
Sat.	12	4	X	X	8
Sun.	12	4	X	X	8
Mon.	12	4	X	8T	8
Tue.	12	X	4	8T	8
Wed.	12	X	4	8T	8
Thurs.	X	12	4	8T	8
Fri.	X	12	4	8T	R
Sat.	8	12	4	X	X
Sun.	8	12	4	X	X
Mon.	8	12	4	X	8T
Tue.	8	12	X	4	8T
Wed.	8	12	X	4	8T
Thurs.	8	X	12	4	8T
Fri.	R	X	12	4	8T
Sat.	X	8	12	4	X

Notes:

- 1) 8T indicates a day shift training assignment.
- 2) Hours of work on the training shift will be 0800 to 1600.
- 3) When the training program permits employees on the 8T shift may be assigned to general operational duties. As a minimum, employees shall attend seven training sessions during the annual (10 to 15 months in duration) training cycle, which will include time spent on the simulator. The foregoing shall also apply to Relief Operators.

12-HOURS ROTATING SHIFT AGREEMENT

The Company and Union may agree to a 12-Hour Shift Agreement as described below. This specific agreement will be in accordance with the generic 12-Hour Shift Agreement (93-98) with the exception of the areas noted below:

1. **SHIFT SCHEDULE**

- a. Two 12-hour shifts with starting times of 0700 and 1900
- b. One 4-day/10-hour Shift during the Training week with a schedule of 0700-1700.
- c. Monday-Sunday workweek
- d. Five-Week Cycle as follows:

	MON	TUES	WEDS	THURS	FRI	SAT	SUN	
Week 1	0	0	0	N	N	N	N	48 Hours
Week 2	0	0	0	0	D	D	D	36 Hours
Week 3	0	T	T	T	T	0	0	40 Hours
Week 4	D	D	D	D	0	0	0	48 Hours
Week 5	N	N	N	0	0	0	0	36 Hours

- e. Alternate schedules and workweeks may be agreed upon by Company and Union.

2. **RELIEF EMPLOYEES**

Upon implementation of this agreement, all present relief employees shall be permanently assigned to the crews, making each crew self-relieving.

3. **WAGES**

- a. In a 48-hour week, employees will receive overtime pay at the time-and-one-half rate as described below.
- b. All regular hours worked will be paid at the Exhibit X rate of pay. All hours worked in excess of 40 hours per week will be paid at the applicable overtime rate
- c. A four-hour period in the last day of the regular, non-outage 48-hour work week will be considered as regular work hours for all purposes, but will be paid at the overtime rate. The other four-hour period on that day shall be considered as

overtime hours, but are not considered as part of regular work hours.

- d. All hours worked in excess of 36 hours in the 36 hour week and 48 hour in the 48 hour week shall be paid at the applicable overtime rate.
- e. If an employee performs work on any non-workday, the employee will receive double time after 8 hours work on the next day, provided that day is also a non-workday. Double-time after 8 hours worked will continue until such time as the employee performs no work on a non-workday or a regular workday occurs.

4. OVERTIME MEALS

- a. Consistent with the decision of Arbitration Case No 185 and Section 104.1, an employee shall not be entitled to a meal or the time to take it for working the eight hour overtime period that is part of their scheduled 48 hour work week.
- b. For the purposes of Section 104 - Overtime Meals, when an Operator is standing a watch, the regular hours of work are the same on a non-workday as on a regular workday. If the Operator is not standing a watch, Section 104.7 may be applied for work periods that exceed 8 hours (i.e. 9 hours and 7 ½ minutes).

5. HOLIDAYS

Consistent with Letter Agreement 93-98, Operations Department shift employees whose shift begins on one of the six designated holidays shall be compensated therefore as provided in Title 208. All holidays will be observed on their calendar date.

6. SHIFT TURNOVER TIME

Shift turnover time, travel time, and overtime meal periods will not be considered as time worked for the purposes of determining the required time off as specified in Section 9.d of this Agreement.

7. CHANGE OF HOURS FOR TRAINING

- a. Employees assigned to License Training, not to include Requal Training, may be assigned to any schedule of days and hours to facilitate simulator training and on the job training opportunities, so long as such employee shall be assigned to work periods of at least 8 hours with 2 consecutive days off during the week.
- b. Those requal individuals assigned to take NRC type requal exams may also be assigned as above for the purpose of additional simulator preparation.
- c. Employees who schedule vacation or are absent during their training shift may be transferred from their normal schedules to a Training Shift to make up the missed training. Schedule changes can be made for less than one weeks' duration.
- d. Entitlement for overtime as it applies to paragraphs a, b, and c, above will be pursuant to Title 208.18.

8. SHIFT PREMIUM

The night shift shall receive a shift premium based on 12 hours at the third-shift premium. Sunday premium will continue to be paid at the present rate and will apply to those shifts which start on Sunday.

9. OVERTIME

a. Pursuant to Title 212, an EOT callout will be made as follows:

1. Call in the shift employee who is on his/her days off and has signed the voluntary sign-up list.
2. Call in anyone else giving preference to the shift employee on his/her non-workday who has signed the annual EOT voluntary sign-up list. No penalty will be invoked if an error is made on this callout.

b. Pursuant to Title 208, PAOT will be scheduled first on a voluntary basis and then on a mandatory basis as follows:

1. Schedule the shift employee who is on his/her 7-day off period if available.
2. Schedule the shift employee who is on his/her 4-day off period if available.
3. Schedule the shift employee who is on his/her 3-day off period if available.
4. Schedule the shift employee who is on his/her 2-day off period if available.

c. Per the NRC guidelines that restrict overtime, an employee may be bypassed for overtime if he/she will work more than 16 hours in any 24-hour period, 24 hours in any 48-hour period, or more than 72 hours in any seven-day period.

Employees may be bypassed for all overtime assignments from 12 hours prior to the start of any regular 12 hour workday and until 12 hours after the completion of the last regular 12 hour day in a scheduled workweek.

d. An employee who worked more than 12 hours in a workday and is normally scheduled to work the following day, shall report for work after having 12 hours off between work periods.

e. A person called to replace an absent employee on shift may be required to report. The EOT list will be utilized first.

f. Emergency overtime may be scheduled in time increments of 12 hours when coinciding with an existing shift and up to 16 hours when scheduled apart from a shift. Prearranged overtime may also be scheduled in specific time increments.

10. SPECIAL PROJECTS

No more than 10 employees may be assigned to work a different schedule for a special project unless crews are fully staffed to 3 Work Control Leads, 5 Reactor Operators, and 10 Nuclear Operators. Assignments will be made on a volunteer basis. If there are no volunteers, the most junior Nuclear Operator (Level 7 and above) can be assigned to the project.

Assignments shall be rotated at intervals no greater than twelve months to different employees. An employee forced onto a special project shall be rotated at six month intervals.

On a voluntary basis one operator on Radwaste Operator Special Projects may be classified as "Relief shift employee" and receive the applicable relief premium, Relief positions will be filled on a seniority basis by Nuclear Operators.

11. OUTAGE SHIFT SCHEDULE

Note: The parties recognize that the NRC Fatigue Rule may impact the operation of this schedule. The parties will meet and negotiate, if necessary, to ensure compliance with the new NRC Rule.

a. Outage Schedule

Operators may be assigned to a static schedule of 12-hour shifts beginning at either 0700 or 1900 hours (day shift and night shift) as follows:

Crew	M	T	W	Th	F	S	S
1	W	W	W	W	M	X	X
2	X	W	W	W	W	M	X
3	X	X	W	W	W	W	M
4	M	X	X	W	W	W	W
5	W	M	X	X	W	W	W
6	W	W	M	X	X	W	W
7	W	W	W	M	X	X	W

W = regular workday; X= non-workday; M = mandatory OT day

- 1) **Assignments:** Operators may select crew by shift and normal days off desired. Assignments will be made by classification by Company seniority, except that Company reserves the right to assign employees to shift and crew to balance crew experience, after first meeting and conferring with department Shop Stewards. Employees will be equally distributed between day and night shift assignments.

At any time during the duration of this assignment, two employees of equal qualification may voluntarily agree to exchange shifts provided that 1) administrative guidelines for hours worked for both employees are not exceeded and 2) the Operations Manager, or designee, provides approval. Such exchanges will not require the payment of Schedule

Change Pay as described below.

- 2) **Duration:** The outage shift schedule will begin on a Monday, one week prior to the outage start date, and may continue to the Sunday following the return of the Unit to 50% power. The outage shift schedule may be canceled and operators returned to their normal shift rotation at any time during this period with agreement between the local Business Rep and the Company.
- 3) **Schedule Change Pay:** Operators are to be paid compensation for the first 3 regular workdays (36 hours) of the new schedule (or any subsequent reassignment during the outage period) at the time and one-half rate in lieu of straight time.
- 4) **PAOT:** PAOT on the outage shift schedule will be offered to the employee on his/her second "X" day following the M day; next offered to the employee on his/her first "X" day following the M day Mandatory PAOT will be assigned in the same order; however, an employee shall not be required to work overtime on the second of two scheduled days off without having been scheduled for overtime on either the first or third scheduled day off.
- 5) During slow periods in the outage, it may be necessary to reduce staffing levels such that not everyone will be needed to work a 60 hour week. If this occurs, reductions will be based on volunteers first who may wish to not work the "M" day, If further reductions are needed, employees with the most PAOT hours will be notified in order of hours until correct staffing levels are reached.
- 6) An employee who desires to take off the mandatory overtime day (5th day), shall make a request to the Shift Manager at least two days in advance. After reviewing the schedule, manpower requirements, workload and consulting with the Work Window Managers, the Shift Manager may grant the employee the time off.
- 7) **Sunday Premium:** While assigned to the outage schedule, an employee who performs work on a Sunday will receive the Sunday Premium for all hours worked for the shift that starts on that Sunday.

b. Wages

- 1) The last eight hours on an employee's fourth scheduled work day in this schedule shall be considered as mandatory prearranged overtime and paid in accordance with Section 208.1.
- 2) Under Section 104.1, an employee shall be entitled to reimbursement for a meal and the time to take it for working the eight hour overtime period that is part of their scheduled 48-hour work week.
- 3) The Company will continue to interpret and apply Subsection 208.2(d) in a manner that provides pay at the double time rate for hours worked

beyond 8 hours on the second of any two days off (first X day), provided that work is performed on the preceding day (M day). Additionally, if an employee is scheduled for overtime on the third day off (second X day), the employee will receive pay at the double rate for hours worked beyond 8 hours provided that work was performed on either the first (M day) or second scheduled day off (first X day).

c. Meals

Employees are entitled to a meal per Title 104.10 after working in excess of 8 hours (i.e. 9 hours and 7 ½ minutes) on their normal scheduled days off (the 5th, 6th, or 7th workdays).

d. Watch Station Manning

Watch stations shall be rotated among individuals to the maximum extent possible. The intent is such that no operator spends the entire outage in the manpower pool (unless he/she volunteers to do so).

e. Shift Premium

Employees assigned to the outage night-shift crew will continue to receive third shift premium for all hours worked on night shift as in the 12-hour agreement.

f. Vacations

Vacation scheduling will be handled as follows.

- 1) Vacation is scheduled by shift week. A shift week selected on the normal rotating 12-hour schedule will translate to a shift week on the outage schedule. The number of employees allowed to sign up for time off during the outage period will be 1 SCO, 1CO, and 1 NO per shift (days or nights).
- 2) All vacation 'blue slips' requested during this period will be reviewed with the individual and the Assistant OPS Manager to ensure vacation needs during this period are met to the maximum extent possible while maintaining sufficient outage staffing.
- 3) Should an outage period span the two vacation periods, the Company and Union may discuss alternate dates for the sign-up periods.

g. Schedule Return

At the end of the outage schedule employees will return to their original crews unless agreed upon by both company and employee.

h. Special Projects – Radiation Waste Operator

The Company has the option to man the Radiation Waste position around the clock, seven days a week, during the refueling outages.

Beginning at the start of the outage at 0700 hours and continuing until the Friday following the closing of the Main Generator output breakers signaling the completion of the outage, the following hours change will be in effect.

The day shift Radiation Waste Operator will maintain normal Monday through Friday hours of 0700 to 1500 hours with an extension of shift on these days from 1500 to 1900 hours.

The night shift Radiation Waste Operator will change work hours to Monday through Friday from 1900 to 0300 hours with an extension of shift on these days from 0300 to 0700 hours. The night shift Radiation Waste Operator will receive the third shift premium for all hours worked on this schedule.

The Relief Radiation Waste Operator will continue the normal Monday through Friday from 0700 to 1500 hours schedule and may work an extension of shift either prior to or at the end of the normal shift as necessary to help with the increased workload.

Saturday day shift from 0700 to 1900 hours may be filled on a voluntary basis by the day shift Radiation Waste Operator. Saturday night shift from 1900 to 0700 hours may be filled on a voluntary basis by the night shift Radiation Waste Operator.

Sunday day shift from 0700 to 1900 hours may be filled on a voluntary basis by the Relief Radiation Waste Operator. Sunday night shift from 1900 to 0700 hours and any of the above Saturday or Sunday shifts not filled on a voluntary basis by the Radiation Waste Operator rotational assignment personnel will be filled through overtime from the outage support operators.

Any operator scheduled to fill either of the Sunday Radiation Waste Operator positions shall receive Sunday Premium per Section 110.7 of the Agreement. Entitlement for meals will be per Title 104 of the Agreement.

12. TERM

This 12-hour alternate work schedule agreement will continue until such time either party gives the other 60 days notice of cancellation.

AMENDMENT TO
LABOR AGREEMENT CLARIFICATION
TITLES 202, 205, and 206

Utilization of Relief Shift Employees
Diablo Canyon Power Plant

The Nuclear Regulatory Commission requires a procedure that places certain restrictions on the use of overtime for all nuclear plant shift personnel engaged in safety-related activities and provides rules for temporary relief of these personnel.

The following procedures will be utilized and supersede the utilization of relief shift Agreement dated November 1, 1967. However, reference will be made to the appropriate contract sections in the Physical Labor Agreement.

A. Restrictions of Shift Personnel – Overtime

1. An individual shall not be scheduled to work more than 12 consecutive hours.
2. There should be a break of at least 8 hours between all work periods.
3. An individual should not be permitted to work more than 16 hours in any 24-hour period, nor more than 24 hours in any 48-hour period, nor more than 72 hours in any seven-day period.
4. An individual shall not be scheduled to work more than 14 consecutive days without having 2 consecutive days off (refer to Section 208.23 and the Labor Agreement clarification).
5. If a Reactor Operator or Work Control Lead has been working more than 12 hours during periods of extended shutdown (e.g. at duties away from the control board), such individuals shall not be assigned shift duty in the control room without at least 12-hour break preceding such an assignment.
6. If a Reactor Operator is required to work in excess of eight continuous hours, such employee shall be periodically relieved of primary duties at the control board, such that periods of duty at the board do not exceed about four hours at a time.
7. The above hourly requirements only apply to actual hours worked. Shift turnover (if any), travel time and meal time after release from work do not count.
8. In unusual circumstances the Plant Manager or may authorize exceptions to the above scheduling requirements.

B. In view of the above requirements, the replacement of an absent shift employee at Diablo Canyon Power Plant will be made in the following manner:

1. An absent employee is one who is (a) off work and absent from Company's premises, (b) temporarily assigned to a classification not in the bargaining unit, or

- (c) assigned to a training program or schedule which results in his/her being off watch.
2. Subsection 205.3(A) of the Agreement provides in part that in making temporary assignments to fill job vacancies, Company shall first consider employees in the appropriate Relief classifications and then, when practicable, consider the qualified employees at the headquarters in which the job vacancy exists in order of their preferential consideration under Section 205.7. The everyday application of the foregoing will be on the following basis:
 3. When a shift employee is absent and Company elects to replace him for that watch, other than by the assignment of his/her duties to an employee on the same watch in the same or higher classification, the foregoing will be applied in the following sequence:
 - a. An employee in the appropriate Relief shift classification shall be assigned to relieve him if such Relief shift employee is available. Such Relief shift employee shall be considered available any hour of the day and on any day of the week unless:
 - 1) he/she is sick,
 - 2) he/she is on vacation,
 - 3) he/she has made other arrangements with his/her supervisor in advance,
 - 4) he/she is already committed to the extended (one week or more) relief of another shift employee, or
 - 5) such assignment would conflict with the provision of Items A, 1 and 2 of the procedure listed above.
 - b. Whenever a Relief shift employee in the same or higher classification is not "available" as defined above and the vacancy is not caused by vacation or a 21st watch, a qualified employee on the watch may be upgraded to provide the required relief. In such a case, an upgraded employee may only be relieved by upgrading of a qualified employee within the watch.
 - c. Whenever a Relief shift employee in the same or higher classification is not "available" and a qualified employee on the watch is not upgraded, a shift employee in the same classification in which the relief is required shall be assigned to provide the required relief in the following order:
 - 1) Call in the shift employee who is on his/her non work days the same classification in which the relief is required.
 - 2) Split the vacant eight-hour watch by extending the work period of the employee on the previous watch for four hours and call in the employee scheduled to work the following watch four hours early.
 - 3) Call in the shift employee who is on his/her non-work days in a higher classification.

EXHIBIT X
SCHEDULE OF WAGE RATES OF AGREEMENT APPLICABLE TO
OPERATION, MAINTENANCE AND CONSTRUCTION EMPLOYEES

A Company-Union Subcommittee met to review the Materials line of progression and benchmark data on the 1210 Materials Handler and 1213 Utility Materialsman classifications.

The Committee agreed to modify the progression from a 24-month progression to a 42-month progression for employees entering the classifications beginning January 1, 2009. Exhibit X will be modified to show three salary ranges for the Materials Handler/Materialsman classification as noted below. The 2008 wage rates shown below will be increased on January 1, 2009 by the general wage increase (GWI) that is agreed to in ongoing general negotiations.

1210 Materials Handler (Hired 1-1-09 and after)
1213 Utility Materialsman (Hired 1-1-09 and after)

	Weekly	Hourly
Start	826.40	20.66
End 6 Mo	886.00	22.15
End 1Yr	946.00	23.65
End 18 Mo	1,006.00	25.15
End 2 Yr	1,103.60	27.59
End 30 Mo	1,178.40	29.46
End 3 Yr	1,215.20	30.38
End 42 Mo	1,258.00	31.45

1210 Materials Handler (Hired after 12-31-82 and before 12-31-08)
1213 Utility Materialsman (Hired after 12-31-82 and before 12-31-08)

	Weekly	Hourly
Start	1,006.00	25.15
End 6 Mo	1,103.60	27.59
End 1Yr	1,178.40	29.46
End 18 Mo	1,215.20	30.38
End 2 Yr	1,258.00	31.45

1210 Materials Handler (Hired 12-31-82 and before)
1213 Utility Materialsman (Hired 12-31-82 and before)

	Weekly	Hourly
Start	1,072.00	26.80
End 6 Mo	1,138.40	28.46
End 1Yr	1,178.40	29.46
End 18 Mo	1,215.20	30.38
End 2 Yr	1,258.00	31.45

EXHIBIT I

EDUCATIONAL ASSISTANCE

The Company shall provide a program of partial reimbursement for tuition and required textbooks, as follows:

Eligibility

Language Unchanged.

Procedure

Language Unchanged.

Payment In Advance

Payment in advance for approved courses of study will be provided at a rate of 75 percent or 90 percent of direct costs. Direct costs apply only to registration fees, tuition, required textbooks, laboratory fees, and other charges made by the institution. Costs of material and equipment purchased separately by the employee are not covered.

- A. ~~Refunds under the current Tuition Refund Program will be made only for those approved courses begun on or after January 1, 1971. Payment in advance under the revised Tuition Refund Program will be provided only for those approved courses begun on or after January 1, 1994. **(Deleted 1-1-09)**~~
- B. Where the institution includes the costs of textbooks and/or supplies in its charges or fees, a refund of 75 percent of the direct costs will be made (e.g., ICS, La Salle, etc.).
- C. In all other cases, a refund of 90 percent of the direct cost charged by the institution will be made (e.g., City or State Colleges, Heald's etc.).
- D. Payment in advance will be made only for courses in which regular employee enrolled after completion of six months or more of continuous service. Employees who voluntarily terminate employment with PG&E or are discharged for cause must repay PG&E for any tuition and fees advanced.
- E. There is an annual limit of **\$5,250** ~~4,200~~ per employee per calendar year. Requests for payment in excess of this limit will be considered only if:

The course or courses are of a special nature, and

Such course or courses are not available elsewhere, and

It is unlikely that such course or courses will be repeated in the foreseeable future.

(Amended 1-1-09)

EXHIBIT VIII JOB COMPARISONS

(Amended 1-1-09)

(Job description updated to reflect Exhibit X job descriptions)

(Job description updated to reflect Exhibit X job descriptions)

TITLE 300 (GENERAL CONSTRUCTION)

TITLE 200 (REGIONS/DIVISION)

Apprentice Cable Splicer	Apprentice Cable Splicer
Apprentice Communication Technician	Apprentice Telecommunications Technician
Apprentice Equipment Mechanic (SC)	Apprentice Equipment Mechanic (Garage)
*Apprentice Lineman	Apprentice Lineman
Apprentice Electrician	Apprentice Electrician
Apprentice Welder	Apprentice Fitter and Apprentice Welder
Arc Welder	Fitter, Welder
Backhoe Operator	Equipment Operator, Heavy Equipment Operator and T&D Equipment Operator
Cable Splicer	Cable Splicer
Carpenter A	Carpenter
Communication Technician	Telecommunications Technician
Crane Operator	Heavy Equipment Operator
Electrical Technician	Electrical Technician
Electrician	Electrician
Field Garage Mechanic "A"	Equipment Mechanic (Garage)
Field Garageman	Garageman
Field Mechanic "B"	Apprentice Equipment Mechanic (Garage)
Fieldperson	Fieldperson, Light Truck Driver, Truck Driver
First Cook	Cook
First Field Clerk	Field Clerk - Electric T&D, Foreman's Clerk, and First Plant or First Hydro Clerk
Gas Mechanic	Fieldman
Gas Technician	Gas Control Technician
Hole Digger Operator	T&D Equipment Operator and Heavy Equipment Operator
Kitchen Utility Worker	Cooks Utility Worker
Labor Foreman A or B	Labor Crew Leader
*Lineman	Lineman
Machinist, SC	Machinist
Materials Handler	Materials Handler
Miscellaneous Equipment Operator	Truck Driver T&D, Fieldperson, Heavy Truck Driver, and Light Tractor Driver

Painter	Painter
Painter, SC	Painter
Rigger	Rigger
Routine Field Clerk	Assistance Foreman's Clerk and Routine Hydro or Plant Clerk
Routine Shop Clerk	Assistance Foreman's Clerk and Routine Hydro or Plant Clerk
Senior Field Clerk	Senior Hydro or Plant Clerk
Senior Shop Clerk	Senior Hydro or Plant Clerk
Services Working Foreman	Garage Subforeman
Street Fitter	Fieldperson
*Subforeman A - Line	Electric Crew Foreman
Suboreman A	Electric Maintenance Crew Lead
Substation Mechanic	Mechanic, Electric Maintenance
*Tractor Operator	Heavy Equipment Operator and T&D Equipment Operator
Trencher Operator	Heavy Equipment Operator
Utility Worker	Utility Worker
Welder	Fitter, Welder, and Gas Mechanic
Working Foreman	Gas Crew Leader

The foregoing comparison of jobs is general and does not necessarily connote that the job which are compared have identical duties or that performance in one job qualifies an employee for a "comparable" job.

See also Sections 205.22 and 305.2

Exhibit VIII does not currently contain all appropriate comparisons and should not be an exclusive resource for the purposes intended.

*The parties agree that the General Construction Lineman and related classifications are comparable to the Title 200 Lineman and related classifications, not to the Title 200 Service Crew Lineman or Title 200 Transmission Lineman.

EXHIBIT XVI. CONTRACTING
Electric T&D (200 and 300), Gas T&D (200 and 300) and Substation

1. It is the parties' objective to control the need to use outside contractors on work that is normally performed by bargaining unit employees, except for the work describe below.
2. The Company agrees that it will not contract any work which is normally performed by its bargaining unit employees if, as a result thereof, it would become necessary to lay off, demote or displace any regular employee. If contracting is taking place, the department's staffing numbers shall not be eroded by attrition over the long term as a direct result of the contracting.
3. Prior to the use of the lack of work provisions of Title 206 or 306 that will result in involuntary layoff or displacement, Company shall first eliminate all use of contracting and hiring hall personnel in the affected department. No contracting or hiring hall personnel may be used in the affected department within 12 months of any Title 206 or 306 activity unless the rehire list for that department has been exhausted.
4. Call Outs and Prearranged Overtime. The Company will exhaust the applicable 212 list and check the availability of Title 300 resources before calling contractors for emergency duty. The appropriate Title 200 and 300 bargaining unit employees will be offered prearranged overtime before any contractors are called into work for prearranged overtime. This provision does not apply to regularly scheduled contractor workweeks that exceed 40 hours. Only bargaining unit employees will be used to inspect work performed by contractors consistent with current work practices. To support this initiative, Company will initiate and sustain training programs that will develop an adequate number of trained bargaining unit Inspectors. Inspectors will be journeymen or above selected by Company and approved by Union.
5. The parties recognize that peak work is best accomplished through the use of hiring hall employees or contracting. The Company may contract work (1) when needed specialized skills or specialized equipment are not available (2) when peak workloads require a temporary increase in the Company's forces with subsequent lay-off of such additional forces; (3) **Electric T&D only:** to provide minimal ongoing employment for contractors to facilitate response to storms or other major outages.
6. On a quarterly basis or more often as needed, representatives of the Company and Union will meet to review the Company's operational needs and various alternatives for completing the work. Prior to each quarterly meeting, Company will share actual hours contracted compared with projected hours that were forecast. Before deciding whether or not to contract such work, thorough consideration will be given to (1) staffing levels and the possible need to hire additional regular and/or hiring hall employees; (2) providing the opportunity for overtime to the work group involved either instead of or in conjunction with contracting; and (3) other alternatives which would permit greater utilization of Company employees within the requirements of the work to be performed and other restraints such as the time within which the work must be completed. The ultimate decision on staffing levels, overtime assignments, and contracting rests with the Company.
7. All bargaining unit construction work contracted out will be performed pursuant to a Project Labor Agreement agreed to by the parties. For maintenance work, all contractors will pay employees the prevailing wage as defined by the California Labor Code Part 7, Chapter 1, Article 2, Section 1770, 1773 and 1773.1. Further, the parties continue to encourage the use of IBEW and union-friendly contractors.

8. Upon 30 days written notice, either party may cancel this agreement for any department covered by this agreement, in which case the existing term of Exhibit XVI will revert as operative for that department. In the event of cancellation, existing PLA contracts would continue only to the extent required by the termination and cancellation clause of the agreement with the contractor and hours worked by contractors would not count as hours worked under Exhibit XVI. Company will during the full term of this agreement require all contractors to provide all data needed to comply with Exhibit XVI. Amendments to this agreement may be made by agreement of the Chief Negotiator for the Company and the Union's Business Manager.

EXHIBIT XVII. METER READER AGREEMENT

Modify Items L.10 and 11 in the Meter Reader Agreement changing the Rainboot allowance to a Footwear allowance and increasing the related reimbursable amount from \$45 to \$100. The proposed replacement language, effective January 1, 2009, is as follows:

Proposed New Language

10. Footwear allowance: The Company will provide up to \$100 every year for proper footwear. Meter Readers will be required to submit proof of purchase for reimbursement.

11. Wearing appropriate footwear as defined below is required for the safety of the Meter Reader while performing their job:
 - a. Covers ankle bone
 - b. Supports ankle
 - c. High traction, slip and puncture resistant sole
 - d. Leather or canvas upper

(Amended 1-1-09)

SUPPLEMENT TO TITLE 205 BIDDING UNITS AND 206 DEMOTION UNITS
DIVISION ELECTRIC OPERATING
(Added 1-1-09)

<u>Promotion Unit for T&D</u>	<u>Demotion Unit for T&D</u>
<p><u>BIDDING UNIT 20</u> <u>AREA 29</u></p> <p><u>Humboldt</u> <u>North Valley</u> <u>Auburn</u> <u>Vaca-Dixon</u> <u>Round Mountain</u> <u>Table Mountain</u> <u>Fulton</u> <u>Russian River</u> <u>Ignacio</u></p> <p><u>AREA 30</u></p> <p><u>Golden Gate</u> <u>San Mateo</u> <u>Pittsburg</u> <u>Newark</u> <u>Tesla</u> <u>Diablo</u> <u>East Bay</u> <u>Mission</u></p> <p><u>Area 31</u></p> <p><u>DeAnza</u> <u>Edenvale</u> <u>Moss Landing</u> <u>Metcalf</u> <u>Diablo Canyon</u> <u>Central Coast</u> <u>San Luis Obispo</u></p> <p><u>Area 32</u></p> <p><u>Fresno Operating Center</u> <u>Los Banos</u> <u>Stockton</u> <u>Yosemite</u> <u>Fresno</u> <u>Kern</u> <u>Midway</u></p>	<p><u>DEMOTION UNIT 13</u> <u>AREA 37</u></p> <p><u>Humboldt</u> <u>North Valley</u> <u>Auburn</u> <u>Vaca-Dixon</u> <u>Round Mountain</u> <u>Table Mountain</u> <u>Fulton</u> <u>Russian River</u> <u>Ignacio</u></p> <p><u>AREA 38</u></p> <p><u>Golden Gate</u> <u>San Mateo</u> <u>Pittsburg</u> <u>Newark</u> <u>Tesla</u> <u>Diablo</u> <u>East Bay</u> <u>Mission</u></p> <p><u>Area 39</u></p> <p><u>DeAnza</u> <u>Edenvale</u> <u>Moss Landing</u> <u>Metcalf</u> <u>Diablo Canyon</u> <u>Central Coast</u> <u>San Luis Obispo</u></p> <p><u>Area 40</u></p> <p><u>Fresno Operating Center</u> <u>Los Banos</u> <u>Stockton</u> <u>Yosemite</u> <u>Fresno</u> <u>Kern</u> <u>Midway</u></p>

ATTACHMENT B
BENEFIT AGREEMENT

Replace the \$3,500 in Section 14 of Part II of the Retirement Plan with the applicable IRS Code Section:

14. Facility of Payment

(1) If the present value of all PENSION benefits payable under the PLAN to any individual is less than ~~\$3,500.00~~ ***the amount specified under IRC Section 411(a)(11)*** as of the SEVERANCE FROM SERVICE DATE or ACTUAL RETIREMENT DATE, the equivalent value shall be paid in a lump sum, as directed by the ADMINISTRATOR.

SPECIAL PROVISION G

PENSION ADJUSTMENTS
(Amended 2/1/09)

- (a) Effective February 1, 2009, the PENSION of any PARTICIPANT who actually retired from the bargaining unit represented by UNION or the PENSION of a person receiving a SPOUSE'S PENSION or a JOINT PENSION of such a retiree, will be increased as follows:

Retired before 1990	5.0%
Retired between 1/1/90 and 12/31/97	3.0%

BENEFIT AGREEMENT

PART III

RETIREMENT PLAN

Effective January 1, 2009, Section 3.06 of the Retirement Plan will be replaced as follows:

3.06. Basic Pension Benefit Formula (Amended 1/1/09)

(a) Effective January 1, 2009, each Employee on Actual Retirement Date, or Employee terminating employment with a vested Plan benefit on Severance from Service Date A PARTICIPANT whose SERVICE continues to NORMAL RETIREMENT DATE or beyond is entitled to a Basic Pension payable on Actual Retirement Date and on the first day of each month thereafter as long as the Participant lives. The monthly amount of the Basic Pension for a Participant shall be equal to the PARTICIPANT'S Employee's Basic Weekly Pay in effect as of the thirtieth (30th) day preceding the Severance from Service Date, converted to an equivalent monthly salary, and multiplied by:

1.5 percent times the number of whole and fractional years of Service up to and including the 25th year of Service, plus

1.6 percent of the number of whole and fractional years of Service after completion of the 25th year of Service.

The amount so determined shall take the place of all other retirement income to which a Participant might otherwise have been entitled under any suspended Plan of an Employer or predecessor company, **except that in no event shall this benefit be less than the Participant's accrued monthly benefit as of December 31, 2008.**

~~(a) Pension Band Tables~~

- ~~(i) The Monthly Benefit amount shown in the PENSION Band Table times years of SERVICE shall be compiled to the nearest half month.~~
- ~~(ii) The Monthly Benefit Per Year of SERVICE amounts shall continue to reflect any increase of the PARTICIPANT'S BASIC WEEKLY PAY which is effective on January first of each year.~~
- ~~(iii) Each active Employee on Actual Retirement Date, or active Employee terminating employment with a vested Plan benefit on Severance from Service Date shall be placed in a Pension band which reflects the Participant's straight time rate of pay for the basic work week as of January first or the top rate of pay for the Employee's basic classification as of January first, whichever is greater, not including any temporary upgrade pay, any premium pay or any benefits of any kind. This rate of pay will be increased by 2.75% for all clerical EMPLOYEES who receive the 1988 Lump Sum payments; by 3.75% for clerical Employees who receive the 1988 and 1989 Lump Sum payments, in accordance with the Clerical Agreement; by 6% for all~~

~~physical Employees who qualify for rubber-gloving premiums; or by 4% for all Pacific Gas Transmission Company Employees who receive the 1991 Lump Sum payment.~~

~~(iv) The minimum BASIC WEEKLY PAY amount in (a) above shall be adjusted to reflect the general wage increase which is effective on January first of each year.~~

(b) Additional Retirement Income

Each PARTICIPANT shall upon retirement, in addition to the monthly PENSION benefit provided for in ~~Subsection 6(a) above~~ **under the Basic Pension Formula**, be entitled to additional monthly Pension income, as computed below, for shift premiums, Sunday premiums, and nuclear premiums.

Additional Retirement Income is computed as follows:

The actual straight-time compensation received by Participant for shift premiums, Sunday premiums, and nuclear premiums during Participant's last calendar year prior to retirement shall be totaled and divided by the total number of ~~weeks~~ **months** worked in that year (~~52 weeks~~ **12 months** in a year) which will result in an average premium per ~~week~~ **month**. No amount of compensation in excess of the compensation limits imposed by the CODE Section 401(a)(17) shall be taken into account for purposes of computing Additional Retirement Income. The average premium per week **month, rounded up to the nearest ten dollars**, will then be applied to the current factor which will result in a benefit per year of Service amount. The factor referred to is computed on the effective date of any Plan agreement by dividing applicable first year Monthly Benefit Per Year of Service amount by the maximum Basic Weekly Pay provided for that monthly amount. For example, assuming the 2003 Pension Band 37 applies to a Participant who retires in any year of the contract term, the factor would be .0620 (\$78.74 ÷ \$1,269.99). The monthly benefit per year of Service amount will then be multiplied by **the Basic Pension Formula** which will result in the Additional Monthly Retirement Income.

Example:

1. Total of Shift, Sunday and Nuclear Premiums		
Received in Previous Calendar Year	=	\$ 2,050.46
2. Weeks in One Year	=	52
3. Average Premium Per Week	=	\$ 39.43
4. Current Factor (\$78.74 / \$1,269.99)	X	.0620
5. Monthly Benefit Per Year of Service	=	\$ 2.45
6. Participant's Credited Years of Service (Assume 30)	X	30
7. Additional Monthly Retirement Income		\$ 73.50

Effective January 1, 2004, Additional Retirement Income will be calculated in two parts, reflecting the two-tiered Pension Band benefits based on service up to 25 years and service in excess of 25 years. The average premium per week will be multiplied by the factor that applies based on years of service, which will result in a monthly benefit per year of Service amount. The factors referred to are computed on the effective date of any PLAN agreement by dividing applicable first year Monthly Benefit Per Year of Service amount by the maximum BASIC WEEKLY PAY provided for that monthly amount. For example, assuming the 2004 Pension Band 43 applies to a Participant who retires, the factor would be .0650 ($\$89.05 \div \$1,369.99$) for the first 25 years of service, and .0693 ($\$94.99 \div \$1,369.99$) for service after the 25th year. The resulting monthly benefit per year of Service amounts are multiplied by the Participant's Credited years of Service, then added together, which will result in the Additional Monthly Retirement Income.

Example:

1. Total of Shift, Sunday and Nuclear Premiums			
Received in Previous Calendar Year	=	\$	2,050.46
2. Weeks in One Year	=		52
3. Average Premium Per Week	=	\$	39.43
4. Factor for first 25 Years ($\$89.05 / \$1,369.99$)	X		.0620
5. Monthly Benefit Per Year of Service	=	\$	2.56
6. Participant's Credited Years of Service (Maximum 25)	X		25
7. Additional Monthly Retirement Income for first 25 Years	=	\$	64.00
			PLUS
8. Average Premium Per Week	=	\$	39.43
9. Factor for Service over 25 Years ($\$94.99 / \$1,369.99$)	X		.0693
10. Monthly Benefit Per Year of Service	=	\$	2.73
11. Participant's Credited Years of Service Over 25 (Assume 30 Years Total)	X		5
12. Additional Monthly Retirement Income for Service Over 25 Years	=	\$	13.65
13. Total Additional Monthly Retirement Income ($\$64.00 + \13.65)	=	\$	77.65

Example:

<u>1. Total of Shift, Sunday and Nuclear Premiums</u>		
<u>Received in Previous Calendar Year</u>		\$ 2,050.46
<u>2. Months in One Year</u>	=	12
<u>3. Average Premium Per Month (\$170.87 rounded up to</u>		
<u>Nearest \$10)</u>	=	\$ 180.00
<u>5. Participant's Credited Years of Service (Assume 30)</u>	=	30
<u>6. Basic Benefit Formula:</u>		
<u>1.5% X Average Premium per Month X 25 Years of Service</u>	=	\$ 67.50
<u>1.6% X Average Premium per Month X 5 Years of Service</u>	=	\$ 14.40
<u>7. Total Additional Monthly Retirement Income (\$67.50 + 14.40)</u>	=	\$ 81.90

(c) In no event shall a Participant's Pension payments exceed the maximum described in Special Provision H.

Also effective January 1, 2009, the definition of BASIC WEEKLY PAY will be amended as follows:

Basic Weekly Pay:

See Section 6 (a), (ii), (iii), (iv). Basic Pension Benefit Formula.

(a) Each active EMPLOYEE on ACTUAL RETIREMENT DATE or active EMPLOYEE terminating employment with a vested PLAN benefit on SEVERANCE FROM SERVICE DATE shall receive **a Basic Pension Benefit which reflects the PARTICIPANT's straight-time rate of pay for the basic work week as of the thirtieth (30th) day preceding SEVERANCE FROM SERVICE DATE, rounded up to the nearest ten dollars.** This rate of pay excludes any temporary upgrade pay, any premium pay, or any benefits of any kind except as provided below. This rate of pay will be increased:

- by 2.75% for all clerical EMPLOYEES who received the 1988 Lump Sum payment; or by 3.75% for clerical EMPLOYEES who received the 1988 and 1989 Lump Sum payments, in accordance with the Clerical Agreement;
- ~~by 6% for all physical EMPLOYEES who qualify for rubber-gloving premiums;~~
- by 4% for all Pacific Gas Transmission Company EMPLOYEES who received the 1991 PGT Lump Sum payment;
- **to a minimum rate of pay equal to the highest BASIC WEEKLY PAY amount for Pension Band 1 of the Pension Band Table as of January 1, 2008, or \$ 1,109.99, as adjusted to reflect any general wage increase which is effective during the term of the Agreement, and rounded up to the nearest ten dollars.**

~~(a)~~ **(b)** If an Employee's pay rate is changed in accordance with the provisions of Section 204.4 or 304.4 of the Physical Agreement or Section 13.5 of the Clerical Agreement, or Section 15.2 of the ESC Agreement, during the term of this Agreement, Employee's Basic Weekly Pay shall be the rate established on the first day of such change. An Employee who has at least 10 years or more of Service and who, due to a lack of work situation, or due to physical disability, is demoted, transfers or bids down immediately preceding Participant's Actual Retirement Date, but not to exceed three years with at least 10 but not less than 20 years of Service, not to

exceed four years with at least 20 but less than 30 years of Service, and not to exceed five with at least 30 years of Service shall **use the Basic Weekly Pay** be placed in the Pension Band ~~e~~ in effect on **the thirtieth (30th) day prior to** Actual Retirement Date for either Participant's former classification held prior to such demotion, transfer or bid-down, or the ~~Pension Band of~~ Participant's current classification, **rounded up to the nearest ten dollars, for purposes of calculating a benefit under the Basic Pension Benefit Formula.**

~~(b)~~ **(c)** For an inactive Employee not on Long-Term Disability: the Basic Weekly Pay as defined in ~~(a)~~ **(b)** above for the classification held by Employee on the last day worked, or if the Participant returns to active employment the Basic Weekly Pay of the Participant's current classification **on the thirtieth (30th) day** prior to the Actual Retirement Date.

~~(c)~~ **(d)** For an EMPLOYEE receiving Long-Term Disability Benefits as provided in Part II B of this Agreement, the rate of pay used in Section 6 shall be the highest of:

- (1) the EMPLOYEE's BASIC WEEKLY PAY for the classification held by the employee on the last day worked, rounded up to the nearest ten dollars
- (2) the employee's Long-Term Disability benefit payment,
- (3) the highest BASIC WEEKLY PAY amount for Pension Band 1 of the Pension Band Table as of January 1, 2008, or \$ 1,109.99, as adjusted to reflect any general wage increase which is effective during the term of the Agreement, and rounded up to the nearest ten dollars, or**
- (4) the BASIC WEEKLY PAY as defined in (a) above on the date an EMPLOYEE returns to work during the term of the Agreement.

~~(d)~~ **(e)** retain section as is

Additional plan sections may be amended as necessary to conform with the intent of the changes shown above, subject to review and concurrence of the Union.

Retirement Savings Plan

Current Structure	Proposed Structure	
Risk Based Funds <ul style="list-style-type: none"> ▪ Conservative Asset Allocation Fund ▪ Moderate Asset Allocation Fund ▪ Aggressive Asset Allocation fund 	Target Date Funds <ul style="list-style-type: none"> ▪ Target Date Fund Suite – Target Retirement Date Funds dated 2010-2050 at 5 year intervals; includes Income Fund for existing retirees 	
	Core Funds	
Core Funds <ul style="list-style-type: none"> ▪ PG&E Corporation Stock Fund ▪ Stable Value Fund ▪ RSP Large Co. Stock Index Fund ▪ RSP Small Co. Stock Index Fund ▪ RSP International Stock Index Fund ▪ RSP Bond Index Fund 	<u>Current</u> <ul style="list-style-type: none"> ▪ PG&E Corporation Stock Fund ▪ Stable Value Fund ▪ RSP Large Co. Stock Index Fund ▪ RSP Small Co. Stock Index Fund ▪ RSP International Stock Index Fund ▪ RSP Bond Index Fund 	<u>Additions</u> <ul style="list-style-type: none"> ▪ RSP Total US Stock Index Strategy ▪ RSP Emerging Markets Enhanced Index ▪ RSP Intermediate US Government Bond Index ▪ RSP World Stock Index Fund
Mutual Fund Window <ul style="list-style-type: none"> ▪ The Mutual Fund Window offers participants approximately 200 mutual fund selections covering a variety of asset classes. 	Self-Directed Account <ul style="list-style-type: none"> ▪ The SDA will give participants who register for it access to over 4,000 mutual fund offerings. 	

- Change will be effective by the 3rd Quarter, 2009. The Company will notify the Union in advance.
- Final implementation will require Employee Benefits Committee (EBC)/Compensation Committee approval.

LONG TERM DISABILITY PLAN

Coordination of Benefits – Plan III

Your benefits under the LTD Plan will be coordinated with other benefits that you may be entitled to receive, including but not limited to:

- California State Disability Insurance (SDI) (for illnesses or injuries occurring on or after January 1, 2001)
- The Company's Supplemental Benefits for Industrial Injury Plan and any other Worker's Compensation benefits
- Any other benefits payable by an employer, including those payable under government laws and financially supported by an employer
- 100% of your family Social Security disability benefit, including any back-pay awards, **or any amount payable under the Railroad Retirement Act.**
- 100% of any payments received from the Company's pension plan
- Life pensions paid under the Workers' Compensation Act for injuries occurring on or after July 1, 1977 (you are entitled to a life pension if you have received a disability rating of 70% or greater)
- 100% of your Social Security retirement benefit, and family Social Security disability, if applicable, ~~on your normal retirement date~~ if you are qualified to continue LTD benefits.

Coordination of Benefits – Plan II

... 100% of your Social Security retirement benefit ~~on your normal retirement date~~ if you are qualified to continue LTD benefits.

Coordinate of Benefits – Plan I

... 30% or 40% of your Social Security retirement benefit (depending on your credited service at the time your disability began) ~~on your normal retirement date~~ if you are qualified to continue LTD benefits.

(Amended 1-1-09)